

# 60TH AGM REPORT

## 2023



**DUNGANNON**

CREDIT UNION LIMITED

[www.dungannoncu.com](http://www.dungannoncu.com)



# Dungannon Credit Union Ltd

## Serving the local community for nearly 60 Years

Dungannon Credit Union is delighted to be able to provide support to all of the named Charities & Community Groups in Dungannon, on behalf of our Members in 2023!

**We could not offer this support without all our members.**



### Credit Union Invocation

Lord, make me an instrument of thy peace  
 Where there is hatred, let me sow love.  
 Where there is injury, pardon.  
 Where there is doubt, faith.  
 Where there is despair, hope.  
 Where there is darkness, light.  
 Where there is sadness, joy.  
 O, Divine Master, grant that I might not so much  
 seek to be consoled as to console.  
 To be understood, as to understand;  
 To be loved as to love;  
 For it is in giving that we receive,  
 It is in pardoning that we are pardoned,  
 And it is in dying that we are born to eternal life.

### **St Francis of Assisi**



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## CREDIT UNION OFFICERS 2022-2023

<b>Chairperson</b>	Patricia Coyle Deirdre
<b>Treasurer</b>	Rodgers Gerry Ross
<b>Asst. Treasurer</b>	Carmel McBrien
<b>Secretary</b>	
	Joseph Donnelly
<b>Directors</b>	KerrieAnn McCullagh
	Philip McNally
	Philip McQuaid
	James Kelly
	Ignatius Burns
<b>Supervisors</b>	Michael Quinn
	Thomas Delaney

**Manager**  
Lisa McCloskey

**Compliance & Risk Officer**  
Orl agh McOscar

**Operations Manager**  
Bridget Harrington

**Operations Officer**  
James McCabe

**Marketing Officer**  
Pauline McCullagh

**Staff**  
Tiernan Morgan  
R oagh O'Donnell  
Christine Flanagan  
Martina Kavanagh  
Sarah Floyd  
Una Holland  
Catherine Breslin

**Credit Unions ranked as Number One in 2023 RepTrak® study**  
(Posted on: 10th May 2023)

Credit Unions have been ranked as number one among the top one hundred most highly regarded organisations in Ireland, in the Ireland RepTrak® 2023 annual study.

...“The RepTrak survey emphasises attributes such as trust and respect, which are core to the ethos of credit unions which are locally owned, and, or managed. We are proud to be at the heart of communities nationwide working towards a more inclusive society, where no one is left behind.

“As we look to the future and the development of our offering to communities, this achievement is an important barometer of the sectors success to date and future opportunity for credit unions and those that we serve across Ireland”



“ Credit Unions keep topping the CXi poll every year for one key reason - they treat their customers as members. They understand their members' needs at different stages of their lives and tailor their services accordingly.... Our values and ethos are not just words hanging in a picture frame they are put into action on a daily basis. ”

Paul Bailey





**DUNGANNON CREDIT UNION ONLINE**  
[www.dungannoncu.com](http://www.dungannoncu.com)

- Stay in control of your finances no matter where you are and at any time.
- Move money between your CU accounts
- Move money to your bank accounts
- Check your balances
- Get access to your e-statement

**Online Registration Instructions**

The Online & Mobile Banking App Facility is available to all active members who have registered at [www.dungannoncu.com](http://www.dungannoncu.com) and received their PIN to log in.



- To receive a PIN you will need to complete our registration process.
- A PIN can be issued in the office via SMS or will be sent out by post following registration.



**Digital When You Want it, Human When You Need It**



**A CREDIT UNION FOR THE FUTURE**

Following the opening of Phase 2 of the redevelopment in April, we were delighted to mark the completion of works with the official opening in October alongside International Credit Union Day. We are confident members are already seeing the benefits of a modern open space, improved facilities such as additional members service rooms for privacy, Quick lodge and statement printing facilities.





## CHAIRPERSON'S ADDRESS

**I would like to briefly reflect on the past year. Firstly, it's important to mention the successful refurbishment completion. This carried on throughout 2023 with our grand opening just recently on the 19th October 2023. During the work we ensured that business continued smoothly and in line with our commitment to serving our members.**

Over the past few years, we have witnessed events that caused economic uncertainties both locally and globally, from the pandemic to the Ukraine invasion and most recently, the Palestine/Israel conflict. These events have led to financial uneasiness and increased living costs. However, I want to assure you that the credit union remains dedicated to helping our members, just as we always have. Your Credit Union is here for its members in good times and when things get tough. We understand the financial strains at times like these and acted accordingly in various ways throughout the year. Our commitment to supporting our members during the winter months has been evident in the continuation of our Winter Fuel Loans. These loans have provided a lifeline for many while fuel costs remain high.

