

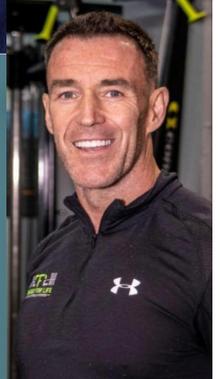
THE BORROWERS



Annual Reports & Accounts 2021



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Vision

To be the lifetime financial partner of our members and assist them to achieve their financial goals.

Mission

Dedicated to providing quality financial services to members whilst maintaining our tradition of security, stability and trust.

Contact us

Head Office

Ballymena Office
17-21 William Street
Ballymena
Co. Antrim
BT43 6AW

Opening Hours:

Monday: 9.00am – 4.30pm
Tuesday: CLOSED
Wednesday: 10.00am – 4.30pm
Thursday: 9.00am – 4.30pm
Friday: 9.00am – 4.30pm
Saturday: 9.00am – 2.00pm

Sub-Offices

Coleraine Office

32 Abbey Street
Coleraine
BT52 1DU

Opening Hours

Monday: 10.00am - 4.00pm
Tuesday: CLOSED
Wednesday: 10.00am - 4.00pm
Thursday: 10.00am - 4.00pm
Friday: 10.00am - 4.00pm
Saturday: 10.00am - 1.30pm

Tel: 028 2564 9010

Email: info@bccu.co.uk

Website: www.bccu.co.uk

Myth Busters

Myth - You have to save for 12 weeks before you can apply for a loan.

Truth - You can apply for a loan as soon as you become a member. Loan approvals are based on affordability and not savings history.



Myth - You can only borrow three times your savings.

Truth - The maximum loan amount that you can apply for is £35,000 above your savings balance.

List of Officers

1st October 2020 – 30th September 2021

Board of Directors	<p>Chairman – Patrick McCallion Vice Chairman – Neil Richardson Secretary – John Smyth Treasurer – Derek Lynn Francis Scullion Anne Bradley Rosemary Allen Joe McCallion</p>
Credit Committee	<p>Gloria Ward Colette Johnston Bernie Fox</p>
Supervisory Committee	<p>Davina Kerr Claire Lowry Carol Kennedy</p>
Senior Management Team	<p>Chief Executive Officer Paul Patton Risk and Compliance Manager Michelle O’Neill Head of Operations Lee-Ann Calwell Operations Manager (Causeway) Rosemary Sweeney Credit Manager Alison Graham / Charles Allen (current acting Credit Manager) Marketing Manager Julie Martin</p>
Accounts and Record Keeping	<p>Mary Harbinson Leona McAlister</p>
Operations Team	<p>Erin Malone Janell Robinson Pauline Rodgers Jodie Kelly Nicola Scott Julia Ferguson Justine Benson Naomi Morrow Sonny Brady Lakia McCarte John Eddie Convery</p>
Loans Team	<p>Natasha Graham Shannon Gordon Conor McFerran Louise Martin Louise Merrigan</p>
Credit Control	<p>Marian Johnston</p>
Minute Secretary	<p>Wendy Morton</p>

The Order of Business at the Annual General Meetings of the members

The Order of Business at the Annual General Meetings of the members shall be:

1. Ascertainment that a quorum is present;
2. Chairman's Welcome and adoption of standing orders;
3. Reading and approval of the minutes of the last annual general meeting and of any intervening special general meeting;
4. Insurance Report;
5. Report of the treasurer and consideration of accounts;
6. Report of the auditor;
7. Declaration of dividend and rebate of interest (if any);
8. Report of the Credit Committee;
9. Report of the Supervisory Committee;
10. Report of the Credit Control Committee;
11. Report of the Membership Committee;
12. Report of the nominating committee;
13. Proposal of auditor;
14. Proposal of directors;
15. Adoption of Rule Amendments 2020-2021;
16. ILCU International Development Foundation Limited Donation
17. Any other business;
18. Adjournment or close of meeting.

Report of the Chairman for the Year Ending 30th September 2021

I would like to welcome everyone to this, the 2021 Annual General Meeting of the Credit Union and on behalf of your Board of Directors, I present to you the directors Annual Report for the year ended 30 th September 2021.

We thank you the members for your support in these challenging times.

As we enter a new financial year, our outlook is positive but still slightly cautious. Whilst we, like other businesses, continue to deal with the challenges presented by the COVID-19 pandemic, we can look back over the previous 18 months and be extremely proud of what we have achieved. We have focused on ensuring that that our employees, volunteers and members have been as safe as possible whilst securing the financial sustainability of the Credit Union. We have offered new ways of transacting for members, making it easier and more convenient for those members who do not wish to travel to our offices. We have introduced online onboarding for those individuals who want to open an account with us. This is an end-end remote process with bio-metric facial recognition software being used to confirm identity. The introduction of an E-Signature platform has been invaluable, with members able to sign documents from the comfort of their own home (or mobile device). Members can now also send us important documentation via the Document Uploader section of our online platform, allowing for more secure interactions with Credit Union staff.

However, alongside this we have also continued to maintain our face-to-face services with opening hours returning to normal, whereas other organisations have limited physical interactions or have simply closed the door. We have been able to regain almost “full” operational status whilst maintaining the well-being of our staff and members. We have been lucky as an organisation to have few cases of COVID-19 within our staff and fortunately have controls in place to mitigate any potential spread of COVID-19 within our offices and teams.

As our members will know, loan income makes up the majority (c85%) of our income. Fortunately, our loan book performance over the last year has been exceptional, given the circumstances and we are hopeful that with restrictions easing that our loan book performance can continue into 2021 - 2022.

Over the next year the Board will be concentrating on how to sustain financial stability in the uncertain times that continue to lie ahead. The new financial year will begin with the end of the furlough scheme and the absence of supports for those industries that continue to be impacted upon because of current restrictions. The impact of this on local employment levels remains to be seen. However, BCCU are committed to supporting our members through the difficult days that may be ahead.

On behalf of the Board, I would like to express our thanks to the CEO, his Management Team and all the Staff Team for their hard work in delivering a top-class service to our members and for their commitment to meeting the many regulatory changes imposed upon us by the Prudential Regulation Authority.

Having strong corporate governance is a critical factor for our continued success. The compliance and regulatory requirements of the Financial Conduct Authority and the Prudential Regulatory Authority place considerable responsibilities on all Board Directors within the financial services sector. Ballymena Causeway Credit Union is no exception and

in order that the organisation is properly equipped to comply and provide confidence and assurance for members, directors, supervisors and staff continue to enhance their skills by undergoing training and continuing personal development.

It gives the Board great assurance that your Credit Union has such a strong team to implement our strategy, to protect the reputation of your credit union and to make the operation run so smoothly.

I am confident that as we go forward, our directors, volunteers and staff will continue to work hard in making this Credit Union the first choice by all our members for their financial needs.

On behalf of the Credit Union, I would also wish to offer our sincere sympathy to the family and friends of our members who have died during the year.

Patrick McCallion

**Chairperson
Ballymena Causeway Credit Union**

Model Standing Orders for Credit Unions Annual General Meeting

Reference: Recommendation 41 (b) of the Planning Committee.

1. Voting

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with Rule 57 of the Standard Rules (except the presiding member, in the limited circumstances set out in Rule 57).

2. Election Procedure

When nominations are announced tellers shall be appointed by the chairman and ballot papers shall be distributed. Elections shall be in the following order:

- (a) Election of auditor;
- (b) Election for membership of the board of directors; and
- (c) Election for membership of the supervisory committee.

When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot paper which contains more votes than the number required shall be void. All elections shall be by majority vote. When the votes have been counted by the tellers the results shall be announced by the chairman. In the event of all vacancies not being filled by the first ballot, further ballots shall be taken as required. **(Standard Rule 74)**

3-8 Motions

3. A proposer of a motion may speak for such period as shall be at the discretion of the Chairman of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
4. In exercising his/her right of reply, a proposer may not introduce new material.
5. The seconder of a motion shall have such time as shall be allowed by the Chairman to second the motion.
6. Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chairman.
7. The Chairman shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.
8. The Chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.

9-13 Miscellaneous

9. The President of the credit union shall be the Chairman of any general meeting, except where he/she is not available, in which case it shall be the Vice-President, except where

he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chairman of any general meeting.

10. The Chairman may at his/her discretion, extend the privilege of the floor to any person who is not a member.
11. Matters not covered by the Agenda may be introduced under “Other Business” at the discretion of the Chairman.
12. The Chairman shall have a casting vote in addition to his/her own vote on matters **other than voting at elections (Standard Rule 57).**
13. Any matter to be decided upon by a vote at the AGM shall, unless otherwise expressly provided for by law or the rules be decided upon by majority vote.

14 Suspension of Standing Orders

Any one of these Orders or all these Standing Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.

15 Alteration of Standing Orders

Standing Orders may be amended or altered at a general meeting and only if a motion to this effect has received a two-thirds majority of those present and voting.

16. Adjournments

Adjournments of the AGM shall take place only in accordance with Standard Rule 59.

Minutes of the 53rd Annual General Meeting of Ballymena Credit Union Limited, held on Tuesday 8th December 2020 at 7.30pm via Zoom

Due to the COVID Pandemic, this AGM was held virtually using the Zoom platform. It followed the same structure of the physical AGM held in previous years.

A Powerpoint slide presentation accompanied each of the agenda items.

1. Welcome and Introductions

The CEO, Paul Patton opened the meeting and introduced himself as the CEO of Ballymena Causeway Credit Union. He welcomed all the members who had joined online and those who were members of Causeway Credit Union prior to the Transfer of Engagement in February 2020.

He indicated that during the proceedings, there will be presentations from The Chairman, John Smyth, The Treasurer, Derek Lynn and the External Auditor, Dermot Corr, D.C. Corr & Co.

2. Housekeeping Aids to Assist Attendees Participation

The CEO briefed those “in attendance” on how to interact throughout the meeting:-

- All attendees had been muted and videos switched off to ensure that the sound quality was the best possible and also to protect privacy;
- The availability of a Question and Answer (Q&A) facility and how to type in a question;
- Proposers and seconders for the various reports will be required and how to use the “Raise a Hand” facility;
- A series of polls will be necessary to respond to the various motions which are brought to the AGM. A “test” poll was ran to ensure that all could respond.

3. Virtual Board Table

A slide showing the current Board of Directors was shown. The current Directors are:

John Smyth - Chairperson
Neil Richardson - Vice-Chairperson
Derek Lynn - Treasurer
Patrick McCallion - Secretary
Anne Bradley
Rosemary Allen
Joseph McCallion
Francis Scullion

Since only the Chairman and the Treasurer are participating in the meeting, the remaining Directors were in attendance as members of BCCU.

