




*Operational
Performance*



Finance

Central Investment Management (CIM)

The growing gap between credit unions' savings and loans is putting pressure on credit union boards to find suitable investment outlets for the increasing cash surpluses.

At a time when many financial institutions are targeting credit unions in the hope of selling their products, it is important that an independent professional investment advisor examines the legal compliance and investment suitability of these products.

Davy Stockbrokers, the League's appointed independent investment advisor with 14 staff dedicated to the CIM service, will assess investment products for credit unions for free, without any pressure to invest through CIM.

In 2003, the funds in CIM in the Republic increased by 28.6% to over €1.5 billion. In addition to the On-Going Fund, the Overnight, 28-Day and 84-Day funds credit unions have invested in over 45 products through CIM.

The compound annual return on the ongoing fund for the credit union financial year-end 2003 was 3.01%. This fund has outperformed any cash fund of its type in the Irish market for the past two years.

CIM was approved in 1999 as an authorised investment advisor by the Northern Ireland Registrar and a number of Northern credit unions now use CIM.

Each year, all credit unions are asked to give written confirmation of any CIM account balance to the League's auditors PricewaterhouseCoopers.

Central Liquidity Management Function

The SGM of June 2002 resolved that the League carry out a feasibility study on the establishment of a professional treasury function and in 2003, the League Board appointed two companies of consultants, Accenture and Finalysis to help with the project.

The League Board wrote to every credit union at that time to inform them of this and to look for assistance from people in the movement who had knowledge and experience in this area.

Both firms have made presentations to the Audit Committee. There will be a break out session at the 2004 Consultative General Meeting to discuss this feasibility study.

The assistance given by credit unions during the feasibility study by completing survey questionnaires and attendance at workshops was much appreciated.

Central Financial Services (CFS)

The CFS makes loans for premises, equipment or short-term liquidity purposes, with repayments tailored to suit each credit union. The interest rate charged on loans is reviewed at the start of each month - in the Republic, the rate is usually 0.5% above the one month EURIBOR while the Northern Ireland rate is generally set at 0.5% above LIBOR.

Credit unions can apply for a loan or a stand-by facility. On approval, the credit unions only need to draw down on the loan or stand-by as required, thus saving unnecessary interest charges.

During 2003, 5 credit unions applied for €4.5 million and £145,000. One credit union had sufficient funds to meet its

requirements and all other applications were approved.

The amount out in CFS loans – financed from the SPS Fund - was €3.8 million at 31st December 2003.

Workers Co-Operative Fund

This Fund makes grants to qualifying worker co-operatives. The initial grant of €3,809.21 is based on the number of credit union members working in the co-operative. A follow-up grant of €2,539.48 may be paid after one year's successful trading. €28,254 was paid out in grants in 2003. The money for the Workers Co-Operative Fund is provided by a charge to the League's General Fund's Income & Expenditure account.

A summary of the Workers Co-operative Fund account is set out below:

	2003	2002
	€	€
Opening balance 1 January	157,526	170,859
Payments made during the year	(28,254)	(13,333)
Charged to General Fund Income & Expenditure Account	32,395	Nil
Closing balance 31 December	161,667	157,526

Workers Co-Operative Training Fund

The Workers' Co-Operative Training Fund was established to provide assistance in setting up and training new and existing worker co-operatives and was also used to develop the Degree in

Mutual Credit Union Business. This fund is financed by an annual charge to the League's General Fund Income & Expenditure account and a total of €24,320 in two grants was paid out in 2003.

The movements in the fund are shown below:

	2003	2002
	€	€
Opening balance 1 January	137,752	131,472
Payments made during the year	(24,320)	(70,534)
Charged to General Fund Income & Expenditure Account	80,834	76,814
Closing Balance 31 December	194,266	137,752


Back-to-Work Allowance Scheme

The Irish Government provides a loan and interest guarantee for loans given by credit unions under the back-to-work allowance scheme. During 2003, €43,462 was paid out back to credit unions for 6 loans that defaulted.

ECCU Assurance Company

This wholly-owned League subsidiary provides death benefit insurance and assurance on savings and loans for credit union members. During 2003, the League paid to ECCU a call of €1.5 m on the issued share capital of the company. The total share capital of the company at the year-end was €19.4 m.

The ECCU Board has issued a call for €2,900,001 payable in December 2004. The capital requirement of the company is



decided by the total of shares and loans in the movement.

A number of credit unions now get their ECCU claims paid by EFT which avoids the delays and additional work involved in issuing cheques.

Voluntary Health Insurance (VHI) Scheme

The League operates a group scheme for employees and retired employees of affiliated credit unions in the Republic of Ireland. The renewal date is 1st March.

League Funding from January 2004

Following discussions at AGM 1999, the Review Commission's 'Time for Change' report, the SGM of June 2002 and Resolution 37 of BDM 2003, a new method of funding the League comes into force in January 2004.

The League is now dependent on the new affiliation fees structure to pay for core services and for maintaining the SPS fund at an acceptable level. Credit unions will receive a quarterly invoice for affiliation and saving protection scheme contributions. This is payable by the last day of the first month in each quarter.

Marking a major change for the Irish credit union movement, the new system will result in savings to credit unions and much greater transparency of League funding.

The corresponding decrease in the LP/LS premium of 20% has also been implemented ensuring a substantial saving to credit unions.

Legal & Secretariat

It has been a very significant year in the financial services sector in Ireland. On 1 May 2003, the Irish Financial Services Regulatory Authority was established as the regulator for all financial services entities in Ireland, including credit unions. The legislation also provided for the appointment of the Registrar of Credit Unions and the first appointee, Brendan Logue, took up office in September 2003.

This new regulatory environment poses challenges for the credit union movement and for the League as its representative body. The Legal and Secretariat Department has built up a great deal of knowledge in relation to laws and regulations that affect credit unions and is well placed to provide guidance and assistance to credit unions during this period of change.

It provides an expert advisory service to credit unions affiliated to the League in respect of:

- ◆ the interpretation of the Credit Union Act 1997 and other legislation that impacts on credit unions
- ◆ the interpretation of the Standard Rules for credit unions, and
- ◆ general legal queries that arise in respect of the day-to-day running of credit unions.

In addition, the Department has in the last number of years prepared a series of guidance notes on a range of topics, all based on an expert interpretation of the Credit Union Act 1997 and the Standard Rules, coupled with the experience of advising credit unions on various practical queries; the most recent being clarification on the important role of credit union Supervisors.

Consumer Credit

By totally exempting credit unions from the scope of the Consumer Credit Act 1995, the Irish Government has failed to properly transpose the 1987 EU Directive on Consumer Credit (87/102/EEC) into Irish law, according to a European Commission 'Reasoned Opinion' issued early in 2003. The Irish Government must now rectify this situation and the League is negotiating with the Department of Finance on implementing this decision.

Proposals for a new Directive on Consumer Credit are currently with the European Parliament. A submission on this Directive has been prepared by the League and circulated to the relevant bodies, politicians, interest groups and member credit unions while the League keeps a close eye on the progress of this Directive.

The League has engaged with the European Commission and the Legal Affairs and Internal Market Committee of the Commission on the clear negative effects that such proposed legislation, if passed, could have on credit unions and their less well off members in particular.

Additional Services

Draft Regulations prepared by the Department of Finance under Section 48 of the Credit Union Act 1997, when implemented, will allow credit unions to provide certain prescribed services. The League has reviewed these initial Draft Regulations which it is hoped will be signed into law in the early part of 2004. Key among these will be the ability of credit unions to provide EFT and ATM services.

