

## **Minutes of Progressive Credit Unions Virtual Annual General Meeting**

**11th December 2023 at 7.00pm.**

The Chairman welcomed everyone to the AGM for 2023. In particular he noted the new members in attendance and thanked everyone for attending. The Chairman outlined the housekeeping items including the Q&A process and voting procedure.

He informed those present of the Directors and BOC members that will be resigning at this AGM, these included Bonnie Hickey and Neil MacDermott and he thanked them for their contribution. In particular, he noted Elizabeth Boylan and thanked her for her contribution on the Board, and as a member of the Credit Union Advisory Committee, which she continues to serve. He added that Brian Connaughton, who was a previous member of the Board and has served on the Board Oversight Committee, is resigning from that Committee and on behalf of the Board extended his appreciation.

### **Standing Orders**

The Standing Orders were circulated prior to the meeting.

Proposed by Aidan McGuinness and seconded by Anna McHugh. An electronic ballot was held and the Standing Orders were accepted by the meeting.

### **Minutes**

The Minutes of the previous AGM were circulated prior to the meeting.

Proposed by Aidan McGuinness and seconded by Maria Greer. An electronic ballot was held and the Minutes were accepted by the meeting.

### **Rule Change**

The Chairman advised of a proposed rule change:

Rule 30(1) (a) arising from the League AGM 2023. The wording of the rule amendment is set out below:

Rule 30 (1)(a) That this Annual General Meeting amends Rule 30 of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of the following Rule 30 (1)(a) (1) (a) Provided a share dividend has been declared in accordance with the Act, the directors may recommend to the Annual General Meeting for approval, a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.

And by the insertion of the following Rule 30 (1)(a) to read:

- (1) (a) The directors may recommend to the Annual General Meeting for approval, a refund to the members on record as of the end of each financial year who have been borrowers during such year, of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the

Board of Directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.

Proposed by Aidan McGuinness and seconded by Brian Kavanagh. An electronic ballot was held and the rule change was accepted by the meeting.

The Chairman expressed his appreciation of the Board and the Board Oversight Committee members and to each member of staff of Progressive Credit Union. He advised that this organisation would not be as successful or as service friendly without the dedication of every member of that team.

He added that they continue to work to ever improve the services available and to extend these services to the members and that Progressive Credit Union remains a stable financially sound, member focused organisation. The Chairman advised that through membership support, Progressive Credit Union can continue to support community based organisations and that they will be seeking approval to continue this support with the Community Fund.

### **Financial Statements**

The Chairman introduced the CEO Sean Staunton to the meeting and he presented the financial statements. He confirmed that it was another successful year for the Progressive Credit Union and noted a surplus of €1,850,094 compared to €1,515,325 on the previous year.

Other interest income and similar income is at €1,865,158 and he presented a breakdown of this to the meeting. He noted that this is largely reflective of a growth in the return on the investment portfolio, and reflecting the higher interest rate environment.

Other income, stands at €344,248, and the main driver being a gain on the disposal of fixed assets of €605,607 and he noted a smaller gain on the disposal of a fixed asset in 2023 of €168,721. In addition, he highlighted a refund from the Savings Protection scheme in 2022 of just under €890,000 which was a once off payment. Total income at €6,713,733 for the year ended 30th September 2023 compared to €6,957,856 for the same period 2022.

Expenditure, employment costs are largely stable at €2,441,005 V's €2,497,675 for the previous year. Other management expenses €2,867,908. V's €2,852,040 the previous year and he noted that overall expenditure is very much in line year on year. There was a pension exit costs last year of €158,500 this was a once off expenditure and he noted depreciation of €327,067 for 2023 compared to €288,745 in 2022.

Net impairment gains on loans to members which is a negative expense of (€772,341) and he outlined the rationale of this amount.

Total expenditure for 2023 at €4,863,639 compared to €5,442,531 for the previous year and this is largely driven by the much higher net gain on impairments on loans, and slightly offset with the higher depreciation charge.

Total assets stand at €217,328,390 up from €210,382,918 on the previous year and loans to members stands at €63,103,688 at the 30th September 2023.

Provision for bad debts, has reduced from to €3,651,085 compared to €4,038,968 for the previous year. Current accounts overdrafts at €6,442.00 and tangible fixed assets at €3,803,759 compared to €4,609,75 in the previous year and largely reflective of the disposal of fixed assets during the year. Debtors preferences and accrued income of €477,875 compared to €452,680 in the previous year.

Liabilities - Members shares at €171,590,666 up from €166,939,414 in the previous year. Member deposits of €5,210,036 up from €4,859,763 in 2022. Member, current accounts €5,893,187 up from €5,468,209 in 2022. Other liabilities, creditors accruals and charges at €1,117,583 and other provisions are at €41,921 which amount to €183,853,393 for Total Liabilities.

Total Reserves at €33,474,997 which is up from €31,843,347 and he presented a breakdown of the Reserves to the meeting.

