



COMMUNITY LOAN FINANCE

FOUNDED 1996



**20**  
YEARS

**FINANCING  
COMMUNITY  
AMBITION**

## MISSION STATEMENT

Clann Credo – the Social Investment Fund designs and promotes innovative social finance products and services, contributing to inclusive prosperity and developing social capital in a way that benefits the whole community.

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# A Message from Chairperson

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In the 1990s Social Finance was a new and unusual idea which was being shaped by Sr. Magdalen and other visionary people. They knew what they wanted and had the determination to see it through. The idea was to get finance working to bring about social transformation and social justice for communities on the margins.

Since 1996, Clann Credo has managed to provide €82 million to nearly 800 community projects around the country, supporting thousands of jobs and transforming the lives of individuals and communities.

To see the impact of what can be achieved by people with vision once the financing obstacle is overcome, one only has to look at what the Oakfield Trust, Clann Credo's first Community Finance Loan. It has since gone from strength to strength, creating hundreds of jobs and, more recently, playing a key role in the developing the Balgaddy Child and Family Centre, a secure space where children can grow, develop and flourish.

The tangible benefits are to be seen nationwide and some are showcased in these pages;

- Hook Tourism now provides twelve permanent jobs, all year round in a remote part of west Wexford.
- Successive years of Transition Year students in Rathmore in east Kerry have transformed village life for both young and old.
- Comharchumann Forbartha agus Fostaíocht Árrainn Mhór, has developed an eclectic range of services, including, childcare, water-based sports and healthy gardening, to improve the lives of the 500 people living off Donegal's west coast.

An independent report compiled for Clann Credo in 2015 showed that 319 Community Finance loans to LEADER approved projects, created an estimated 1,000 jobs and helped sustain a further 600 in the process.



There are many people and organisations to be thanked for helping to make Community Loan Finance transform people's lives in such a dramatic way over the past 20 years. Sr. Magdalen, tireless in making her vision a reality, is the first to be thanked. The Presentation Sisters and the other Religious Charities were crucial to the success of Clann Credo as well as the Social Finance Foundation.

The community leaders who have vision and ambition for their communities are the people who create the 'Social Dividend'. They have worked closely with our dedicated Clann Credo staff. Thanks also goes to our voluntary board and sub-committee members, who have given so much of their time, expertise and energy to making Community Loan Finance work.

Looking ahead to the next 20 years, I see Clann Credo - Community Loan Finance, expanding and providing more funds to disadvantaged communities. That will enable Clann Credo to contribute more fully in reducing inequality and exclusion and increasing community solidarity.

A handwritten signature in black ink that reads "Colin McCrea". The signature is written in a cursive, flowing style.

**Colin McCrea**  
**Chairperson**  
**Clann Credo**



# Financial Values

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We have borne witness to some extraordinary events since the foundation of Clann Credo 20 years ago.

In that period, Irish society underwent a huge transformation and, latterly, experienced a profound social and economic shock.

Those marginalised communities that had never benefited during the boom, were hurt again following the 2008 collapse.

Clann Credo stood with many of these communities when they needed support.

And it has never ceased to amaze me that even when the odds appear insurmountable, within the communities there are always those who see the problems and say: 'We can fix this, we can make it better'.

They are men and women of unwavering resolution and stamina. Their only goal is to make things better for their families, neighbours and wider communities.

They are the local heroes with whom we work in order to transform lives and generate new hope.

One major obstacle they face is lack of finance. A lack of collateral and other issues prevents access to loans from conventional lenders, who will often look for personal guarantees.

Clann Credo never seeks personal guarantees.

But the key difference between Clann Credo and other financial institutions is that it seeks a social and a financial return on investment.

Our Community Loan Finance is finance with a significant difference. It is coupled with a commitment to partner with community groups, drawing on our two decades of experience in delivering change.

Our work has helped transform communities and the lives of many: new community centres, crèches and sporting facilities; new openings and opportunities for community members.

Our values inform our work at local, national, and EU level as we seek to shape policy to create an environment where the contribution of community organisations and social enterprise is recognised and supported.

We also pioneer new thinking and innovative ways to tackle deep-seated social problems.