We have introduced a new 10-year loan term on Tier 3 loans over £15,000 to make larger purchases more affordable for our members.

In recognising the importance of flexibility and affordability of our loans, we have enhanced our borrowing options to allow our members to manage their financial commitments and spread the costs over a reasonable time that best suits their needs. In light of numerous local bank closures, it comes as no surprise that credit unions have once again topped the league table for the best customer experience in Ireland, marking the 9th consecutive year.

Credit control staff have been supporting those members impacted by Covid-19 and I am pleased to say that all are now back on track with their scheduled repayments. We strongly encourage any member facing difficulty in their loan repayment, to contact our office promptly so that we can review their situation and provide guidance on next steps. Thanks to the efforts and focus we have put in over the years, Dungannon Credit Union stands strong.

I hope you have all had the opportunity to visit our magnificent new office. It is clear we had outgrown our previous premises. The completion of this building ensures that the credit Union can thrive for the next 60 years. It has allowed us more working space, additional offices for more privacy and enabled us to offer more services to our members. Over the next number of years with increased efficiencies, we will see the benefits of our investment in the building with less maintenance costs which previously was a constant drain on the old premises. Not only is it a spectacular structure, but it also enhances the area and adds to Dungannon town.



The Credit Committee and loans officers have been busier than ever handling over 1900 loan applications and approving 1700, totalling £5.1 million. We take pride in offering excellent value with our loan products with a range of different loans to suit your needs. The positive feedback from our members reflects the quality of service we provide.

Loans are the lifeblood of any Credit Union. So please if you or any member of your family needs to borrow, remember to make us your first point of call.

This year, we have taken a strategic approach to engage with our local schools. With the guidance of our Marketing Officer, Pauline, we have successfully established connections and implemented various programs to raise awareness among young people about the benefits of credit union membership. In doing so, we are laying the foundation for their future financial awareness and money management skills. Additionally, we have actively fulfilled our social responsibilities by supporting local clubs and community initiatives. By identifying sports and charity events that embody the true spirit of community engagement, we have demonstrated an unwavering commitment to our community. In the last financial year we have donated more than £5,000 to local initiatives.

Next year will be a milestone of 60 years for Dungannon Credit Union. It will be a momentous occasion that deserves to be marked in some way with our members and pay tribute to those who made it possible with their forward thinking back in 1964.

Throughout the year, the Board of Directors, management and staff have diligently worked to ensure the credit union remains healthy. We understand our obligations to our members, as well as the need to meet regulatory and legal requirements. We are closely monitored by the Prudential Regulatory Authority to ensure viability and we have implemented extensive internal controls and processes to mitigate operational risk. Rest assured that your Credit Union is in safe hands.

Your shares held in Dungannon Credit Union are guaranteed by the Financial Services Compensation Scheme, which ensures that members' shares are fully protected. More information on this scheme is available on request, please speak to any member of staff.

I would like to express my gratitude to my fellow Directors and supervisors for their unwavering commitment and hard work to ensure the success of the Credit Union. We have a diverse Board and we were delighted to welcome James Kelly and Philip McQuaid last year whose skills have further enriched our team.

Lastly, I want to thank Lisa for her exceptional leadership over the past year. She has guided an outstanding team of staff who provide an excellent service. I also extend my appreciation to Orlágh for her diligence in ensuring compliance and managing risk issues. The hard work of all our staff has positioned Dungannon Credit Union for continued growth and success in meeting our members' needs.

None of this would be possible without you, our loyal members. As we embark on another year, we invite your input and engagement in shaping the future of Dungannon Credit Union. If you believe you have the expertise and passion to contribute to our board of directors, we encourage you to explore this opportunity. Lisa our manager will be delighted to provide more information and discuss how your skills can enhance and strengthen our Board.

Your support and loyalty are truly appreciated. Thank you.

**Patricia Coyle AGM 2023**  
Chairperson



# BOARD OF DIRECTORS REPORT

The directors present their report and the audited financial statements for the year ended 30th September 2023

## Statement of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and UK Generally Accepted Accounting Practice.

The Credit Unions (Northern Ireland) Order 1985 requires that financial statements for each financial year, give a true and fair view of the state of affairs of the Credit Union and of the income and expenditure of the Credit Union for that year.

