

St. Jarlath's Credit Union Limited

CREDIT UNION INVOCATION

Lord make me an instrument of thy peace,
Where there is hatred, let me sow love;
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light;
And where there is sadness, joy.

O Divine 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.

AGENDA

1. Acceptance of proxies (if any) by Board of Directors
2. Ascertainment that a quorum is present
3. Adoption of Standing Orders
4. Reading and approval (or correction) of the minutes of the last Annual General Meeting
5. Report of the Board of Directors
6. Report of the Treasurer and consideration of accounts
7. Report of the Auditor
8. Report of the Supervisory Committee
9. Declaration of dividend and rebate of interest (if any)
10. Report of the Credit Committee
11. Report of the Credit Control Committee
12. Report of the Money Laundering Officer
13. Report of the Membership Committee
14. Report of the Planning and Development Committee
15. Report of the Education Committee
16. Report of the Insurance Committee
17. Report of any Sub-Committee
18. Adoption of Motion re: Death Benefit Insurance and any intervening special general meeting
19. Report of the Nominating Committee
20. Appointment of Tellers
21. Election of Auditor
22. Election to fill vacancies on the Supervisory Committee
23. Election to fill vacancies on the Board of Directors
24. Any other business
25. Announcement of Election of results
26. Adjournment or close of meeting.

The members assembled at any Annual General Meeting may suspend the order of business upon a two-thirds (2/3) vote of the members present at the Meeting.

BOARD OF DIRECTORS (ELECTIONS)

There are five vacancies on the Board of Directors.

SUPERVISORY COMMITTEE

There is one vacancy on the Supervisory Committee.

AUDITOR

The auditor is elected each year at the A.G.M.
DHKN seek re-election

St. Jarlath's Credit Union

Annual Report

President's Address 2008

On behalf of the Board of Directors of St Jarlath's Credit Union I am honoured to welcome you here this evening for this the 41st Annual General Meeting of our Credit Union.

Our Credit Union over the past 41 years has grown year on year and currently we have in excess of 30,000 members with Share Capital in the amount of approximately €130,000,000.00. Of this €130,000,000.00 approximately €60,000,000.00 is on loan to 4,521 members of our Credit Union with the balance invested within the major financial institutions and is done so in a manner which gives the Credit Union a monthly return on investment.

The growth of our Credit Union over the past 41 years has meant that it has become a major Financial Institution within our town and as you the Members are aware, Credit Unions in recent years have become heavily regulated by the Irish Financial Regulatory Authority. In the past year the Board of Directors in conjunction with the Executive and Management Team within St Jarlath's Credit Union decided that it was necessary to strengthen the reserves and also reduce running costs so that our Credit Union provided full protection for our members and be in a strong position to deal with the economic downturn currently being experienced.

The Credit Union over the past year have decided to put a greater percentage of profit into the various reserves and in relation to reducing the running cost, Staff Members who have left their employment have not been replaced. All of this is reflected in the Annual Accounts furnished.

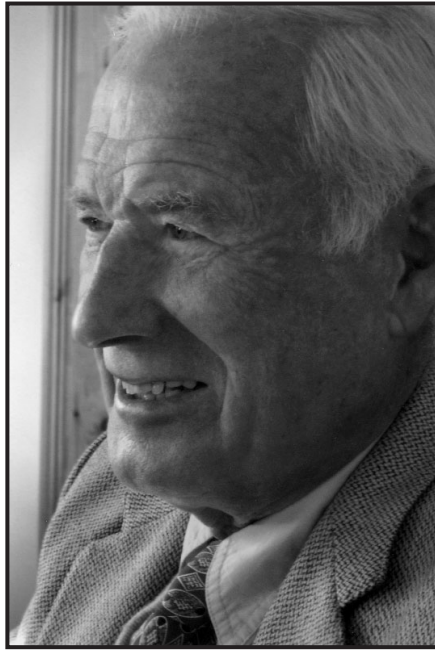
I am happy to report that our Management Team lead by our CEO Mr Mick Culkeen are in regular contact with personnel within the Financial Regulatory Office so as to keep them fully briefed on an ongoing basis in relation to the Financial Affairs of our Credit Union.

The management and day to day running of our Credit Union is an enormously responsible job and when you consider the size of our business and compare it to our competitors in relation to the other Financial Institutions in our Town alone, and coupled with the fact that the Board of Directors and Supervisory Committee are all giving of their time and expertise on a voluntary basis, I wish to extend my thanks to them sincerely. They do this work for the very reason that they believe in the importance of the Credit Union Movement and on behalf of the 30,000 members within St Jarlath's Credit Union.

I wish to extend my thanks to the Management Team and Staff Members lead by our Chief Executive Officer, Mick Culkeen for their dedication and attention to the everyday needs of our Credit Union. Also to our Auditors both internal and external, our Legal Advisors and others. Everybody at our Credit Union is working on behalf of you the Members and for the betterment of all associated with our business.

Tom Mc Hugh, President.

St. Jarlath's Credit Union Limited



PADDY CLOONAN AN APPRECIATION

Early this year, the first week in September 2008, I was shocked to hear that my friend Paddy Cloonan had passed away suddenly. Paddy was a member of my Credit Union, St. Jarlath's for over 30 years.

About 10 or 12 years ago, he mentioned that he would like to have a greater input into our movement.

He was elected to the Supervisory Committee and up to the time he passed away, he gave this his full attention.

He was very sincere and dependable, he dealt with any problems that arose thoughtfully and was a great help to the other members of the committee.

He also had a life long association with the Knights of Malta, which he joined as a young man and continued until his passing as a high ranking officer. He had a great commitment to our community.

He was also a very good travelling companion, a great admirer of nature and the outdoor life.

He is sadly missed by all.

To his family and friends, we in St. Jarlath's Credit Union extend our deepest sympathies.

