

ANNUAL REPORT 2018



'HELPING CREDIT UNIONS FIGHT POVERTY'

About ILCU Foundation

The ILCU Foundation is the charitable arm of the Irish credit union movement. Set up by the Irish League of Credit Unions (ILCU) in the early 1980s as a 'fund' to give back and help others overseas, it was officially registered in 1989 and received its charitable status. The work of the ILCU Foundation is focussed on sharing the knowledge and transferring the skills within the Irish credit union movement to empower and enable other credit union movements. We provide financial and technical support and guidance to assist credit union movements as they strive to build and develop sustainable movements that meet their members needs.

Credit Unions are a model for development that promotes socio-economic growth and democratic practices at the grassroots level. Credit Unions:

- provide people with access to savings and loans
- educate and empower staff, volunteers and members
- benefit individuals, families and communities

Our work is supported directly by contributions from credit unions across the island of Ireland. In addition

we have a number of people within the movement who have volunteered their time to help support our partners in various countries.

We are the only Irish development organisation (charity) providing support to develop credit unions in developing and low-income countries as a means to reducing poverty. We work with like-minded organisations including the World Council of Credit Unions Foundation (WOCCU) and the Cooperative Development Foundation (CDF) in Canada on some projects.

"It can be stated immediately, and without reservation, that the revival of interest and confidence in a co-operative credit institution.....must be largely attributed to the bountiful help extended to us..."



Nora Herlihy

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Acronyms

ACCOSCA:	African Confederation of Co-operative Savings and Credit Association
CDF:	Canadian Development Foundation
CU:	Credit Union
FCA:	Federal Co-operative Agency
SHA:	Self Help Africa
IFAD:	International Fund for Agricultural Development
ILCU:	Irish League of Credit Unions
IRFITCO:	Improving Rural Financial Inclusion Through Cooperatives
MIS:	Management Information Systems
NACCUA SL:	National Association of Cooperatives and Credit Unions Sierra Leone
NACCUG:	National Association of Cooperatives and Credit Unions for The Gambia
NACSCUZ:	National Association of Co-operative Savings and Credit Unions of Zimbabwe
RuSACCO:	Rural Savings and Credit Cooperative Organisation
SACCO:	Savings and Credit Cooperative Organisation
UNASCU:	Ukrainian National Association of Savings and Credit Unions
WOCCU:	World Council of Credit Unions

A Message from the Chairman & CEO

To Credit Unions, Supporters, Partners, Colleagues and Friends,

It gives us great pleasure to present the ILCU International Development Foundation Annual Report for 2018. We hope the report gives you an overview of our work in 2018, the support we provided and the impact the credit union movement has made on the lives of ordinary people in the countries where we work.

In 2018 we continued to provide support to credit union movements in our three core countries in Africa; Ethiopia, Sierra Leone and The Gambia. We also co-funded a project with ACCOSCA to help revive the apex body in Zimbabwe. We provided technical support to a number of credit unions movements in Eastern Europe. In addition we hosted various delegations who came to Ireland to learn more about the Irish credit union movement in an effort to further strengthen their own movements. Throughout the year we attended various events, undertook visits to credit unions and utilised social media to engage more with our supporters and showcase the good work we undertake and the difference it makes in the lives of credit union members.

This year we were awarded funding from Irish Aid in support of our work in Sierra Leone. The funding is testament to our work and the credit union model as a driver for social and economic development. In 2018 with every €2 received from credit union contributions we leveraged

almost €1 from institutional donors. However the external funding we receive must be matched by contributions from our credit unions. 2018 unfortunately was a challenging year financially. With fewer credit unions now in the movement and continuing rising costs, the amount of contributions to the ILCU Foundation has decreased, with contributions reducing 25% on the previous year (see page 18 for our financials).

Therefore in the year ahead we are asking every credit union across the island of Ireland either to consider starting to contribute annually to the Foundation or to consider increasing their annual contribution. Our core funding is essential in order to apply for external funding. Thanks to your contributions you are helping us to support strong, secure and sustainable credit unions that build resilient communities and empower their members to be self-sufficient in some of the poorest countries in Africa.

On behalf of the Board of Directors and Staff of the ILCU International Development Foundation, and, in particular, the beneficiaries of our vital work, we would like to express our sincere thanks to all who supported our work, in any way, in 2018. We will continue to promote our valuable work in 2019 and to engage with our supporters. In addition 2019 sees the ILCU Foundation officially celebrate 30 years.



Eamonn Sharkey
ILCU Foundation Chairman



Alan Moore
ILCU Foundation CEO

Overview of 2018

Thanks to your support in 2018 we have provided financial and technical assistance to many credit union movements around the world. We received just under €590,000 in contributions from credit unions. In addition for every €2 received in core funding from credit unions we leveraged almost €1 from institutional donors.

Here are some highlights from the year

- Our work directly supported 466 credit unions with 152,727 members, and their families and their communities in Ethiopia, Sierra Leone and The Gambia
- An independent evaluation of the three-year programme (2015-2018) co-funded by Irish Aid to support the credit union movements in Sierra Leone and The Gambia was undertaken and concluded that the impact of our work is positive (see p.9)
- A field office was opened in Freetown, Sierra Leone, in May, ILCUF Ltd and employs 8 people, who are working to grow and develop the credit union movement in Sierra Leone
- Irish Aid awarded funding of €750,000 to the ILCU Foundation in August in support of a 3 year project in Sierra Leone which is co-funded by credit union contributions
- A number of workshops took place and training was provided to develop regional apex bodies in Ethiopia as part of the IFAD co-funded project
- 6 volunteers participated in the Volunteer Coaching Programme in Sierra Leone and The Gambia providing support to our partners for two weeks
- 7 volunteers participated in the first Governance Volunteer Programme to The Gambia to share their knowledge and advice to fellow Board members
- In partnership with ACCOSCA we provided support to help revive the apex body in Zimbabwe
- We welcomed visiting delegations from East Africa, Moldova and Russia who participated in study visits to Ireland to learn from the Irish credit union movement to improve their own movements



ACCOSCA delegation from East Africa visiting Donore Credit Union who celebrated 60 years in 2018.