For example, we recently concluded a successful Social Impact Investment (SII) pilot programme, adapting the Social Impact Bond concept to Irish conditions.

In Social Impact Investment the private sector takes the risk and will be rewarded only if an agreed social outcome is delivered.

Community owned and managed businesses help engender new hope at local level and we are very actively seeking project proposals in this area.

We are asking for your support to:

- Inform every single community organisation that Clann Credo can provide Community Loan Finance;
- Build a collaborative community of Clann Credo supported projects, to learn from and support each other;
- Work at local, national and EU level to ensure community activity is recognised and flourishes.

We have come a long way in 20 years, but these are just the initial steps on our journey.

Our vision is of a future where all finance is social and all investments are judged for their impact on society.

Albert Einstein's exhortation sums up our goal:

*"Try not to become an organisation of success, but rather try to become an organisation of value."*

**Paul O'Sullivan**  
**CEO**  
**Clann Credo**

# Clann Credo Funding through the years

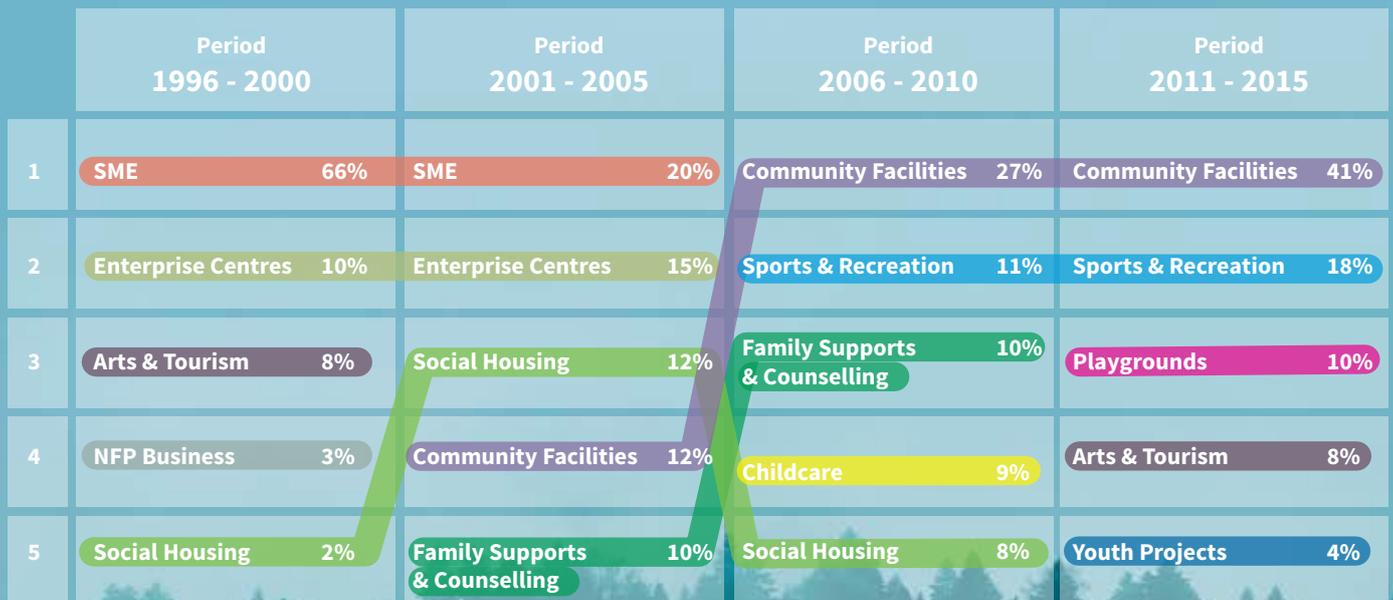
## Changing Focus

The infographic below identifies the top five sectors in each five-year period since 1996. Investment in privately owned SME's accounted for 66% of new investments in the first five years.

This changed dramatically over time and in the last five years all new investment was in the not-for-profit sector.

Community Facilities accounted for 40% of new Community Loan Finance in that period.

The challenge for Clann Credo now, is to ensure that all of community organisations, charities, amateur sports clubs and social enterprises that could benefit, know about Clann Credo's Community Loan Finance.