### In preparing these 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.

**Directors are responsible for keeping adequate** accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and enable them to ensure that the financial statements comply with the Credit Unions (Northern Ireland) Order 1985. They are also responsible for safeguarding the assets of DCU 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 of which CavanaghKelly 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 CavanaghKelly is aware of that information.

## Post Balance Sheet Events

**There have been no significant events affecting the Credit Union since the financial year-end.**

## Auditors

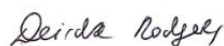
The auditors, CavanaghKelly, have indicated their willingness to continue in office in accordance with Section 44 of the Credit Unions (Northern Ireland) Order 1985.

## Approved by the Board of Directors and signed on its behalf by:

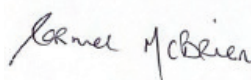
Patricia Coyle  
(Chairperson)



Deirdre Rodgers  
(Treasurer)



Carmel McBrien  
(Secretary)



Not for Profit, Not for Charity,  
But for Service.





# DCU OUT IN THE COMMUNITY

2022/2023 has been a busy year with Community, School and local business events which positively promotes the Dungannon Credit Union ethos. We have enjoyed working with our youth especially and the open space in the member hall now allows us better facilities host coffee mornings like Cancer Research in February and The Southern Area Hospice in October.

If you belong to any local charitable organisation that could benefit from our support we welcome your enquiries to [info@dungannoncu.com](mailto:info@dungannoncu.com)

- Corporate Well Being Days
- Golf Classic Sponsorship
- East Timorese Festival Sponsorship
- 1 Mile Run at Battle On The Hill
- Launch of DYRC Jersey & Pitch Signage
- Credit Union Art Competition





## TREASURER'S REPORT

As Treasurer of Dungannon Credit Union, I am pleased to report a surplus after taxation of £267,824 (previous year Sept 2022, £307,140). Loan income is higher than the previous year by £37,166 and investment income increased by £280,540. As expected, costs have risen by £136,726 when compared to the previous year. This past year has seen the highest growth in our loan book in more than 10 years. Overall growth of £745k when compared to the previous year is the result of a number of key strategic objectives; investment in marketing, increased online presence, reduced rates on higher loans and investment in new premises.

Interest on members loans amounted to £727,869, an increase of £37,166 compared with the previous financial year. A very busy year for management and staff growing the loan book to close out at £7.6m coupled with the ongoing premises development.

Investment income amounted to £606,326 which represents an increase of £280,540 compared to last year. The fact the investment portfolio is invested across different financial institutions with a spread of maturities meant we were well placed to avail of increased market interest rates. Although investment income increased significantly, we consequently seen a considerable increase in our corporation tax liability as we are liable to pay corporation tax on investment income only, irrespective of any costs or investment in fixed assets. Like all businesses we have seen the impact of the significant increase in the corporation tax rate from 19% to 25% from 01/04/2023, increasing our corporation tax liability by £79k.

As projected, we have seen costs increase by £136,726 to £947,172. The main contributors to the increase in costs are: employment costs, marketing, depreciation, member insurances and IT investment. The cost of Loan Insurance, Life Savings Insurance and Death Benefit Insurance amounts to 19% of our income earned. Reported in management expenses, the costs of providing these benefits amount to £262,730, increase of £23k.

Bad debt written off amounted to £93,202, an increase on the previous year of £19,929. This year recovered bad debts totalled £42,334, achieved through communicating with members and engaging in legal procedures where necessary. This is an increase of £17k and is evidence that our credit control department pursues the recovery of bad debts written off. The provision for bad debts is assessed quarterly and amounts to £259,728.

Members' shares amounted to £26,285,532, increasing by £176,127 from 01st October 2022 to 30th September 2023, which is significantly lower than the share intake accumulated historically. Cost of living pressures and rising interest rates mean members do not have the same levels of disposal income to save and are using existing savings to pay bills.

Total reserves at year end amounted to £4,848,662; required to protect members funds and provide a financial safeguard for the future. Your Credit Union exceeds the required PRA regulation of maintaining reserves at a minimum of 8% of total assets.



As we earned a surplus after taxation this year, we are in a position to pay a dividend and loan interest rebate. The Board is recommending that both the dividend and rebate are increased this year to help our members at a time of ongoing financial stress.