Volunteers participate in the first Governance Volunteer Programme alongside credit union personnel from The Gambia.

Where we work?

We provide financial and technical support to credit union movements in three countries in Africa.

The table below gives an indication of the level of human development in our three core countries in Africa.*

	Rank /189	Population (million)	Life Exp	Literacy rate >15 yrs	Expected years of schooling	GNI per capita (approx)
Ireland	4	4.8	81.6	-	19.6	€47,492
United Kingdom	14	66.2	81.7	-	17.4	€34,556
Ethiopia	173	105	65.9	39%	8.5	€1,519
Sierra Leone	184	7.6	52.2	32.4%	9.8	€1,096
The Gambia	174	2.1	61.4	42%	9.2	€1,339

** All data taken from the UNDP 2018 Human Development Report. Financial figures were converted from dollars to euros for comparative purposes.*



Ethiopia

ILCU Foundation & Self Help Africa

Together with Self Help Africa (SHA), we are supporting the capacity building of Rural Savings and Credit Cooperatives (RuSACCOs) to improve financial inclusion. The two year project finished at the end of 2018, and an evaluation was undertaken. Over the lifespan of the project support was provided to:

- 4 Saving and Credit Cooperatives Unions (Chapters)
- 374 RuSACCOs in three regions: SNNPR, Oromia and Amhara
- 37,781 members

The aim of the project is 'improving food security and livelihoods of the rural population' by building the capacity of RuSACCOs and Unions to increase outreach and access to financial services. The focus of the support was geared towards improving MIS systems and training volunteers and staff members on various credit union topics.

Project Outcomes

- The capacity of the management and board members of RuSACCOs and Unions is improved
- Up to date accounting system, modern financial and member records, various manuals, guidelines, bylaws and constitutions that govern their financial performance and implementation are in place
- Membership in Unions grew by 31% per annum
- The growth of women membership is far greater than that of men (26.7% versus 36.1%)
- Women in a leadership position increased from 13% to 20%
 - » Access to finance has improved substantially
 - » saving deposit has increased by 62.2% per annum
 - » share capital has increased from 2.5 million to 5.7 million
 - » outstanding loan has increased by 133%
 - » loan at risk has reduced to almost zero in many of the Unions



Training for volunteers on governance.

Improving Rural Financial Inclusion Through Co-operatives

In 2018, the ILCU Foundation continued the implementation of the project Improving Rural Financial Inclusion through Co-operatives (IRFITCO 2017 - 2021). The project is financed by the International Fund for Agricultural Development (IFAD).

Year 2 saw a series of trainings and consultative meetings take place throughout the year. Project outcomes included:

- the process of establishing regional federations in Amhara and Addis Ababa
- training and consultative meetings focused on the regulation and supervision of financial cooperatives in the country
- Ethiopian delegates attended a number of ACCOSCA regional and pan-African events including exposure trips to visit apex bodies CUA and KUSSCO in Ghana and Kenya
- ILCU Foundation provided technical expertise support at ACCOSCA Regulators' Roundtable held in Kenya and Annual Congress in Ghana
- ILCU Foundation advisers and external consultants developed training and technical materials

The ILCU Foundation continued to work closely with the Federal Cooperative Agency (FCA), which is charged by the Ethiopian Government with the task of developing the country's cooperatives, including savings and credit co-operatives (SACCOs).



Roman Worku, WISE Union, Addis Ababa, Paulos Tekele Haimunot, SACCO Coordinator, Addis Ababa - attending workshop.

Meet the Members



Wosenu Eshetu on his farm.

Wosenu Eshetu

Wosenu Eshetu, 43, lives with his wife and 4 children. He is a founding member of **Hagudenu Wuji RuSACCO**, established in 2012 in Bora Kalo village - it currently has 89 members. He started with a monthly saving of ETB10 (30cents). After 12 months, he took his first loan of ETB1,000 (€30) and started a sheep fattening business buying three sheep. With successful repayment of his first loan, Wosenu took a second loan of ETB4,500 (€138) and increased his fattening business buying an ox with the new loan. He sold the ox and made a profit and further borrowed from the RuSACCO to expand his livestock. He now has *"a new modern house, four cows, three oxen, and three horses"*. His monthly savings have increased to ETB100 (€3) and two of Wosenu's children have also started saving in the RuSACCO. He plans to continue increasing his monthly savings to increase his borrowing capacity to further expand his business and build his assets. He is grateful for *"the proper understanding on the function and role of my RuSACCO from the different trainings provided by the project"*.



Fantu and her dairy cow.

Fantu Eba

Fantu Eba, lives in Kimbibit Woreda, with her husband and 3 children. She is a member of **Meda Gudina RuSACCO** since 2015. In the beginning Fantu was saving ETB2 (6cents) per month, but the members had no experience of using the savings collected to grant credit to each other. The management committee of the RuSACCO were provided with training and knowledge on the operations and management of SACCOs. From the training provided, Fantu got a better understanding on the function and role of SACCOs and immediately increased her monthly saving to ETB50 (€1.50). In 2016, Fantu borrowed ETB1,200 (€37) from her RuSACCO and bought a dairy cow. She said *"It was my long-time dream to buy a dairy cow to provide milk for my children"*. The cow gives 12 litres of milk per day and provides her a daily income of ETB120.00 (€3.50) in addition to her family consumption. In addition to the skills and knowledge she received from the different trainings provided by the project, Fantu said being a member *"improved my life experience and my family living experiences and it is my base for my future life."*

Sierra Leone

Although still in its infancy the credit union movement in Sierra Leone is growing and has very committed people at its helm. 2018 was a very busy year for the movement.

