

Elevate Credit Union  
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# MINUTES OF 60TH ANNUAL GENERAL MEETING 2024



Annual General Meeting  
Minutes held 11.12.2024

The 60<sup>th</sup> Annual General Meeting of Elevate Credit Union (“**ECU**”) took place on the 11<sup>th</sup> of December of 2024 by way of Zoom virtual platform for year dated the 1<sup>st</sup> of October 2023 to 30<sup>th</sup> of September 2024, at 7pm.

#### ATTENDEES FOR THE BOARD

Michael O’Callaghan (“**MOC**”) – Chairperson – stepping down  
Lou Ellen Kiely (“**LEK**”) - Secretary  
Gerry Brosnan (“**GB**”)   
Ted O’Sullivan (“**TOS**”)   
Jo Henchin (“**JH**”)   
Tony Lehane (“**TL**”)   
Peter McManamon (“**PMM**”)   
Gerry McDonogh (“**GMD**”)   
John Vaughan (“**JV**”)   
Michael Hourihan (“**MH**”)   
John Culhane (“**JC**”)   
Aidan Waugh (“**AW**”)

#### BOARD OVERSIGHT

Gerry Whelan (“**GW**”) – Chairperson  
Tony O’Mahony (“**TOM**”) – Secretary  
Peter McSweeney (“**PMS**”)   
Hugh Cronin (“**HC**”)   
Marion Dower (“**MD**”)

#### CEO

Roy McKnight (“**RMK**”)

#### STAFF

Anisa McCarthy – COO  
Grace O’Neill – Risk Compliance Officer  
Suzanne Kelly – CFO  
Mary Byrne – Credit Control Officer  
Gary Hanrahan – Marketing Officer  
Mick Crotty – Lending Manager  
Paul Cashman – Senior Operations Officer  
Alec O’Connell  
Sean O’Sullivan  
Aileen O’Neill

Lyn O’Mahony  
Emma Penney  
David Cahill  
Liz Kavanagh  
Marian Twomey  
Juliette Ahern  
Sinead Desmond  
Sarah Sheehan  
Aidan Sheehan  
Amy McCarthy  
Caroline Higgins

Jodie Healy O’Neill  
Jodie Corkery  
Alex McKnight  
Charlie O’Neill  
Eimear O Donoghue  
Darrell Foley  
Eoghan O Connell

#### INVITED GUESTS

Seán Forbes, Auditor, Moore Ireland (“**SF**”)

The Chairman “MOC” opened the meeting by welcoming everyone and informing everyone that the AGM was being recorded for minute-taking purposes. He confirmed that he was joined by Gerry Whelan (Chair of Board Oversight) Committee and the Auditor, Seán Forbes of Moore Ireland, who would independently verify attendees to ensure a quorum and confirm votes cast and election results.

He noted that the business of the meeting would follow the agenda as outlined on the AGM invite that attendees received from John Vaughan.

### Voting

He noted that there were several ballots to be voted on, including the election of 4 Directors, 3 Board Oversight members and the Auditor. He said he would give further details and explanations later in the AGM.

He noted that when a Proposer and Secunder are requested during the meeting, attendees will be asked to use the 'raised hand button' on the bottom of their screen. The first name through would be considered the proposer, and the second name through would be considered the seconder.

For questions, attendees were asked to use the chat feature as all microphones and cameras were muted and turned off.

## ORDER OF BUSINESS

### ACCEPTANCE OF BOARD OF AUTHORISED REPS AND NON-NATURALS

The Chair accepted on behalf of the Board of Directors the authorised representatives of members that were not natural persons and it was established that none such were present.

### QUORUM

A quorum was ascertained and confirmed by Seán Forbes.

### STANDING ORDERS

The Chair invited a proposer and seconder for the Standing Orders.

**The Standing Orders were proposed by Grace O’ Neill and seconded by Sinead Desmond and adopted.**

### MINUTES OF MEETING 2023

The minutes of the meeting of 2023 were circulated to all members attending, they were taken as read, and the Chair noted that no changes were made since publication to the members.