The Chairman thanked the CEO and invited questions from the meeting. No questions arose.

Proposed by Aidan McGuinness and Seconded by Alan Kelly. An electronic ballot was held and the Financial Accounts were adopted by the meeting.

### **Auditors Report – Denise O’Connell**

The Auditor read out the external auditor’s report. She confirmed that in their opinion, Progressive Credit Union Limited’s 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 30 September 2023 and of its income and expenditure and cash flows for the year then ended; and have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended).

She confirmed that they have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; in our opinion proper accounting records have been kept by the credit union; the financial statements are in agreement with the accounting records of the credit union; and the financial statements contain all primary statements, notes and significant accounting policies required to be included in accordance with the Act.

### **Community Fund**

The Chairman spoke of the Credit Unions history of supporting organisations across the Common Bond who continue to strive to enhance the lives of residents of the Common Bond and sought approval to transfer €200,000 to the Community Fund.

Proposed by Aidan McGuinness and seconded by Caroline Buckley. An electronic ballot was held and the Community Fund transfer was accepted by the meeting.

The Chairman invited those present to inform local organisations that require support, to contact the Credit Union as they welcome all enquiries in this regard.

### **Dividend**

The Chairman sought approval on a Dividend of 0.10% on member’s shares.

Proposed by Aidan McGuinness and Seconded by Darren Corr. An electronic ballot was held and the Dividend was accepted by the meeting.

### **Affiliation Fee**

The Chairman sought the approval of the affiliation fee.

Proposed by Aidan McGuinness and seconded by Anna McHugh . An electronic ballot was held and the affiliation fee was accepted by the meeting.

### **Nomination Committee Report**

The Chair of the Nomination Committee Tracey Dempsey presented this report to the meeting. She outlined the role of the Nomination Committee which includes reviewing and amending the Succession Plan, reviewing the composition of the Board and identifying skill gaps. She confirmed that they currently have a panel of suitably skilled volunteers, however, further additions will be required and she invited members to apply.

She confirmed that there are 4 Directors for re-election and 3 new candidates for election, as well as 2 vacancies on the Board Oversight Committee and she outlined the tenure of each candidacy to the meeting.

In addition, she advised that Grant Thornton Chartered Accountants are proposed for election as Auditor.

### **Elections**

The tellers for the election were appointed were DVA and Moira Kelly as the returning officer.

#### **- Board Members**

An electronic ballot was held and all the nominated candidates were duly elected to the Board.

#### **- Board Oversight Committee**

An electronic ballot was held and the nominated candidates were duly elected to the Board Oversight Committee.

#### **- Auditor**

An electronic ballot was held and Grant Thornton were duly elected as Auditor.

### **Committee Reports**

These were circulated as part of the Annual Report and these reports were taken as read.

### **Board Oversight Committee Report**

The Chairperson of the Board Oversight Committee, Ciaran McLoughlin presented this report. He confirmed that the function of the Board Oversight Committee are set out under Part IV A of the Credit Union and Co-operative with Overseas Regulators Act 2012. (CUCORA)

The Board Oversight Committees role is to assess whether the Board of Directors has operated in accordance with Part IV and Part IVA of the Credit Union Act 1997 (as amended), and any other matter prescribed by the Central Bank in Relation to the Board of Directors.

He confirmed that the Board Oversight Committee attend every meeting of the Board and they have met the Board of Directors 4 times during the year and provided a written assessment. The Board Oversight Committee acknowledged that the Board of Progressive Credit Union continues to act in accordance with Part IV of the Credit Union Act.

During the year, the Board Oversight Committee have obtained information and explanations which to the best of their knowledge and belief, they consider, assures the Committee that the Board of Progressive Credit Union continually strive for and maintain a robust Governance structure in order to protect the Members assets.

On behalf of the Committee, he thanked the Board of Directors, the CEO and the staff for the cooperation shown to them throughout the year. In addition, he confirmed that Brian Connaughton will step down from the Board Oversight Committee and he thanked him for his dedication and commitment to Progressive Credit Union and the Credit Union movement and wished him well for the future.

This report was proposed by Aidan McGuinness and Seconded by Brenda Graham and this report was accepted by the meeting.

### **Prize Draw**

The winners of the prize draw were as follows:

Darren Corr, Judy Dunne and Brian Kavanagh.

### **Prize Draw Report**

The CEO highlighted the Prize Draw Report contained in the Annual Report. He confirmed that this is at a cost of €5.50 every 2 months. He added that this draw is held every month and any surplus funds are distributed by way of additional draws.

As at the 30th September 2023, there were 6,376 members in the prize draw. There was an opening balance of €11,572, the prize draw subscriptions from October 2022 to September 2023 totalled €209,468 and the expenditure totalled €206,078, with a closing balance of €14,962.

A list of all winners who consented to their information being published, is contained in the Annual Report

### **Any Other Business**

No other business or questions arose.

### **Close**

There being no further business, the Chairman thanked everyone for attending and wished everyone a very Happy Christmas.