4. Order of Business

The Order of Business is set out in Page 6 of the 2020 Annual Report, a copy of which was forwarded to each attendee when registering to attend the meeting

5. Quorum

Michelle O'Neill confirmed that a quorum was present and that the meeting could proceed.

6. Chairman's Report for the Year Ending 30th September 2020

The Board Chairman welcomed everyone to the meeting and thanked them for giving up their time to attend.

John Smyth presented the Chairman's report for the year ended 30 September 2020 as set out in pages 7/8 of the Annual Report.

7. Adoption of the Model Standing Orders for Credit Unions Annual General Meeting

Members were invited to vote by a poll on the acceptance of the Model Standing Orders as contained in Pages 9/10 of the Annual Report. There was 100% acceptance of the Model Standing Orders. They were therefore formally adopted.

8. Acceptance of the Minutes of the 2019 Annual General Meeting

There were no matters arising from the minutes found on pages 11 – 15 of the Annual Report. The meeting voted by a poll to formally accept the minutes of the 2019 AGM.

9. Regulatory Requirements

All Credit Unions are regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

At every AGM the Regulator requests that the following matters are confirmed:-

Compliance with the Single Customer View (SCV) Requirements

This refers to the Financial Services Compensation Scheme (FSCS) which protects the members' deposits should the Credit Union fail in some way. To ensure the FSCS can pay out on time, the Credit Union must provide a single customer view (SCV) file to the FSCS within 24 hours to ensure an immediate pay out to the members.

The CEO confirmed that BCCU regularly test the SCV file to ensure that it complies with the Depositor Protection Rules. He also confirmed that the SCV had been fully tested and verified following the transfer of the Causeway Credit Union members to the Ballymena database.

Level of Insurance against Fraud and Dishonesty

The CEO confirmed that BCCU holds the required levels of insurance against fraud and dishonesty under a Master policy maintained by the Irish League of Credit Unions known as Starplan.

Additional Activities

BCCU currently undertake 2 additional activities:-

1. We lend above the standard level of £15k above shares. We lend up to a maximum of £35k above shares giving a maximum potential loan of £50k per member;
2. We invest surplus funds for a longer period of time. Standard investments can only be up to a maximum of 12 months. BCCU can invest for up to a period of 5 years to enable the CU to receive slightly better interest rates than those offered by short term investments.

10. Insurance Report for the Year Ended 30th September 2021

The CEO presented the Insurance Report set out in page 16 of the Annual Report. He highlighted

Death Benefit Insurance (DBI), a very valuable benefit which is taken up by the majority of BCCU.

The annual cost to the member for the 2021 year will be £17.34 and this will be collected in 4 quarterly instalments of £4.33 starting on 1 January 2021.

Members can choose to opt out of availing of this benefit at any stage by contacting the B C C U office.

Jimmy Bell proposed acceptance of this report, seconded by Eileen Hagan.

11. Treasurer's Report for Year Ending 30th September 2020

The Treasurer's report is set out in full on pages 17-19 of the Annual Report. Derek Lynn also presented it orally.

Colin Elser proposed the acceptance of the Treasurer's report, seconded by Mary Harbinson.

12. Auditor's Report

Before presenting his report, Mr. Dermot Corr for and behalf of D.C.Corr & Co Limited (Statutory Auditors) reminded the meeting that he is not a member of the Board of BCCU and he is not a member of BCCU, so he is acting completely independently. He is presenting his report to the members and not to the Board of Directors.

The full text of the Auditor's Report is contained within the FRS 102 Financial Accounts which are available on the BCU website or a member can obtain a copy from the Ballymena & Causeway offices.

He read his report, as set out on pages 20- 25 of the Annual Report and stated that he had conducted his audit and in his opinion the full financial statements as prepared under FRS 102:-

- Give a true and fair view of the state of the assets, liabilities, and financial position of the Credit Union as at 30 September 2020 and of its surplus for the year then ended.
- Have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK & ROI, issued by the Financial Reporting Council: and
- Have been properly prepared so as to conform with the requirements of the Credit Unions (Northern Ireland) Order 1985.

Shannon Gordon proposed the acceptance of the Auditor's report, seconded by Conor McFerran.

13. Declaration of Dividend and Rebate of Interest

Following the presentation of the Treasurer's Report and the report of the Auditor, the CEO Paul Patton advised the meeting that the Board of Directors proposed that a dividend and rebate of interest be paid as follows:-

- 0.1% on member's savings;
- 5% rebate on loan interest on standard loans
- 2.5% rebate loan interest on reduced rate loans
- 0.3% on minor's savings.

The meeting voted unanimously by means of a poll to accept this declaration.

14. Report of the Chief Executive Officer for Year Ended 30th September 2020

The CEO's report is contained in pages 26-29 of the Annual Report.

He summarised his report under a number of headings:-

Transfer of Engagement with Causeway Credit Union Ltd. in February 2020 and the growth in membership and in loans issued to Causeway members since February 2020;

COVID – 19 Introduction of New Processes:

- Introduction of telephone account opening;
- Introduction of E signature platform known as Signable;
- Introduction of remote working for some staff members;
- Transition to virtual meetings of the Board of Directors, Volunteers and Staff;
- Encouraging members to complete transactions online or by phone.
- Growing the Loan Book
- New Member Accounts
- Increase in Savings by over £9m over the course of the year.

As a result of this significant increase and the need to maintain the Capital Ratio within the regulatory limit, the Board at its December meeting decided to introduce a cap on the level of share deposits per member. This has been set at £1500 per month, per member effective from 1 January 2021.

Pauline Rodgers proposed the acceptance of the CEO's report, seconded by Arthur McAlister.

15. Report of the Nominating Committee

The CEO delivered the report of the Nominating Committee which is set out on page 34 of the Annual Report.

Board of Directors

Directors are appointed for a 3 year term.

The rules state that the Board should consist of 9 directors. There are currently 8 in place and 4 are up for re-election at this meeting. The Nominating Committee is endeavouring to fill the vacancy on the Board but no nominations have been received.

Following the Transfer of Engagement with Causeway Credit Union, the Nominating Committee feels it is necessary to have representation from a Causeway member on the Board of Directors. Moving forward with this appointment has been delayed due to COVID.

Neil Richardson, Derek Lynn, Patrick McCallion and Francis Scullion have completed their 3-year term of office and are up for re-election at this meeting. No other nominations had been received and they were re-elected unopposed. The one remaining vacancy be carried until a suitable person has been identified.

Natasha Graham proposed acceptance of the report, seconded by Gerald McGarry.

Appointment of Auditors

The CEO proposed that D.C. Corr & Co. be retained as Auditors for the incoming year, 2020/2021.

Members voted unanimously by a poll to ratify this appointment.

16. Donation to the ILCU International Development Foundation Ltd

The Irish League of Credit Unions International Development Foundation Ltd. (ILCU Foundation) is the charitable arm of the Irish credit union movement. Its mission is 'To alleviate poverty in developing countries by supporting credit unions, their representative bodies and other co-operative type organisations as a means for socio-economic development through the provision of financial and technical assistance. It assists fledging credit unions in Africa, Central America and the Caribbean by sharing best practice and giving financial support.

While this has been a difficult trading year, the Board of Directors wish to contribute £2000 to the Foundation to allow it to continue its key role in educating people and assisting in the development of credit union movements internationally, providing safe and ethical financial solutions for communities and working towards the goal of achieving financial inclusion for all.

The meeting voted by a poll to approve the donation of £2000.

17. Questions and Answer Session

One member had submitted the following three questions prior to the meeting:-

Why is there a difference in the level of Life Savings Insurance coverage of £10k when adult members can have a maximum shareholding of £15k?

The CEO explained that up until last year the maximum savings which a member could have was previously capped at £10k and this was subsequently increased to £15k. The Life Savings Insurance was not increased to mirror the increased savings amount due to the considerable cost involved. As the differential affects only a small percentage of the membership it was considered that in the interests of fairness, LSI coverage would remain at £10k.

Has BCCU any plans to offer an ATM/Debit Card?

Not at present. The CEO indicated that BCCU has expanded its offering of online services. 8000 members are currently registered for online banking which allows them to transfer funds from their CU account to their main bank account. They can then access their money using their Bank's ATM card.

Similar to the LSI referred to in the above paragraph, there are considerable costs involved in adding an ATM/Debit card to our product offering and this would not offer value for money to the membership as a whole.

DBI insurance coverage provides £2500 for funeral expenses. Does BCCU consider this is sufficient to cover the cost of a funeral in NI. In 2020?

BCCU is continually reviewing the accounts being submitted for funerals and the costs vary between £2500 - £3000 depending on the arrangements chosen by families. £2500 will therefore go a long way in covering most of the key expenses.

£2500 is the limit of the cover offered by the ILCU Starplan policy and this cannot be increased at the present time. It will be kept under review.

18. Final Remarks

The CEO gave a final opportunity to those present to raise any questions.

19. Conclusion of Meeting

The CEO thanked all those who attended, and this concluded the meeting. He wished all the staff, members and volunteers a very safe, happy and peaceful Christmas.

Insurance Report for the Year Ending 30th September 2021

We wish to extend our deepest sympathy to the relatives of the 101 members who passed away during the year. £373,651.83 was received through insurance on these accounts and was paid out as follows:

Insurance on Savings:	£77,127.89
Loans Paid by Insurance:	£46,523.94
Death Benefit Insurance:	£250,000.00

How does Life Insurance Work?

The amount of insurance benefit on savings which a member is entitled to is in direct proportion to their savings and their age. In your Credit Union account every £1 you save: -

Before age 55	Provides £1 of Insurance
During Age 55 – 59 (inclusive)	Provides £0.75 of Insurance
During 60-64 (inclusive)	Provides £0.50 of Insurance
During 65-70 (inclusive)	Provides £0.25 of Insurance

For example, if you are 54 years of age with £1,000 saved in the Credit Union, an insurance benefit of £1,000 in addition to your savings will be paid out on your death.

If you are 57 years of age with nothing saved before the age of 55, but then save £1,000 an insurance benefit of £750 in addition to your savings will be paid out on your death. Once earned the insurance remains in force as long as you leave your savings in the Credit Union. In the event of accidental death, the benefit is doubled.

How does Death Benefit Insurance Work?

All eligible members are covered for the Death Benefit Insurance. For an annual premium of only £18.09 the pay-out on death is £2,500. To be eligible a member must have joined the Credit Union before his/her 70th birthday. We deduct the premium from your savings on a quarterly basis (£4.52) to spread the cost, on the closest working day to 1 January, 1 April, 1 July, and 1 October. Members can opt out of this benefit at any stage by contacting the office.