**The Minutes were proposed by Alec O' Connell and seconded by Hugh Cronin.**

### APPOINTMENT OF TELLERS

The Chair confirmed that Anisa McCarthy and Gary Hanrahan were appointed as Tellers for the evening's proceedings.

**The Appointment of Tellers was proposed by Mary Byrne and seconded by Juliette Aherne.**

### CHAIRPERSON'S ADDRESS

Michael O'Callaghan delivered the Chairperson annual address the highlights of which included:

He noted that he was privileged on behalf of the Board of Directors of Elevate Credit Union to present the annual report for the year ending 30th September 2024 to the AGM. He noted that the year was a very good one for the Credit Union that included a Transfer of Engagements and a change of name.

He noted that the Transfer of Engagements had been approved in both previous AGMs on the 31<sup>st</sup> of January 2024 and it was implemented in February 2024. He noted that the new name of Elevate Credit Union was officially recognised in May 2024. He mentioned that as a result of the Transfer of Engagement, Elevate Credit Union had grown considerably in common bond area size and the number of members. He stated that their accounts show increased lending to their members from €29 million at September 2023, to €50 million at September 2024. He noted that this was a 72% increase year on year – representing a higher percentage of member savings. He noted that Elevate Credit Union finished in a very healthy financial position, with reserves of more than 15% of the total assets of €141 million at year end. He noted that the surplus from the year to September 2024 increased by 153% to €1.83 million. He noted that the increased figure represents organic growth as well as the impact of the Terms of Engagement. He noted that interest on loans to members increased by 47% to €3.13 million, while investment income increased by 69% to €1.47 million. He noted that the total interest income increased by 53% to €4.6 million and that operating expenses including bad debts increased by 24% to €3.46 million – principally reflecting the impact of the Transfer of Engagement. He stated that the members of Elevate Credit Union now have a full range of services, including savings, loans, current accounts and mortgages. He stated that the Board

is recommending a dividend of 0.25% and a loan interest rebate of 5%. He stated that the Board and Senior Management, in particular the CEO Roy McKnight, had worked hard to bring the Transfer of Engagement to fruition. The Chair stated that Elevate Credit Union is in a good place going forward.

The Chair stated that the Irish Credit Union movement has retained the number one position for the best customer service experience from 2015 to 2024. Elevate Credit Union is proud to be part of such a movement and he thanked the dedicated staff and management. He noted that Elevate Credit Union will continue to offer members this high level of service.

**The Chairman's Address was proposed by Sean O'Sullivan and seconded by Emma Penney.**

### REPORT OF THE INDEPENDENT AUDITORS

The Chair welcomed Seán Forbes of Moore Ireland who presented a recording of the Accounts.

Seán greeted the membership and thanked the Chair for the introduction. He said that it was a pleasure to present the Accounts for the year ending on the 30<sup>th</sup> of September 2024. He stated that he would go through the accounts at a very high level and that he would give some key aspects of the findings.

He noted that:

#### Income

- Interest on members loans has increased to up to €3.13 million – an increase of almost €1 million year on year.
- Increase in investment income of €602,000 up to almost €1.5 million this year.
- Increase in other income of €19,000 up to €101,000 this year.
- Interest on members loans has increased as a result of an increase in loan book in the current year arising from the Transfer of Engagement and also some organic growth.
- Investment income has increased due to higher average return rates this year, including matured funds reinvested at higher rates.

#### Expenditure

- Employment costs had increased by €168,094 to €1.382 million.
- Depreciation has increased by €98,027 to €196,400.

- Other management expenses had increased by €395,612 to €1,885.290 million.
- Net recoveries or (losses) on loans to members had increased by €190,994 to €597,362.
- Employment costs have increased due to a cost of living increase of 3% across the board last October, specific salary increases post TOE, new hires since February 2024 as a result of TOE.
- Share and loan insurance increased by €8k per month post TOE.
- Depreciation increased due to Glanmire Fixed Assets taken over in TOE.
- Computer maintenance increase relates to the new package Visualyse which cost €7,380. Additional office to be supported by Infinity since TOE. Progress additional functionality and increased costs.
- Central Bank Deposit Guarantee Scheme levy increase of €47k this year.