Micko Bodkin

St. Jarlath's Credit Union Limited

Annual Report

Treasurer's Report 2008

In the year ended 30th September 2008 St Jarlath's Credit Union Ltd made a surplus of €5,274,195 after all deductions. It is proposed to distribute this as follows:

2% Deposits, 2% Dividend, 20% Interest Rebate Standard Rate.

I would like at this time to thank the very excellent staff and hard working Board of Directors of St Jarlath's Credit Union for their dedicated work and commitment during the year. Finally and most importantly, I wish to thank the members for their continued loyalty and support during 2008.

Mary Gilmore, Treasurer.

Money Laundering Report 2008

Under the Criminal Justice Act 1994, the Credit Union, like all other Financial Institutions is obliged to appoint a Money Laundering Reporting Officer. This requirement is complied with, by the Board of Directors of St. Jarlath's Credit Union Ltd. It is recommended practice that the Credit Union Money Laundering Officer is not identified.

The Credit Union is also required to implement procedures for the identification and reporting of any suspected money laundering. Staff have received training in their duties and responsibilities regarding money laundering and reporting procedures and these are in place.

Board of Directors.

St. Jarlath's Credit Union Limited

The Credit Union Act, 1997 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union and of the income and expenditure of the Credit Union for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and which enables them to ensure that the financial statements comply with the Credit Union Act, 1997. They are also responsible for safeguarding the assets of the Credit Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Credit Union Board

Chairperson

Treasurer

Supervisor

Date

Tom McKeef
Mary Colman
Annette Minersay
6/11/08

Statement of Supervisory Committee's Responsibilities

The Credit Union Act, 1997 requires the appointment of a Supervisory Committee which will oversee Directors in the performance of their functions, examine books and documents of the Credit Union and verify a sample of members' balances.

On behalf of the Credit Union Board

Chairperson

Treasurer

Supervisor

Date

Tom McKeef
Mary Colman
Annette Minersay
6/11/08

St. Jarlath's Credit Union Limited

We have audited the financial statements on pages 7 to 18 of St. Jarlath's Credit Union Limited for the year ended 30th September 2008 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

This report is made solely to the credit union's members, as a body, in accordance with Section 120 of the Credit Union Act, 1997. Our audit work has been undertaken so that we might state to the credit union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the credit union's members as a body, for our audit work, for our report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As described in the Statement of Directors' Responsibilities the company's Directors are responsible for the preparation of the financial statements in accordance with applicable law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with the Credit Union Acts, 1997. We also report to you whether in our opinion: proper books of account have been kept by the Credit Union and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the Credit Union's balance sheet is in agreement with the books of account.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Director's Report and the reports of the various other regulatory committees of the credit union. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

St. Jarlath's Credit Union Limited

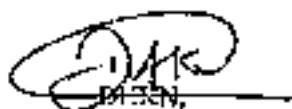
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Credit Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Credit Union's affairs as at the 30th September 2008, and of its income and expenditure account for the year then ended and have been properly prepared in accordance with the requirements of the Credit Union Act, 1997.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Credit Union. The financial statements are in agreement with the books of account.



Registered Auditors,
Galway Financial Services Centre,
Moneenageisha Road,
Galway.

6 November 2008

St. Jarlath's Credit Union Limited

Income and Expenditure Account for the year ended 30th September 2008

	Notes	2008 €	2007 €
Income			
Interest on Members' Loans		6,045,098	7,084,620
Interest Payable on Members' Deposits and SSAs		(23,469)	(110,101)
Investment Income	2	3,302,026	5,517,887
Net Interest Income		9,123,655	10,492,406
Other Income		93,755	295,378
Total Income		9,417,410	10,787,784
Expenditure			
Salaries and Other Wages Costs		1,262,667	1,104,941
Other Management Expenses		1,252,856	1,699,239
Depreciation Charge on Fixed Assets	6	227,738	162,396
Bad and Doubtful Debts	3	1,399,954	1,867,591
Total Expenditure		4,143,215	4,834,167
Excess of Income over Expenditure	7	5,274,195	5,953,617
Opening Undistributed Surplus Reserve		8,281	6,288
Total Surplus Available for Distribution		5,282,476	5,959,905
Transfer to Reserves			
Statutory Reserve	7	530,000	596,000
Distribution Reserve	7	4,500,000	4,720,000
General Reserve	8	250,000	585,621
Pension Reserve	8	-	25,000
Technology Reserve	8	-	25,000
Total Transfers		5,280,000	5,951,621
Closing Undistributed Surplus Reserve		2,476	8,281

There were no recognised gains or losses other than the income and expenditure for the above two financial periods.

On behalf of the Credit Union Board

Chairperson

Treasurer

Supervisor

Date

Tom McKeough
Mary Gilmore
Annette Mulcahy
6/11/08

The notes on pages 7 - 15 form an integral part of the financial statements.

St. Jarlath's Credit Union Limited

Balance Sheet as at 30th September 2008

	Notes	€	2008 €	€	2007 €
Assets					
Cash at Bank			218,982		249,568
Deposits and Investments	4		86,214,980		88,975,865
Loans to Members	5		58,669,114		62,306,739
Provision for Doubtful Debts	5		(7,797,630)		(8,402,902)
Section 48 Non Life Account Home Union			39,420		38,127
Section 52 Client Premium Account			619		193
Prize Bonds			63		63
			<u>137,345,848</u>		<u>143,167,653</u>
Other Assets					
Tangible Assets	6		3,486,223		3,270,953
Stock of Stationery			2,000		6,100
Prepayments			161,281		145,742
Accrued income			531,263		1,139,160
Total Assets			<u>141,526,615</u>		<u>147,729,608</u>
Liabilities					
Members' Deposits			181,516		199,905
Deposit Interest - net to members			3,180		2,971
Members' Shares			124,356,583		130,179,456
Special Savings Incentive Account Interest			-		106,390
Bank Overdraft			225,106		307,371
Trade Creditors and Accruals			86,578		133,111
DIRI Payable			795		763
			<u>124,853,782</u>		<u>131,630,247</u>
Members' Resources					
Retained Reserve	7	2,176		8,281	
Statutory Reserve	7	10,224,872		9,694,872	
Distribution Reserve	7	4,521,648		4,722,371	
Other Reserves	8	1,923,837		1,673,837	
			<u>16,672,833</u>		<u>16,099,361</u>
Total Liabilities			<u>141,526,615</u>		<u>147,729,608</u>

On behalf of the Credit Union Board

Chairperson

Tom O'Sullivan

Treasurer

Mary Gilmore

Supervisor

Concetta Mulvaney

Date

6/11/08

The notes on pages 7 - 15 form an integral part of the financial statements.