Highlights of 2018

- Irish Aid announced funding for a three year co-funded project
- ILCUF Ltd office was officially opened and it employs 8 staff
- An independent evaluation of Improving access to pro-poor financial services in Sierra Leone 2015-2018
- The credit union movement celebrated International Credit Union Day with a parade through Freetown
- Training of staff and volunteers on various areas of governance and operations

Financial Inclusion for Resilience in Sierra Leone

In August Irish Aid announced co-funding for a new three year project in Sierra Leone 'Financial Inclusion for Resilience in Sierra Leone' (FIRSL). Over the next three years the ILCU Foundation will provide support and assist in the development of a strong and stable credit union movement in Sierra Leone. The support provided will focus on increasing membership to 13,000 whereby providing access to financial services in rural communities and empowering women. The project was launched in Freetown in November.

"The grant of €750,000 over three years will support the expansion of the credit union programme across Sierra Leone and will ensure access to affordable financial support, for some of the most vulnerable people in the country... Ireland has a proud record of working to eradicate poverty around the world and by ensuring that people in Sierra Leone have access to credit unions and to reliable financial services, Irish Aid and ILCU are making sure that this important work continues into the future."

Ciarán Cannon, T.D., Minister of State for the Diaspora and International Development.



Board members from NACCUA and staff members of ILCUF Ltd with Alan Moore, ILCU Foundation, Josephus Ellie, Governance Adviser and Niamh Kavanagh, Embassy of Ireland Freetown.



Bookkeeper training for ILCUF staff, Freetown.



Ciarán Cannon, Minister of State for the Diaspora and International Development, Alan Moore, ILCU Foundation and representatives from Credit Unions in Galway.

Making a real difference

An independent evaluation of the previous co-funded Irish Aid and ILCU Foundation project was undertaken in May. The evaluation measured the project objectives against the outcomes and the impact on credit union members. The conclusion was very positive and is testament of our work and the credit union as a model for financial inclusion.

Key findings from the evaluation¹

- Threefold increase in credit union membership (61% women)
- 10 fold increase in number of rural poor with loans (65% women)
- Total national savings almost quadrupled from 1.2 billion Leone to 4.2 billion Leone
- Growth in representation of women on the elected structures of credit unions, from 20% to 45%
- Growth in representation of women on the elected structure of the national apex, from 10% to 27%



Participating in the evaluation of 2015-2018 project to measure impact and relevance.

"As a young person I find it difficult to save what little I have. Before joining the credit union I didn't save. Now I do some sowing and earn 50,000SLL (€5) per month, saving 30,000SLL (€3) of it with the credit union."

Credit union member, Bayconfields Credit Union, Sierra Leone.



Celebrating International Credit Union Day.

Credit unions play an important role within their communities to provide savings and loans facilities for people who need financial services.



Kandy, a young entrepreneur, is a member of Mount Auerol Credit Union. He started saving small amounts of money in the credit union, and he borrowed his first loan to buy a popcorn machine. He sells popcorn daily in a busy market place and is paying back his loan to the credit union.

¹Data from the Irish Aid supported project Improving access to pro-poor financial services in Sierra Leone and The Gambia. Baseline taken in 2015 with final results taken from Year 3 report in 2018.



The Gambia

In April the National Association of Credit Union Cooperatives in The Gambia (NACCUG) held its 25th AGM. This is a fantastic milestone for the credit union movement as they continue to develop their movement and enhance financial inclusion for all. The AGM was held in NACCUG's new training centre, which is based in their head office. The addition of this new facility means NACCUG no longer need to find external locations for trainings.

Highlights of 2018

- MIS training for credit union personnel to facilitate the move from a manual to a computerised system
- ILCU Foundation conducted a Social Audit of one credit union
- 25 credit union personnel were trained on Social Performance
- NACCUG opened its Credit Union Training Centre, this impressive facility will enable NACCUG to deliver much more training to credit unions
- ILCU Foundation is assisting NACCUG to expand its curriculum of training courses
- NACCUG are now a partner to the ILCU Foundation as we provide support to the credit union movement in Sierra Leone, thereby promoting South-South cooperation

Credit Unions assessing social performance

Credit unions provide access to savings and loans and enable members to be financially included. However they were also established to enhance community and social responsibility. The ILCU Foundation supported NACCUG in the area of Social Audit in 2018. A social audit is a review of a credit union's structures and activities to assess how well the credit unions are performing socially. A social audit covers areas such as:

- the participation of the poor in the credit union
- the benefits of the services the credit union provides to members
- the contribution of the credit union to the local community and environment

Gambian credit unions have consistently achieved high ratings in social audits and continue to improve. Training of credit union personnel in the collection of social data was undertaken in April, and will allow credit unions to undertake social audits going forward.



MIS training, moving from a manual to a computerised system.



Participants who attend the workshop on social data collection as part of Social Performance Management.



NACCUG Board held its 25th AGM.



**National Association of
Cooperative Credit Unions
of The Gambia**



Foni Berefet Credit Union.

Safe and secure savings in rural communities

Foni Berefet Credit Union has 516 members and has two staff members. Total savings in the credit union amount to 3 million dalasi (€52,500/£46,000) and loans amount to almost 1.5 million dalasi (€26,000/£23,000). Many of the members are seasonal farmers, their main food crop is cashew nuts. The credit union owns the office and the property it is on, as it was donated by the community some years ago. The credit union has a voluntary board of 11 members and a supervisor committee. One of the supervisory committee members is also part of the local government council. All of the board work hard to raise awareness about the credit union and the importance of savings among the different communities in the district.



Savings Boxes used by members in rural communities.

There are two staff members in the credit union Lamin, who has been manager for 10 years, and Adama who is the assistant manager. Lamin is also responsible for travelling out to members in very rural areas to collect their savings as they live very far from the credit union. Many of these members are using savings boxes to save. These are heavy metal boxes and they have access to the outer door, but Lamin only has access to the inner door. This means members have a secure place for saving money and their savings are collected monthly on Lamin's visits. There are 210 savings boxes and from January to September of this year 267,714 dalasi (€4,500/£4,000) was saved, **on average €22/£19 per savings box.**



Lamin and Adama, staff members of Foni Berefet Credit Union.