Minors are covered automatically by the Death Benefit Insurance. This expense is borne by the Credit Union.

Report of the Treasurer for Year Ending 30 September 2021

Introduction

I am pleased to present my report on the accounts of Ballymena Causeway Credit Union for the year ending 30 September 2021. As is our usual practice, only a summarised version of the accounts is included in the Annual Report with the fully detailed accounts, as required by current accounting standards, being available on our website and at our Ballymena and Coleraine offices. In addition, as in previous years, the accounts have been prepared on a consolidated basis to include minors' income and expenditure with a minors' account included as a separate statement.

Summary

The year just ended has been another challenging one for both our credit union and for its members. Notwithstanding the best endeavours of government to mitigate its effect through extensive support programmes including furlough, the ongoing COVID pandemic with its series of lockdown measures and restrictions on everyday life, has had a significant impact on both business and consumers alike. This had manifested itself in business closures, job losses and changing consumer spending habits, resulting in significant pressures on household income. Our Credit Union has not been immune from COVID-19 and to protect the longer-term future of our business, we had to take advantage of the Government's furlough scheme for a significant period during the year, consistent with ensuring we were still able to provide an ongoing satisfactory service to our members.

Despite these challenges, our Credit Union has had a remarkably successful year, throughout which we have sought to continue to meet the increasing financial needs of our members and yet maintain a sound and stable financial base in order to meet the ongoing challenges and uncertainties which undoubtedly still lie ahead as we slowly emerge from this pandemic.

As shown by the summarised accounts on page 37 the surplus for the year ending 30 September 2021 was £725,375 compared with £370,757 in 2019/2020. While this is more than double the previous year and significantly exceeded business plan expectations, a substantial element of this (some £130k) was due to a combination of furlough receipts, a significant refund of Loan Protection & Savings insurance premiums and bonus interest received on a number of investments which matured during the year. If these exceptional items are excluded, the underlying surplus is reduced to circa £595k, still representing a significant achievement in the circumstances described above.

During the year, our total assets increased from £38m to nearly £42m at end-September 2021. Our financial base remains sound and we remain fully compliant with the strict regulatory requirements imposed by the Prudential Regulation Authority. While there was a significant increase in members' savings during the year, which resulted in us having to impose limits on the savings cap, our loan book increased by over 18% to £19.76m at the September year-end.

As we prepare our business plan for the year ahead it is difficult to predict performance with any degree of certainty given the continuing uncertainties from the fall-out from COVID-19, the ending of the furlough scheme, the continuing debate over Brexit (and the NI Protocol) and ongoing supply chain difficulties - and not least - the adverse impact of rising utility bills and energy costs, increased NI insurance contributions and their effect on household income in the medium term.

Income

Total income during the year ending 30 September 2021 increased by 17.3% to £1.983 million (2019/2020 - £1.690 million). Loan interest from loans to members which represented over 86% of total income, increased by 17.4% to £1.716 million (2019/2020 - £1.462 million).

Interest from investments amounted to £235,824, an increase of 37% over the previous year (2019/2020 - £171,942). Investment returns however, remain depressed and while this increase may seem significant, it includes bonus interest income of some £30,000 from two significant investments which matured during the year.

Expenditure

Total expenditure for the year ending 30 September 2021 amounted to £1.257 million, a reduction of 4.7% on the previous year (2019/2020 - £1.319 million). The main reasons for this reduction are as follows:

- Receipt of furlough payments of £59,941 which resulted in a net increase of just over 7% in staff costs to £477,668, (2019-2020 - £446,050)
- A 5% increase in bad debts written off to £239,189 from £227,550 in 2019/2020, offset by recovery of bad debts previously written off of £55,662 (2019/2020 - £46,861). The increase in bad debts written off represented 1.21% of the loan book as of 30 September 2021 compared with 1.36% at September a year ago and compares favourably with current sector trends
- A significant reduction in the increase in provision for bad debts to £34,425 compared with £137,002 in 2019/2020. The significant increase in the provision last year reflected the Board's concerns at that time about the economic impact of COVID-19 - however, having reviewed prospects for the year ahead, the Board considers that there need only be a small further increase this year to ensure our current bad debts provision remains at an adequate level
- A refund of £42,494 in Loan Protection & Savings insurance premiums which increased by only 4.4% to £198,575 (£190,219 - 2019/2020)

Distribution of Surplus

As noted earlier, our surplus for the year is £725,375. While this represents a significant improvement over last year, the economic impact of COVID-19 remains uncertain and there are still unresolved issues around Brexit which have the potential to impact adversely on performance in the year ahead. It is therefore important that we have sufficient financial resilience to withstand future challenges and to ensure that our Balance Sheet remains strong and has sufficient strength in reserves in compliance with regulatory requirements. Consequently, the Board of Ballymena Causeway Credit Union proposes to transfer the sum of £517,000 to general reserve in order to ensure that our capital base remains sound and that we continue to comply with the Regulator's requirements.

Finally, having carefully considered our financial situation and reviewed prospects for the year ahead, the Board proposes to declare a dividend and interest rebate for this year totalling £198,196 as follows:

- **0.20% dividend on members savings amounting to £66,847**
- **0.4% on minors' deposits amounting to £9,056**
- **8% rebate on loans amounting to £122,293**

The proposed total distribution of £198,196 represents a significant increase (120%) on last year (£90,000) reflecting the increase in the surplus this year. It also compares very favourably with the 60% increase in our underlying surplus, after adjusting for exceptional items of income as noted in my report summary.

Conclusion

In closing, I want to thank once again you, our members for your continuing support and fortitude during what has been, another challenging year. I want also to thank Paul Patton and his staff who have worked tirelessly during the year in ongoing and difficult circumstances to ensure that we continued to provide a satisfactory service to all our members. And finally, my thanks to Pat McCallion, Chairman of the Board and my fellow directors for their continued support during the year.

Derek Lynn

Treasurer
Ballymena Causeway Credit Union

Report of the Chief Executive Officer for Year Ending 30th September 2021

As Ballymena Causeway Credit Union enters another year of operation, the ethos under which it was formed still underpins everything we do today. We are committed to providing services to our members at a reasonable cost, whilst providing a safe place for members to save.

COVID-19

It is pleasing to note, that throughout the Pandemic we have managed to retain all services to members. I want to pay tribute again to all our staff who continued working and serving members throughout such a testing time. I am proud of the Credit Union team who have taken every challenge thrown at them and faced it head on. The crisis has allowed us to rethink how we carry out fundamental activities such as serving members, opening new accounts, as well as completing and issuing loans to members. The Credit Union are continuing to explore how we can make greater use of technology to achieve our Business Targets, improve the working lives of our employees, deliver better products and services to our members and help drive growth within the Credit Union. We introduced an Online Onboarding facility to enable potential members to join online via our App, instead of having to visit our offices.

Whilst we have encouraged members to complete transactions online and by telephone where possible, we remain committed to providing the face to face (albeit through screens) service that is synonymous with Credit Unions, allowing those members who want to and need to visit the office, to continue to be able to do so.

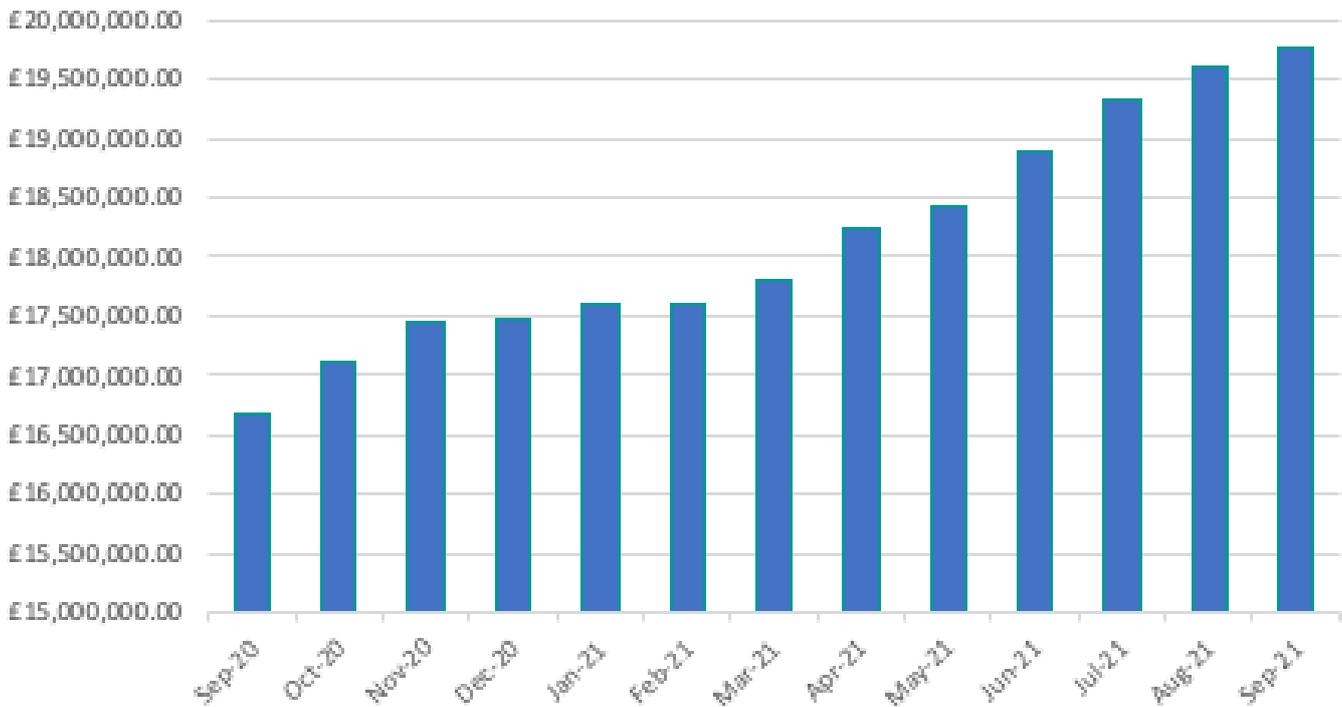
Growing the loan book

As outlined in the annual accounts the outstanding loan balances as at 30th September 2021 amounted to £19,764,286, an increase of over 18% on 2020. However, to give members a fuller picture, 5,185 new loans of £13,236,228 were issued throughout the year. Despite the number of loans issued declining slightly the value increased by over £2.25 million. The entire loan book generated £1.71million in loan interest an increase of over 17% from the year previous. Our original financial projections for 2020 was that the loan book would grow to £18.2 million. The graph on page 21 shows how our loan book has grown especially over the second half of the financial year as we started to move out of restrictions. Our Credit Control team continue to help those members who were experiencing financial difficulties.