Main increases in other management expenses include:

- Wages and Salaries €165k
- Share and Loan Insurance €128k
- Depreciation €98k
- Computer Maintenance €76k
- Central Bank Levies €75k

Main decreases in other management expenses include:

- Affiliation Fees €53k – last year there was one-off Share Buyback of €61,000
- Donations and Sponsorship €14k – he mentioned that it was in line with expectations.
- Travel and Subsistence €4k

### Bad Debt Experience

He noted that the make up of it was the movement in provision for bad & doubtful debts.

- He said that there were €450,263 bad debts recovered – which is an increase of €9,366.
- He noted that the interest on impaired loans had a small decrease of €864.
- He noted that there was an increase of €57,749 of loans written off to €91,027.

### Surplus

There was a surplus of €1,831,890 recorded. Seán noted that there was a proposed dividend of 0.25% which equates to around €270,000. In addition to this, there was a proposed loan interest rebated at 5.00% which equates to €156,000.

### Balance Sheet

Seán then went through some key balance sheet movements.

#### Assets:

- Cash and Bank increased by €1,829,926 to €4,848,033.
- Tangible Fixed Assets had an increase of €966,240 to €1,954,507 – mainly due to Glanmire Fixed Assets taken over in TOE.
- Loans to Members had an increase of €20,990,553 to €50,153,115 from TOE and some organic growth.
- Provision for Bad & Doubtful Debts increased by €252,509 to €2,283,085.
- Prepayments and Accrued Income had an increase of €2,175,239 to €2,375,340 due to the reclass of the Blackbee Investment here.
- Deposits and Investments had an increase of €21,091,176 to €84,163,195.

#### Liabilities

- Members' shares had an increase of €39,469,464.
- Members' deposits had a marginal decrease of €35,735.
- Members' current accounts had an increase of €901,692.
- Other payables had a marginal increase of €47,964.

### Members' Resources

Seán stated that as of the 30<sup>th</sup> of September 2024, the Reserves were as follows:

- The Regulatory Reserve had a figure of €17,510,215.
- The Operational Risk Reserve was at €150,000.
- The Dormant Accounts Reserve was at €207,968.
- The Non-Distributable Income Reserve had no movement and was at €39,776.
- The MPCAS Operational Risk Reserve had no movement and was at €337,210.
- The General Reserve was at €3,609,412

Elevate Credit Union's total reserves were at €21,854,581. Seán stated that the Regulatory Reserve Ratio now stands at 12.40% and the requirement of the Central Bank is 10%. He noted that the Capital Ratio (which includes all reserves) now stands at 15.48%.

### Report on the Audit of Financial Statements

#### Opinion

Seán gave the opinion of Moore Ireland. He noted that they had audited the Financial Statements of Elevate Credit Union Limited for the year ended 30 September 2024 which comprises of the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and the notes to the financial statements, including the summary of significant accounting policies set out in note 2. He stated that the financial reporting framework that has been applied in their preparation is Irish Law and FRS102 The Financial Reporting Standard applicable in the UK and the Republic of Ireland.

They are of the opinion that the financial statements: -

- give a true and fair view of the state of the Credit Unions affairs at the 30<sup>th</sup> of September 2024 and of its income and expenditure and cash flow for year then ended
- have been properly prepared in accordance with FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and
- have been properly prepared in accordance with the requirements of the Credit Union Act 1997 as amended.

The Presentation ended. Seán Forbes stated that he would be happy to answer any questions. The Chair made a note that he had previously given the wrong instructions on "the asking of a question" on the virtual platform. The Chair clarified that the way to ask a question was to ask in the 'Q & A' button rather than the chat function. There were no questions.

**The Auditor's Report was proposed by Suzanne Kelly and seconded by Grace O'Neill**

### DECLARATION OF DIVIDENDS AND INTEREST REBATE

The Board of Directors recommended that there would be a dividend of 0.25% and a loan interest rebate of 5%.