The nearest bank from Foni Berefet Credit Union is 35km away. The only form of transport is to get a taxi bus or travel by donkey and cart, as most people can't afford a bicycle let alone a motorcycle. Furthermore the interest rates on borrowing money in the bank is very high - the minimum is 23%. Whereas the annual rate of interest in the credit union is only 15%. Adama believes that *"having a credit union has eased the burden on the community, most of the people living in the area and surrounding areas have welcomed it as you can just walk to it"*.

The credit union has really helped the communities it serves. Lamin explained that *"it was very challenging when it started, but people now see what the credit union is. At the beginning I used to walk to all the communities, I now have a motorbike which makes the travel quicker and means I see members more regularly"*.

Credit Unions are not for profit financial cooperatives that help ensure financial inclusion for everyone.



Aji Omal Jallow is the Chair of Jokadu District Credit Union. She joined the credit union as a member. She has borrowed money to pay for her child's school fees and she is very grateful as now he is working.

Giving back to the credit union movement

Volunteer Coaching Programme

In 2018 six credit union personnel travelled to Sierra Leone and The Gambia to participate in the Coaching Programme. Ted O'Sullivan, Director of Douglas Credit Union and Elaine O'Neill, both of whom have international credit union experience, having volunteered in the past in Albania, Ethiopia and Ghana, travelled to Sierra Leone. Rosaleen Bradley, Newington Credit Union and Alan Duff, Health Services Staff Credit Union, participated for the first time in the Coaching Programme, and travelled to The Gambia with Sabrina Peyton, CIE Connolly Credit Union and Pat Morrissey, Synergy Credit Union both of whom spent two weeks in The Gambia in 2016.*

The purpose of the two week Coaching Programme is to allow the volunteers to work closely with a number of credit unions, to understand the context in which they operate and design and provide two days of training at the end of the two weeks. The peer-to-peer support is appreciated by our credit union partners as they value the knowledge and advice of our volunteers who give their time to help them. The Coaching Programme emphasises what the credit union is all about – people helping people.

In The Gambia the coaches advised and delivered training on management areas of credit unions, including credit control, marketing and office management. The coaches continue to maintain links with their Gambian colleagues and advise them. Whereas in Sierra Leone the coaches concentrated on areas of governance and financial ratios.



Volunteer coaches from the Irish credit union movement providing coaching to our credit union partners in The Gambia.

*Due to political tensions in The Gambia no coaches travelled in 2017.



Volunteer coaches with Board members and Staffs from Moyamba Teachers Cooperative Credit Union.

"I was delighted to have done it and was fortunate that The Gambia was such a pleasant experience."

Alan Duff, Health Services Staffs Credit Union

"It was a good feeling to be able to give something back to a movement that was good enough to educate me throughout my time with the credit union movement in Ireland."

Pat Morrissey, Synergy Credit Union

"It was immensely gratifying to return to Sierra Leone in 2018 and see the progress and improvement made by the Credit Unions since our previous visit. You feel that you are following in the footsteps of the American and Canadian people who came to Ireland in the 1960s to advise the infant Irish Credit Union movement at that time."

Ted O'Sullivan, Douglas Credit Union

Governance Volunteer Programme

The Governance Volunteer Programme (GVP) was a pilot initiative run by the ILCU Foundation in October. A total of seven volunteers travelled to The Gambia to participate in the programme. The five day programme was designed by the ILCU Foundation and NACCUG, the credit union apex body in The Gambia.

A total of nine credit unions were visited during the programme, which included a mix of work-based and rural community credit unions. The programme involved a good deal of travelling but this allowed for the volunteers to get a better understanding and sense of the country. All the visits to the credit unions enabled both the staff and volunteers to ask lots of questions and seek advice from the ILCU Foundation volunteers. Whilst travelling to the rural communities the volunteers had the opportunity to visit Kunta Kinteh Island to learn more about the history of The Gambia.

The one day workshop took place in NACCUG's training centre with a total of 20 people participating. The topics covered included Governance and Risk Management and the roundtable discussions allowed for a great deal of engagement, with participants keen to get as much information from the volunteers as possible. The ILCU Foundation would like to thank our volunteers for participating on the programme, their credit unions and NACCUG for facilitating their visit.

- "It reminds me of the credit union when we started off, the commitment of all those involved is brilliant to see." Kay Geoghegan
- "The impact of the credit union has been extraordinary and is a very effective socio-economic tool for development." Tomás O'Maonaile

Volunteers

James Cole, Halston Street Credit Union

Kay Geoghegan, Kilnamanagh Credit Union/Heritage Credit Union

Paul Gibbons, Castleblayney Credit Union

Ann Keenan, Enniskillen Credit Union

Stacey McGrath, Palmerstown Credit Union

Seamus McLaughlin, Lifford Credit Union

Tomas O'Maonaile, An Post Employees' Credit Union



Tomás and Ceesay, NACCUG Compliance Officer, with savings boxes used by rural members.



Paul, Seamus and Ann pictured with Directors and Staff of Foni Kansala District Credit Union.



Stacy and James providing advice to Sibanor Credit Union.

Other countries

Zimbabwe

In October, the ILCU Foundation launched a 12 month project to support the revival of the apex body (League) for credit unions in Zimbabwe - National Association of Co-operative Savings and Credit Unions of Zimbabwe (NACSCUZ). We partnered with the African Confederation of Co-operative Savings & Credit Associations (ACCOSCA) on this project. ACCOSCA is the regional body for cooperatives in Africa and they are providing the expertise and support from its base in nearby Kenya.

The credit union movement in Zimbabwe was badly damaged by the economic crisis and hyperinflation that affected the country from the 1990s until 2008 when its currency effectively collapsed. There are believed to be up to 1,000 credit unions, but many are dormant while many others are co-operatives with a variety of activities so it is necessary to help them restructure if they want to have real credit unions.

This project aims to revive NACSCUZ and enable them to: hold its first AGM since 2015, re-engage with its member credit unions throughout the country and elect a new Board and recruit a manager. NACSCUZ will then be able to monitor credit unions to provide much needed services to them. At the statutory level the Department of Co-operatives has responsibility for supervising credit unions; the Department supports this project and is committed to improving the law and regulation to guide the development of credit unions and NACSCUZ for the benefit of the population.