Dormant Accounts

Preliminary discussions have taken place between the League and the Department of Finance on the main terms of a stand-alone piece of legislation to provide for dormant funds in credit unions. It is envisaged that a Heads of Bill will be published in 2004.

Competition Authority

In July 2003, the Competition Authority issued legal proceedings against the League in relation to the possible disaffiliation by the League of a number of credit unions for persistent breaches of League Rules.

The Competition Authority has asserted that the rule whereby disaffiliated credit unions have no right of access to the SPS Fund nor any right of refund in respect of alleged past contributions to the Fund is in breach of the Competition Act 2002.

The Competition Authority also claims that lack of access to the SPS is so severe a penalty for disaffiliated credit unions that it dissuades them from leaving the League and joining another representative organisation.

The legal and economic advice received by the League is that the League's rules and practices do not breach competition law. We remain optimistic that the High Court will uphold this position.

Outstanding Legal & Secretariat Resolutions

The League has raised the issue of outstanding legal and secretariat resolutions on a number of occasions with the Registrar of Friendly Societies and latterly the Irish Financial Services Regulatory Authority and Registrar of Credit Unions. These

resolutions are important to enable credit unions develop their business and respond to the current financial market.

The Registrar is currently examining these proposals and the League is providing assistance in this regard.

Northern Ireland Legislative Review

The League has met with PricewaterhouseCoopers who have undertaken the initial stage of the legislative review on behalf of the Department of Economy, Trade and Investment. It is expected that the consultation document will be released in March 2004 and at that stage the League will engage in further discussions with the relevant bodies in Northern Ireland.

Human Resources

The League has recently appointed a new Human Resources Adviser whose remit is to provide human resources advice and support to credit unions. This is a new departure for the League and it is anticipated that the service will evolve over time. Credit unions are already availing of this service and a Human Resource policy and procedures guidelines manual for Northern Ireland and the Republic of Ireland has been prepared and will be launched in early 2004.

Insurance Services

Following the adoption of the Review Commission Report, 2003 is the last year in which the League receives the majority of its funding through Loan Protection/Life Saving (LP/LS) commission. Consequently, new arrangements are now in place to observe the requirements of the Report and to ensure that all League insurance products are provided on a competitive basis.

The success of the League has been built on the cumulative strength of affiliated credit unions operating together through their representative organisation. This has created a strong movement with sustainable insurance products that have stood the test of time. To examine all of the issues involved and to decide on the most appropriate way forward, the League Board has set up an Insurance Project Team with the following objectives:

1. *To review the needs of the League in relation to insurance provision*
2. *To review and consider strategic aspects of insurance provision structure(s)*
3. *To carry out market analysis*
4. *To review current and possible future products*

The work of the Team is on-going and a report will be made to the League Board in March 2004.

The Insurance Services Department has been restructured to enhance its service to credit unions, particularly in the areas of communication, compliance, research and development. The restructure includes the following:

- ◆ Amalgamation of the Business Unit and Insurance Department
- ◆ The appointment of a Compliance Officer to take responsibility for the on-going implementation of the

insurance regulatory requirements of the League office and to liaise with credit unions in relation to insurance compliance issues

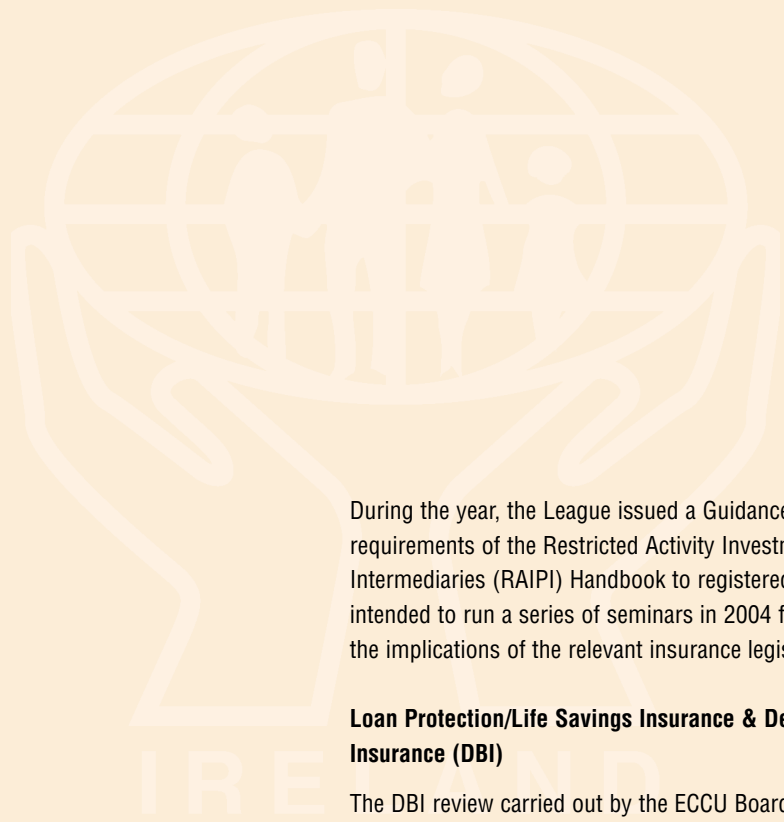
- ◆ The employment of an Insurance Relationship Manager to visit and work with credit unions to enhance communications and to receive comment and opinion from credit unions. It is intended to recruit two additional external staff to augment this function early in 2004.
- ◆ The implementation of a dedicated insurance research & development role to carry out a strategic analysis of the current credit union insurance environment with a view to developing a relevant, effective and efficient way forward. The feedback received from credit unions will be incorporated into this process.

The League has confidence that these changes will help to provide a platform to build stronger relationships with credit unions and to create meaningful two-way communication channels which will provide support to credit unions in marketing insurance services.

Insurance Services Department main activities during 2003

Regulation of Credit Unions as Insurance Intermediaries

As reported last year, credit unions in the Republic of Ireland providing insurance services to their members on an agency basis are regulated by IFSRA in respect of these activities. At year-end, 225 credit unions were registered as multi- or single- agency intermediaries with IFSRA. Credit unions wishing to participate in RPI, Travel, HomeUnion and/or Auto Union products must be registered. Credit unions availing of LP/LS, DBI, Star Plan and/or Pension, Life Assurance and Disability schemes do not require to be registered.



During the year, the League issued a Guidance Note on the requirements of the Restricted Activity Investment Product Intermediaries (RAIPI) Handbook to registered credit unions. It is intended to run a series of seminars in 2004 for credit unions on the implications of the relevant insurance legislation.

Loan Protection/Life Savings Insurance & Death Benefit Insurance (DBI)

The DBI review carried out by the ECCU Board has been circulated to credit unions and presentations were made at four roadshows in Dublin, Cork, Galway and Cookstown. The requirements of the ECCU Board are:

1. From January 1st 2004, all credit unions participating in the scheme must have at least 50% of their eligible members over 16 included. Any credit union participating with less than this amount will have their cover cancelled with effect from January 1st 2004.
2. From January 1st 2005, the rating system will be changed to allow for an element of individual rating on a similar basis to the LP/LS rating system.
3. From January 1st 2006, all credit unions participating in the scheme must have 100% of their eligible members over 16 included.

Visits have been carried out to credit unions with circa 50% penetration and feedback has been brought before the League Insurance Committee and the ECCU Board.

All other credit unions in the scheme will receive a visit in 2004 and again the feedback will be considered by the Insurance Committee and the ECCU Board. The latter will be reviewing and

monitoring the position over the next two years and credit unions will be kept fully advised of developments.