**The Dividend was proposed by Juliette Aherne and seconded by David Cahill.**



#### REPORT OF THE BOARD OVERSIGHT COMMITTEE

The Report for year ended the 30<sup>th</sup> of September 2024 was presented by Gerry Whelan, Chair of the Board Oversight Committee, which he read verbatim as published in the Annual Report and submitted to all members. He outlined that the role of the Committee to assess if the Board of Directors had operated in accordance with part IV and part IV(a) of the Credit Union Act 1997 (as amended) and any other matters prescribed by the Central Bank in respect of which they are to have regard to in relation to the Board

He noted that since the 2023 AGM, the Committee met on a regular basis and were back to face-to-face meetings. He mentioned that all meetings have their minutes taken and records kept.

He noted that four special meetings with the Board and the Board Oversight took place during the year as prescribed under the Act, minutes of said meetings were held and any issues raised were dealt with to the satisfaction of the Committee. He noted that they always had access to all the books and documents including draft documents of the Credit Union to enable them to carry out their functions under the Act. He noted that representatives from the Board Oversight Committee attended all meetings of the Board of Directors. The Board Oversight Committee gave their opinion that the actions and decisions of the Board of Directors were in accordance with the Credit Union Act 1997 (as amended) and the rules.

He stated that following on from the Merger with Glanmire, they were delighted to welcome Hugh Cronin on board to the Committee. He also wished to acknowledge their gratitude to David Boyle for his 10 years of service to Elevate Credit Union.

He concluded by thanking the Board of Directors, CEO and staff for their assistance and complete co-operation whilst they carried out their function during the year. He noted that the Committee consists of himself as Chairman, Tony O'Mahony as Secretary, Marion Dower, Peter McSweeney and Hugh Cronin

**The Report of the Board Oversight Committee was proposed by Suzanne Kelly and seconded by Sinead Desmond.**

### REPORT OF THE NOMINATION COMMITTEE

The Report of the Nomination Committee was taken as read with details on re-elections.

**The Nomination Committee Report was proposed by Sean O' Sullivan and seconded by Neill O' Sullivan.**

### THE ELECTION

The election rules/process were explained. It was noted that members could vote for as many or few as they wished. It was noted that there 4 Directors for election to the Board of Directors and 3 members to the Board Oversight Committee and one Auditor up for election.

#### **Auditor**

Moore Ireland

Voting Commenced:

**Moore Ireland were deemed elected**

#### **Board Oversight Committee**

1. Tony O' Mahony
2. Peter McSweeney
3. Hugh Cronin

Voting commenced:

**All candidates were deemed elected**

#### **The Board of Directors:**

1. Jo Henchin
2. Michael Hourihan
3. John Culhane
4. Aidan Waugh

Voting commenced:

**All candidates were deemed elected**

### CREDIT COMMITTEE REPORT

The Report of the Credit Committee was taken as read.

**The Credit Committee Report was proposed by Suzanne Kelly and seconded by Emma Penney.**

### MEMBERSHIP REPORT

The Report of the Membership Committee was taken as read.

**The Membership Report was proposed by Sinead Desmond and seconded by Grace O' Neill.**

#### **CREDIT CONTROL COMMITTEE REPORT**

The Report of the Credit Control Committee was taken as read.

**The Credit Control Report was proposed by Mary Byrne and seconded by Gary Hanrahan.**

#### **THE IT COMMITTEE REPORT**

The Report of the IT Committee will be taken as read.

**The IT Committee Report was proposed by Jamie O' Leary and second by Juliette Aherne.**

#### **ELECTION RESULTS**

The Chair stated that they had confirmed with the Teller the appointment of 4 Board of Director members and 3 Members of the Board Oversight Committee. He confirmed that everyone's name who had been on the list had been elected.

#### **ANY OTHER BUSINESS**

The Chair invited questions.

As there was no other business the Chairperson closed the meeting and thanked everyone for their attendance and attention.