**The proposed dividend payable is increased to 1% (2022: 0.65%). We propose to pay a loan interest rebate of 35% (2021: 30%), returning 35% of loan interest paid by our borrowing members who have borrowed up to £7,500 in the year to 30th September 2023.**

As we continue on our journey of realising our strategic objectives to grow our loan book further, we ask that all members put us first when considering their borrowing requirements. Please also refer your family members and friends as we have sufficient funds available for lending and we are willing to lend. We have varied loan products lending up to £35,000 with reduced interest rates when borrowing more than £7,500 combined with faster payments to your bank account.

Without doubt, this has been an extremely busy and challenging year for our Manager Lisa and all the staff and volunteers in the Credit Union. The fact we completed an extensive transformation of our premises without closing the doors to our members is testament to their continuous dedication and work ethic throughout the year. Thank you to Lisa and her team for their ongoing commitment to our members.

Thank you to all of the Directors and Supervisors for their support throughout the year. Thanks also to our Auditor, Ryan Falls and his team at Cavanagh Kelly and our Internal Auditor, Claire McElduff at Gildernew & Co. for their professional services delivered throughout the year.

I would like to take this opportunity to welcome our new board members, Philip McQuaid and James Kelly who joined the board in December 2022. It's important that we have a board that is experienced and knowledgeable, with different skillsets to govern and both Philip and James have certainly met those criteria. As we welcome new members, unfortunately we have to say goodbye to retiring board members Clarke Small and Caroline Campbell. Thank you both, for the significant contribution to our Credit Union over the years.

Finally, I'd like to wish each and every Credit Union member a happy and peaceful Christmas and best wishes for the New Year. Thank you for your continuing loyalty and support.

**Deirdre Rodgers  
(Treasurer)**

*Deirdre Rodgers*



**Insurance  
Premiums Paid  
by DCU on our  
members  
behalf  
£262,730**

**Dividend  
1% =  
£260,031**

**Loan  
Interest Rebate**

**35% =  
£119,329**

**Total to be  
returned to  
our members =  
£642,090**



## Income & Expenditure Accounts

for the year ended 30th September 2023

	2023	2022
	£	£
<b>Revenue</b>	<b>727,869</b>	690,703
Interest on members' loans	<b>606,326</b>	325,786
Other interest income and similar income	<u>          </u>	<u>          </u>
<b>Net interest income</b>	<b>1,334,195</b>	1,016,489
Other revenue	<b>14,213</b>	155,361
<b>Total revenue</b>	<b><u>1,348,408</u></b>	<b><u>1,171,850</u></b>
<b>Expenditure</b>	<b>355,099</b>	277,112
Employment costs	<b>497,868</b>	458,307
Other management expenses	<b>45,103</b>	27,377
Depreciation	<b>49,102</b>	47,650
Net (recoveries) or losses on loans to members	<u>          </u>	<u>          </u>
<b>Total expenditure</b>	<b><u>947,172</u></b>	<b><u>810,446</u></b>
<b>Surplus of revenue over expenditure before taxation</b>	<b>401,236</b>	361,404
<b>Taxation</b>	<b>(133,412)</b>	(54,264)
<b>Surplus of revenue over expenditure after taxation</b>	<b><u>267,824</u></b>	<b><u>307,140</u></b>
Other comprehensive income	<u>          </u>	<u>          </u>
<b>Total comprehensive income</b>	<b><u>267,824</u></b>	<b><u>307,140</u></b>

# Balance Sheet

for the year ended 30th September 2023

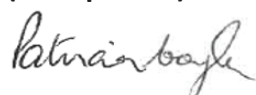
	2023	2022
	£	£
<b>Assets</b>		
Cash and cash equivalents	1,167,965	590,271
Property, plant and equipment	1,420,675	696,061
Loans to members	7,613,216	6,867,495
Provision for bad debts	(259,728)	(261,494)
Stock of stationery	2,450	2,450
Prepayments and other receivables	31,464	28,950
Accrued income	433,209	350,134
Deposits and investments	22,361,947	24,164,451
<b>Total Assets</b>	<b>32,771,198</b>	<b>32,438,318</b>
<b>Liabilities</b>		
Members' shares	26,285,532	26,109,405
Minor shares	1,377,098	1,363,495
Trade payables and accruals	120,011	37,878
Taxes and Other payables	139,895	58,672
<b>Total Liabilities</b>	<b>27,922,536</b>	<b>27,569,450</b>
<b>Net Assets</b>	<b>4,848,662</b>	<b>4,868,868</b>
<b>Members' Resources</b>		
General reserve	4,391,129	4,391,129
Distribution reserve	385,213	292,340
Surplus reserve	72,320	185,399
<b>Total Members' Resources</b>	<b>4,848,662</b>	<b>4,868,868</b>