St. Jarlath's Credit Union Limited

Notes to the Financial Statements for the year ended 30th September 2008

..... confirmed

1.4. Investments

The specific investment products held by the credit union are accounted for as follows:

Bank deposits and other short term deposits

These are valued at the deposit amount plus any accrued interest and interest income is recognised in the income statement on a accruals (time) basis.

Term deposits and fixed interest investment bonds

Term deposits and fixed interest investment bonds with fixed maturity dates are valued at the lower of cost or encashment value and interest income is recognised in the income statement when it is received or irrevocably receivable.

Unit funds and equity investments

Unit funds, property funds and other stock market investments are valued at the lower of cost or market value and dividend or other income is recognised in the income statement when it is received or irrevocable receivable. Increases in capital value are not recognised until the asset is sold or matures. Decreases in market value are recognised immediately.

With profit bonds

With profit bonds with capital guaranteed are valued at cost. Declared bonuses are recognised in the income statement when irrevocably receivable or earlier if the bond becomes realisable in the form of cash or cash equivalents in a secondary market. Terminal bonuses are recognised in the income statement when the Credit Union becomes irrevocable entitled to receive them.

1.5. Pensions

As stated in Note 11, the Credit Union participates in an Irish League of Credit Union Republic of Ireland Pension Scheme. This is a multi employer defined benefit pension scheme with assets invested in separate trustee administered funds. However, as the underlying assets and liabilities, attributable to individual employers cannot be identified on a consistent and reasonable basis the Credit Union is accounting for the pension scheme as if it is a defined contribution scheme. This is in accordance with the rules of Financial Reporting Standard 17.

1.6. Bad and Doubtful Debts

Allowances for impaired loans represent reserves, and or provisions made during the year, less amounts utilised or realised charged against the surplus for the year. Amounts are created after a detailed review of individual loans and groups of loans. Allowances are established by reviewing the credit worthiness of individual borrowers and the value of collateral underlying the loan. General allowances are measured based on Resolution #9 of the Irish League of Credit Unions. Bad Debts in the Credit Union are recognised when there is a reasonable doubt that the full amount of principal will not be collected, or the financial capacity of the borrower has deteriorated such that the recovery of the whole, or part of an outstanding loan advanced is in doubt. In all cases where it is impractical to estimate the recoverable amount, the carrying amount is reduced to zero.

St. Jarlath's Credit Union Limited

Notes to the Financial Statements
for the year ended 30th September 2008

..... continued

2. Income from investments	2008	2007
	€	€
Income from investments	3,302,026	3,517,887
	<u> </u>	<u> </u>
3. Bad and Doubtful Debts	2008	2007
	€	€
Provision for Bad and Doubtful Debts	1,781,323	2,079,745
Bad Debts Recovered	(381,369)	(212,154)
	<u>1,399,954</u>	<u>1,867,591</u>
4. Investments	2008	2007
	€	€
Fixed Term Deposit Accounts	81,112,246	84,340,996
Investment Bonds - with Profits	3,176,287	2,634,869
Equity Fund Investments	1,926,447	2,000,000
	<u>86,214,980</u>	<u>88,975,865</u>

St. Jarlath's Credit Union Limited

Notes to the Financial Statements
for the year ended 30th September 2008

..... continued

5. Members' Loans	2008	2007
	€	€
Loans to Members	58,669,414	62,306,739
Provision for Doubtful Debts	(7,797,630)	(8,402,902)
	<u>50,871,784</u>	<u>53,903,837</u>
 Movement in Members' Loans	 2008	 2007
	€	€
Opening Balance	62,306,739	72,499,365
Movement in year	(3,637,325)	(10,122,261)
Loans Written Off	-	(70,565)
Closing Balance	<u>58,669,414</u>	<u>62,306,739</u>
 Movement in Provision for Doubtful Debts	 2008	 2007
	€	€
Opening Provision	8,402,902	6,824,090
Loans written off against provision	(2,386,595)	(500,933)
Movement in year	<u>1,781,323</u>	<u>2,079,745</u>
Closing Provision	<u>7,797,630</u>	<u>8,402,902</u>

St. Jarlath's Credit Union Limited

Notes to the Financial Statements for the year ended 30th September 2008

..... continued

6. Tangible Assets	Land and Buildings Freehold	Office Furniture	Fixtures & Fittings	Computer Equipment	Equipment	Total
	€	€	€	€	€	€
Cost						
At 1st October 2007	3,192,872	252,147	183,280	293,218	390,938	4,317,455
Additions	50,530	-	142,364	166,682	83,432	443,008
At 30th September 2008	3,248,402	252,147	325,644	459,900	474,370	4,760,463
Depreciation						
At 1st October 2007	184,099	252,147	121,973	126,463	361,820	1,046,502
Charge for the year	64,968	-	32,564	114,975	15,231	227,738
At 30th September 2008	249,067	252,147	154,537	241,438	377,051	1,274,240
Net Book Values						
At 30th September 2008	2,999,335	-	171,107	218,462	97,319	3,486,223
At 30th September 2007	3,013,773	-	61,307	166,755	29,118	3,270,953

7. Credit Union Reserves	Statutory Reserve	Retained Reserve	Distribution Reserve	Other Reserves	Total
	€	€	€	€	€
At 1 October 2007	9,694,872	8,261	4,722,371	1,673,837	16,099,361
Allocated in Year	-	-	(4,700,723)	-	(4,700,723)
Surplus Allocation in Year	530,000	(5,805)	4,500,000	250,000	5,274,195
At 30 September 2008	10,224,872	2,456	4,521,648	1,923,837	16,672,813

Statutory Reserve

Under the provisions of the Credit Union Act, 1997, at least 10% of each year's surplus must be transferred to the statutory reserve.