# Sr. Magdalen Fogarty, Our Founder

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As we celebrate 20 successful years of Clann Credo and Social Finance in Ireland, the idea of how Community Loan Finance enriches lives seems very obvious and clear. But there was no one inspirational ‘Eureka!’ moment for Sr. Magdalen Fogarty, the founder of Clann Credo.

“I knew what I wanted to achieve, but I didn’t have the terminology or the structure of it - this idea that was going around in my head”, says Sr. Magdalen, “I suppose I was absorbing it, I was a slow learner!”

There were many influences in Sr. Magdalen’s life that slowly fell into place over many decades like a giant jigsaw puzzle, which led to the creation of Clann Credo. These experiences included: her witnessing crippling poverty and emigration in Waterford; her natural talent for finance; the teachings of Nano Nagle; the ethos of the Quaker community in her native Portlaoigh and, most importantly, a constant search for a solution to make money work for people and communities. Her idea was that finance for communities could bring about social transformation and therefore social justice for people.

If her life were a Hollywood movie, all of these elements would combine easily to tell a tale of easy destiny, however for Sr. Magdalen, each giant step involved dilemma, big challenges, very hard work, deep reflection and contemplation.

Sr. Magdalen enjoyed the ways of convent life with the Presentation Sisters in Clonmel. She studied Economics and was conferred with a Masters of Economic Science (MEconSc) from University College Cork (UCC). After a series of financial roles in the order, in 1976 she was appointed the first Bursar General for the Presentation Sisters. This enormous role saw Sr. Magdalen restructuring and redirecting the order’s finances. In this role, she travelled the globe and witnessed many community development initiatives.

During this time, her constant questions were: ‘how can you make finance work in a way that is consistent with the values, mission and ethos of the Presentation Sisters, which was always about meeting needs of people whose needs were unmet? How do you get finance to bring about social transformation and therefore social justice for communities on the margin? How do you build communities and build resilience within those communities?’

Sr. Magdalen could see that finance could be a tool for social justice. But making this happen was difficult. At times she found herself resisting the big steps in her path. She felt it might be others who would make it happen. “I was always watching out for someone else to take the lead. Many Orders were talking about wealth redistribution, but no one was talking about putting the financial markets to the service of social justice”, says Sr. Magdalen. “I never saw that I was the one who could bring this all together.”

## “... as a society we won't go too far wrong if we are able to respond to new needs and new directions.”

Her financial advisors delighted in telling her how much profit the Order's funds were making, but she knew this wasn't the answer to the challenge of making finance work for social justice. “If finance is used functionally, it pays bills etc., then we have a bit left in the account”, says Sr. Magdalen, “But when we use finance as a resource, where it is about development, a whole new picture comes up. That was an insight for me.”

Sr. Magdalen was informed by financial institutions that if she had £30million, she could start any fund she liked, but she didn't have £30m. What she did have was lots of determination and resilience and the good fortune to meet a man who shared her vision called John Everett, from Coopers & Lybrand. John helped Sr. Magdalen organise a social finance conference and with his help, she set up Clann Credo with £1.5m. (€2m.). “At the start I was terrified that the idea wouldn't be well received,” remembers Sr. Magdalen, “But after three minutes at the conference, it was as if the room was on fire with the enthusiasm!”

“It is most heartening to see how Clann Credo has developed. You can see visibly how lifestyles have been improved”, says Sr. Magdalen. “Clann Credo is about giving each person the opportunity to achieve their potential and often money is a block to making that happen. With Clann Credo, money doesn't need to be a block.”



*First Profession of Sr. Magdalen Fogarty - 1960.*

“I recently met two men in Stonyford and they asked me how Clann Credo came about. I told them, and they said ‘Sister, you mean you sat down and you were thinking about us? How wonderful was that!’ They were so appreciative”, she says. “Without Clann Credo, I think communities would have had to make their dreams so small that the social impact would have been so much less, or the projects wouldn't have happened at all.”

Looking to the future, Clann Credo continues to watch what's happening in the marketplace, but more importantly, what's happening in the lives of people. “Because as a society we won't go too far wrong if we are able to respond to new needs and new directions”, says Sr. Magdalen. “We need to have more partnerships and networks. Governments haven't picked up on social finance in any big or great way, but I think they should because we do need their support.”