# Reserves Statement

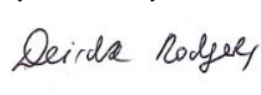
for the year ended 30th September 2023

	General reserve	Distribution reserve	Surplus reserve	Total
	£	£	£	£
At 1 October 2021	4,391,129	311,698	166,446	4,869,273
Dividends paid during the financial year	-	(133,434)	-	(133,434)
Loan interest rebate paid during the financial year	-	(174,111)	-	(174,111)
Transfer from surplus	-	288,187	18,953	307,140
<b>At 30 September 2022</b>	<b>4,391,129</b>	<b>292,340</b>	<b>185,399</b>	<b>4,868,868</b>
At 1 October 2022	4,391,129	292,340	185,399	4,868,868
Dividends paid during the financial year	-	(165,823)	-	(165,823)
Loan interest rebate paid during the financial year	-	(122,207)	-	(122,207)
Transfer from surplus	-	375,050	(107,226)	267,824
<b>At 30 September 2023</b>	<b>4,391,129</b>	<b>379,360</b>	<b>78,173</b>	<b>4,848,662</b>

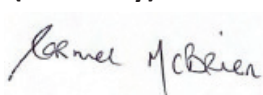
Patricia Coyle  
(Chairperson)



Deirdre Rodgers  
(Treasurer)



Carmel McBrien  
(Secretary)



# INDEPENDENT AUDITOR'S REPORT

## To the Members of Dungannon Credit Union Limited

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Dungannon Credit Union Limited for the financial year ended 30 September 2023 which comprise the Revenue Account, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### In our opinion the financial statements:

- give a true and fair view of the state of the assets, liabilities, and financial position of the Credit Union as at 30 September 2023 and of its surplus and cash flows for the financial year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the UK's Financial Reporting Council; and
- have been properly prepared in accordance with the requirements of 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 the ethical requirements that are relevant to our audit of 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.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Credit Union's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### 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 contained within the annual report. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

#### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Credit Union and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. 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 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 Revenue Account 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 necessary for the purposes of our audit.

#### **Responsibilities of directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities, 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 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 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 (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

# INDEPENDENT AUDITOR'S REPORT CONTINUED

## To the Members of Dungannon Credit Union Limited

- We obtained understanding of the legal and regulatory requirements applicable to the company's financial statements and considered the most significant are the Credit Union (Northern Ireland) Order 1985, The Financial Services and Markets Act 2000 and the PRA Rulebook for Credit Unions
- We have assessed the risk of material misstatement of the financial statements, including risk of material misstatement due to fraud and how it might occur by holding discussions with management and those charged with governance;
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations;
- Understanding the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations; and
- Discussions amongst the audit engagement team regarding how fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion we identified the following potential areas where fraud may occur: timing of revenue recognition and management override.

### **The audit response to risks identified included:**

- Reviewing the financial statements disclosures and testing to supporting documentation to assess compliance with the relevant laws and regulations above;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are reasonable and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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 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.

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Mr Ryan Falls FCA (Senior Statutory Auditor)  
for and on behalf of  
CAVANAGHKELLY  
Chartered Accountants and Statutory Auditors  
36-38 Northland Row  
Dungannon  
Co. Tyrone  
BT71 6AP



## CREDIT COMMITTEE REPORT

The Credit Committee's role is to review loan applications and ensure that every borrowing member has the means to repay the loan now and into the future and does not become over-indebted.

This has been a record year in regard to loan book growth for Dungannon Credit Union. In the last twelve months, the Credit Committee have reviewed over 1,900 loan applications. We approved 1,700 loans totalling £5.1 million. Our average loan amount this year was £2,663.

The Committee has been working hard to meet our strategic objectives in regard to loan book growth. As we have mentioned above, this has been a record year for loans. Our loan book closed out the financial year at £7,613,216 the highest in our Credit Unions history, which represents growth of 11%.