As pointed out in the Review, the main problem with the DBI Scheme is the “selection” risk present where credit unions insure only a small number of their eligible members over 16. This leads to a preponderance of older lives being insured and this, in turn, leads to higher claims experiences, which puts pressure on rates to increase.

If the problem of “selection” is not eliminated then it will continue to be very difficult for ECCU to compete. Other insurers can offer rates much cheaper than ECCU but only on the basis that there is 100% take-up of eligible members over 16 but if ECCU is competing on a like-for-like basis, then its premiums will not be beaten. ECCU provides the DBI as a pure member service and makes no profit from the Scheme.

Motion 50 of the Review Commission Report was remitted to the League Board for consideration. The ECCU Board commissioned a Feasibility Study on the implementation of the motion which was considered by both Boards. Following a review of the Study, the League Board agreed that Motion 50 would be set aside due to technical difficulties but that the spirit of the motion would be adopted through a number of strategies, under the following headings:

- ◆ ECCU Premium Reductions
- ◆ Insurance Department Restructuring
- ◆ Structure of the ECCU Board
- ◆ Reduction in “A” Shareholders
- ◆ User Group to be set up
- ◆ ECCU Board reporting to movement

The final report of the Implementation Committee, to be presented to CGM, will detail the League Board's proposals under these headings.

The implementation of the Review Commission Report recommendations on funding starts on January 1st 2004 and consequently a new rating structure will be introduced leading to a circa 20% decrease in premiums. This should ensure that ECCU rates are competitively priced, even allowing for the community-rated aspect which will still be included.

Claims settlements are handled very efficiently and the standard settlement time would rank amongst the best in the market. The same high levels of service will be maintained under the new rating structure.

At year-end, ten affiliated credit unions are still insuring LP/LS through another insurer.

ECCU is the only Irish insurance company operating on a "not for profit" basis and will be at the forefront of providing exceptional value for money for credit unions.

Star Plan

The three-year agreement entered into with Royal & Sun Alliance (RSA) expired on September 30th 2003. Following a review and negotiations, RSA decided that it did not wish to continue to be the insurer for the Star Plan scheme. The League consequently approached the market and is pleased to advise that it has entered into a new three-year arrangement with Quinn-direct Insurance for the property, liability and fidelity bonding sections of the scheme.

The wide-ranging policy cover under Star Plan will not be affected by the change in insurer. Irish Life continues to underwrite the Serious Illness and Group Term Life policies. It has been necessary to restructure the rates of some sections of coverage, as this had not happened for several years. The exercise has re-balanced the rating structure and ensured that all credit unions are being charged on a fair basis. The rates negotiated represent excellent value for money when compared with similar coverage available elsewhere in the market.

It is pleasing to record that a number of credit unions returned to the Star Plan scheme this year. It is important for credit unions to support this product as the very attractive terms and conditions have been negotiated through the combined strength of over 500 credit unions operating together.

Repayment Protection Insurance (RPI)

RPI continues to show good growth and credit unions are encouraged to offer this valuable service to their members. The number of redundancies in the country is on the increase and RPI can provide members with peace of mind and offer additional protection for the credit union.

Regrettably, the claims experience under the policy has been increasing and a review of the Scheme is currently underway. Credit unions will be advised of the outcome of this review when it has been completed.

HomeUnion

HomeUnion is the home insurance package providing a comprehensive range of benefits for credit union members. As reported last year, corrective pricing and indexation of sums insured were beginning to turn the account around and following an improvement in the claims experience, rates will be reducing by 7.5% with effect from January 1st 2004.

AutoUnion

AutoUnion is a quotation service whereby credit union members may obtain a discount on the normal rates charged by First Call Direct/First Rate Direct. AutoUnion will only be suitable for credit union members who meet the requirements of the insurer.

Star Plan Travel

The Star Plan Travel Insurance continues to offer an excellent package of benefits for credit union members. It is intended to extend this policy in 2004 to include an annual travel insurance arrangement.

Group Pension, Life Assurance & Disability Schemes

The League Board would like to remind credit unions that the above schemes are available to employees of affiliated credit unions. They provide excellent pension arrangements on a guaranteed, defined benefits basis. Under new EU legislation pension schemes must include provision for part-time or contract workers. Both schemes have been amended to reflect this position and credit unions have been advised accordingly during the year. The schemes are actuarially valued on a regular basis. The last actuarial valuation was issued in March 1999 and a valuation certificate in September 2002. Trustee boards for the Republic of Ireland and Northern

Ireland have been set up to ensure that the schemes meet all the relevant legislative requirements. The trustees are:

Republic of Ireland

Michael O'Callaghan, Chairman
Mary Griffin
Ciaran Bishop
Matt Heffernan
Tom Molloy, Irish Pensions Trust,
Professional Trustee

Northern Ireland

Samuel Adair, Chairman
Kevin Helferty
Ellis Morgan
Helen Kilvehan
Mary Kelly

Employee members are represented on the trustee boards. Revised Scheme booklets are available and quotations can be issued on request to the League office.

Personal Retirement Savings Accounts (PRSAs)

PRSAs were introduced in the Republic of Ireland during the year and the mandatory access date laid down by the Pensions Board was September 15th 2003. Copies of the Employers Guide to PRSAs were distributed to credit unions well in advance of this date. Credit unions were also circulated with details of an arrangement negotiated by the Insurance Department of the League with Eagle Star whereby reduced charges apply. Any credit union not already offering their employees access to a pension scheme must make PRSA facilities available to such employees under most circumstances.

Insurance Forum

The Insurance Forum was held on November 1st 2003 in Athlone. The general view of delegates was that it was very successful and it generated much discussion and feedback. The presenting organisations and topics discussed were as follows:

- ◆ ECCU Assurance Company Limited - LP/LS & DBI - Addressing the Challenges
- ◆ Irish League of Credit Unions - RPI Update
- ◆ Irish Life Assurance plc - Pensions & PRSAs
- ◆ Irish League of Credit Unions - Northern Ireland Insurance Services Update
- ◆ Quinn-direct Insurance - Star Plan - An Introduction to Quinn-direct
- ◆ Irish League of Credit Unions - Workshop on the Definition of the Role of the Chapter Insurance Officer and Analysis of Training and Communication Needs
- ◆ Irish League of Credit Unions - Liability Insurance Update
- ◆ Irish League of Credit Unions - Star Plan Claims - Case Studies

Insurance Committee

The Insurance Committee met on six occasions during the year.

The following matters were considered:

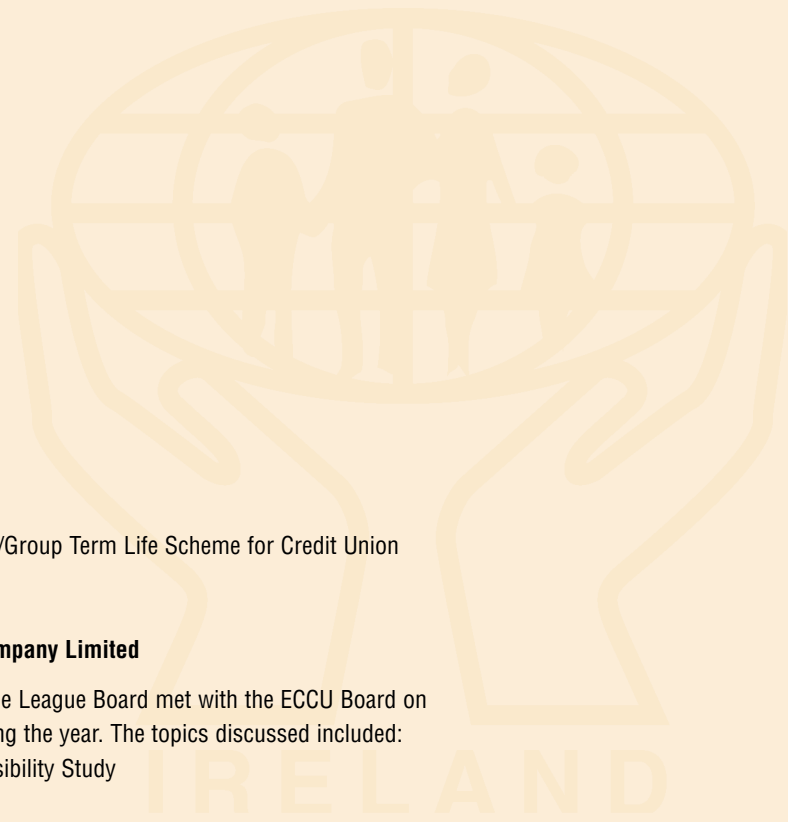
- ◆ Motion 50 Feasibility Study
- ◆ Relationship with ECCU Assurance Company Limited
- ◆ Loan Protection/Life Savings Insurance
- ◆ DBI Review
- ◆ Repayment Protection Insurance
- ◆ Insurance Regulation for the League and Credit Unions
- ◆ PRSAs
- ◆ League Pension Scheme
- ◆ Insurance Forum 2003
- ◆ Star Plan
- ◆ Insurance Project Team
- ◆ The role of Chapter Insurance Officers
- ◆ Annual Travel Insurance
- ◆ HSA Health Care Scheme

- ◆ HomeUnion
- ◆ Serious Illness/Group Term Life Scheme for Credit Union members

ECCU Assurance Company Limited

Representatives of the League Board met with the ECCU Board on three occasions during the year. The topics discussed included:

- ◆ Motion 50 Feasibility Study
- ◆ Re-insurance
- ◆ CUDA
- ◆ SARS
- ◆ Capitalisation
- ◆ Communications
- ◆ Compliance issues



Performance

Regional Support Services

The restructuring of the League office this year included the formation of the Regional Support Services Department which comprised the Marketing and Communications team, including Youth Development, the Events Team, the Training Team and the Business Unit Managers.

Marketing & Communications

2003 was an exciting year for the Marketing & Communication team which include the activities of the Events team and the Youth Development Officer.

Highlights:

Fair Deal Loans Campaign

The Fair Deal Loans advertisement aired on radio in June, highlighting the benefits of going to a credit union for a loan. Aired on every radio station in the country for two weeks, it was a very successful campaign with many credit unions using the advertisement and adapting it for their own local radio stations. A Fair Deal Loans poster was also produced and sent to all credit unions to complement the radio advertisement.

Marketing Roadshows

Marketing Roadshows took place in September 2003 in Kilkenny, Cork, Limerick, Athlone, Dublin, Sligo, Belfast and Letterkenny. They aimed to help credit unions understand the fundamentals of marketing and to show them some of the 'marketing gold' that can be 'buried' in the membership lists and how this can be extracted to good effect. Emphasis was placed on the Marketing Resource handbook which credit unions received in November 2002, member databases and surveying the needs of their members.

Special Olympics

Credit Unions and the Irish League of Credit Unions played a major

part in the highly successful Special Olympics Summer World Games held in Dublin in June 2003. Credit Unions got involved in The Support an Athlete programme which was supported by 84 credit unions and, together with the Irish League of Credit Unions; they contributed nearly €175,000 toward this great event.

Muc Campaign

The Irish League of Credit Unions became the major sponsor of an Irish Hospice Foundation initiative called Muc with two major school projects launched during the year. In April, primary schoolchildren were invited to take part in National Muc Day where sponsorships were dropped into local credit unions for collection while in September, secondary schoolchildren were asked to take part in a sponsored mobile phone 'switch-off'. Some 125 credit unions took part in this initiative and over €60,000 was raised. The Muc display at Dublin Airport was a very significant symbol of both the wonderful work of the Hospice Foundation and the support given by credit unions.

Ploughing Championships

Financial and staff support was provided to the Ploughing Championship Committee which is made up of volunteers from a number of chapters. The Ploughing Championship took place at Ballinabrackey, Co. Meath in September 2003 and was deemed a great success in promoting the economic and social impacts of credit unions. It was estimated that over 15,000 people visited the credit union display area.

International Credit Union Day

Credit Unions – The Heart of Our Community was the theme of this year's celebration. As well as complementary posters being sent to all credit unions, the day was officially launched at Rathfarnham Credit Union.

League General Meeting

The inaugural Biennial Delegates' Meeting took place at the Institute of Technology, Waterford in April 2003, attended by 1,200 delegates.

Publications

'Credit Unions News'

'Credit Union News' replaced the 'Credit Union Review' in April of 2003. This new look magazine contains general and financial information relevant to credit unions including policy articles and reports from credit union events around the country.

'Credit Union Update'

'Credit Union Update' is a newsletter produced on a monthly basis containing information on Board decisions and general League business.

Leaflets and Posters

The Marketing team is responsible for keeping all the leaflets and posters produced by the League up-to-date and in proper stock.

Competitions

Credit Union Schools Quiz 2003

315 Credit Unions throughout the 32 Counties registered to take part in the Credit Union Schools' Quiz 2003. The first level took place in January and the winners went on to take part in the Chapter Level at the end of February. The Final, held in the RDS in April, was considered a great success with the Chapter Level winners and runners-up making up the 100 teams that took part. This year's winners were:

Competition A:

Winners: Scoil Eoin Baiste, representing CC Chorca Dhuibhne Teo

Runners-Up: Scoil Nioclas Naofa, representing St. Jarlath's Credit Union

Competition B:

Winners: Kilmacrenan National School, representing Letterkenny Credit Union

Joint Runners-Up: Canovee National School, representing Macroom Credit Union and Spa National School, representing Tralee Credit Union

Once again, the Quiz Team of Credit Union volunteers, Ray D'Arcy, Mick Shanley, Lorcan Murray and the League Staff worked hard to make the day a great success.

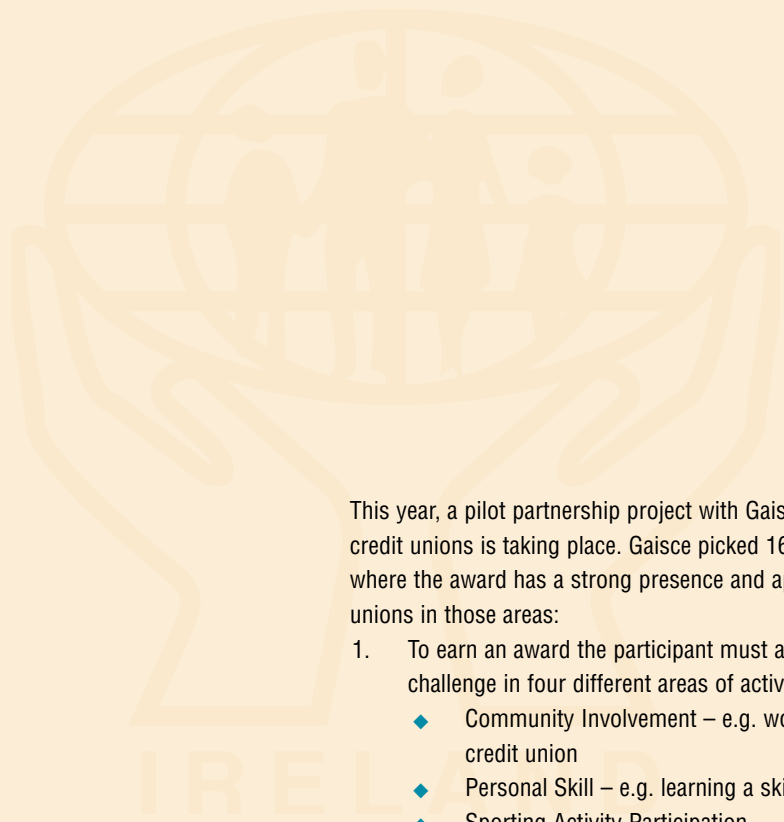
Credit Union Poster Competition 2003/2004

277 Credit Unions from 25 chapters participated in this year's competition using "Credit Unions: The Heart of our Communities" as the theme, and a high standard of entries was received. All posters, in both the General and Special categories, entered at national level will on display at the Consultative General Meeting in Limerick in April 2004.