St. Jarlath's Credit Union Limited

Notes to the Financial Statements for the year ended 30th September 2008

..... continued

8. Other Reserves	General Reserve €	Pension Reserve €	Technology Reserve €	Legal and Technical Reserve €	Total €
At 1 October 2007	1,430,000	81,722	112,315	50,000	1,673,837
Utilised in Year	-	-	-	-	-
Movements in year	250,000	-	-	-	250,000
At 30 September 2008	1,680,000	81,722	112,315	50,000	1,923,837

9. Dividends and Loan Interest Rebate

The following distributions were made during the period:

	2008 %	2008 €	2007 %	2007 €
Dividends on Shares	2.50	3,023,075	2.00	2,525,024
Loan Interest Rebate	20.00	1,364,462	12.50	1,014,527
Discounted Loan Interest Rebate	5.00	13,116	-	-
		<u>4,700,653</u>		<u>3,539,551</u>

The above dividends and loan interest rebate refer to those paid out in those years from the surpluses earned in previous years.

10. Proposed Dividends and Loan Interest Rebates

At the year end the Directors have allocated the amount of €4,500,000 to the Distribution Reserve which may be returned to the members by way of dividend and a loan interest rebate by way of resolution by a majority of the members at the annual general meeting. The proposed distribution is as follows:

	2008 %	2008 €	2007 %	2007 €
Dividends on Shares	2.00	2,591,860	2.50	3,336,233
Loan Interest Rebate	20.00	913,007	20.00	1,364,462
Discounted Loan Interest Rebate	-	-	5.00	13,116
		<u>3,504,867</u>		<u>4,713,811</u>

St. Jarlath's Credit Union Limited

Notes to the Financial Statements for the year ended 30th September 2008

..... continued

11. Pension Scheme

The credit union participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded scheme of the defined benefit type, with assets invested in separate trustee administered funds.

An actuarial review of the fund is normally carried out every three years by the Scheme's independent, professionally qualified, actuary. The actuarial review looks at the past & future liabilities of the scheme.

The last such actuarial review was carried out with an effective date of 1 March 2005 using the Projected Unit Credit method. This review recommended a long term funding rate to 20.3%. The cost of risk benefits is paid in addition to this rate. The Scheme Actuary is currently working on the actuarial review for the scheme year 1st March 2008. This report will be made available in December.

It should be noted that the above rate is based on the long term funding objectives. As a separate requirement under section 56(1) of the Pensions Act 1990, the scheme actuary must carry out a separate valuation every 3 years and produce a funding certificate for submission to The Pensions Board within 9 months of the effective date of the valuation. The purpose of the certificate is to certify whether or not the assets of the scheme at the effective date are sufficient to meet the liabilities of the scheme based on the assumption that the scheme was wound up at that date.

An actuarial funding certificate, certifying the Scheme did not meet the statutory minimum funding standard was submitted to the Pensions Board with an effective date of 1 September 2002.

Consequently, the Employer and Trustees were required to adopt and submit a funding proposal, in accordance with Section 49 of the Pensions Act 1990, to the Pensions Board. The objective of the funding proposals is to ensure the Scheme can satisfy the statutory funding standard by the time the next actuarial funding certificate is due. The Trustees applied to the Pensions Board for an extension of the date by which they must satisfy the funding standard to 1 September 2012. The funding proposal recommendation overrides the long term funding rate produced in actuarial report. The rate recommended in the funding proposal is 23.7% of pensionable salary from 1 March 2006. The cost of risk benefits is paid in addition to this rate.

The adequacy of the funding proposal is monitored on an annual basis through the actuarial statement in the Trustee Annual Report. Depending on Scheme experience each year, the funding proposal and contribution rate may need to be increased following any Trustee Annual Report. The actuarial statement in the annual report for the scheme year ended 28th February 2007 stated that the actuary was reasonably satisfied that, based on the existing funding proposal, the scheme will satisfy the funding standard as specified in Section 44 of the Pensions Act 1990, at the effective date of the next Actuarial Funding Certificate.

St. Jarlath's Credit Union Limited

Notes to the Financial Statements for the year ended 30th September 2008

..... continued

This in effect meant that the scheme could have met the funding standard requirements by 1st September 2008. Recent market changes may have had an impact on this position. The actuary is currently reviewing the up to date position and will include a statement in the annual report for the scheme year ended 28th February 2008 which will be issued at the end of November in accordance with the legislative requirements.

The scheme is a defined benefit scheme. However, the credit union is unable to identify its share of the underlying assets and liabilities. Consequently, the credit union accounts for its contributions to the scheme as if it were a defined contribution scheme. Contributions payable to the scheme are recognised in the income and expenditure account.

12. Related party transactions

Directors, Supervisors and Staff (i.e. Officers) operate share and loan accounts with the Credit Union. All loans advanced to Directors, Supervisors and Staff are approved in accordance with Section 36(1) Credit Union Act, 1997.

	2008	2007
	€	€
Total New Loans Advanced to Officers	1,811,413	<u>595,330</u>
Total Loan Balances relating to Officers	2,039,305	<u>1,289,154</u>
Total Share Balances relating to Officers	<u>478,865</u>	<u>563,434</u>

13. Honourarium to Treasurer

The Directors recommend that the Treasurer be paid a gross Honourarium for the year ended 30th September 2008 of €6,953.

14. Insurance against Fraud

The Credit Union has insurance against fraud in the amount of €2,539,000 in compliance with Section 47 of the Credit Union Act 1997.