Launching our new 10 Year Term on Tier 3 Loans (£15,000-£35,000) has proved popular with both new and existing members. We can now offer larger loans at reduced rates, allowing members to afford larger purchases with the flexibility that DCU is able to offer.

It is important that members provide a full account of their financial situation at the application stage to avoid any unnecessary delays. If supporting documentation is required to assess your application, please forward it to us as soon as possible. Once this is received, we are committed to providing a lending decision within 24 hours. With the addition of CUSOP in April 2021, members can now send loan proceeds and savings to their bank account, same day using faster payments, making a DCU loan even more convenient.

While our loan policy acts as a guide, each application is considered on its own merits, providing we have a full picture of the members' financial situation. Whatever your circumstances and financial needs, call us to discuss how we can assist you.

One of the benefits of being a borrowing member of Dungannon Credit Union is our Loan Protection Insurance. Members avail of this cover with no direct cost meaning that if a member dies, no liability is passed to their estate. In other words, the debt is cleared, providing much needed comfort and relief to a deceased members family.

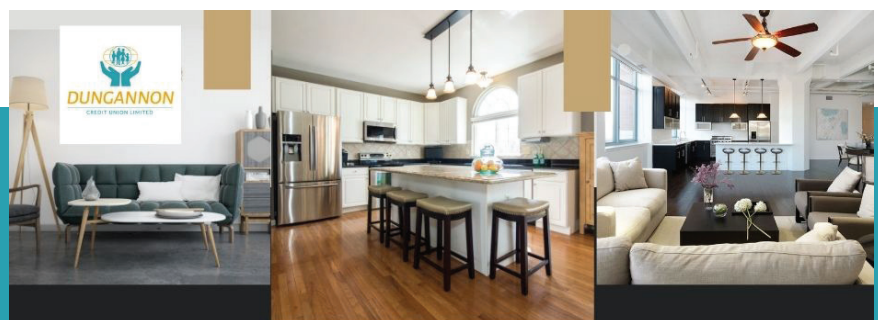
We thank all borrowing members for their loyalty over the last twelve months and hope to welcome new borrowers in the new financial year.

Lisa McCloskey  
Credit Committee Chairperson



**FOR YOU**  
NOT PROFIT  
**NEW**  
**10 YEAR TERM ON TIER 3 LOANS**

  
FOR YOU. NOT PROFIT.



### NEW 10 YEAR LOAN TERM

ON TIER 3 LOANS (£15,000 - £35,000)

e.g £20,000 over 10 Years costs £242.14 per/month

Based on 8.25% APR

Members will now have the option to extend Tier 3 loan terms to help make larger purchases more affordable.

[www.dungannoncu.com/loans](http://www.dungannoncu.com/loans)



## CREDIT CONTROL COMMITTEE REPORT

Dungannon Credit Union is dedicated to helping our members during financially problematic times. With prices for fuel, utilities and groceries soaring since the beginning of 2022, households all over Northern Ireland are struggling to manage the rising costs of living. Some of the biggest price hikes in decades have put enormous strain on household budgets. With further utility bill increases planned in the coming months, Dungannon Credit Union is here to offer our members support, and are committed to working with you to see how we can help.

We are fully committed to keeping member's well-being as the cornerstone of our lending policy and provide options which allow the borrower breathing space while not compromising the financial state of Dungannon Credit Union for our other members. We urge any member who is facing financial difficulties to get in contact with us so that we can provide options to help alleviate the stress this brings and get their finances back on track. We provide these options generally on a short to medium term basis and on the good faith that members will use these opportunities to pay back their debts and rectify whatever financial issues they are having.

During the last year, we have supported a larger portion of our membership who needed flexibility in their loan repayments. We have been able to implement long term solutions for members who have been negatively affected by the pandemic. Our close relationships with our members has resulted in lower arrears levels than the last financial year.

Unfortunately, despite the support offered, there are a minority of members who fail to repay their loans or get in contact to give an explanation as to why. This abuse of their membership privileges is a clear violation of the lending agreement the borrower holds with Dungannon Credit Union. The implications, both financial and infrastructural, negatively impacts our ability to provide valuable services to our other members, many of which are relied heavily upon. In response to this, we hold the right to pursue any member, who in the opinion of the Board, deliberately and consciously breach the conditions of the lending agreement.

Over the last year we have reassessed £93,202 of delinquent loans and are working with those members to recover these balances. In total £42,334 has been repaid on underperforming loans in the last year.