Youth Development

Gaisce

The League once again became a charter member of Gaisce – the President's Award - the national challenge award from the President of Ireland to young people between 15 and 25 years of age. By becoming a member, the League helped to raise the profile of credit union services available to young people.



This year, a pilot partnership project with Gaisce and a number of credit unions is taking place. Gaisce picked 16 areas in Ireland where the award has a strong presence and approached the credit unions in those areas:

1. To earn an award the participant must agree and complete a challenge in four different areas of activity:
 - ◆ Community Involvement – e.g. working voluntarily in a credit union
 - ◆ Personal Skill – e.g. learning a skill in a credit union
 - ◆ Sporting Activity Participation
 - ◆ Venture Activity – e.g. a hike
2. There are three different levels of award – Bronze, Silver and Gold - requiring different levels of endeavour. Most Bronze awards are completed at secondary school with a teacher acting as Award Leader. There is a shortage of leaders for Silver and Gold award participants and credit unions could become involved by acting as Award Leaders by verifying that challenges have been completed.

Staff of the President's Award and credit unions will work closely together during this pilot project.

'Irish Times Business 2000'

The League once again participated in the 'Irish Times' Business 2000 project – Seventh Edition in 2003. This is an educational package that provides insights into business and new ways of exploring the world beyond the textbook. It is a curriculum-linked resource designed to bring real business into the classroom.

By becoming part of this educational initiative, the credit union movement is making a valuable contribution to business education in Ireland as well as getting exposure with a target audience of

utmost importance to the movement.

OPEN

OPEN – Social Enterprise Education Programme increases student awareness of social enterprise and develops new ideas for co-operation in local communities and is also intended to inspire young people to participate as volunteers in these enterprises. This year, the League promoted the OPEN Programme at six regional Transition Year teacher workshops. Teachers were very interested in the programme and another 80 manuals were requested.

National Youth Committee

The Board gave approval this year for the establishment of a National Youth Committee which will assist the League in its future direction for youth activities as well as involving representatives from the movement nationally.

The Committee will be comprised of not more than eight members, and will include the Youth Development Officer and a member of the Planning and Development Committee who will chair the meetings.

WOCCU Young Credit Unions Professionals Program

For the second year, the League sponsored two people to attend WOCCU's International Credit Union Leadership Institute in Brisbane, Australia. They were Catherine Coffey from Killarney Credit Union Ltd and Ann Mulligan from Phibsboro Credit Union Ltd.

This Institute offers the ideal opportunity for young people to broaden their perspectives on the international credit union movement, learn about the latest trends in credit union development, and network with other credit union leaders, particularly their young professional peers.

Training

2003 saw the Training Department continue to offer a full range of training courses to meet the needs of all credit union personnel. Following the nationwide training needs analysis conducted in January and February, a number of new courses were developed, including Marketing and Credit Control.

The introduction of a new e-learning product, Everyday Computing, designed to provide users with basic computer skills, supports one of the strategic aims of the League in encouraging credit union personnel to use technology. 2004 will see a strong drive to make quality, relevant training more accessible to all credit union personnel with a clear focus on Governance and Induction training for Directors and Supervisors.

The year's activities can be reflected under the following headings:

New Courses

Introduction to Marketing

This one-day course highlighted the importance of developing a marketing strategy in credit unions, and has proved to be very relevant to credit unions' needs. Based on real worked examples, the course facilitates participants in a practical way to understand the basic principles of marketing and to develop a strategy suitable to their credit unions' needs.

The Role of the Credit Control Officer

Developed in association with the Irish Institute of Credit Management, this course has been in great demand. It enabled credit control officers to operate more pro-actively and effectively in this increasingly important area of credit union operations. The initial course filled within days, and subsequently five more

courses have been scheduled and filled, indicative of the need for this training within the movement.

Everyday Computing

Aimed at the absolute beginner, this specially designed CD-ROM instructs the user on the basic concepts of using computers. Requiring no prior knowledge of computers, the CD is ideally suited to the new user both in their credit union and personal lives. The CD enabled easy use of the League website and other credit union computer systems, while also enabling users to fully participate in the information technology age on their home computer and the Internet.

Qualified Financial Advisor (Part 1)

In conjunction with the Life Insurance Association (LIA) the Training Department offered this distance learning course to credit union personnel for the first time in September. In the current climate of regulation and compliance, the course was a timely and welcome addition to the Department's portfolio, and has had an excellent initial take up of over 60 participants. The course is provided on a flexible self-study basis, with examinations available four times a year.

Open Courses

A full schedule of Open training courses including Long Term Lending, Credit Control, Induction training, and Management Training were run during the year, with excellent take-up from both employees and volunteers. The development and use of the League website enabled more credit union personnel to see the training schedule, with the result that there has been a noticeable increase in training activity.

Distance Learning

Accounting and Financial Management for Credit Unions

This course provided a firm foundation for anyone involved with credit union accounts for the first time. While run as a distance learning package, the provision of five regionally-based tutorial groups enabled participants to clarify issues, work with the support of a tutor, and learn from the other participants on the course. It continues to be in high demand, with 75 students currently enrolled on the course.

Computer-based Training

European Computer Driving Licence

The European Computer Driving Licence (ECDL) was again available to credit union personnel, via the medium of CD-ROM, at a discounted price. This type of training is a critical component in personnel development in an increasingly technological workplace.

In-House, Cluster & Chapter-wide Training

This 'we come to you' training option offers credit unions maximum flexibility and ease of attendance, cutting down on travel and 'out of office' time. This option is also more cost effective, with a lower cost per participant, and minimal travel and accommodation costs, causing less disruption to the busy lives of credit union personnel.

Internal Training

The League continues to support the development of its employees in order to improve the service provided to credit unions. Some of the initiatives that took place during 2003 include the introduction of a comprehensive induction programme for all new employees (which involved placement in credit unions), health & safety

training, management skills training, as well as continued emphasis on technology training.

Business Unit Managers

The remit of the four Business Unit Managers is to ensure that credit unions are getting what they need from the League Office, to sort out specific problems for them and to identify and pass on "best practices" and ideas identified on visits to credit unions. To achieve this, they visited over 300 credit unions and Chapters during the year, as well as being involved in a variety of projects within the League Office.

In the coming year, their main focus will be on savings, loans and business planning for credit unions, as well as involvement in road-shows and in-house training relating to new legislation and governance. Following the League Office restructure, the Business Unit Managers will be part of Regional Support Services and their close involvement with the Training and Marketing Departments should expand the services and advice that can be offered to credit unions.

Credit Unions should know who their Business Unit Manager is and make contact if support or information is required.

David Matthews: 087 6293903
Ciaran Bishop: 087 6686804
Paul Thornthorn: 087 2324552
Paul Weston: 087 6678165

Information Technology

A year of facing various challenges – the Review Commission’s findings, changing management, re-focusing League services as well as changes in regulation, legislation, technology, the financial industry, and the credit union market place – have all had an impact on the League’s Information Technology operations. The expectations of what IT can contribute to the League, the credit unions and their members continues to grow and in addition to providing day-to-day IT services, the IT Department has also been assessing its role within the movement’s strategic future planning.