ILCU Foundation and ACCOSCA with representatives from the Zimbabwean credit union movement.



Eastern Europe

In Ukraine, ILCU the Foundation monitored the implementation of the strategic plan by the Ukrainian National Association of Credit Unions (UNASCU), a national credit union apex body) and built its capacity in risk management. This was undertaken as a project co-funded by USAID and managed by WOCCU.

In Moldova, the ILCU Foundation continued its engagement with key stakeholders in the Savings and Credit Associations (SCA) sector. A delegation from Moldova visited Ireland in July 2018 (see page 15).



Moldovan delegation with Micheal McDermott and Board directors during their visit to Virginia Credit Union.



The Moldovan delegation visiting St. Laurence Gates with the Lord Mayor following their visit to Drogheda Credit Union.



The Russian delegation visiting Kilcloon & District Credit Union and Slane Credit Union.



Delegation from ACCOSCA visit St. Canice's Credit Union.



The ACCOSCA delegation also had the opportunity to learn about gaelic games at Core Credit Union.

International Study Visits

The Irish credit union movement is renowned around the world. The focus of the ILCU Foundation is centred on sharing the knowledge and transferring skills from the Irish credit union movement by providing support to those who are keen to further strengthen their own credit union movements. Over the past 20 years we have welcomed delegations to Ireland who seek to learn from the Irish credit union movement in an effort to strengthen their respective movements. In 2018 the ILCU Foundation and Irish credit unions welcomed delegations from East Africa, Moldova and Russia. The delegates really value the learning and the welcome they received from the credit unions and the ILCU staff throughout the programme.

In May in conjunction with ACCOSCA we hosted a delegation from East Africa, representing Kenya, Tanzania and Malawi. The programme of learning focused on the following areas: capitalisation of credit unions, integration of ICT and sustainability. The delegates visited a number of credit unions where they received a great deal of information about all things credit union: **Ballinasloe Credit Union, Core Credit Union, Croí Laighean Credit Union, Donore Credit Union, Finglas Credit Union, Nenagh Credit Union, St. Canice's Credit Union** and **TUI Credit Union**.

In July, we hosted a delegation from Moldova, which was funded by IFAD whose work in Moldova provides support to develop and improve the access of the rural population to well needed financial services visited. The delegation comprised of government officials from the Ministry of Finance and the National Commission for Financial Markets who are responsible for the supervision of the non-banking sector in Moldova.

The delegation were hosted by the following credit unions: **Drogheda Credit Union, Tara & District Credit Union** and **Virginia Credit Union**. "We have learned a lot from your credit unions. We are impressed by the Irish credit union movement in Ireland and we hope to be able to use our experience to develop the movement further in Moldova." Alina Cebotariov, Head of Non-banking sector at NCFM, Moldova.

In November we welcomed a delegation from the Russian credit union movement. The delegation were keen to learn more about: regulation, strategic planning and day-to-day credit union operations. The delegation were warmly welcomed by the following credit unions: **Ballyfermot Inchicore Credit Union, Kilcloon & District Credit Union, Slane Credit Union** and **Tower Credit Union**.

The ILCU Foundation have a long standing tradition of successfully hosting international study visits to Ireland to allow credit union representatives to learn from the Irish credit union movement. We are very grateful to our colleagues in the various departments in the ILCU who provide training and information sessions. To the credit unions who host and facilitate visits, thank you for the time and effort you make in welcoming and sharing your knowledge with the delegations.

Corporate Funding

In 2017, Electric Aid², Savvi Credit Union Ltd and ILCU Foundation agreed to co-fund a project in Sierra Leone to purchase long-term assets for the credit union movement. The assets were bought in 2018 and included generators, two motorbikes and a vehicle. The assets were presented to the credit union movement during a handover ceremony which was televised to help grow and advertise the credit union movement in Sierra Leone.

Only 13% of Sierra Leone is electrified, with many rural areas having little or no electricity. Therefore the generators are a welcome addition to the credit unions as they undertake their operations enabling them to continuously serve their members. In addition the motorbikes will allow the rural credit unions to visit the surrounding communities and collect savings and loan repayments from members, and recruit new members who live far from the credit unions.

The vehicle purchased is used by ILCUF Ltd to travel to the 28 credit unions affiliated to the National Association of Cooperative Credit Unions (NACCUA SL).

Although the country is similar in size to Ireland, the credit unions in the east of the country are at least 8 hours from Freetown by car. Therefore the purpose of the vehicle is to undertake:

- Monitoring trips to assess credit unions performance
- Monitoring trips to ensure credit unions are achieving the double bottom line of **'financial and social performance'** i.e. credit unions are serving the poor and vulnerable
- Attend AGMs to ensure credit union activities are conducted democratically and in accordance with credit union rules
- Travel to training venues to conduct training and workshops in areas including book-keeping, governance, credit control and financial literacy

The credit unions began using the assets straight after the handover, and it has become clear that such assets are in great demand from the credit union movement in Sierra Leone. These assets will help develop a sustainable credit union movement in rural communities in Sierra Leone, enabling members in rural areas to save and borrow money as a means to helping reduce poverty.



The new generators and motorbikes provided to the credit union movement.



ILCUF Ltd and NACCUA SL receive the new generators, motorbikes and vehicle.

² ElectricAid is the social justice fund of ESB Staff and ESB pensioners.

Emergency Funding

In September 2018 following an Earthquake and Tsunami in Indonesia, the ILCU Foundation provided funding to Plan International Ireland to help those most affected on the ground. Following the powerful 7.5 earthquake: **1,407 people died**, over 2,000 were injured and over 70,000 people were displaced, with houses partially or completely damaged.

The ILCU Foundation donated €25,000 towards the efforts of those on the ground to help those most affected by the earthquake. The ILCU Foundation partnered with Plan International Ireland whose colleagues in Asia were best placed to respond to the initial emergency. Plan International Indonesia has extensive experience of providing rapid response to natural disasters in Indonesia. Plan International Indonesia's Rapid Needs Assessments showed that immediate needs include food, clean water, shelter, medical care, public health management and psychosocial support.