We would like to thank the staff involved in the Credit Control function for their hard work and diligence in carrying out their duties.

Joe Donnelly  
Credit Control Committee Chairman



## Cost of living Information and advice

# ARE YOU STRUGGLING WITH THE COST OF LIVING?

**There are lots of free advice services available in the Dungannon area to help.**



A welcoming drop-in environment so anyone in need can come and attend reach for emergency foodbank support. Empowering people to overcome challenges so they can achieve their full potential in life.

<https://www.vineyarddungannon.co.uk/reachfoodbank>

Contact: 078 57071750



Provide frontline and specialist advice in areas of housing, immigration, employment, welfare and debt.

[www.stepni.org](http://www.stepni.org) Contact: 028 87750211



Dungannon

A Christian voluntary organisation dedicated to tackling poverty and disadvantage by providing direct practical assistance to anyone in need in the Dungannon area.

24 Hour Confidential Helpline Contact: 073 95013808



The Níamh Louise Foundation  
*Suicide - we have been there.  
Support, hope & understanding.  
A shared journey to recovery.*

The aim of the Níamh Louise Foundation is to provide a safe environment where anyone can drop into chat about worrying thoughts, thoughts of suicide and/or self-harm.

[www.niamhlouisefoundation.com](http://www.niamhlouisefoundation.com) Contact: 028 87753327



Supporting women's professional and personal development through education and training

[www.firststepswomenscentre.org](http://www.firststepswomenscentre.org) Contact: 028 8772 7648



**DUNGANNON**

CREDIT UNION LIMITED

[www.dungannoncu.com](http://www.dungannoncu.com)

## MEMBERSHIP COMMITTEE REPORT

One of our key priorities is encouraging all those in the local community to avail of the unique benefits of being a member of Dungannon Credit Union. In previous years we have welcomed new members to call to the office to join with no appointments necessary. Due to changes in our temporary office layout, we had to introduce an appointment schedule so that we could onboard new members in the privacy of an interview room. This initiative has worked well with high demand for appointments throughout the year.

As a result, our membership has continued to grow in the last financial year. Our adult membership now stands at 9,684 (with over 400 inactive accounts closed) and shares in excess of £26.2 million and 1,543 minor accounts holding shares in excess of £1.4million.

We are overjoyed with the progress made this year in regard to new members but are mindful of the large population in our common bond not availing of our services. Over the last few years we have enhanced our online offering, including our members area on our website, DCU app, and CUSOP faster payments so that we can cater for all age groups. We have been building our social media platform and have been networking with a number of businesses, clubs and associations to increase our exposure in the local community.



We would ask all members to become advocates of Dungannon Credit Union and to recommend our services and membership to family, friends and colleagues, thus ensuring that we continue to grow for the benefit of all.

Carmel McBrien  
Membership Committee Chairperson

**ALL YEAR ROUND  
£500 FUEL LOAN**

**FOR £19.64 PER WEEK**

BASED ON A 26 WEEK TERM AT 8% (8.33% APR)

**WINTER WARMER  
£500 FUEL VOUCHER**

**FREE MEMBER DRAW**

4 X MONTHLY DRAWS FROM NOV 23-FEB 24  
FOR A CHANCE TO WIN £500 FUEL VOUCHER FROM YOUR  
CHOSEN SUPPLIER

[www.dungannoncu.com](http://www.dungannoncu.com)

Each competition closes at midnight on the last day of each month. One Entry per person.  
Full T&Cs can be viewed on website/collected in our office

## INSURANCE COMMITTEE REPORT

Membership of Dungannon Credit Union provides cover of three unique insurance products at no direct cost to members. Our affiliation with the Irish League of Credit Unions allows us to offer these benefits, which are unparalleled by any other financial organisation.

- **Life Savings Insurance** enhances covered shares for the benefit of the member's next of kin.
- **Loan Protection Insurance** can cover the outstanding loan if the member passes away during the loan term.
- **Death Benefit Insurance** can provide a lump sum payment of £2,000 towards funeral expenses when a member dies.

Eligibility criteria applies for a member to avail of each of these insurance products, please contact the office for more information. The insurance premium of the above products is considered at year end when the Board of Directors propose the Dividend and Interest Rebate rates for payment to members.

In 2022/23 Insurance premiums of £262,730 were paid on behalf of members to provide these essential Insurance products.