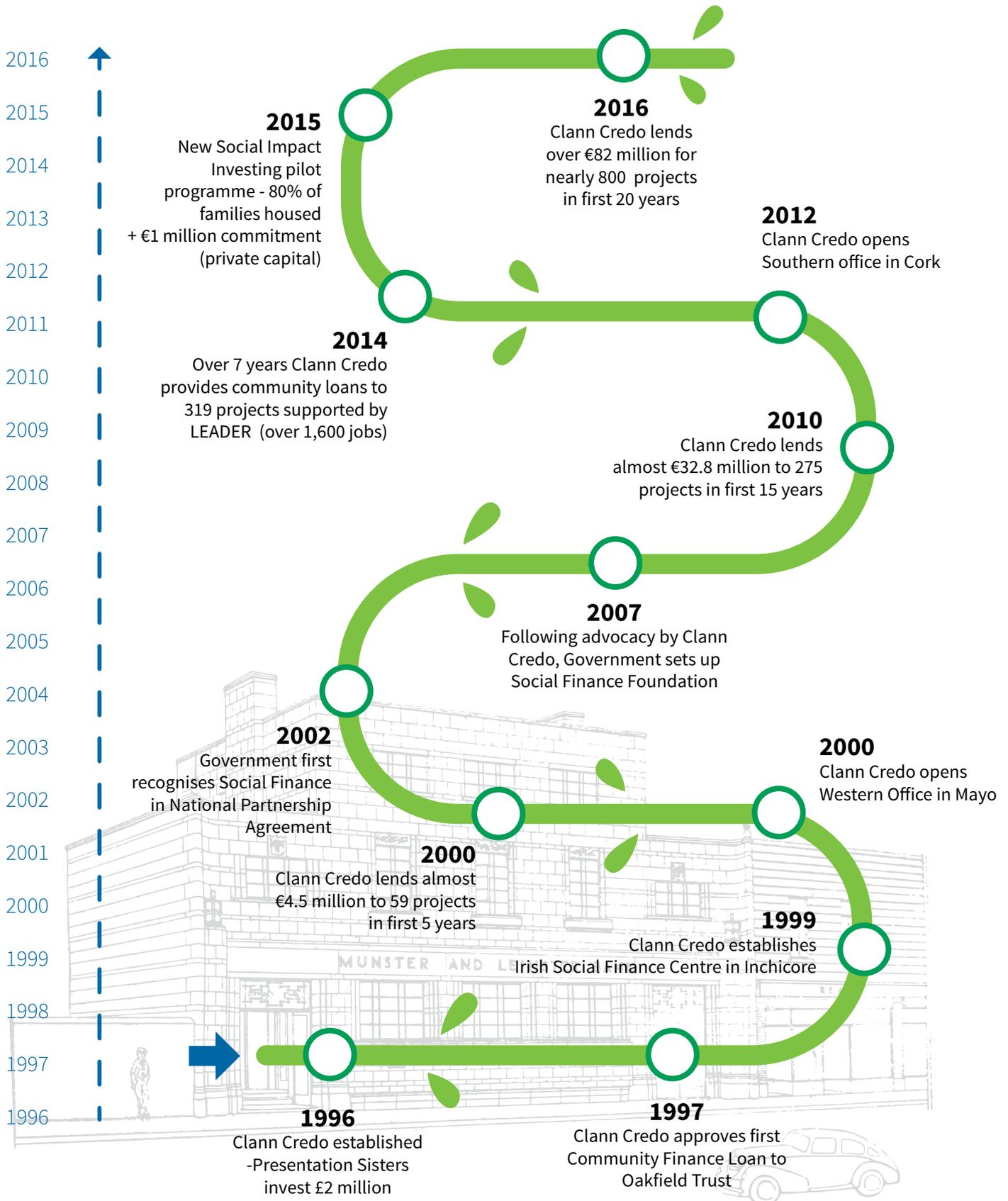
Sr. Magdalen is never complacent and is always pushing boundaries. “Sr. Magdalen's achievement is quite extraordinary. She has lost none of her persistence and innovation over the years”, says Tom Finlay, board member and former Chairman, “She still is a huge contributor to us at a board level and she always has a shopping list of 5-6 new ideas that she is putting to the board. Long may she continue to do this.”