The funding allowed Plan International to provide shelter kit distributions to 220 households in 2 sub districts of Sigi (Kulawi and Lindu), reaching over 1,000 individuals. Each of the 220 shelter kits provided through funding from the ILCU Foundation contained two tarpaulin sheets (6x4m), two lengths of plastic rope (30mx5mm), four sleeping mats (2x1.8m) and four blankets (1.8x1.1m). The shelter kit distribution was intended to help the affected families' access safe emergency shelter before they transition into more lasting solution. The funding of the shelter kits is part of Plan International's larger response in the areas of Shelter, Water & Sanitation, Protection and Education.



Over the years the ILCU Foundation has provided funding towards a number of Humanitarian Disasters that have occurred around the world, through working with a number of Irish organisations including Plan International, Self-Help Africa and Aidlink. Emergencies funded under the ILCU Foundation's Humanitarian Emergency Funding Policy are funded under the four: Project Focus | Organisation Selection | Available Funding | Extraneous Circumstances.



Local staff handing out much needed resources following the earthquake.



Putting together their makeshift shelter following the loss of their home.



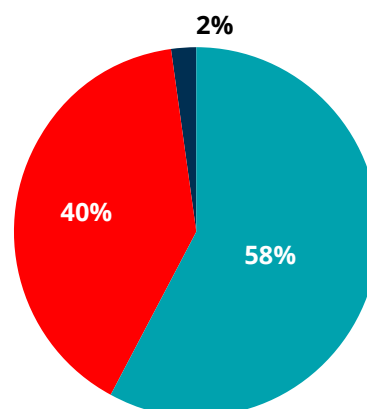
Resources handed out to those who were worse hit by the earthquake.

Financials and Legal

Income

The ILCU Foundation's core funding comes from annual voluntary contributions from credit unions across the island of Ireland. In 2018 we received just under €590,000 in contributions from credit unions. This funding is unrestricted, this means we can assign funds to our core partner countries with the greatest need. Having core funding allows us to also seek funding from the Irish government and international institutions. However this institutional funding is restricted as to where and how we spend it. For every €2 we received in voluntary contributions from credit unions we were able to leverage almost €1 in funding from external donors.

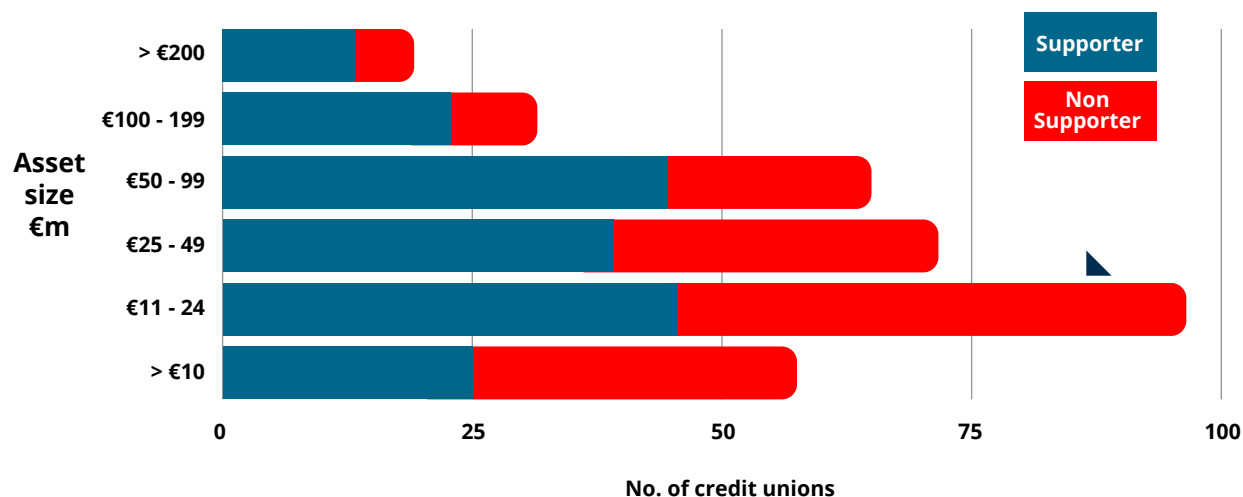
Our contributions from credit unions in 2018 **reduced by 25%** on 2017 and now comprises less than 60% of our income. This is a concern going forward as accessing institutional funding is dependent on having a solid income from our core funders i.e. credit unions.



Major Income

CU Contributions	58%
Institutional funders	40%
Corporate funders	2%

Of the 332 credit unions in operation, 183 contributed to our work in 2018 - see graph below. We have some extremely loyal supporters for which we are very grateful.



The size of contributions vary between credit unions. The table on the right is based on asset size of credit unions and the range of contributions. In the year ahead we will be asking all the non-contributing credit unions to contribute to our work. Furthermore we will be asking those who contribute to consider increasing their contribution.

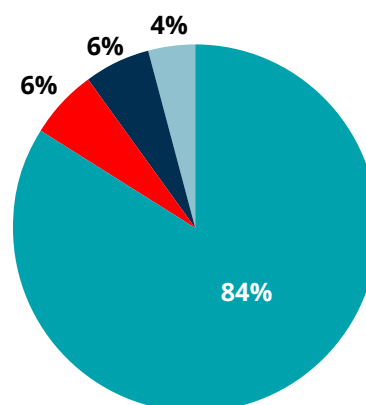
Asset size (€m)	Range of contributions
> €200	€1,000 - €30,000
> €100 - 199	€200 - €20,000
> €50 - 99	€200 - €19,000
> €25 - 49	€100 - €11,000
> €10 - 24	€100 - €13,000
< €10	€100 - €6,000

Expenditure

The ILCU Foundation's core countries Ethiopia, The Gambia and Sierra Leone received over two-thirds of our funding in 2018. In total 88% of our funding was directed to supporting the development of credit union movements in Africa. With remainder directed towards emergency funding and providing technical support to credit union movements in Eastern Europe.