An additional insurance benefit from Dungannon Credit Union is our member discount with AXA. Please see below for more information on this offer or visit our website [www.dungannoncu.com/insurance](http://www.dungannoncu.com/insurance) where you will be directed to AXA Direct for quote.

**In conjunction with ECCU, Dungannon Credit Union has paid insurance claims totalling £214,037 to 79 families in the last financial year, 59 of which qualified for DBI. The directors, supervisors, management and staff would like to extend their deepest sympathy to the families of those who have passed away in the last twelve months.**

Philip McNally  
Insurance Committee Chairperson



# Members discount

**Car Insurance**

**15% discount**

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

**Home Insurance**

**10% discount**

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

**Get a quote**

- Go to [www.axani.co.uk/creditunion](http://www.axani.co.uk/creditunion)
- 02892 445566
- Visit your local AXA Branch

**Credit Union Member Discount**

AXA Insurance dac is authorised and regulated by the Central Bank of Ireland (reference number C713). Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.  
06/23 3351057 V1 FA

# SUPERVISORY COMMITTEE REPORT

In an ever increasing regulatory environment, the supervisory committee have worked closely with Gildernew & Co. to test the Credit Unions internal controls, policies and procedures. These monthly audits presented at the regular board meetings reflect the positive performance and condition of our Credit Union.

The Committee is pleased to report that all policies and procedures are fully adhered to by the staff, management and directors to create the best environment for our members. We will continue to adapt our policies and procedures in line with changing regulatory standards and our risk appetite statement.

We would like to thank our staff for their engagement in this process, and also to sincerely thank our volunteers, who work tirelessly during the year to ensure that Dungannon Credit Union continues to serve the needs of all our valued members.

We also thank Claire McElduff, from Gildernew & Co, and her team for their regular testing and recommendations to the Board to ensure Dungannon Credit Union remains compliant.

## Supervisory Committee

Thomas Delaney



Michael Quinn



Ignatius Burns



## NOMINATING COMMITTEE

The nominating committee are tasked with managing the on-boarding process of new directors to the Board of Dungannon Credit Union. In an ever growing regulatory environment, it is essential that the Credit Union secure new directors with the appropriate skills and experience to remain compliant and viable.

This year we see our long standing Supervisor, Tommy Delaney retire after over 30 years of service to Dungannon Credit Union for which we are immensely grateful. We take this opportunity to thank Tommy and wish him well for the future.

In order to retain three on the Supervisory Committee we are proposing Seamus Ferris as a new Supervisor.

We would like to take this opportunity to thank the Board members and Supervisors for giving their time and efforts to Credit Union duties over the last year. They have been an integral part of making Dungannon Credit Union what it is today.

### ELECTION OF OFFICERS

#### Election of Officers The Board of Directors 2022-2023

Chairperson	Patricia Coyle	2 years to serve
Treasurer	Deirdre Rodgers	Standing for re-election
Secretary	Carmel McBrien	2 years to serve
Asst. Treasurer	Gerry Ross	2 years to serve

Director	Joseph Donnelly	Standing for re-election
Director	KerrieAnn McCullagh	1 years to serve
Director	Philip McNally	1 years to serve
Director	Philip McQuaid	2 years to serve
Director	James Kelly	2 years to serve

#### The Supervisory Committee 2022-2023

Supervisor	Ignatius Burns	Standing for re-election
Supervisor	Thomas Delaney	Retiring
Supervisor	Michael Quinn	2 years to serve





# 1964-2024

## Dungannon Credit Union Ltd

Serving the local community for nearly 60 Years

August 2024 will mark the official 60th Anniversary of Dungannon Credit Union. We invite you to share with us any photographs or information relating to DCU over the last 60 years and send to [pauline@dungannoncu.com](mailto:pauline@dungannoncu.com) as we prepare to mark the occasion.

### OPENING HOURS

Tuesday - 9am - 4.30pm  
Wednesday - 9am - 1pm  
Thursday - 9am - 4.30pm  
Friday - 9am - 4.30pm  
Saturday - 9am - 1pm

☎ 028 8772 3729  
✉ [info@dungannoncu.com](mailto:info@dungannoncu.com)  
🌐 [www.dungannoncu.com](http://www.dungannoncu.com)

📍 28 William Street,  
Dungannon  
BT70 1DX



Registered Address: 28 William Street, Dungannon, BT70 1DX T: 028 8772 3729  
Dungannon Credit Union Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. FCA Registration Number 573858.