Given all the current circumstances, we are absolutely delighted with the performance of the loan book this year. By September 2021 we were within touching distance of a loan book of £20 million, and we are hopeful of continued growth into 2022. Our lending practices continue to adapt to the ongoing Pandemic, with most loan applications now being taken via telephone and online services. We have seen significant growth in the number of loans being applied for, signed and issued electronically.

I would continue to encourage all members not just to spend local in these times, but to also borrow locally also. Members can borrow up to £35,000 above shares and we offer very competitive interest rates depending on the amount you wish to borrow.

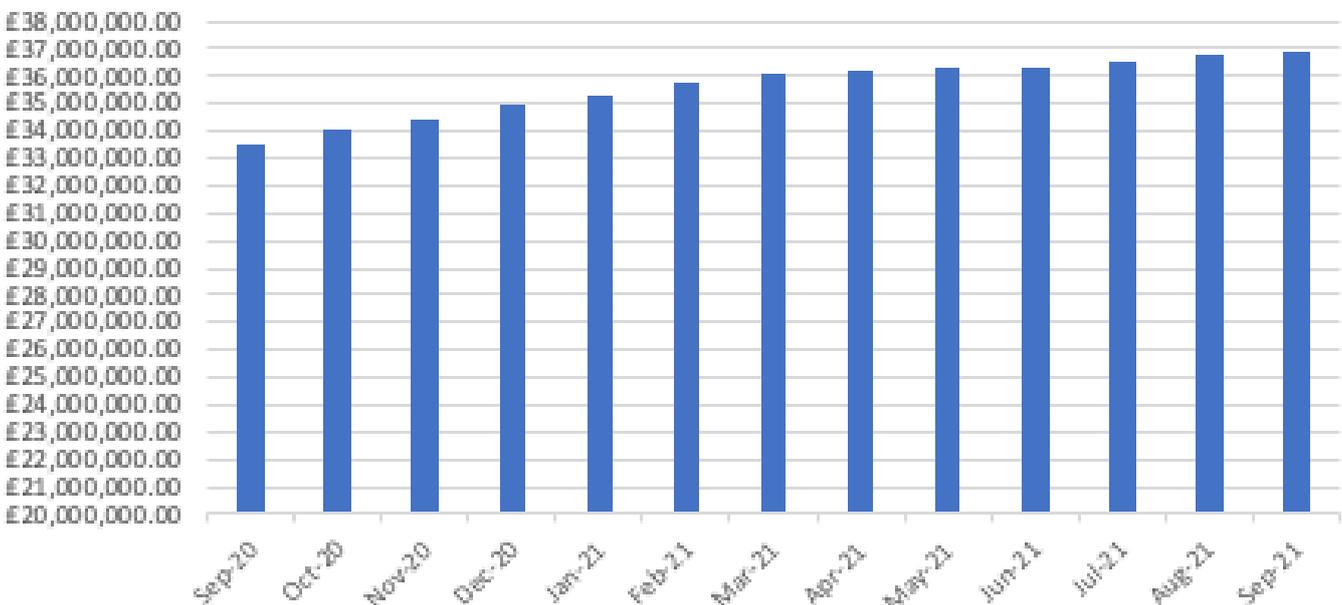
Loan Book Totals October 2020 - September 2021



Savings

As outlined in our Annual Accounts, savings increased by over £3 million over the course of the year. This savings growth has been controlled by the introduction of a monthly savings cap (Currently £1,000 per month). Whilst we took the decision to introduce a savings cap reluctantly, it has only impacted a relatively small number of members. The cap was necessary due to increasing shares putting pressure on our Capital Ratio. Our Board have set the objective of maintaining our Capital ratio at a minimum level of 10%. This means that for every £1,000,000 of shares we receive, we as a Credit Union are required to put 10%, i.e. £100,000 into general reserve. We continue to measure share growth on a monthly basis and will continue to monitor the need for a savings cap. It is hoped that if we can continue to increase our Lending that we can further increase the cap or remove it altogether. All members will be kept apprised of any changes throughout the next financial year.

Total Savings growth October 2020 - September 2021



Proposed New Common Bond

Last year's merger with Causeway created two common bonds which are geographically separate and have been difficult to easily explain to potential new members, who must meet the common bond in order to apply for membership.

As a result, we have looked at various options to create a new common bond which is easier to understand and also gives us the opportunity for further growth.

After careful consideration and review, we feel that the best option is to create a new common bond that will be open to anyone who lives or works with the Council areas and Mid & East Antrim, and Causeway Coast and Glens.

We will be asking members to approve this expansion at AGM and if given the go ahead, we will then have to seek the approval of the Financial Conduct Authority (one of our Regulators).

Thank You

I would like to thank all our staff who have worked tirelessly this year, in very challenging circumstances to ensure that a high level of service is provided to all our members. We welcome all new staff that we have brought onto our team this year including Connor McFerran, Lokia McCarte, Louise Martin, Sonny Brady, and John Eddie Convery. We have sadly had to say goodbye to Roisin Ferris, James Bell and Marian Johnston, and we wish them all the best in their future endeavours.

I would also like to thank the Directors, Supervisors and Volunteers for the help, support (and challenge!) provided to myself and the staff throughout the year. I recognise that the Board and Supervisors all give up their own limited time to support the credit union and it is greatly appreciated by all the staff team.

On behalf of the entire credit union team, I would like to thank the members who continue to trust us in becoming their lifetime financial partner. I look forward to a challenging yet no doubt rewarding 2022.

Paul Patton

Chief Executive Officer
Ballymena Causeway Credit Union

Report of the Credit Committee for the Year Ending 30th September 2021

Despite the continued impact of Covid 19, Ballymena Causeway Credit Union ended the financial year strongly. Our members continued to choose the Credit Union for all their borrowing needs. This has helped the Credit Union to grow their loan book by 18.4% over the course of the financial year, to finish with loans outstanding of over £19.75 million. Our strong loan growth is completely against the trend of the current lending market throughout Northern Ireland, where the majority of Credit Unions are seeing a decrease in their loan book, we have seen continuous growth. Our overall loan growth has also seen our Credit Union being rated number one for a Credit Union of its size in Northern Ireland. We hope to see these figures continue to rise and we have now

introduced two new loan rates for our members, 4.9% for any loan secured within savings and the 9.95% rate has been amended to start from a loan size of £5,000.00 instead of £7,500.00.

While we have seen a large growth in our loan book, our members lending trends have changed. There has been a decline in loan applications for the purposes of weddings and holidays, whilst an increase in loans for home improvements and debt consolidation. This is largely due to the restrictions that have remained in place due to the COVID-19 pandemic. However, as restrictions continue to ease, we hope to see these loan purposes trends go back to some form of normality.

We are committed to responsible and ethical lending here in Ballymena Causeway Credit Union, as it is members savings that we use to provide loans to all our members. We require our members to provide evidence of their income and expenditure and use a credit reference agency where applicable. Our main aim is to ensure that the member has the ability to repay whilst being able to maintain a lifestyle and save a little for the future. This is evident by the number of

Loan Purpose Analysis

Purpose	No. of Loans	Amount
Business Purpose	67	£499,146.41
Cars/Car Repairs/ Motorbikes	1189	£3,623,564.71
Caravan	43	£393,314.23
Central Heating/ Home heating	90	£30,076.25
Christmas	838	£792,593.67
Debts	322	£2,225,396.52
Holidays	256	£275,111.28
House Improvements	1076	£4,195,139.36
Household Items	315	£231,787.54
Living Expenses	351	£144,758.59
Weddings	100	£314,529.75
Other	538	£510,810.12
Total	5185	£13,236,28.43

loans that have been refused during this period – 606 loans to the value of £2,067,100.44 – just over 10% of all loans applications received, and we are confident that the refusals have been made in accordance with our Loans Policy and procedures.

We would continue to ask going forward that all members consider the Credit Union for all of your borrowing needs.

Charles Allen

Charles Allen
Acting Credit Manager
On behalf of the Credit Committee

New Loan Rates

Secured Loans - **4.9%**

Loans £5000 - £14,999 - **9.95%**

Loans £15,000 to £35,000 - **7.5%**

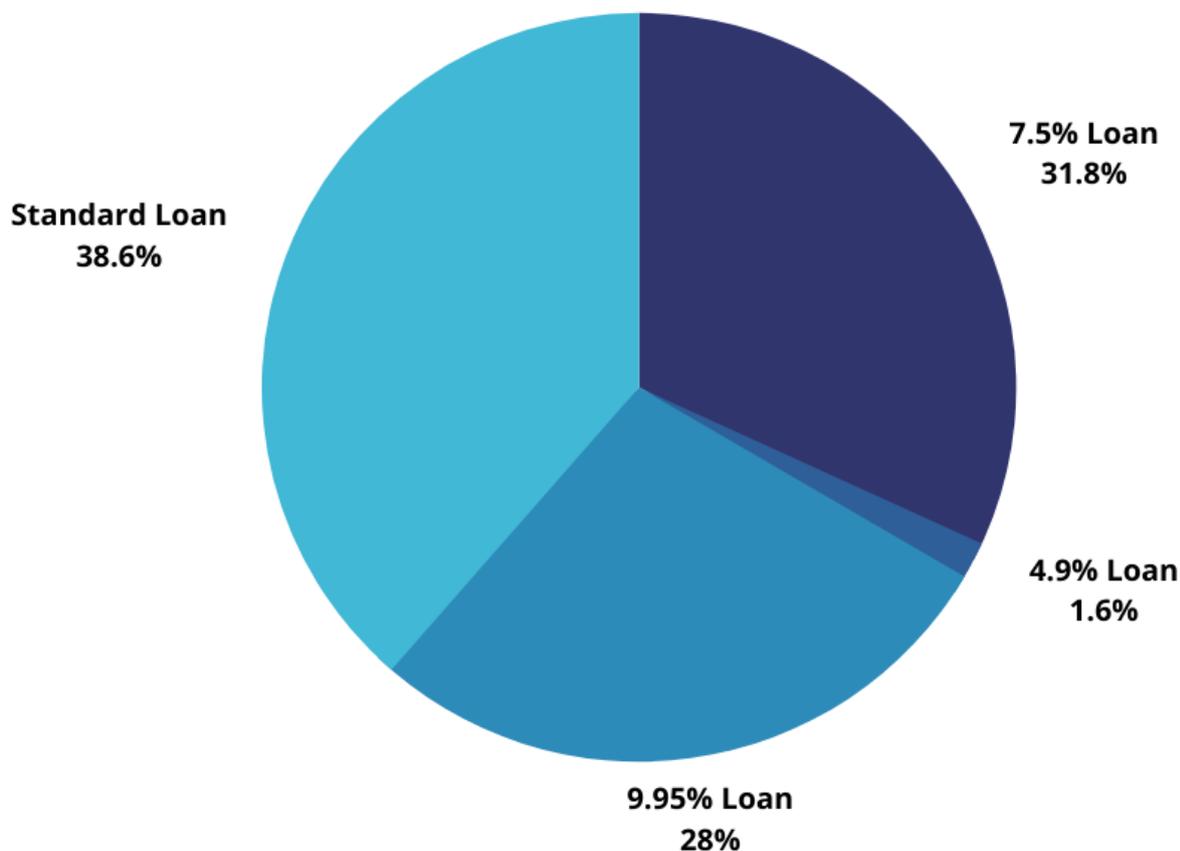
Apply today
028 256 49010
creditteam@bccu.co.uk



WE'RE LENDING

Credit Union
IMAGINE MORE

Loan Rates



Report of the Supervisory Committee for the Year Ending 30th September 2021

The Supervisory Committee, acting as an independent watchdog on behalf of you the members, provide an independent assessment of how the Credit Union is adhering to the Policies and Procedures set by the Board of Directors, as well as testing the internal controls in place. The Committee work alongside PGM accountants who provide an internal audit function, as well as the Risk and Compliance Manager who oversees the Credit Union Risk Register, ensuring we operate within our Risk Appetite Statement.