St. Jarlath's Credit Union Limited

Notes to the Financial Statements for the year ended 30th September 2008

..... continued

15. Rates of Interest Charged on Members' Loans

Interest on Members' Loans is charged in accordance with the Credit Union Registered Rules and the Credit Union Act, 1997.

16. Capital commitments

The Credit Union had no material capital commitments at the year ended 30th September 2008.

17. Post Balance Sheet events

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

18. Approval of Financial Statements

The financial statements were approved by the Board on 6th November 2008

St. Jarlath's Credit Union Limited

St. Jarlath's Credit Union Limited

ADDITIONAL INFORMATION

FOR THE YEAR ENDED 30TH SEPTEMBER 2008

(Not forming part of the statutory audited Financial Statements)

St. Jarlath's Credit Union Limited

Schedule 1 - Other Income Analysis for the year ended 30th September 2008

	2008	2007
	€	€
Other Income		
EXXII - Claims Experience Refund	37,934	50,942
Commissions	30,511	36,488
ISIS Refund	-	29,176
Entrance Fees	660	682
Rent Received	17,867	19,008
Legal and Technical Reserve Released	-	150,000
Cash Over	6,454	8,544
Miscellaneous Income	929	488
	93,755	295,378

St. Jarlath's Credit Union Limited

Schedule 2 - Analysis of Other Management Expenses for the year ended 30th September 2008

	2008	2007
	€	€
<u>Expenditure</u>		
Training and Seminars	12,982	10,830
Staff Recruitment	11,600	11,384
Honoraria	6,933	6,933
Rent and Rates Payable	33,084	25,914
General Insurance	49,943	48,733
Share and Loan Insurance	357,458	357,555
Death Benefit Insurance	(85,612)	70,339
Health Insurance	30,633	24,893
Security and Cash Transit	20,475	18,724
Light and Heat	25,537	23,480
Cleaning and Hygiene	21,927	19,885
Repairs and Renewals	40,254	18,402
Computer and Equipment Maintenance	60,944	39,974
Printing and Stationery	54,306	34,587
Promotion and Education	86,260	47,656
Telephone and Postage	63,776	54,651
AGM Expenses	15,740	17,958
Chapter Expenses	6,078	5,755
Convention Expenses	2,062	2,770
Travelling and Subsistence	25,420	15,723
Social and Entertainment	6,319	8,660
Anniversary Celebrations	-	3,300
Legal Fees	40,972	445,601
Professional Fees	31,868	49,702
Internal Audit Fees	53,917	25,871
Audit Fees	42,955	28,435
Bank Interest and Charges	22,486	30,296
Loans Written Off	-	70,565
Miscellaneous Expenses	23,777	16,027
Cash Short	7,840	13,914
Subscriptions and Donations	26,524	8,162
Affiliation Fees	58,146	52,584
Saving Protection Scheme	79,114	61,304
Regulatory Levy	19,168	19,772
	1,252,856	1,699,239

St. Jarlath's Credit Union Limited

NOMINATIONS

Nominations for the position of five directors, one supervisor and one auditor shall be in writing signed by a proposer and seconder who shall be members of the Credit Union and also by the nominee so as to indicate his/her consent and shall be sent by hand or by post so as to reach the registered office of St. Jarlath's Credit Union Ltd. at least three days before the Annual General Meeting. All such nominees shall be members of the Credit Union. Neither a body corporate nor a member under the age of eighteen shall be nominated.

Nomination forms in the above format are available for collection at the registered office by any member.

AGENDA

1. Acceptance of proxies (if any) by the Board of Directors.
2. Ascertainment that a quorum is present.
3. Adoption of standing orders.
4. Reading and approval (or correction) of the minutes of the last Annual General Meeting, and any intervening special general meeting.
5. Report of the Board of Directors.
6. Report of the Treasurer and consideration of accounts.
7. Report of the Auditor.
8. Report of the Supervisory Committee.
9. Declaration of Dividend and Rebate of interest (if any).
10. Report of the Credit Committee.
11. Report of the Credit Control Committee
12. Report of the Money Laundering Officer.
13. Report of the Membership Committee.
14. Report of the Planning and Development Committee.
15. Report of the Education Committee.
16. Report of the Insurance Committee.
17. Report of any Sub-Committee.
18. Adoption of motion re: Death Benefit Insurance.
19. Report of the Nominating Committee.
20. Amendments to the Rules.
21. Appointment of Tellers.
22. Election of Auditor.
23. Election to fill vacancies on the Supervisory Committee.
24. Election to fill vacancies on the Board of Directors.
25. Any other business.
26. Announcement of Election results.
27. Adjournment or close of meeting.

The members assembled at any Annual General Meeting may suspend the order of business upon a (2/3) vote of the members present at the meeting.