Planning is critical

In this fast-paced environment, the importance of planning has never been more critical. Improving the planning process and the Leagues management information system to become more

effective has been a priority this year. This entailed technical and business segments working closely to identify the impact of external drivers, clarify the business needs, and ultimately determine how information technology could best help in achieving the business goals.

National Technology Committee

Best use of information technology resources to meet business challenges was facilitated by the new National Technology Committee which was set up to provide independent advice to the credit union movement and the League on IT and associated projects. The Committee members were nominated by credit unions, as follows:

Member Name	Nominated by credit union	Member Name	Nominated by credit union
David Rolston	Ballyhaunis & District	Andrew Powell	Sligo
Frank Scott	Swinford & District	Charles Stewart	RTE
Gerry O’Leary	RTE	Donal Enright	Monaleen
John Mullen	Thurles	John O’Mahony	St Gabriel’s (Cork)
Keith D’Arcy	Inchicore	Rosemary O’Doherty	Derry
Larry Murray	Omagh	John Barry	Neilstown

In addition to these nominations, other members were added by the League.

Member Name	Irish League of Credit Unions
Liam O’Dwyer	CEO
Mary Griffin	Director and Chairperson
Brian McCrory	Supervisor
Charles McLaughlin	Head of IT
Naoise Kennedy	SystemAction Consultant

The National Technology Committee issued a lengthy survey early in 2003 to research the needs of credit unions as well as highlighting technology and operational challenges within the movement. Around 50% of credit unions returned the completed questionnaire and while this would normally be considered an excellent response to any survey, the NTC needs a 75% return to

have a mandate from the movement. As a consequence, the Committee is targeting the remaining credit unions for responses.

Some of the results currently coming out of the survey are as follows:

Card Service	Important	No View	Not Important
ATM	61.2%	8.4%	29.8%
Debit Card e.g. LASER or SWITCH	46.1%	11.8%	41.0%
Credit Card	27.0%	10.7%	61.8%

	Yes	No	No Response
Would members switch to credit union branded card?	43.3%	23.6%	33.1%
Don't know how many would take cards	84.3%	15.7%	
Don't know who have cards from other financial institutions	85.4%	14.6%	
Don't know have many will require cards	94.9%	5.1%	

Cash Accessibility	Important	No View	Not Important
The importance of a credit union current account facility	58.6%	10.5%	28.7%
Access Credit Union account funds at Credit Union ATMs	61.3%	11.6%	24.9%
Access Credit Union account funds at non-Credit Union ATMs	62.4%	13.8%	21.5%

Funds Transfer	Important	No View	Not Important
Ability to set up Standing Orders	95.6%	2.2%	2.2%
Ability to process CT & DD for Loan repayments and Savings	92.3%	2.8%	3.9%
Ability to make Utility Bill Payments	55.8%	7.2%	35.4%
Ability to accept salary payments	76.8%	5.5%	16.6%
Ability to provide foreign exchange	63.0%	5.5%	30.4%
Ability to transfer Social Welfare and DSS	74.0%	8.3%	16.0%

The NTC has also become involved in assessing a number of initiatives in respect of EFT/ATM services among them, the Bank of Ireland Initiative and the FEXCO offering. Meetings with An Post took place to assess the mutual value from co-operation and this investigation is still ongoing.

The assessment process will include an IT investment analysis process to ensure that IT euros are being spent in the right place and getting the best value, as well as a risk mitigation process to identify and address all risks.

Achievements in 2003.

While the focus has always been on achieving Information Technology goals, 2003 also involved the identification of short-term priorities. This effort translated into development of a set of strategic goals that received particular attention in 2003 and will continue to be focused on in the year ahead, including:

1. Communication.

Initiatives to improve communication were started by undertaking the Email and web site upgrade projects.

Communication over the Internet is becoming increasingly important. More service suppliers, regulators and the Government are forcing people and businesses to conduct their business over the web so it is as important that credit unions embrace this channel of communication as quickly as possible.

At present, over 300 credit unions receive League communications by Email and it is hoped to encompass all credit unions early in 2004.

The new League web site went live in April 2003 and has been well received by credit unions. Again, it is hoped that they will become more active in their usage of the site and to offer feedback on its content.

Use of the Internet will be extended in 2004 by adding electronic forms and templates to help in the business of returns (e.g. Call Reports, Annual Returns, Return of Officers etc.) as well as improving other services such as Insurance.

The League Board since September 2003 now operates via electronic mail. All documents, reports, minutes and presentations are transferred to the Director from the League Office via e-mail and the Directors utilise their laptops at Board meetings. This has enabled the speeding up of all communication, facilitating Directors with immediate access to crucial information and reducing a sizeable paper mountain.

Communication is an on-going project which needs to be constantly monitored to ensure quality and timely communication to Directors, managers and staff within the credit unions and also within the League Office.

2. PEARLS Call Reports

The Call Report system of the Monitoring project and the PEARLS system of risk assessment were both implemented in 2003, with Pearls' ratios communicated back to credit unions in September and December.

A new improved call report was issued in December 2003 based on experiences with the previous returns while further development of PEARLS reporting which enables scoring and



peer group comparisons was completed in December 2003.

In 2004, further analysis-type reports will be produced based on the movement and peer groupings. Additional tools will also be put in place to facilitate the further developments of the desk audit function and to highlight early any areas of concern in the movement and individual credit unions.

3. Banking Services

Considerable effort was made in the procurement of banking facilities for credit unions and their members, both by the League and also by groups of credit unions such as CU Solutions, with the aim of providing a robust, usable and affordable solution.

The League engaged a specialist banking consultancy, Bayberry, because of its understanding of the Irish banking marketplace. A number of Bayberry's reports highlighted potential models for going forward but the major challenge the consultancy identified was the regulatory environment. For credit unions to offer banking services such as EFT and ATM, they must be seen to comply with all appropriate regulation/legislation applicable to these services.

The League has engaged with the appropriate authorities to address the regulatory and legislative environment. This includes the registrars in both jurisdictions as well as a number of European directorates.

In parallel to this, Bank of Ireland is piloting its offering with up to 10 credit unions which begin in November 2003 and should highlight any operational issues that need addressing. Bank of Ireland installed hardware and software into the first

two pilot credit unions, Fermoy and Charleville in December and their credit union system supplier Octagon is developing the interface between the credit union system and the Bank of Ireland infrastructure. Other credit unions and suppliers will come on board early in 2004.

Other offerings are being prepared by other financial institutions and suppliers, these will form detailed proposals in early to mid 2004.

The IT Department together with the NTC are supporting the pilot credit unions and accessing the suitability of the system on offer, with a close eye to Risk Management.

4. Information

Information is vital to the League to foresee challenges to credit unions, negotiate from a position of knowledge and represent the movement at a Governmental and regulatory level. Information must be extractable from transactional systems easily and effectively and must also be available to those that need it.

Part of the League's MIS project is to implement an Information (Knowledge) Repository program and appropriate reporting tools covering all aspects of information storage and retrieval. To be delivered in a series of phases, the project started in September 2003 and will take up to two years to properly integrate with the existing systems and information.

5. Security

Information security is another important area that is now being stressed and the quality, reliability, appropriate

confidentiality and availability of critical information must be guaranteed. In an independent security review of the Irish League of Credit Unions infrastructure undertaken in 2003, the League systems and network were deemed to be very good in terms of unauthorised access from external hackers and well protected against infection by viruses. Any identified vulnerabilities which have the potential to compromise the security of the League systems, but have not yet done so, are being addressed as a matter of urgency.