Since the onset of COVID-19, the Supervisory Committee have not been able to operate. We want to assure our members that the duties previously completed by our Supervisory Committee were still being undertaken by our Risk and Compliance Manager who continued to oversee compliance to Policies and Procedures and testing of Internal Controls.

We are please to report that as of September 2021, the Supervisory Committee have resumed their activities within the Credit Union.

Davina Kerr

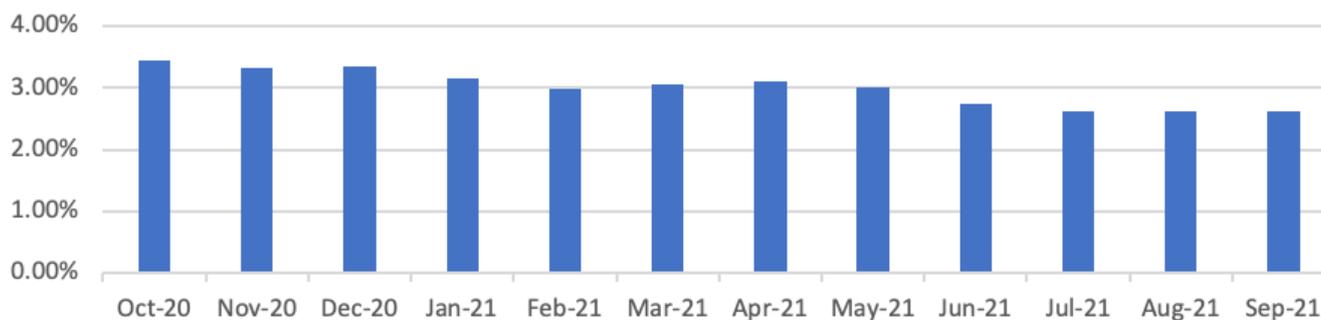
Davina Kerr
Supervisory Committee

Report of the Credit Control Committee for the Year Ending 30th September 2021

Ballymena Causeway Credit Union is committed to keeping members money safe and to that end we do not lend out to anyone where we do not have evidence of their ability to repay. However, we understand that in some instances, personal and financial circumstances can change resulting in a member being unable to repay their loan at the agreed repayment amount.

The main aim of the Credit Control Committee is to assist those members who are experiencing financial difficulties to meet their loan repayments through short term and long-term arrangements. Following on from what was a difficult year due to the COVID-19 pandemic, the pro-active approach the Credit Union took has paid off. Not only did we see a massive reduction in the level of members going into temporary arrangements, the Credit Unions' arrears ratio also fell below its pre Covid level.

Percentage of Loans greater than 13w in arrears



In the past year, our Credit Control Department has sent 1,480 text messages, 940 letters and made 1915 telephone calls. Unfortunately, we have had to issue 46 members with proceedings in the Small Claims Court and 12 members have been issued County Court proceedings.

We have written off loans totaling £239,189.34 which is just 1.21% of the value of the total loan book. To offset this, we have recovered £55,662 of loans previously written off. We continue to ask members to contact us as soon as they become aware that they may be unable to meet their loan repayments. We are always there to help in whatever way we can.

Charles Allen

Charles Allen
Acting Credit Manager
On behalf of the Credit Committee

Report of the Membership Committee for the Year Ending 30th September 2021

Despite the challenges that credit unions faced in the last 12-months from COVID-19 and resultant lockdowns, we are pleased to report a strong year for membership for BCCU. We welcomed a record total of 1545 new adult members to Ballymena Causeway Credit Union. However, this has been offset by the closure of 682 accounts leaving a net amount of +863 members. 454 of these members joined from the Causeway area and 409 from the Ballymena area. Accounts closures include those accounts with balances less than £20.00 - as part of our pro-active accounts management we write to all members with balances below the minimum requirement on a quarterly basis. We then close those accounts where members fail to increase their balance to £20.00 by the required date. Our total adult membership as of 30th September 2021 stands at 16,174.

We note that membership of minors has grown overall to 2,487 as of 30th September 2021, a small increase of 58 from 2,429 the previous September. This is the first increase in minor members for a number of years and is pleasing to note as we were unable to recommence our School Savings schemes in 2020 due to COVID-19 restrictions. We look forward to growing minor membership further in the new financial year as we resume school savings.

As indicated in last year's report, we were working on the ability for new members to join BCCU via the web. After much testing and hard work on all sides, we were pleased to be the first credit union in Northern Ireland to launch Member Onboarding via the BCCU App in April 2021. This provides a secure and reliable way to become a member, using advanced biometric facial recognition and the ability to submit proof of identity online. As of 30th September 2021, 600 members had made use of this facility. We see this as being a fantastic asset to our credit union and we'll continue to promote the use of the app in the next year to streamline our services and provide greater efficiency, allowing staff to be utilised in other business areas.

However, we also continue to offer new accounts by appointments for all new members either via the telephone, or since the end of the last lockdown, in person in one of our offices. It is important for credit unions to remain accessible to all, including those who do not wish to, or struggle to use technology.

Throughout the year we circulated a member survey, and we thank all of the members who completed this. We received very positive and constructive feedback, with several of our staff receiving individual praise which was fantastic to read. Survey results are passed to the Board of Directors. We also continue to welcome feedback from members at any time, either at our counters, over the phone or by email.

As always, we encourage existing members to tell family and friends about us and the services we provide. We also encourage members to keep your account active by setting up a regular Standing Order or Direct Debit for savings, or to consider us for your borrowing needs if you haven't previously done so.

Lee-Ann Calwell

Lee-Ann Calwell

Head of Operations on behalf of the Membership Committee

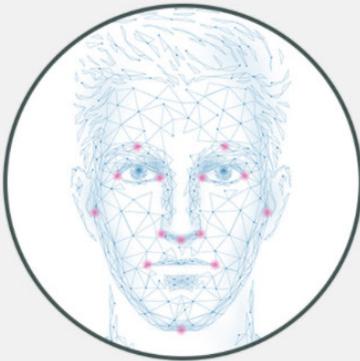


JOIN USING YOUR PHONE

We've created an intelligent and secure method for you to become a member directly through your mobile phone. All you have to do is download our Mobile App to take full advantage of joining as you go.

SECURE FACIAL VERIFICATION

We use advanced biometric facial technology to capture and verify who you are. Simply take a quick selfie and you're done. This intuitive technology, ensures becoming a member is quicker than ever.



RELIABLE IDENTITY CHECK

We've created a way for you to share proof of ID with us that's both secure and reliable. As you progress with your application, you will be given an opportunity to show your ID there and then. There's no waiting around.

QUICK ONLINE ACCESS

Once your membership has been approved, we'll text you a temporary pin so you can have immediate access to your online account. You won't have to worry about anything, we will do the rest.

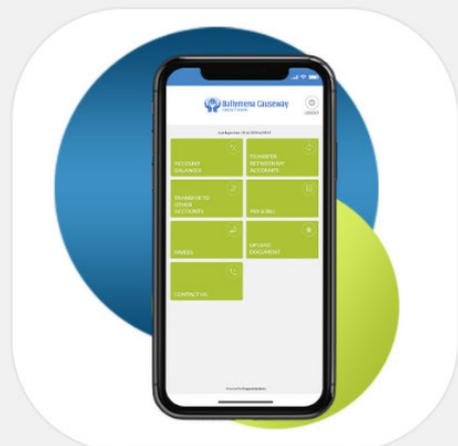


GET STARTED

In order to start your Online Membership journey, you will need to download our Mobile App. Download today and reap the benefits of becoming a member.



To download the app today please select either link above or go directly to the App Store or Google Play Store.



Report of the Nominating Committee for the Year Ending 30th September 2021

The nominating committee is appointed by the board of directors to recruit qualified candidates and is made up of directors who will not be standing for re-election in the upcoming year. The Board tasks the Nominating Committee with assessing that all candidates meet the minimum qualifications and can be 'recommended' to the membership as meeting the criteria of skills and experience required of a director or supervisory committee member and necessary to strengthen the existing board or committee.

As members will be aware, BCCU had been operating with a vacancy on the Board of Directors for some time. One of the main priorities of the Nominating Committee during 2020-2021 was to actively recruit new Directors onto the Board. We were able to develop a new Recruitment Pack for Directors and commenced a recruitment campaign in May 2021. This proved to be very successful, and as a result we were able to recruit a total of five new Directors onto the Board during 2021 including:

- Kieron May
- Bernadette Brown
- Shona Burke
- Eugene Reid
- William Wilson

The above candidates have been vetted and the Nominating Committee have ensured that they meet the criteria of skills and experience required of a Director. As such the Nominating Committee are recommending to the membership that the above individuals are formally elected onto the Board of Directors.

We also worked hard on improving the Induction Process for new Directors and developed a new Induction Programme. The new and improved Induction Programme is a structured way of providing new board members with all the information and support they need to be confident and productive in their role. The aim is to help new members to understand the organisation, the environment in which it operates, and their role in making the organisation a success.

The Nominating Committee continues to meet on a quarterly basis. One of the roles and responsibilities of the Nominating Committee is to review the Succession Planning in the Credit Union to ensure that we are prepared when the time comes for Senior Officers to leave. Succession planning is continually reviewed and monitored to ensure that credit union members continue to receive an uninterrupted service in the event of a leadership transition.