All information above has been extracted from the ILCU Foundation 2018 financial accounts. The accounts were prepared by our auditors PricewaterhouseCoopers. We are committed to ensuring accountability to our donors and supporters and we aim to provide accurate and detailed information with regard to our programmes.

The ILCU Foundation's signed, audited accounts are available on our website – www.ilcufoundation.ie



Major Expenditure

Core Countries	84%
Eastern Europe	6%
Emergency funding	6%
Other African Countries	4%

Legal and Administrative

The Board of Directors 2018

Eamonn Sharkey
Chairman,
ILCU Board Member,
Omagh Credit Union Ltd.

Vivienne Keavey
Non ILCU Board Member,
Malahide Credit Union Ltd.

Michael Cogley
Supervisor

Registered Office:
ILCU Foundation,
33-41 Lower Mount Street,
Dublin 2

Auditor:
PricewaterhouseCoopers,
One Spencer Dock, North Wall Quay,
Dublin 1

Jim Toner
ILCU Board Member,
Letterkenny Credit Union Ltd.

Marie Sealy
Non ILCU Board Member,
Kilnamanagh Credit Union Ltd.

Alan Moore, CEO
Secretary

Solicitor:
McCann Fitzgerald, Riverside One,
Sir John Rogerson's Quay,
Dublin 2

Principle Bankers:
Bank of Ireland,
Rathfarnham Shopping Centre,
Dublin 14

Margaret Heffernan
ILCU Board Member,
Rathkeale & District
Credit Union Ltd.

Monica Gorman
Advisory Board Member,
Baltinglass Credit Union Ltd.

Credit Union Contributors

Many thanks to all of the credit unions who contributed to our work*.

€20,000 and above

Drogheda Credit Union Ltd
St. Canice's Kilkenny Credit Union Ltd
Progressive Credit Union Ltd
Newington Credit Union Ltd

€10,000 - €19,999

Clonmel Credit Union Ltd
Derry Credit Union Ltd
Health Services Staffs Credit Union Ltd
Heritage Credit Union Ltd
Lurgan Credit Union Ltd
Mullingar Credit Union Ltd
People First Credit Union Ltd
S.A.G. Credit Union Ltd
Savvi Credit Union Ltd
Youghal Credit Union Ltd

€5,000 - €9,999

Affinity Credit Union Ltd
An Post Employees' Credit Union Ltd
Ardee Credit Union Ltd
Ballinasloe Credit Union (Our Lady Of Lourdes) Ltd
Ballyhackmore Credit Union Ltd
Buncrana Credit Union Ltd
Cana Credit Union Ltd
Coalisland Credit Union Ltd
First Choice Credit Union Ltd
First South Credit Union Ltd
Larkhill & District Credit Union Ltd
Letterkenny Credit Union Ltd
Newry Credit Union Ltd
Omagh Credit Union Ltd
Pennyburn Credit Union Ltd
Sligo Credit Union Ltd
St. Anthony's & Claddagh Credit Union Ltd
St. Brigid's Credit Union Ltd
St. Columba's Credit Union Ltd
Teachers' Union of Ireland Credit Union Ltd
Tower Credit Union Ltd

€1,000 - €4,999

A.S.T.I. Credit Union Ltd
ABC Credit Union Ltd
Altura Credit Union Ltd
Antrim Credit Union Ltd
Athenry Credit Union Ltd
Ardboe Credit Union Ltd
Ayrfield Credit Union Ltd
Ballinascreen Credit Union Ltd
Ballincollig Credit Union Ltd
Ballyconnell Credit Union Ltd
Ballyfermot Inchicore Credit Union Ltd
Ballymena Credit Union Ltd
Ballyshannon & Killybegs Credit Union Ltd
Baltinglass Credit Union Ltd
Belfast Teachers' Credit Union Ltd
Black Raven Credit Union Ltd
Boyle Credit Union Ltd
Camlin Credit Union Ltd
Carrickmacross Credit Union Ltd
Castleblayney Credit Union Ltd
Civil Service Credit Union Ltd
Clogherhead Credit Union Limited
Clones Credit Union Ltd
Cobh Credit Union Ltd
Cois Sionna Credit Union Ltd
Community Credit Union Ltd
Connemara Credit Union Ltd
Core Credit Union Ltd
Crossmaglen Credit Union Ltd
Cuchullain Credit Union Ltd
Desmond Credit Union Ltd
Douglas Credit Union Limited
Dromore (Tyrone) Credit Union Ltd
Dungiven Credit Union Ltd
Enfield Credit Union Ltd
Enniscorthy Credit Union Ltd
Ervia Employee's Credit Union Ltd
Fintona Credit Union Ltd
Irvinestown Credit Union Ltd
KRD Credit Union Ltd
Kanturk Credit Union Ltd
Keady Credit Union Ltd

Kilkeel Credit Union Ltd
Kilmallock Credit Union Ltd
Lifford Credit Union Ltd
Lisburn Credit Union Ltd
Longford Credit Union Ltd
Loughguile Credit Union Ltd
Malahide & District Credit Union Ltd
Mallow Credit Union Ltd
Moy Credit Union Ltd
Muintir Clanna Caoilte Credit Union Ltd
Muintir Skibbereen Credit Union Ltd
Naomh Breandáin Credit Union Ltd
Nenagh Credit Union Ltd
Portadown Credit Union Ltd
Portarlinton Credit Union Ltd
R.T.E. Credit Union Ltd
Rathmore & District Credit Union Ltd
Roscommon Credit Union Ltd
Slane Credit Union Ltd
St. Ailbe's Credit Union Ltd
St. Francis Credit Union Ltd
St. Paul's Garda Credit Union Ltd
Synergy Credit Union Ltd
T.P.M. Credit Union Ltd
Termonmaguirk Credit Union Ltd
The Lough Credit Union Ltd
Torrent Credit Union Ltd
W.B.R. Credit Union Ltd
Waterford Credit Union Ltd
Waterside Credit Union Ltd
Wexford Credit Union Ltd
Wicklow & District Credit Union Ltd