St. Jarlath's Credit Union Limited

Deduction From Dividend

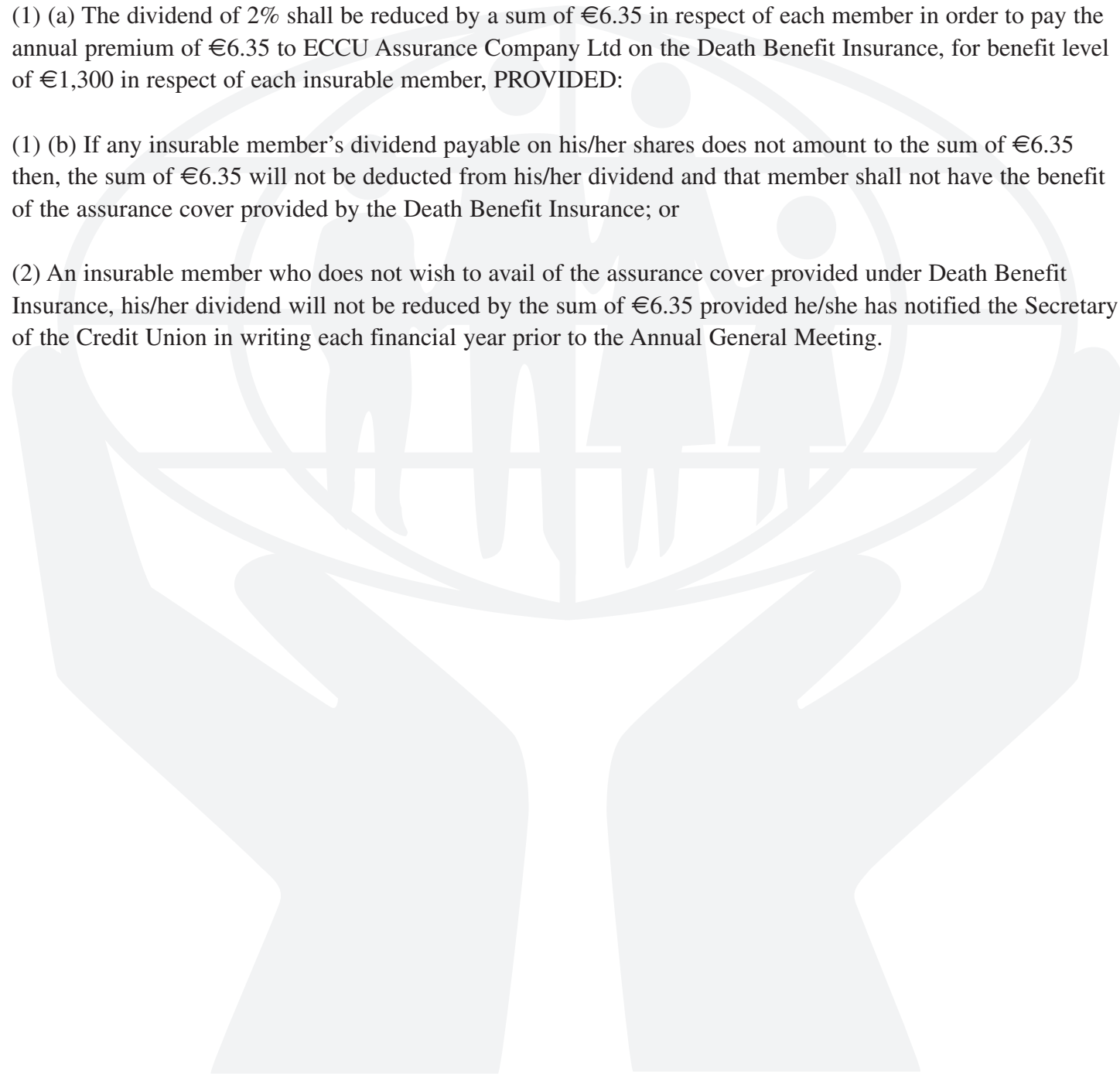
The directors recommend that the following dividend be declared and sanctioned by the members at the Annual General Meeting on The 10th day of December 2008.

2% on all shares subject to the provisions of sub-paragraphs (1) (a), (1) (b) and (2) below.

(1) (a) The dividend of 2% shall be reduced by a sum of €6.35 in respect of each member in order to pay the annual premium of €6.35 to ECCU Assurance Company Ltd on the Death Benefit Insurance, for benefit level of €1,300 in respect of each insurable member, PROVIDED:

(1) (b) If any insurable member's dividend payable on his/her shares does not amount to the sum of €6.35 then, the sum of €6.35 will not be deducted from his/her dividend and that member shall not have the benefit of the assurance cover provided by the Death Benefit Insurance; or

(2) An insurable member who does not wish to avail of the assurance cover provided under Death Benefit Insurance, his/her dividend will not be reduced by the sum of €6.35 provided he/she has notified the Secretary of the Credit Union in writing each financial year prior to the Annual General Meeting.



St. Jarlath's Credit Union Limited

THE BOARD OF DIRECTORS PROPOSES THE FOLLOWING AMENDMENTS TO THE STANDARD RULES FOR CREDIT UNIONS (REPUBLIC OF IRELAND)

AMENDMENTS TO STANDARD RULES ARISING FROM LEAGUE AGM 2008

Resolution No. 19

That this Annual General Meeting agrees to amend Standard Rule 33 (1) (b) as follows:

By the substitution of "amount" for "maximum" where appearing.

Resolution No. 20

That this Annual General Meeting agrees to delete Standard Rule 44 (4) and Rule 44 (5) and replace with the following new Rule 44 (4):

(4) The credit union may make loans to a member in accordance with the provisions of Section 35 (2) of the Act or such other provisions as may amend or replace Section 35 (2).

Subsequent subparagraphs to be renumbered accordingly.

Resolution No. 21

That this Annual General Meeting agrees to delete Rule 121 (4) and replace with the following:

(4) All disbursements of funds shall be in such form and authorised by such officer(s) as may be determined by the board of directors from time to time and subject to whatever safeguards that the board of directors shall decide.

St. Jarlath's Credit Union Limited

Resolution No. 22

That this Annual General Meeting agrees to amend Rule 160 to read as follows:

Delete the existing rule and replace with the following:

(1) Save as otherwise required by or under the Act, this rule applies to any dispute between the credit union and:

- (a) a member of the credit union in his/her capacity as a member;*
- (b) any former member of the credit union (in that capacity) who ceased to be a member of the credit union not more than six months previously;*
- (c) any person claiming through any such member or former member (in their capacity as such); or*
- (d) any person claiming under these rules.*

(2) Nothing in this rule shall prevent:

- (a) a credit union, or*
- (b) a member of a credit union, or*
- (c) any person claiming through or under a member of a credit union, from obtaining in the ordinary course of law any remedy to which the credit union, member or person is entitled in respect of any contract, excluding that constituted by these rules.*

(3) All disputes under this rule shall be decided in the following manner:

St. Jarlath's Credit Union Limited

(a) For the purposes of this rule the complaining party or parties described under paragraph (1) shall be referred to as the complainant. The credit union shall ensure that this procedure and the names of officers designated under paragraph (3) (b) are notified to all members and are displayed in a prominent position in the public office of the credit union.