If anyone would wish to express an interest in volunteering for BCCU, please contact the Credit Union on 028 25649010.

This year, we have 2 current Board Members up for re-election, namely that of Rosemary Allen and Joe McCallion, none of which are opposed.

Patrick McCallion

Patrick McCallion

On behalf of the Nominating Committee

Report of the Risk and Compliance Committee for the Year Ending 30th September 2021

In a large, fast-moving & complex business such as Ballymena Causeway Credit Union, risks are constantly emerging or indeed changing. Day-to-day risk management operations need to keep abreast of such change and ensure that all risk is managed within the Board's risk appetite.

As was the case last year, the Risk and Compliance Committee continue to assess and mitigate the risks posed by COVID-19 and have introduced and embedded a number of measures across all risk categories to ensure the safety of our staff and members as well as ensuring that services to members were maintained whilst maintaining financial stability within the Credit Union.

Apart from the risk posed by the Pandemic, the most obvious category of risk in any Credit Union is credit risk (i.e. the risk of loans not being repaid). However behind this lie other less obvious risk categories including operational, governance, financial, conduct, environmental, strategic, money laundering and cyber security, to name but a few.

The scope of work of the Risk and Compliance Committee within Ballymena Credit Union includes:

- Approving, reviewing and amending all policies governing risk and compliance (other than policies specifically reviewed by the Board itself) on an annual basis;
- Identifying, assessing, analysing, controlling, mitigating and reporting on all risks facing the Credit Union;
- Monitoring and review of any errors and breaches occurring within the Credit Union;
- Developing and maintaining the Risk Register;
- Management of risk and compliance as well as the embedding throughout the Credit Union of an appropriate risk-sensitive culture;
- Reporting to the Board of Directors on all aspects of risk and compliance within the Credit Union on a monthly basis; and
- Ensuring that all officers are alert to the wider impact of their actions and decisions

Throughout 2020-2021, we have worked hard on improving reporting to the Board on Risk and Compliance related matters. We have introduced a new Risk and Compliance Management system through the DecisionTime platform which allows Directors to access real time reports on Risk and Compliance Activities. The reporting system uses a traffic light system, highlighting to Directors those areas of higher risk (Red / Amber) allowing the Directors to quickly and easily spot any areas of concern or areas that may need increased controls or improvements to existing controls.

The Risk and Compliance Committee and indeed the Board of Directors recognise that we cannot and seek to eliminate all of the risks we face, to do so would be impossible. However, the Risk and Compliance Committee, in conjunction with the Board of Directors, scope the relevant works to ensure that we take all reasonable steps possible to identify and manage the risks we face, and in doing so protecting the interests of our members.

Michelle O'Neill

Michelle O'Neill
Risk and Compliance Manager

Report of the Marketing Committee for the Year Ending 30th September 2021

At the start of last year, we could still see the impact that COVID was having in our local schools and community groups, but I am pleased to report that the second half of the year has seen things improve. We are back supporting local sports groups within our common bond. We continue our ongoing support of local sport teams from the Ballymena area and I am pleased to say we have been able to offer support to local teams from the Coleraine area including Coleraine F.C. Youth Team, Portstewart F.C. and Eoghan Rua CLG.

We have resumed savings collection in the local schools. If your child's school is one of our collection points we would encourage you to send the books weekly to start a savings habit from a young age. We see the children as being our future members.

If you would like your child's school to participate in the School Savings Scheme, please contact me and let me know the name of the school that your child currently attends. We will then contact the school and see if this is something they would wish to offer.

This year we also introduced a Student Bursary Scheme for members in Third Level Education. We provided 5 lucky members with £400 bursaries to go towards the cost of their education. We had a great response with 67 entries and hope that this will grow as we now see this as an annual event. So keep an eye on our social media for more details.

Social Media and email marketing plays a major part in my role as Marketing Manager and will be a major focus area for the year going forward. Regularly we update members on promotions and new ideas for the credit union via these channels. With over 7,000 followers on our Facebook page and 600 followers on Instagram this is a quick and efficient way for us to promote our services. If you are on social media, please give our page a follow and share with your friends. (Ballymena Causeway Credit Union)

Email marketing is growing monthly with almost 8,000 members signed up to our email subscription service. We have seen first-hand the need to get information to members quickly and email subscription offers this ability. I would encourage you if you are not receiving our emails to sign up by emailing julie.martin@bccu.co.uk

We also recognise the need for offline advertising and also throughout the year have advertisements on local billboards from Ballymena to Portrush. We continue to look at local advertising with local magazines and newspapers. This year we completed one of our biggest mail drops in the Coleraine area which had a great impact on our membership and loan book. Postal drops will be part of our annual marketing strategy.

If you are involved in a local community group or charity and feel that they could benefit from the help of the credit union with sponsorship or a presentation about the services we offer then please do get in touch.

Julie Martin

Julie Martin
Marketing Manager



The End of an Era

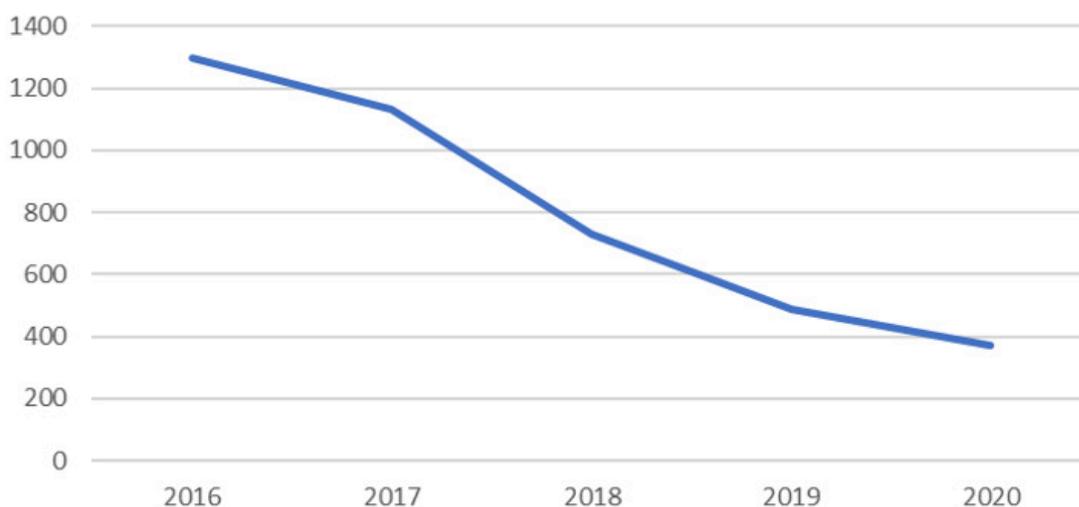
Unfortunately, this year will see the closure of our Glenravel Sub-Office. The Board of Directors have made this regrettable decision following a review of the usage of the Glenravel sub-office over the last number of years and the costs involved in keeping it operational.

The Glenravel Sub-Office more than served its purpose since its opening in March 2002. Back in 2002, the Credit Union manager was Annie Millar also affectionately known locally as “Credit Union Annie”. She was strongly supported in her role by John Wallace, Chairperson of the Board of Directors; Bobby Abram, a local of Glenravel and an individual who dedicated many days and nights to the Credit Union and especially the Glenravel members; Francis Scullion, founder member of BCCU and still a serving Board Member; and the dedicated members including the well-known Laurence O’Neill. The opening of the Glenravel office was a grand event, and the premises were officially opened by the President of the Irish League of Credit Unions at that time. Many of our current staff members have fond memories of serving in the Glenravel sub-office and especially the buzz that came with the Friday evening rush when everyone queued to cash their weekly cheque.

Unfortunately, between 2016 and the present date, we have seen a significant decline in the use of the Glenravel facilities, with an almost 71% reduction in the number of over-the-counter transactions being completed. There are many reasons why this has happened:

- Traditionally the Glenravel office was used primarily for members to cash their weekly pay cheques. Most members now get salaries / wages paid directly into their banks;
- Members are choosing to use the main Ballymena Office for their over-the-counter transactions;
- Members are now increasingly using online and telephone facilities to make lodgements and withdrawals to their Credit Union accounts;
- The increasing use of Direct Debits and Standing orders to repay loans; and
- The increasing use of E-signature platforms used by members to sign important documentation;

Transaction Totals - Glenravel Sub-Office 2016 - 2020



We are committed to continuing serving all our members and will remain committed to the face to face, member focused Credit Union that we have been for over 50 years. All members have access to customer facing advisors at either our Ballymena Office or Coleraine Office.

In addition to the above, all services are available online or by telephone. If you have not yet registered for online access, we would encourage you to do so. Please contact one of our team on 028 2564 9010 or go to our website www.bccu.co.uk and click "Register" on the homepage. One of our team will then contact you.

If you have any queries, or would like to discuss these changes, you can reach us on 028 2564 9010 or call into any of our offices. You can also email us on info@bccu.co.uk. We will be happy to help you.

Glenravel Office: Photo memories



Pictured at the official opening of the Glenravel Credit Union branch were (from left) Laurence O'Neill, Francis Scullion (Founder Member), Uel Adair (League Director) and John Wallace (Chairman).



Mary Harbinson retires after 30 years' service

Wednesday 27th October marked the end of an era for Ballymena Causeway Credit Union, with the retirement of, a much loved and valued team member, Mary Harbinson after 30 years of loyal service. Mary was only the second staff member to be employed by Ballymena Credit Union when she joined through a government backed training scheme. She quickly became a vital cog in the wheel, ensuring the smooth running of the credit union. For most of her career she fulfilled the roll of Assistant Manager and Bookkeeper and certainly kept me right on more than one occasion. Whilst she has reduced her hours of work downwards over the last few years, she has remained “the font of all knowledge” consulted regularly by other staff. She will be greatly missed by both members and staff alike, although we do hope to get her back on a voluntary basis to be a member of our Supervisory Committee, which undertakes audit work on behalf of the board.

The Board and staff thank Mary for her long service and wish her a long and healthy retirement.

Paul Patton

Paul Patton



Ballymena Credit Union Limited

T/A Ballymena Causeway Credit Union

Summarised Financial Statements
(as extracted from full financial statements prepared under FRS 102)

Year ended 30th September 2021

Independent Auditors' Report to the Members of Ballymena Credit Union Limited

(Extract from full FRS102 financial statements 2021)

Opinion on financial statements

In our opinion the full financial statements as prepared under FRS102:

- give a true and fair view of the state of the assets, liabilities, and financial position of the Credit Union as at 30th September 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, issued by the Financial Reporting Council; and
- have been properly prepared so as to conform with the requirements of the Credit Unions (Northern Ireland) Order 1985.