€500 - €999

Armagh Credit Union Ltd
 Athboy Credit Union Ltd
 Athlone Credit Union Ltd
 B.D.S. Credit Union Ltd
 Bagnelstown Credit Union Ltd
 Ballinderry Bridge Credit Union Ltd
 Bannvale Credit Union Ltd
 Beragh Credit Union Ltd
 Birr Credit Union Ltd
 Borrisokane Credit Union Ltd
 Carnglan Credit Union Ltd
 Clonard Credit Union Ltd
 Derg Credit Union Ltd
 Derrygonnelly Credit Union Ltd
 Desertmartin Credit Union Ltd
 Fairywater Credit Union Ltd
 Greenhills & District Credit Union Ltd
 Jim Larkin Credit Union Ltd
 Kilcloon Parish & District Credit Union Ltd
 Kilnamanagh Credit Union Ltd
 Magherafelt Credit Union Ltd
 Monaghan Credit Union Ltd
 Monasterevan Credit Union Ltd
 Mountmellick Credit Union Ltd
 Moyenir Credit Union Ltd
 Moyola & Toome Credit Union Limited
 Mulcair Credit Union Limited
 Newtownbutler Credit Union Ltd
 Oldcastle Credit Union Limited
 Owenkillew Credit Union Ltd
 Pomeroy Credit Union Ltd
 St. Declan's Ashbourne Credit Union Ltd
 St. Michael's Credit Union Ltd
 South Dublin Credit Union Ltd
 Sundrive Credit Union Ltd
 Swilly-Mulroy Credit Union Ltd
 Tubbercurry Credit Union Ltd
 Tullow Credit Union Ltd

€100 - €499

Abbeyfeale Credit Union Ltd
 Aghaloo Credit Union Ltd
 Ballinamore Credit Union Ltd
 Ballynahinch Credit Union Ltd
 Belleek Garrison Credit Union Ltd
 Bessbrook Credit Union Ltd
 Carrick-on-Suir Credit Union Ltd
 Castlereagh & District Credit Union Ltd
 Cavan Credit Union Ltd
 CC Ghaoth Dobhair Teoranta
 Clontarf Credit Union Ltd
 Cooley Credit Union Ltd
 Derg Credit Union Ltd
 Donegal Town Credit Union Ltd
 Emyvale District Credit Union Ltd
 Foyle Credit Union Ltd
 Glanmire Credit Union Ltd
 Lisduggan District Credit Union Ltd
 Link Credit Union Ltd (NI)
 Link Credit Union Ltd (ROI)
 M.P.C.C. Credit Union Ltd
 Mourne Derg Credit Union Ltd
 Newmarket Credit Union Ltd
 Newtownhamilton Credit Union Ltd
 North Longford & Arva Credit Union Ltd
 Rathkeale & District Credit Union Ltd
 St. Colman's Credit Union Ltd
 Sheephaven Credit Union Ltd
 Shercock Credit Union Ltd
 Tallaght & District Credit Union Ltd
 The Rosses Credit Union Ltd
 Virginia Credit Union Ltd

**Contributions received over a
 12 month period up to June 2019.*



Thank you also to Chapters 5, 7, and 12
 for your contributions in support of
 our work.



Acknowledgements

The Staff and Board of Directors of the ILCU Foundation would like to take this opportunity to sincerely thank the following for their support in 2018:

- Credit unions and their members, for their contributions, which allow us to continue our work and share the success of the Irish credit union movement
- The credit unions and their staff, who kindly hosted delegations as part of study tour visits, allowing them to share information and learn from first-hand experience
- Credit union staff, management and boards of directors who met with ILCU Foundation staff throughout the year
- Credit unions that allowed us to make presentations to their members at their AGMs
- The various ILCU Chapters that allowed us to make presentations at their respective monthly meetings and events
- The Irish League of Credit Unions for bearing staff, fundraising and administrative costs. To the ILCU Board, management and staff, thank you for your continuous support, and for your help on various projects and aspects of our work
- CUMA for allowing us to promote our work at their Spring and Autumn conference
- The ILCU Foundation advocates and volunteers who worked alongside us to raise awareness at chapter meetings and credit union events
- The Irish coaches on the Gambia and Sierra Leone Coaching Programmes and their respective credit unions for their support, and for volunteering their time and skills.
- The volunteers who participated in our first Governance Volunteer Programme to The Gambia
- Our development partners - CDF, SHA, WOCCU
- The ILCU Foundation gratefully acknowledges funding from Irish Aid and IFAD in support of our work in Sierra Leone and Ethiopia respectively
- The support received from our corporate partners in 2018: Electric Aid, ECCU and Moore Stephens



The ILCU Foundation would like to thank everyone who has helped us to undertake our work in 2018 and support the development of our partner credit union movements.

The Credit Union philosophy is one of *equality, mutual self-help and equity.*

Credit Union Operating Principles

1. Open and Voluntary Membership
2. Democratic Control
3. Limited Dividends on Equity Capital
4. Return on Savings and Deposits
5. Return of Surplus to Members
6. Non-Discrimination in Race, Religion and Politics
7. Service to Members
8. On-Going Education
9. Co-Operation Among Co-Operatives
10. Social Responsibility

Credit Union Ethos

- To encourage thrift
- To create a source of credit at reasonable interest rates
- To educate members on the wise use of money
- To promote the welfare of the credit union community



‘HELPING CREDIT UNIONS FIGHT POVERTY’



**ILCU
FOUNDATION**

‘HELPING CREDIT UNIONS FIGHT POVERTY’

ILCU Foundation

33-41 Lower Mount Street, Dublin 2.

T: +353 1 614 6700 | E: foundation@creditunion.ie

For more information about the ILCU Foundation

www.ilcufoundation.ie

f ILCU Foundation [@ilcufoundation](https://twitter.com/ilcufoundation)