6. Quality and Productivity

The whole operational area of the League which supports products and services to credit unions and their members is being reviewed and improved where possible. This inevitably will lead to some IT work to provide a technical infrastructure to support the business processes and changes.

Much work has been done in implementing electronic communication channels and transactional systems to process finance and insurance business, but much still remains. The next twelve months will provide more technology solutions to improve the operation within the League office as well as improving services to credit unions.



Performance



Monitoring

Credit unions experienced first hand the impact of change arising from prevailing conditions in the Irish financial markets. Interest rates remained at an all-time low, competition increased dramatically and the margin between the income generated by credit unions and the cost of operations narrowed.

Many credit unions found it necessary to increase the amount of bad debt write-off and to create greater provisions for non-performing loans. Much of this has resulted from the increase in more risky lending experienced in the last two years. There has been a noticeable increase in credit union liquidity due to increased savings in flows not loaned often attracted by an over-generous dividend.

Credit unions which have not been able to grow their loan portfolio found it difficult to maintain reserves and dividend due to an overall decline in income. Of those credit unions which have reduced their loan interest rates, some have not been able to maintain growth in the loan portfolio sufficiently to maintain levels of loan interest income. At year-end, these various business pressures continued to exist. Initiatives have been undertaken by groups of credit unions in such matters as:

- ◆ Diversifying lending
- ◆ Variable interest rates
- ◆ New product development
- ◆ Marketing and promotion activity

The League is now in consultation with these credit unions and IFSRA to support their work in addressing these pressing business issues.

The League's Administration Committee, responsible for

overseeing the monitoring function and safety and soundness of credit unions, can report that the vast majority of affiliated credit unions throughout Ireland continued to be well managed and directed and are run in the best interests of and service to their individual members and communities.

A few credit unions have experienced fraud, embezzlements and robbery. Others have successfully resolved conflicts among board members, between the board and supervisory committee and human resource and industrial relations matters.

The League's Monitoring Department assisted in identifying, quantifying and supporting credit unions where these experiences occurred. It is often necessary to support confidence in credit unions by clearly indicating through the media that they are affiliates of the League, in good standing with the League, have adequate reserves and are adequately bonded and that as a result there is no adverse impact on members' savings. League delegations attended general meetings of credit unions experiencing such trauma to give further reassurance and support to members.

The Administration Committee can report that during the year one credit union was able to resume full responsibility for the loan portfolio and relieve the Savings Protection Scheme Fund of a guarantee to maintain solvency. In 2003, as in previous years, credit unions benefited from the support of the Fund of the Savings Protection Scheme (SPS). Its availability has helped maintain member and public confidence in credit unions. It has helped credit unions trade out of solvency difficulties and ultimately provided the opportunity for Boards to manage and grow credit unions to renewed full financial strength.

Regulatory Changes

The system of credit union regulation in the Republic, which began with the Credit Union Act 1966 under the aegis of the Registry of Friendly Societies, ceased on May 1st 2003. Regulation by the Registrar of Credit Unions, under the Irish Financial Services Regulatory Authority, came into force on that date.

The Administration Committee of the League experienced a good working relationship over many years with the Registrar of Friendly Societies and in particular with the last incumbent, Martin Sisk, during the last eighteen years.

In anticipation of regulatory changes arising from the McDowell Report, the League Board undertook a number of preparatory initiatives to alert credit unions to the anticipated changes and to upgrade the monitoring function to best international credit union practices and standards.

An internal League office review process was started in 2000 which built on an earlier internal review. The findings of the review were explained at various roadshows, chapter presentations, the 2002 AGM and the biennial delegation meeting in 2003, resulting in the movement adopting various resolutions to put a new monitoring structure at League office in place. This year saw the coming to fruition of that process with the implementation of a new credit union Call Report, the establishment of a Desk Audit function and the start of a Financial Performance Report to credit unions.

The first quarterly Call Report was required in respect of the 30th June and will be required for each subsequent quarter. Comparative data and ratios are now starting to flow from the Call Report database and it is expected that by mid-2004 it will be

possible to issue each credit union with the full PEARLS suite of ratios, peer group ratios, key performance ratios and related comparative data.

The Administration Committee can report that by the end of 2003, 80% of all League affiliated credit unions are now submitting the quarterly Call Report and those that are not, for whatever reasons, will be supported by training to do so. With the Desk Audit providing an early warning system and identification of financial shortcomings, it is now possible to focus a risk-based examination and review process on-site in credit unions so that remedial action and, where necessary, a stabilisation process can commence.

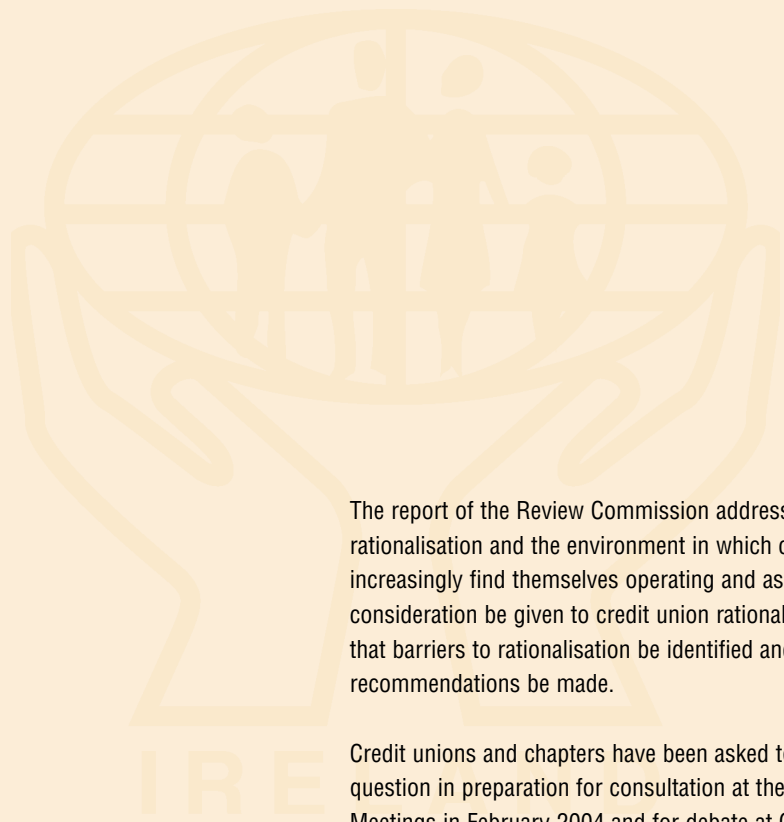
Savings Protection Scheme

An SPS working group was established by the League Board to work in conjunction with a parallel team from IFSRA to address the various governance, administrative and funding issues relating to the SPS fund operations and this work will continue in 2004.

The adequacy of the Fund and an actuarial assessment of the risks to which it is exposed still have to be determined. However, the Administration Committee is satisfied that the level of the Fund is broadly in line with best international practices for the maintenance of similar funds and is confident that its operation and funding mechanism measure up to that of any similar funds in the Irish financial services arena. The risk assessment of the Fund is scheduled to commence by mid-2004.

Rationalisation

Reference was made earlier in the report to the various pressures currently affecting credit unions.



The report of the Review Commission addressed the issue of rationalisation and the environment in which credit unions increasingly find themselves operating and asked that consideration be given to credit union rationalisation. It suggested that barriers to rationalisation be identified and that recommendations be made.