*Sr. Magdalen Fogarty, 1968, conferred with MEconSc from UCC with her brother Edmond Fogarty (deceased).*

# 20 Years of Community Loan Finance

## 20 YEARS FINANCING COMMUNITY AMBITION



# Investment in All Regions

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**CONNAUGHT  
& ULSTER**

**€22<sub>M</sub>**

**MUNSTER**

**€33<sub>M</sub>**

**DUBLIN**

**€11<sub>M</sub>**

**LEINSTER**

**€14<sub>M</sub>**



**OUTSIDE  
IRELAND**

**€2<sub>M</sub>**

# Social Capital



COMMUNITY

Dublin in the 1980s was a city plagued by unemployment, official neglect, social exclusion and drug abuse. But it was also a city characterised by deep wells of communal pride in some of the areas worst affected, allied with a readiness to step in where the state was absent.

This was the genesis of the North Wall Community Development Project (NWCDP), one of a myriad of local groups that mushroomed around the city in response to the problems in their respective communities.

The NWCDP began life in 1985 as the North Wall Women's Centre and was awarded Community Development Project status in 2007, with a key focus on tackling social exclusion.

Over the intervening three decades, the group has overseen the development of a purpose-built women's centre and currently employs some 50 full time and part time staff.

The NWCDP is now a key part of the social and economic infrastructure within the communities it serves, providing a range of critical services, including: childcare, community employment, work programme and skills training, healthy lifestyle courses.

It also serves as a focal point for a range of related services and activities.

In late 2014, an unfortunate combination of circumstances saw the organisation suffer a serious financial shortfall that, left unchecked, could have seriously undermined its capacity to continue operating.

The NWCDP turned to Clann Credo for the financial support required to weather worst of the financial storm into which it had been plunged.

Given the long-term prospects of the organisation and its critical role in the local community that support was forthcoming and the NWCDP is now on a far firmer financial footing.



*Geraldine Comerford, General Manager, North Wall Community Development Programme.*



They've given us John Giles, Gerry Daly, Eoin Hand, Stephen Carr and Eamon Dunphy – all of whom have made a significant impact in top flight English soccer, with John Giles going on to establish himself as a true legend of the global game. They also gave us Ronnie Whelan Snr., father of the former Liverpool captain.

And if that were not enough, Stella Maris FC can also claim credit for that Stephanie Roche wonder goal, which saw the young woman nominated for the prestigious 2014 FIFA Puskas award, in which she was runner up to Real Madrid's James Rodriguez.

Quite a catalogue of achievement for a club founded in 1943 in Dublin's North Inner City and based just off Richmond Road.

Not surprisingly, Stella Maris FC has enjoyed some remarkable success at national level and is renowned for the way it nurtures youth talent. An incredible 45 club players have been capped for the Republic of Ireland over the years.

In short Stella Maris has made, and continues to make a hugely significant contribution to community life in its own locality and well beyond.

The club's structures, systems and facilities are a treasured social asset that enrich the lives and life chances of hundreds of children annually.

John Giles, now the club President speaks warmly of the formative role Stella Maris played in his life and development. "It is a wonderful club. And without Stella and the Dublin Schoolboy League providing football, we wouldn't have been able to go on and achieve what we did in the game."

In recent years, the club embarked on a process of development in order to upgrade the facilities and structures on offer, especially the development of a high quality all-weather pitch.

**"It is a wonderful club. And without Stella and the Dublin Schoolboy League providing football, we wouldn't have been able to go on and achieve what we did in the game."**

*John Giles  
Stella Maris FC President*

When Stella Maris approached Clann Credo for loan finance, we immediately saw the importance of investment in such a vital piece of community and social infrastructure.

In March of 2014, a 3G, all-weather astro-turf pitch was completed.

"It is of the same standard as you would find in the Premiership and major Spanish clubs," said Club Secretary, Derek Moore.