(b) The board of directors shall appoint:

(i) a complaints officer whose duty it shall be to receive complaint forms under paragraph (3) (d) and to investigate, discuss and wherever possible resolve such complaints;

(ii) a complaints sub-committee, whose membership shall not include the officer appointed under paragraph (3) (b) (i) above, whose duty it shall be to investigate, discuss and wherever possible resolve complaints.

(c) The complainant shall discuss the complaint with the complaints officer appointed by the credit union under paragraph (3) (b) (i).

(d) In the event that the complaint is not resolved to the satisfaction of the complainant under paragraph (3) (c), the complainant shall complete a complaints form which shall be readily available in the public office of the credit union and pre-addressed to the complaints sub-committee. Following receipt of the complaints form, the complaints sub-committee shall investigate, discuss and wherever possible resolve the complaint. The complainant shall have the right to be heard by the sub-committee.

(e) In the event that the complaint is not resolved to the satisfaction of the complainant under paragraph (3) (d), the complainant shall request the secretary of the credit union to forward the complaint to the board of directors. The board of directors shall investigate, discuss and wherever possible resolve the complaint. The complainant shall have the right to be heard by the board of directors.

(f) Nothing in this rule shall prevent the Financial Services Ombudsman from investigating and adjudicating a complaint made against a credit union about the provision of or failure to provide, a financial service, so long as the complaint;

(a) falls within the jurisdiction of that Ombudsman, and

(b) does not relate to a matter that involves only the governance of the credit union.

Issued: ILCU August 2008.

St. Jarlath's Credit Union Limited

Annual Report

Supervisory Committee Report 2008

Three members constitute the Supervisory Committee of St Jarlath's Credit Union. Sadly, last September, we were reduced to two, when we lost our long serving Supervisor, Paddy Cloonan R.I.P. He was a man who had great interest in the Credit Union movement and vast experience in many areas of business. At his demise this Committee suffered a great loss. Gerard Burke, a former Director, has been acting Supervisor with us since September, and we appreciate his help and commitment.

The Supervisory Committee is obliged to see that the duties of the officers of St Jarlath's Credit Union are carried out in accordance with the rules and regulations laid down by both the League of Credit Unions and the Irish Financial Services Regulatory Authority [IFSRA]. During the past year Supervisors visited the Credit Union weekly to carry out their duties. The Committee was represented at all board and organisational meetings. In the course of our work, a random selection of members' accounts was verified, over 2000 in all. We thank all of the members who cooperated with us in this verification by returning their completed statements. Very few queries were dealt with during this process and we thank the staff for their accuracy at the hatches. The monthly financial statements and investments were examined. Several spot check cash counts were conducted throughout the year and the Supervisors were present for the year-end cash count on 30th September.

Thankfully, there is continuous progress in this Credit Union, which benefits you the member. Services to the customer have improved greatly with the completion of the front of house reception area. The tellers work station is now secure creating a safe work environment. The installation of the A.T.M provides the facility of fund withdrawal any time any day. A newsletter detailing services etc., should have reached you by now. Supervisors wish to thank all members who keep their loan accounts in order. All members suffer when people renege on their loan contracts. Sometimes extenuating circumstances make it difficult to keep up loan repayments. In this current economic climate, should this happen please contact the credit union to discuss your problem as we are here to support you.

We thank the C.E.O. and senior management and staff for their cooperation throughout the year. The upgrade in the technology has increased our productivity and created more transparency. On behalf of my colleagues I thank President, Tom Mc Hugh and the Board of Directors for their dedication. As a voluntary body they take their responsibilities very seriously and have a great willingness in moving St Jarlath's Credit forward.

We thank you for your ongoing support.

Annette Murray. Frances Higgins.

**Ask for details about the VHI Group Scheme for
St. Jarlath's Credit Union Members.**

GROUP NUMBER: 01/9300

**The renewal date is the 1st October each year,
however the scheme can be entered on the 1st of any
month by paying the
annual premium thereafter.**



St. Jarlath's Credit Union Limited

Annual Report

Promotion and Education Report 2008

Working in conjunction with the Lending Department within St Jarlath's Credit Union the Credit Committee plays an important role. For this committee to function efficiently it is important that they get the co-operation required from the borrowing members.

Regulations and accountancy procedures in operation within the Financial Services area requires the borrowers to maintain a strong credit rating through their dealings with the Credit Union. In order to achieve this it is important that each borrower co-operates fully with the Credit Committee and the Lending Department for all our long term benefits.

During the past year new loan types for specific purposes at most attractive rates were introduced. It is the intention of this Credit Union that we give the best service possible to the Members and provide the best value in terms of its lending.

The Credit Union has advanced loans during the past year amounting to €28,439,866 for a variety of purposes including purchase of motor vehicles, house building, site purchase, house renovations and repairs, motor repairs and insurance, holidays, college fees, livestock, farm machinery and business ventures.

**Tom Wholihan,
Máirín Ní Mhanacháin,
Joe Hare,
PJ Burke
Michael Bodkin.**

St. Jarlath's Credit Union Limited

Annual Report Promotion and Education Report 2008

During the past year St Jarlath's Credit Union provided Sponsorship for many Community and Voluntary Groups within the common bond area of our Credit Union amounting to €26,524.

Each year special emphasis is placed on events of an Educational value. During the past year we sponsored the usual National Schools Quiz and also Secondary School Quiz, which over the years has had a very strong support from parents, pupils and teachers alike of the schools taking part.

Again during the year the Credit Union broadened its sponsorship to involve students attending third level institutions where we awarded 10 scholarships of €1,000. Also during the past year we were glad to support Earwig Community Arts Group with the provision of an arts lab in our adjoining property here in Tuam.

Annual Report Insurance Officers Report 2008

As part of its service to members, St Jarlath's Credit Union Ltd provides life savings, as well as loan protection insurance for eligible members. The cost of this insurance is met from the Credit Union earnings and no additional charge is made on the individual member. Premiums for this insurance during the past year amounted to €357,458 for 2008.