Signed: *Dermot Corr*

Dermot Corr, Senior Statutory Auditor

For and on behalf of DC CA (NI) Limited t/a D C Corr & Company

DC CA (NI) Limited
29b Main Street
RANDALSTOWN
BT41 3AB

22nd November 2021

Ballymena Credit Union Limited T/A Ballymena Causeway Credit Union
Surplus and Deficit Account
For the year ended 30 September 2021

		<u>2021</u>	<u>2020</u>
Interest from Loans to Members		1,715,720	1,461,779
Bank Deposit Interest - Members		219,894	156,455
Bank Deposit Interest - Minors		<u>15,930</u>	<u>15,487</u>
Total Interest income		1,951,544	1,633,721
Other Income		31,286	55,930
Employment Costs	Note 1	(477,668)	(446,050)
Depreciation		(67,137)	(58,975)
Other management expenses - Members	Note 2	(473,480)	(478,735)
Other management expenses - Minors Admin Fee		(7,500)	(8,000)
Net losses on loans to members	Note 3	(217,952)	(317,691)
Surplus before taxation		<u>739,093</u>	<u>380,200</u>
Corporation tax		(13,718)	(9,443)
Surplus after taxation		<u><u>725,375</u></u>	<u><u>370,757</u></u>
Surplus attributable to Minors		8,430	7,487
Surplus attributable to Members		<u>716,945</u>	<u>363,270</u>
		<u><u>725,375</u></u>	<u><u>370,757</u></u>
Statement of Changes in reserves - Members			
Surplus brought forward from last year		93,305	236,546
Surplus after taxation - Members - from above		716,945	363,270
Causeway General Reserve Introduced		0	363,663
SPS Funding to General Reserve		0	379,581
Transfer to general reserve	Note 6	(517,000)	(1,019,396)
Equity Dividends Paid		(28,685)	(60,497)
Interest Rebate Paid		(60,232)	(167,862)
International Fund		(2,000)	(2,000)
Unappropriated surplus - Members (available for distribution)		<u><u>202,333</u></u>	<u><u>93,305</u></u>
Proposed Distributions - Members			
Surplus available for distribution at Annual General Meeting		202,333	93,305
Proposed Dividend: 0.20% (2020=0.10%)		(66,847)	(27,573)
Proposed interest rebate: 8% (2020=5%, 2.5%)	Note 4	(122,293)	(62,000)
International Fund		<u>(2,000)</u>	<u>(2,000)</u>
Surplus not distributed		<u><u>11,193</u></u>	<u><u>1,732</u></u>
Unappropriated surplus - Minors (available for distribution)			
Surplus brought forward from last year		7,743	9,879
Surplus after taxation - Minors - from above		8,430	7,487
Interest Paid		<u>(6,256)</u>	<u>(9,623)</u>
Unappropriated surplus - Minors (available for distribution)		<u><u>9,917</u></u>	<u><u>7,743</u></u>
Proposed Distributions - Minors			
Surplus available for distribution at Annual General Meeting		9,917	7,743
Proposed Interest: 0.40% (2020=0.30%)		<u>(9,056)</u>	<u>(7,464)</u>
Surplus not distributed		<u><u>861</u></u>	<u><u>279</u></u>

Ballymena Credit Union Limited T/A Ballymena Causeway Credit Union

Balance Sheet

As at 30 September 2021

	<u>2021</u>	<u>2020</u>
	£	£
ASSETS		
Cash at bank & cash equivalents	4,480,182	4,597,719
Fixed assets	872,509	987,996
Members Loans	19,764,286	16,684,228
Minors funds	2,244,592	1,656,648
Bad debt provision - Specific	(652,429)	(618,004)
Bad debt Provision - Non Specific under FRS 102	(48,000)	(48,000)
Stationery Stock	0	0
Prepayments	49,856	40,867
Sundry Debtors	251,169	269,430
Investments	14,663,745	14,107,975
Total Assets	<u>41,625,910</u>	<u>37,678,859</u>
LIABILITIES		
Members Shares	(34,454,588)	(31,325,668)
Minors Deposits	(2,462,780)	(2,227,072)
Accruals	(13,798)	(17,527)
Corporation tax	(13,684)	(12,610)
Misc amounts due to members and minors	(26,766)	(23,947)
Sundry	(196,648)	(242,591)
Total Liabilities	<u>(37,168,264)</u>	<u>(33,849,415)</u>
ASSETS LESS LIABILITIES	<u>4,457,646</u>	<u>3,829,444</u>
RESERVES		
<u>General reserve:</u>		
Brought forward	3,728,396	2,709,000
Added in the year	517,000	1,019,396
	<u>4,245,396</u>	<u>3,728,396</u>
Unappropriated surplus - Members	202,333	93,305
Unappropriated surplus - Minors	9,917	7,743
Total reserves	<u>4,457,646</u>	<u>3,829,444</u>

Ballymena Credit Union Limited T/A Ballymena Causeway Credit Union
Notes to the Surplus and Deficit Account
For the year ended 30 September 2021

	<u>2021</u>	<u>2020</u>
Note 1		
Employment Costs		
Wages and Salaries	(450,865)	(421,923)
Pensions	(24,536)	(21,789)
Staff Uniforms	(2,267)	(2,338)
Total of employment costs	<u><u>(477,668)</u></u>	<u><u>(446,050)</u></u>
Note 2		
Schedule of other management expenses		
Audit and Accountancy fees	(19,740)	(19,644)
Amortisation	34,406	0
Bank charges	(58,776)	(42,337)
Cash Short (Over)	452	198
Computer Maintenance	(59,913)	(47,872)
Covid 19 Expenses	(57)	(6,881)
Insurances	(198,575)	(190,219)
Legal Expenses	(17,406)	(23,399)
Lighting, Heat & Cleaning	(15,906)	(12,900)
Marketing	(28,994)	(31,120)
Miscellaneous Expenses	(13,935)	(12,982)
Printing & Stationery	(9,920)	(20,260)
Profit/ (loss) on disposal	(7,001)	0
Regulatory & Other Fees	(2,478)	(1,778)
Rent & Rates	(17,891)	(14,446)
Repairs & Renewals	(5,190)	(7,064)
Risk and Compliance	(14,489)	(7,695)
Security Costs	(7,803)	(7,206)
Telephone, Broadband & Postage	(20,340)	(20,506)
Training Costs	(6,663)	(5,862)
Travel and subsistence	(3,261)	(6,762)
Total of other management expenses	<u><u>(473,480)</u></u>	<u><u>(478,735)</u></u>
Note 3		
Net losses on loans to members		
Bad Debt Provision	(34,425)	(137,002)
Bad debts Written Off	(239,189)	(227,550)
Bad Debts Recovered	55,662	46,861
Total net losses on loans to members	<u><u>(217,952)</u></u>	<u><u>(317,691)</u></u>
Note 4		
Interest Rebate Proposed 2021		
Non- discounted loans at 12%	8.00%	5.00%
Discounted loans at 7.5%, 8.0% and 9.55%	8.00%	2.50%

Ballymena Credit Union Limited T/A Ballymena Causeway Credit Union
Notes to the Balance Sheet
As at 30 September 2021

		<u>2021</u>	<u>2020</u>
Note 5	Fixed assets	£	£
	FA - freehold L&B		
	Cost - b/fwd	1,155,882	851,543
	Additions - Causeway	0	304,339
	Disposal – Glenravel	(92,303)	0
	Depn - b/fwd C'way	0	(113,835)
	Depn - b/fwd B'mena	(324,329)	(189,504)
	Depn - disposal	26,272	0
	Depn - charge	<u>(22,965)</u>	<u>(20,990)</u>
		<u>742,557</u>	<u>831,553</u>
	FA - equipment		
	Cost - b/fwd	108,444	133,841
	Cost – additions	8,279	39,768
	Cost – disposals	0	0
	Depn - b/fwd	(36,800)	(92,101)
	Depn – charge	(11,417)	(9,864)
	Depn – disposals	<u>0</u>	<u>0</u>
		<u>68,506</u>	<u>71,644</u>
	FA - computers		
	Cost - b/fwd	233,079	166,748
	Cost – additions	9,402	66,331
	Depn - b/fwd	(148,280)	(120,159)
	Depn – charge	<u>(32,755)</u>	<u>(28,121)</u>
		<u>61,446</u>	<u>84,799</u>
	Total Fixed Assets	872,509	987,996
Note 6	General Reserve		
	Balance Brought Forward	3,728,396	2,709,000
	Addition in the year	517,000	276,152
	Causeway Balance Introduced	0	363,663
	Causeway SPS Funding to General Reserve	<u>0</u>	<u>379,581</u>
	Total Additions in the year	<u>517,000</u>	<u>1,019,396</u>
	Balance at the year end	<u>4,245,396</u>	<u>3,728,396</u>

Rule Amendments 2020-2021

Resolution No. 1

That this Annual General Meeting agrees to delete Rule 54 of the Standard Rules for Credit Unions (Northern Ireland) to remove the requirement for credit unions to complete and return the Return of Officers form to the Irish League of Credit Unions.

Resolution No. 2

That this Annual General Meeting agrees to amend the wording of Rule 96 Appeals of the Standard Rules for Credit Unions (Northern Ireland) by the insertion of the following “reduced or”, “loans officer,” & “loans officer” to the existing wording as follows:

Rule 96. Appeals

Existing Wording

An applicant whose applications for a loan has been refused by the credit committee, or in the case of an officer by the special committee, may appeal to a meeting of the board of directors augmented by one member of the supervisory committee but excluding any officer who is also a member of the committee that refused the loan. Such meeting may require the attendance of any member of the committee that refused the loan for the purpose of informing the committee why the loan was refused. The majority decision of such meeting shall be final and may reverse the decision of the credit committee or of the special committee as the case may be. If the withdrawal of a director from this appeal meeting would cause the meeting to become inquorate, the remaining members shall be treated as constituting a quorum while the matter in question is being considered or determined.

Rule 96. Appeals

New Wording

An applicant whose applications for a loan has been **reduced** or refused by the credit committee, **loans officer**, or in the case of an officer by the special committee, may appeal to a meeting of the board of directors augmented by one member of the supervisory committee but excluding any officer who is also a member of the committee that refused the loan. Such meeting may require the attendance of any member of the committee or **loans officer** that refused the loan for the purpose of informing the committee why the loan was refused. The majority decision of such meeting shall be final and may reverse the decision of the credit committee or of the special committee as the case may be. If the withdrawal of a director from this appeal meeting would cause the meeting to become inquorate, the remaining members shall be treated as constituting a quorum while the matter in question is being considered or determined.