At the official opening, John Giles said "When we were young, we played football on the street. I would have loved to have played on a pitch like this."

Perhaps in years to come Clann Credo can lay a tiny claim when the next Roche or Giles emerges from the ranks of this fantastic sporting institution.



Comharchumann Forbartha agus Fostaíocht Árainn Mhór (Arranmore Island Development and Employment Co-op) sits at the social and cultural heart of this island community. Since its inception in 2001, the Co-op has become a hub of island life, the focal point for a truly remarkable array of services to the local population. These range from childcare, to training programmes, sporting activities, drama and concerts.

Indeed, it is in the sporting arena that the Co-op has made perhaps its most significant contribution to enriching the quality of life on this small Gaeltacht island off the Donegal coast.

From the outset, a strong emphasis was placed on health and well-being, exercise and sporting activity, with courses available in sailing, kayaking and other water-based sports. This was later augmented with the addition of a gym, and activities were extended to include walking groups, healthy gardening and other outdoor pursuits.



*Arranmore Island Lighthouse, Co. Donegal.*

Comharchumann Forbartha agus Fostaíocht Árainn Mhór has a long and fruitful relationship with Clann Credo, successfully utilising Community Loan finance and support over several years to extend and enhance the services it provides.

Most recently, the Co-op sought our support in order to upgrade facilities in the centre out of which it operates, including provision of disabled access and refurbishment of the sports hall, with clear and obvious gains for the islanders and its visitors.

Given the pivotal role of the Co-op in the life of Arranmore, Clann Credo had no hesitation in providing that support.



*Irish College, Arranmore Community Centre.*



*Sally Gallagher, Comharchumann Forbartha agus Fostaíocht Árainn Mhór.*



Tourism contributes some €5 billion annually to the Irish economy. But that figure tends to mask the impact of the sector at local level and the key role of communities in developing the fabric of attractions that comprise our tourism ‘offering’.

Hook Tourism is a perfect example. Formed over 50 years ago, this voluntary group is seen as a standard-bearer for the rural tourism movement and the drive to maximise the potential of the local environment.

From the outset, the focus of this innovative group has been on the protection and development of local resources and raising awareness of the area’s rich heritage; Bannow Bay where the Normans landed in 1169 and the Hook Lighthouse erected in the same century. The lighthouse was opened to the public in 2001.

Over the years Hook Tourism has undertaken restoration projects, initiated an annual seafood festival and developed sporting events as well as guided heritage tours of the area. The group also runs a tourist office and maintains a website highlighting local attractions.

In the course of its work, the group provides training and employment opportunities for people in the area.

One of the most ambitious projects undertaken by Hook Tourism is the restoration and operation of the Colclough Walled Garden Project at Tintern Abbey, on Wexford’s Hook Peninsula. The Abbey dates from 1203 and was once home to the Cistercian monks.

It has proved a major draw for visitors to the region.

The restoration project was supported by Clann Credo because of the very clear social dividend it provides to the local community, in terms of employment opportunities and the development of key local resources.

Clann Credo also provided Community Loan Finance to two other Hook Tourism projects, enabling the group to access funding under the LEADER and FLAG programmes.



*Kayaking, Hook Peninsula.*



*Colclough Gardens, Tintern Abbey, Co Wexford.*

# Creative Space



COMMUNITY

Very simply, the aim of the unique Acre Project in Celbridge, County Kildare, is to create space for learning; providing internal and external spaces in which local communities can gather.

It achieves this by creating both indoor and outdoor environments that maximise the absorption of knowledge and experience for young people and those with learning difficulties.

Within these crucial spaces, the focus is on creative ecological and environmental projects such as rainwater harvesting, air-to-water heating and on the care of small animals.

These initiatives are all housed in a state of the art eco-friendly resource centre that was developed in the first phase of the overall project.

The goal of the second phase was to extend the project's overall imaginative and creative reach, primarily through a second eco-friendly building to house meeting and training rooms.

This phase also included a wind turbine to generate power for the site and the development of a sensory garden.

Elements of the training will be provided in conjunction with Kildare & Wicklow Education and Training Board, with over 700 people expected to be trained annually.