Life Savings Insurance

To be eligible for the savings insurance, a member must be under the age of 70, be actively at work, or if not working be in good health. Once the member fulfils these conditions, cover is automatic. It is not necessary for him/her to sign any forms. The maximum cover at present is €12,700. The actual amount of money of insurance benefit depends on the members' savings, withdrawals and their age when they saved the money.

Every €1 of members' savings before the age of 55 provides €1 of insurance. Every €1 saved between 55 and 59 provides 75c of insurance, between 60 and 64 provides 50c of insurance and every €1 saved between 65 and 69 provides 25c of insurance.

Claims Paid

During the past year a total of 58 claims amounting to €282,028.47 were paid out. Of this amount, €126,575.83 was paid out under the life savings insurance and €155,452.64 under the loan protection insurance.

Life savings and loan protection insurance are valuable additional benefits of Credit Union membership. Also during the year there were 36 claims under the Death Benefit Insurance, amounting to €93,600.

Members having any queries or seeking information on the insurance cover should enquire at the office where staff will be happy to deal with same.

St. Jarlath's Credit Union Limited

Annual Report

Membership Committee Report 2008

The Number of new members approved for the year ended 30th Sept 2008 was 927. Today thousands of members of St. Jarlath's Credit Union Limited enjoy the benefits of the Credit Union by saving together and being able to borrow at a reasonable rate of interest when the need arises. During the past year there was an average of 77 new members joining each month. Our underage (U16's) membership has increased by 267 during this last year.

The membership of our Credit Union continues to provide the bedrock of our movement. Members own and control the Credit Union. As a member, you have the right to a say in how your Credit Union is run. The best way to exercise this right is to attend the AGM, where you have one vote, no matter how many or how few shares (savings) you have.

After 41 years in existence, it is great that so many people are joining and have confidence in our Credit Union. We hope this trend will continue for many years to come. Parents should continue to encourage their children to save regularly, a habit they will easily acquire and are not likely to forget. We live in uncertain times and it would be prudent and wise to have some savings put aside for the rainy days, which may lie ahead.

We would like to thank the tellers at all the branches for their co-operation and dedication when enrolling new members and for the manner in which they fill out the Membership and Nomination forms completely and correctly. We refer to the annual report regarding Membership and Nomination forms and advise members to check these documents and have them updated if necessary.

Under the new Credit Union Act, people joining must have some form of valid identification and verification of address with them. The term "personally known to" the manager or staff members, or if a family member is already a member of the Credit Union is no longer of any benefit. We must have some form of paper trail i.e. Identification and verification of address for future reference.

This rule applies across the board in all Financial Institutions, so regardless of where you go, you will have to provide these items.

Valid Forms of Identification: Current valid Drivers Licence, Passport, Pension Book and Birthcert (U16's)

Forms of Verification of Address: Recent Household Bill (3 months or less) e.g. ESB or Telephone, Bank statements, Insurance Certificates.

Finally, we would like to thank all concerned for a job well done and also to the staff here in Tuam for keeping the membership book up to date at all times during the year.

Thank You.

Membership Committee: Brendan Geraghty, Mary Gilmore, Des Carey, Nicholas Lyons, Margo Coleman, Teresa Quirke, Olive Tierney and Carmel Colleran.

St. Jarlath's Credit Union Limited

Attendance of Monthly and Special Board Meetings 2007-2008

Directors:	Attended	Apologies	Total
Mary Gilmore	16	5	21
Tom Wholihan	17	2	19
Damien Spring	18	1	19
Brendan Geraghty	20	1	21
Brendan Nestor	21	0	21
Tom McHugh	20	1	21
Des Carey	18	3	21
P. J. Burke	12	2	14
Mairin Ni Mhanachain	15	6	21
Michael Bodkin	14	4	18
Joseph Hare	14	0	14
David Cronin	14	2	16
Supervisors:			
Anneffe Murray	18	3	21
Frances Higgins	18	1	19
Paddy Cloonan	14	1	15
Total Meetings Held:			21

Annual Report

Planning and Development Report 2008

The role of the Planning and Development Committee is to monitor and review the activities of the Credit Union with a view to providing an improved service to the general membership. Recommendations to the Board of Directors in terms of improvements and alterations that are required are also part of our remit to enhance service to members.

Much has been achieved in the current year. Improvements in the areas of structure, process and operational areas are dealt with and we will continue to apply ourselves to constantly reviewing all issues within our remit for the purpose of achieving progress and improvement in all aspects of the business to the advantage of the membership.

St. Jarlath's Credit Union Limited

Annual Report

Credit Control Committee Report For The Year Ending 2008

Our Mission Statement:

To ensure capital and interest on borrowings are repaid in accordance with a member's credit agreement.

The Role of the Credit Control Department:

- Monitor members payments in relation to their credit agreement
- Promote the goodwill of St. Jarlath's Credit Union
- Maintain loan arrears within the targets set by the Board of Directors
- Generate immediate response to missed payments
- Educate members on our Credit Control Policy

The Role of the Credit Control Committee:

- The primary function is to oversee the implementation of Board policy as directed by the Board and to oversee the running of the Credit Control Department
- To meet with the Credit Control Manager once a month to discuss the accounts in arrears
- To review monthly reports
- To present monthly reports on behalf of the Credit Control Department to the Board of Directors.

Member in Arrears:

Definition: Members who are not keeping to their loan repayments as required by their Credit Agreement.

We encourage members to come and talk to us at all times if they fall into financial difficulty. Early attention to difficulty will usually result in an outcome acceptable to all. Credit Control is now integrated within the overall credit function resulting in greater efficiencies and a more pro-active approach to the administration of the accounts. The revamped I.T. system has supplied the department with robust controls, checks and supports.

Brendan Nestor, David Cronin, Kevin Curley.

St. Jarlath's Credit Union Limited

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St. Jarlath's Credit Union Limited

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