Resolution No. 3

That this Annual General Meeting agrees to amend the wording of Rule 97 Loan Officers of the Standard Rules for Credit Unions (Northern Ireland) deletion of existing wording and replacement with new Rule 97:

Rule 97. Loan officer

Existing Wording

To facilitate the work of the credit committee, the board of directors shall appoint a loan officer or officers who shall not be the chairman or president, secretary or treasurer of the credit union, to work under the supervision of the credit committee, and shall delegate to such officer(s) the power to approve loans, subject to such limitations as to amount, duration, terms of repayment and security required as shall have been established in writing by the board of directors. The loan officer shall furnish to the credit committee a record of each loan approved or not approved by the loan officer within seven days of the date of receiving the application therefore and such record shall be considered by and become part of the records of the credit committee at its next meeting. All applications for loans not approved by the loan officer shall be considered by the credit committee.

Rule 97. Loan Officer

New Wording

To facilitate the work of the credit committee, the board of directors shall appoint a loan officer or officers who shall not be the chairman or president, secretary or treasurer of the credit union, to work under the supervision of the credit committee, and **may** delegate to such officer(s) the power to approve loans, **reduce or refuse** subject to such limitations as to amount, duration, terms of repayment and security required as shall have been established in writing by the board of directors. The loan officer shall furnish to the credit committee a record of each loan approved, **reduced or refused** by the loan officer within seven days of the date of receiving the application therefore and such record shall be considered by and become part of the records of the credit committee at its next meeting. All applications for loans not approved by the loan officer shall be considered by the credit committee.

Resolution No. 4

That this Annual General Meeting amends rule 91 Membership of Credit Committee of the Standard Rules for Credit Unions (Northern Ireland) by the insertion of the following:

“The exclusion of the treasurer of the credit union from the credit committee shall not apply to the consideration and approval of loans to corporate members made by the credit committee”

to read as follows:

Rule 91. Membership

The membership of the credit committee shall not include the treasurer of the credit union.

The exclusion of the treasurer of the credit union from the credit committee shall not apply to the consideration and approval of loans to corporate members made by the credit committee.

Motion No. 5

That this Annual General Meeting amend rule 110 of Standard Rules for Credit Unions (Northern Ireland) by the deletion of section (e) and re-numbering of the rule:

Delete

- (e) submit to the board of directors together with his financial statements such figures as will enable the board to determine whether the provisions of Article 28 (6) of the Order are being complied with; and re-number the rule.*

Resolution No. 6

That this Annual General Meeting amends the Standard Rules for Credit Unions (Northern Ireland) in Rule 113 by the deletion of the following Rule 113:

Rule 113. Membership

The supervisory committee shall consist of not less than three and not more than seven members of full age. In the event that the Credit Union is unable to form a Supervisory Committee the Board may appoint an external company to carry out internal audit duties.

And by the insertion of the following new Rule 113:

Rule 113. Membership

- a) The supervisory committee shall consist of not less than three and not more than seven members of full age. For the avoidance of doubt, the Board has full responsibility for the appointment and allocation of the Internal Audit Function under Rule 88(a).*
- b) Where the Internal Audit Function is performed by the supervisory committee, the supervisory committee may recommend to the Board that it be provided by an employee, outsourced external providers or any combination thereof. The Board will work with the supervisory committee in those circumstances and the Board will ensure that appropriate written terms of reference are in place to reflect the allocation of such responsibilities, duties and roles. In that event, the supervisory committee duties, obligations and powers under this Section 16 and elsewhere under these rules shall remain in place.*
- c) In the event that the credit union is unable to form a supervisory committee, the Board will ensure that the Internal Audit Function is provided by an employee or outsourced external provider or any combination thereof. In those circumstances, the duties, obligations and powers of the supervisory committee under these rules shall be suspended and not be exercised by any other party (except to the extent that it is necessary at the appointment of the Board to fulfil any statutory or regulatory obligation of the credit union).*
- d) In the event that the credit union is unable to form a supervisory committee under Rule 113 (c), the Nominating Committee will make a call for nominations to the supervisory committee of at least three and not more than seven members of full age in accordance with Rules 62 and 74 in advance of each AGM. The duties, obligations and powers of the supervisory committee shall remain suspended until a supervisory committee can be formed at the AGM.*
- e) In the event that a supervisory committee can be re-formed under Rule 113 (d), the duties, obligations and powers of the supervisory committee under this Section 16 and elsewhere under these rules will come into force, the day after the AGM.*

Resolution No. 7

That this Annual General Meeting amends the Standard Rules for Credit Unions (Northern Ireland) in Rule 62 by the insertion of “(unless the Nominating Committee under Rules 73(4) and 113(d) has been unable to put forward appropriate nominations for the appointment of persons to the supervisory committee).”

To read as follows:

Rule 62 Vacancies on the supervisory committee

At every annual general meeting of the credit union the members present shall by secret ballot fill every vacancy in the supervisory committee **(unless the Nominating Committee under Rules 73(4) and 113(d) has been unable to put forward appropriate nominations for the appointment of persons to the supervisory committee).**

Resolution No. 8

That this Annual General Meeting amends the Standard Rules for Credit Unions (Northern Ireland) by the insertion of a new Rule 55A, to read as follows:

Rule 55A. Means of Participation in General Meetings

a) The board of directors may make arrangements for members to attend and participate in a general meeting by:

- (i) attendance at a physical meeting place;
- (ii) simultaneous attendance and participation at a secondary meeting place; and/or
- (iii) using an electronic platform, in exceptional circumstances as determined by the board of directors.

b) A general meeting may be held:

- (i) solely as a physical meeting;
- (ii) solely as an electronic meeting accessible by using an electronic platform, in exceptional circumstances as determined by the board of directors; or
- (iii) by offering members the option to attend and participate at a physical meeting place (which may include a secondary meeting place) or by using an electronic platform.

c) Where the board of directors decides that members may attend and participate in a general meeting by using an electronic platform, the notice of general meeting given under Rule 56 shall set out details of the electronic platform for the general meeting (including any access arrangements for such electronic platform and any other information that the credit union may specify).

d) Notice of a general meeting held under Rule 55A (a)(ii) or (iii) must also state in addition to the nature of the business of the meeting and such other matters as provided for in these rules:

- (i) the electronic platform to be used;
 - (ii) details for access to the electronic platform;
 - (iii) whether or not the general meeting will be recorded;
 - (iv) the time and manner by which an attendee must confirm his or her intention to attend the meeting;
 - (v) any requirements or restrictions which the credit union has put in place in order to identify attendees who intend to attend the meeting;
 - (vi) the procedure for asking questions; and
 - (vii) the procedure for the procedure to be adopted for voting on resolutions proposed to be passed at the meeting.
- e) Details of any physical meeting place, secondary meeting place and/or electronic platform that shall be stated in a notice of general meeting given under Rule 56 shall constitute the place of such meeting.
- f) A member who attends and participates in a general meeting held under Rule 55A (a) (ii) or (iii) shall be counted in the quorum for that general meeting.
- g) Any temporary failure or disruption of electronic platform shall not invalidate the general meeting or any proceedings relating to the general meeting.
- h) A credit union shall not be liable in respect of any failure or disruption relating to the equipment used by a member to access the general meeting by an electronic platform that occurs and which failure or disruption prevents or interferes with the member's participation, by way of such technology, in the meeting.
- i) The board of directors may make arrangements for any documents which are required to be made available for inspection by members at a general meeting to be available for inspection at any secondary meeting place (in addition to the principal physical meeting place) and/or to be accessible electronically on an electronic platform.
- j) The credit union shall require any persons wishing to attend a general meeting (whether at any principal physical meeting place, or any secondary meeting place, or by using an electronic platform) to comply with any identification and verification procedures, and security arrangements as the board of directors shall reasonably specify from time to time.

Resolution No. 9

That this Annual General Meeting amends the Standard Rules for Credit Unions (Northern Ireland) by the insertion of new definitions in alphabetical order in Section 33 Interpretation and Rule 178 as follows:

'electronic platform' means one or more electronic facilities as may be approved by the board of directors from time to time that enable members to attend and participate simultaneously in a general meeting of the credit union without attending a physical meeting place".

'secondary meeting place' – a secondary physical meeting place (or more than one such place) for a general meeting at which members may attend and participate in the general meeting simultaneously as an alternative to attending the principal physical meeting place".

Resolution No. 10

That this Annual General Meeting amends references to “members present” under the standard Rules for Credit Unions (Northern Ireland) under Rules 61, 62 and 63 by the deletion of “present”, and by the insertion of “(unless the Nominating Committee under Rule 73(4) and 113(d) has been unable to put forward appropriate nominations for the appointment of persons to the supervisory committee” to Rule 62, to read as follows:

Rule 61. Vacancies on the board of directors

At every annual general meeting of the credit union, the members shall by secret ballot fill every vacancy in the board of directors.

Rule 62. Vacancies on the supervisory committee

At every annual general meeting of the credit union the members shall by secret ballot fill every vacancy in the supervisory committee **(unless the Nominating Committee under Rule 73(4) and 113(d) has been unable to put forward appropriate nominations for the appointment of persons to the supervisory committee).**

Rule 63. Vacancy for auditor

Subject to the provisions of the Order and Rule 64, the members at an annual general meeting shall by secret ballot fill a vacancy in the office of auditor.

Resolution No. 11

That this Annual General Meeting agreed to amend Section 2, Rule 6 of the Standard Rules for Credit Unions (Northern Ireland) by deleting the following:

- i) within 10 miles of Ballymena Town Centre; and
- ii) within the following postal codes: BT51, BT52, BT53 (Ballybogey only), BT55, BT56, BT57

And insertion of the following:

- (i) within the Borough Council areas of Mid and East Antrim and Causeway Coast and Glens

To read as follows:

SECTION 2. QUALIFICATIONS FOR MEMBERSHIP

Rule 6. Membership

(1) Membership shall be limited to and consist of the signatories to the application to register the credit union and such other persons having the common bond of

Residing or being employed;

- (i) within the Borough Council areas of Mid and East Antrim and Causeway Coast and Glens

In addition, family members residing in the same household as a directly qualifying member may be regarded as also having the qualification for membership.

Credit Union Invocation

This prayer, which is a prayer for Peace, is said at the beginning of every meeting of the Board of Directors of every Credit Union in the world. It fits in with the non-denominational aspect of the movement and helps focus the Directors' minds on the business of trying to help our fellow man and woman in this troubled world of ours.

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;
And where there is sadness, joy.
O Devine Master, grant that I may
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.



**We wish all our members a
very happy Christmas and a
peaceful, prosperous 2021**



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

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Discount**