Clann Credo approved both a bridging loan and a term loan for this unique and exciting project because of the clear social, economic and educational benefits delivered to a wide range and diversity of people.



*Michael Leyden, Financial Director, ACRE Project.*



*George Boyle, Founder Fumbally Exchange.*

The Fumbally Exchange (FEx), in the heart of Dublin, is a child of the crisis that hit Ireland with such ferocity in 2008. Almost overnight, hundreds of thousands of jobs were lost and livelihoods were destroyed.

For many it was their first experience of unemployment and some struggled to adjust or locate appropriate supports.

Into that chasm-like breach stepped FEx, an imaginative and creative response to the crisis that focussed on harnessing the wealth of skills left idle by the misdeeds of high finance.

FEx was established by architect George Boyle in 2010, keenly aware that while jobs might have disappeared, people's creativity and talents had certainly not.

It was to be the physical location that could harness those skills and allow participants to pursue new projects in a shared environment.

This idea of a shared space is central to the concept behind Fumbally, delivering obvious benefits in terms of cost savings, but also facilitating more cooperative working and synergies between the participants.

While the common theme to the FEx is architecture and the built environment, all participants brought different perspectives and ideas: - from the establishment of new practices, to developing ideas around urban regeneration and social enrichment.

It proved to be a success from the outset and very quickly pressure of space forced a move to new premises.

However, the initiative encountered difficulties in attracting the financial support necessary for relocation and fit out of new premises. Clann Credo's Community Loan Finance provided that support and helped ensure the continued success of the Fumbally Exchange, which now has satellites in Balbriggan, Co Dublin and Waterford city with more on the way.



With the foothills of the Knockmealdown Mountains to the north and the Atlantic Ocean some 15 miles to the South, the people of Ballyduff say they are ‘a sleepy hamlet on the banks of the Blackwater River. Sleepy, that is, unless it has to do with drama, hurling, salmon fishing, music, song, story-telling, or divilment. Yes, divilment!’ They will tell you that you cannot have passion for any of the others without a modicum of divilment thrown in.

This is a place with a huge tradition of community endeavour and a firm belief in the concepts of doing things together and doing them for ourselves. The village motto is: “Ní neart go cur le chéile”. With just 700 inhabitants, the village has fourteen clubs and associations, many of which have gone onto receive national awards.

When in 2016 Ballyduff Upper Community Council needed to access finance, they knew immediately where to go.

Clann Credo had provided Community Loan Finance to the Ballyduff Drama Group in 1998 so that they could refurbish the Community Hall built in 1944. A loan was also provided to another Ballyduff group in

2001. The seeds that were sown in 1944 continue to grow over the years.

By 2009, the old Carnegie library needed to be redeveloped to fulfil a number of roles, not least a meeting place for the expanding number of local groups and support organisations.

## “Ní neart go cur le chéile”

Clann Credo’s Community Loan Finance helped complete a major refurbishment of the Carnegie building and again in 2016, when some additional remedial works were required.

The very fact that that the groups in Ballyduff Upper have turned to Clann Credo on numerous occasions in the past 20 years is testament both to the strength of the working relationship that has developed over the intervening years and, more importantly, to the success of the Community’s own initiatives at community level in Ballyduff.



*Playing cards, Ballyduff Community Hall.*



Over 40 years ago, a number of secondary school students in Rathmore, County Kerry, moved to tackle the disadvantage and social exclusion in their midst.

Under the guidance of history teacher Jeremiah O'Donoghue, the concerned students established the Rathmore Social Action Group.

In 1975, their goal was to establish a laundry service that would aid the elderly and the more disadvantaged in their community.

Four decades later, that simple initiative has evolved into one of the most sophisticated community service providers of its kind anywhere in the country.

Today, Rathmore Social Action Group operates sheltered housing units for older adults, along with a day care centre to provide for their nutritional and social needs. In addition, it runs a comprehensive 'meals on wheels' facility in the local community, as well as the original laundry service.

The group also operates a significant community and youth facility, Teach Íosagáin, to meet some of the sporting, social and recreational needs of the area's young population. There is also a wonderful relationship between the young and old through the Rathmore Social Action Group.

