



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem



Annual Compliance Statement

Presentation to CUMA Conference

3 September 2014



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Background - New Strengthened Regulatory Framework

- Implementation of strengthened regulatory framework on-going

- Key elements include:
 - Governance arrangements to ensure effective oversight
 - Structure and standards
 - Roles and responsibilities
 - Risk management, compliance, internal audit

- ***Section 66C - all credit unions required to submit an Annual Compliance Statement to the Central Bank***



Background – Compliance Framework

- Annual Compliance Statement is one element of the compliance framework
- Compliance is an on-going obligation that impacts all areas and officers in a credit union
- 1997 Act sets out specific compliance responsibilities for the:
 - Board of directors
 - Manager
 - Compliance officer
- Other requirements include:
 - Compliance programme
 - Compliance policy
 - Compliance plan



Scope

- The Annual Compliance Statement certifies whether the credit union has:
 - acted in compliance with; or
 - failed to comply withthe requirements of Part IV of the 1997 Act¹

- Includes requirements on:
 - Governance
 - Strategic plan
 - Risk management, compliance and internal audit
 - Operational risk

¹ and any other regulations prescribed under Part IV of the 1997 Act



Timing

- Submitted within two months of the financial year end of the credit union (***by 30 November***)

 - Covers the period from ***1 October to 30 September***

 - First Annual Compliance Statement:
 - *A number of requirements came into effect between 1 October 2013 and 30 September 2014*
 - *Covers compliance with those requirements from the date they came into effect until 30 September 2014*
 - *For example, for requirements that came into force on 3 March 2014 credit union must confirm compliance for the period from 3 March 2014 to 30 September 2014*
-



Materiality reporting on the Annual Compliance Statement

- Board determines materiality for non-compliance
- Materiality depends on facts of each case
- Factors to consider include:
 - Frequency and duration of non-compliance
 - Extent to which non-compliance departs from required standard
 - Impact of non-compliance
 - Indicate serious or systemic weakness of systems and controls
 - Number of non-material issues that are collectively material
- Materiality Statement - set out criteria to assess materiality



Monitoring Compliance

- Credit union must have in place oversight, policies, procedures, processes, practices, systems, controls, skills, expertise and reporting arrangements to ensure compliance
 - Compliance programme – compliance policy, compliance plan
 - Compliance officer
 - Documented roles and responsibilities

 - Where non-compliance is identified it should be acted upon promptly

 - Credit unions should notify the Central Bank as soon as they become aware of material non-compliance
-



Preparing the Annual Compliance Statement

- On-going monitoring requirements and reports should assist credit unions in preparing the Annual Compliance Statement

- Preparation:
 - *Consider each requirement and assess whether the credit union has complied with the requirements*

 - *Record the basis for the assessment including basis for determining whether non-compliance is material or non-material*

 - *Retain any documentation used during the preparation of the Annual Compliance Statement including:*
 - *Documentation outlining the process undertaken*
 - *Documentation demonstrating compliance/non-compliance*



Completing the Annual Compliance Statement

- Annual Compliance Statement consists of a statement certifying that the credit union has :
 - *complied with the requirements of Part IV of the 1997 Act*
 - or*
 - *failed to comply with the requirements of Part IV of the 1997 Act*
- Where a credit union has failed to comply, must indicate if non-compliance was material or non-material
- If non-compliance was material, a Report of Material Non-Compliance is required
- Board of directors approves Annual Compliance Statement (and any Report of Material Non-compliance)



Submitting the Annual Compliance Statement

- Annual Compliance Statement submitted electronically using the Online Reporting System (ONR)

- Further communication to credit unions planned before the end of September:
 - Submission of the Annual Compliance Statement - Guidance Notes for Credit Unions

 - User set up



Submitting the Annual Compliance Statement

Annual Compliance Statement Declaration



View Form Data

ANNUAL COMPLIANCE STATEMENT

Pursuant to its obligation under section 66C of the Credit Union Act 1997, ("the Credit Union") certifies that:

A) The credit union has complied with the requirements of Part IV of the Credit Union Act, 1997 and all regulations prescribed under Part IV of the Credit Union Act, 1997.

<- Select ->

Or

B) The credit union has failed to comply with all or any of the requirements of Part IV of the Credit Union Act, 1997 or regulations prescribed under Part IV of the Credit Union Act, 1997.