Credit unions and chapters have been asked to address this whole question in preparation for consultation at the Chapter Regional Meetings in February 2004 and for debate at CGM in April 2004.

The League Board does not see the outcome of rationalisation as inevitably resulting in a dramatic reduction in the number of credit unions. It sees this resolution as asking affiliated credit unions to consider the matter of rationalisation to:

- ◆ arrive at an understanding of what it might or might not mean for a particular credit union(s)
- ◆ establish what are the development opportunities that might arise
- ◆ establish what are the opportunities for co-operation with another credit union(s)
- ◆ see how such co-operation might be obtained and built on
- ◆ indicate what are the support/development requirements from the League and other agencies
- ◆ explore any other aspects or issues which are considered pertinent
- ◆ review the business implications
- ◆ review models which enable continued community ownership where rationalisation is agreed.

Other movements have been through this process driven by the same considerations that are now facing Irish credit unions. Many

innovative responses have emerged, including:

- ◆ sharing of technical and human resources
- ◆ establishment of credit union service centres
- ◆ development and delivery of new products and services
- ◆ maintenance and (sometimes) formation of new community development credit unions
- ◆ establishment of business-related initiatives with other financial service providers
- ◆ multi-credit union access to the full range of products and services to all members
- ◆ improved viability of credit unions, through mutual guarantees
- ◆ renewal of the fundamental philosophy of co-operation at member and inter-credit union level.

The important concern for Irish credit unions is to examine their role, their capacity and ability to deliver quality services to members and to devise strategies to ensure that they continue to remain a vital organ within financial services provision in this country.

The Irish Credit Union movement, having experienced the growth and development phase, is now consolidating into a mature movement. It is both timely and opportune to undertake a renewal process and so educate members and potential members on the benefits of mutual financial co-operation and to adequately equip current and future volunteers and professional staff to meet the challenges ahead. In 2003 the League set out the issues for credit unions and sought their feedback in preparation for the planned CGM in April 2004.

Saving Protection Scheme (SPS)

At December 31st 2003, there were 532 credit unions affiliated to the League. The total value of savings at this date is estimated to be €9.7 billion.

The SPS Fund at 0.82% of total savings protected is lower than the actual December 2002 figure of 0.86%.

During the year, one loan guarantee in the original amount of €247,165 was terminated as the credit union in question had reached the stage where it no longer required the guarantee in respect of guaranteed loans, having achieved sufficient reserve levels to cover the remaining balance of the guaranteed accounts.

In the last few years, that credit union has overcome various difficulties and great appreciation is due to its volunteers, directors, supervisors, managers and staff, supported by the Savings Protection Scheme, in achieving a return to full financial health.

At year-end, consideration is being given as to how to best support a small number of credit unions which are experiencing financial and other difficulties.

During 2003, 250 credit unions received Field Officer inspections. This number is down on the previous year due to the need to concentrate effort and resources on some credit unions where irregularities, fraud or other financial and administrative difficulties were identified.

The policy of arranging both announced and unannounced field officer visits continued to operate and will be informed in the coming year on the basis of the risk factors, as identified by the Desk Audit function.

The Administration Committee of the Savings Protection Scheme and monitoring staff continue to deal with a wide range of credit union related matters during the year:

- ◆ Irish Financial Services Authority (IFSRA)
- ◆ Monitoring Review
- ◆ SPS Fund support for specific credit unions
- ◆ Savings Protection Scheme Review
- ◆ “PEARLS” System developments
- ◆ Desk Audit and database developments
- ◆ Credit union examinations and matters arising
- ◆ Financial performance of credit unions
- ◆ Development support for specific credit unions
- ◆ Loan arrears
- ◆ CFS applications
- ◆ Credit union liquidity
- ◆ Appointment of Liaison Officers to credit unions
- ◆ Court proceedings
- ◆ Year-end requirements
- ◆ Statutory compliance issues
- ◆ Delegation visits to credit unions
- ◆ Attendance at special and annual general meetings
- ◆ Fraud and embezzlements
- ◆ Statutory annual returns
- ◆ Matters relating to audit and auditors
- ◆ Loan interest rates/dividends
- ◆ Memorandum of Understanding with Registrar
- ◆ League AGM motions
- ◆ Inspections by Registrar
- ◆ Fidelity Bond requirements
- ◆ Resolution of internal credit union matters
- ◆ Review of regulatory practice within other movements

A number of League Board Directors continue to act as liaison directors to credit unions and further appointments were made during the year.

Fidelity Bond

A credit union which does not take the Star Plan Bond is required to provide a copy of its bond cover to the League to confirm that it complies with the requirements of Resolution 19 of League AGM 1976 as follows:

“That this annual general meeting, in accordance with League Rules, Section 2, Rule 3, resolves that on or before the 31st May 1977, all affiliated credit unions shall carry adequate general insurance and fidelity bonding at least equivalent to that provided by the League Board under the Star Plan Insurance Scheme”.

Composite Resolution A, approved at League AGM 1997 and Section 2, Rule 3 of the Rules of the Irish League of Credit Unions require each member credit union participating in the SPS to have the following bonding levels:

Asset Size	Bonding level
Up to €317,434.51	€31,743.45
€317,434.51 to €1,269,738	10% of assets
€1,269,738 and over	10% of assets for the first €1,269,738, plus 5% of assets over €1,269,738, subject to the maximum bond limit available from time to time.

The League is pleased to record that from the 1st of October 2003, Quinn-direct Insurance became the official bonding insurer of the League affiliated credit unions via the Star Plan Policy.

Annual General Meeting

The 14th annual general meeting of The Irish League of Credit Unions Savings Protection Company Limited took place on July 25th 2003. The role of the company, which is wholly owned by the League, is to take and enforce securities for loans made under the Savings Protection Scheme.

Chapter

The topics for discussion at Chapter for 2003 were PEARLS, Human Resources, Health and Safety and Managing Surplus Liquidity.

The Chapter Officers’ Seminar did not take place in 2003, as decided and agreed at the SGM 2002.

Chapter Regional Meetings

The Chapter Regional Meetings structure started in 2003, with the first meetings taking place in July as part of the consultation process to determine the role and operation of Chapter Regional Meetings.

Having considered the outcome of the consultation meetings in July, the League Board decided that the following arrangements would apply in respect of Chapter Regional Meetings:

Region	Chapters
Northern	1, 2, 3 4 and 17
Western	15, 16, 18 and 19
Eastern	5, 6 and 7
Dublin	20, 21, 22, 24 and 25
South East	8, 9, 10 and 14
South West	11, 12, 13 and 23

Attendance at Chapter Regional Meetings

The two Chapter delegates appointed by credit unions will be the delegates to the Chapter Regional Meeting unless the board of a credit union decides otherwise in respect of each Regional Meeting.

The League Board recommends that in order to maintain continuity between Chapter and regional attendance, some credit unions may wish to appoint, in addition to one of the Chapter delegates, another person interested in the specific topic to attend a Chapter Regional Meeting. This may also have the benefit of spreading more knowledge among board members.

Where a particular credit union is not comfortable with the region to which it is allocated because of distance or other reasons, it will have the option to select the Chapter Regional Meeting of its

choice and this choice once made will then be fixed for the future. Where a credit union decides to exercise this option, the League and Chapter of which it is a member, must be notified.

Attendance at Chapter Regional Meetings will be on the same basis as the credit union chapter delegates' attendance at regular chapter meetings, i.e. where appropriate, travel costs are borne by the credit union.

The League Board will decide the dates and venues of Regional Meetings and the arrangements will be made by the League Office.

Chapter Regional Meetings are being arranged for 2004 to discuss IFSRA funding and Rationalisation in preparation for the debate at CGM.



Performance