<- Select ->

i) Material Breaches have been identified and have been included in the Report of Material Non-Compliance"

<- Select ->

Or

ii) No material breaches have been identified

<- Select ->



Submitting the Annual Compliance Statement

Report of Material Non-compliance – breach remedied

Section of, or Regulations made under, Part IV of the Credit Union Act, 1997.	<- Select ->
Subsection of section of, or Regulations made under, Part IV of the Credit Union Act, 1997.	
Description of Breach	
Impact of Breach on credit union business	<- Select ->
Date Breach Occurred	
Has Breach been Remedied?	<- Select ->
Date Breach Remedied	
Actions Taken to Remedy Breach including Steps to ensure Quality assurance on Implementation	
Proposed Resolution Date for Breach	
Specific Actions taken / to be taken to Remedy the Breach	

Ok Cancel



Submitting the Annual Compliance Statement

Report of Material Non-compliance – breach outstanding

Section of, or Regulations made under, Part IV of the Credit Union Act, 1997.	<- Select ->
Subsection of section of, or Regulations made under, Part IV of the Credit Union Act, 1997.	
Description of Breach	
Impact of Breach on credit union business	<- Select ->
Date Breach Occurred	
Has Breach been Remedied?	<- Select ->
Date Breach Remedied	
Actions Taken to Remedy Breach including Steps to ensure Quality assurance on Implementation	
Proposed Resolution Date for Breach	
Specific Actions taken / to be taken to Remedy the Breach	

Ok Cancel



Submitting the Annual Compliance Statement

Export Annual Compliance Statement Declaration

export[1] [Protected View] - Microsoft Excel

File Home Insert Page Layout Formulas Data Review View Add-Ins

Protected View This file originated from an Internet location and might be unsafe. Click for more details. Enable Editing

A1		Credit Union Name									
	A	B	C	D	E	F	G	H	I	J	
1	Credit Union Name										Credit Union
2	Credit Union Number										999CU
3	Reporting Period										01 Oct 2013
4											
5	ANNUAL COMPLIANCE STATEMENT										
6	Pursuant to its obligation under section 66C of the Credit Union Act 1997, Credit Union ('the Credit Union') certifies that:										
7	A) The credit union has complied with the requirements of Part IV of the Credit Union Act, 1997 and all regulations prescribed under Part IV of the Credit Union Act, 1997.									No	
8	Or										
9	B) The credit union has failed to comply with all or any of the requirements of Part IV of the Credit Union Act, 1997 or regulations prescribed under Part IV of the Credit Union Act, 1997.									Yes	
10	i) Material Breaches have been identified and have been included in the Report of Material Non-Compliance									Yes	
11	Or										
12	ii) No material breaches have been identified									No	
13											
14	DECLARATION										
15											
16	We confirm that the information provided in the Annual Compliance Statement has been reviewed for accuracy and completeness and signed on behalf of the credit union by:										
17											
18	Chair:	(Signed)			(Printed)			(Date)			
19	Director:	(Signed)			(Printed)			(Date)			
20	Director:	(Signed)			(Printed)			(Date)			
21											
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23							Date Printed:	19/08/2014 14:33			
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28											


Annual Statement

Ready



Submitting the Annual Compliance Statement

Sign off for submission of the Annual Compliance Statement



Banc Ceannais na hÉireann
Central Bank of Ireland
Eurosystem

999CU: Credit Union

Business Administrator

[Logout](#)

Home ▶ Data ▶ 10. Annual Compliance Statement ▶ Returns ▶ 01-Oct-2013 ▶ SignOff Return

Sign Off Return Instance

Sign-Off Return

The Annual Compliance Statement return for 01-Oct-2013 must be 'signed-off' to complete the process of submitting data to the Central Bank

The Annual Compliance Statement return for 01-Oct-2013 must be 'signed-off to complete the process of submitting data to the Central Bank

After you sign-off the return you will no longer be able to make changes.

Declaration

To signify your acceptance of this statement, tick the box below:

I declare that the information which has been entered in the Annual Compliance Statement, including the Report of Material Non-Compliance where appropriate, is consistent with the information signed off by the board of directors and uploaded in the scanned Annual Compliance Statement Declaration.

Once you have verified the correctness of the data to your satisfaction, click the 'Sign-Off Return' button below to sign-off the return and submit the data to the Central Bank. This will complete the process of submitting the return (for this period).

[Cancel](#) [Sign-off Return](#)

[View Guidance Notes \(pdf\)](#)

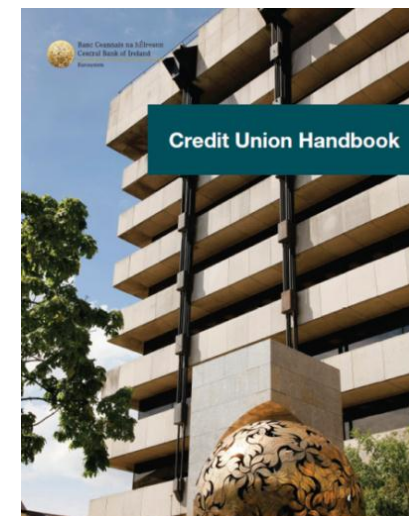
[Download Blank Annual Compliance Statement](#)

[Download Blank Annual](#)



Further Information

- Supporting materials to assist credit unions in preparing and submitting the Annual Compliance Statement:
 - ***Preparing and Completing***
 - Credit Union Handbook
 - Governance
 - Risk Management and Compliance
 - ***Submitting***
 - Submission of the Annual Compliance Statement
 - Guidance Notes for Credit Unions
 - Available before end September





Q&A