Hardly surprising, that the Social Action Group's relationship with Clann Credo stretches back over almost 20 years, to 1997, when Clann Credo loan finance helped with the purchase of the site for the day care facility.

So when the group embarked recently on another ambitious venture - the renovation of an old convent to provide homes for the elderly - they turned once again to Clann Credo for support.

The required Community Impact+ Loan was provided as the venture makes clear social and economic sense.



*Jerh O'Donoghue, Chairman, Rathmore Social Action Group.*



*Young & old together.*



*Activities at Rathmore Day Care Centre.*



*Alma Gallagher, Manager, Clár ICH.*

It is a grim irony that we continue to suffer a housing crisis eight years after a housing boom helped crash the entire economy.

But as organisations such as Clár Irish Centre for Housing (Clár ICH) are keenly aware, there is a critical difference between construction of ‘housing units’ and building homes.

It was to address this significant deficit that Clár ICH was established in 2000, in Claremorris, County Mayo.

From the outset, their goal was to provide homes for older people, those with disabilities and for emigrants in the UK who wished to return home.

Within a short timeframe, Clár ICH was engaged in the management of a complex of 25 specially-built homes for the elderly and disabled, in Claremorris.

In addition, the organisation was involved with social housing provision for families in need, along with a range of key services in the community: rural transport, home insulation, a ‘befriending’ service for the elderly, childcare and local enterprise development.

An innovative Care & Repair scheme also saw Clár ICH carry out minor upgrade works in the homes of elderly people.

In 2010 Clár ICH undertook an ambitious programme to build an additional 36 social houses in Claremorris, with grant support from Mayo County Council.

However, difficulties with contractors delayed the project for some two years and created financial headaches.

Having secured financial support from Clann Credo the first time, Clár ICH once again turned to Ireland’s leading social finance provider for assistance.

We were able to approve a ten year loan on terms not available commercially to help ensure that this critical project - which delivered a strong social impact in the community - was in a position to overcome these difficulties and proceed to completion.

# Unique Partnership Means Credit Access for Travellers



**SOCIAL HOUSING**

An innovative partnership between Clann Credo and National Traveller MABS helped provide finance to 16 Traveller families for the purchase or upgrade of their caravans.

The initiative saw Clann Credo and National Traveller MABS establish a loan guarantee scheme, with families availing of the special finance through their local credit unions.

An analysis of the unique scheme by National Traveller MABS found it to be a success and judged that it had assisted 16 families to “improve their standard of living” by providing access to affordable credit.

In addition, it was found the initiative had substantially raised awareness among travellers of the role of credit unions and how to access their services. Prior to the scheme’s introduction, some Traveller families had no knowledge of credit unions.

The report found that most families who had participated in the initiative went on to establish good savings and repayment records with their local credit unions.

The joint initiative arose out of the absence of affordable credit facilities for Traveller families, with the majority of local authorities failing to extend credit for caravan purchases, despite being funded by government to do so.

# Credit Unions Extend Low Cost Loan Scheme Nationwide



**FINANCE**

A State-supported quick-approval loan scheme, project managed by the Social Finance Foundation (SFF), and delivered by Credit Unions, is to go nationwide later in the year in a bid to provide an alternative to the money lending firms which charge rates of interest up to 188% per annum.

The move means the ‘It Makes Sense’ lending product will be open to up to one million people. A borrower, on a typical loan is charged €260 more in interest by a money lending firm than by the credit union. Across the country this comes to over €100 million each year that could remain with the individual or family rather going to the money lending firm.

The scheme is designed to allow credit unions to provide small affordable loans to people who would otherwise rely on moneylending organisations or unlicensed loan sharks. There is a quick turnaround for assessing applications with minimum bureaucracy.

The loans of up to €2,000 can be used for any purpose such as funding back-to-school costs, appliance purchase or to pay for unexpected expenses. Interest rates of no more than 12% pa will apply, compared with annualised

interest of up to 188% pa for money lender loans.

The ‘It Makes Sense’ loan initiative had been piloted in 30 credit unions across the country. More than half those who used the scheme in its pilot phase stated that they had previously used a moneylender. More than 1,200 loans were drawn down under the scheme, to the value of €720,000. The average loan taken out by participants was €500.

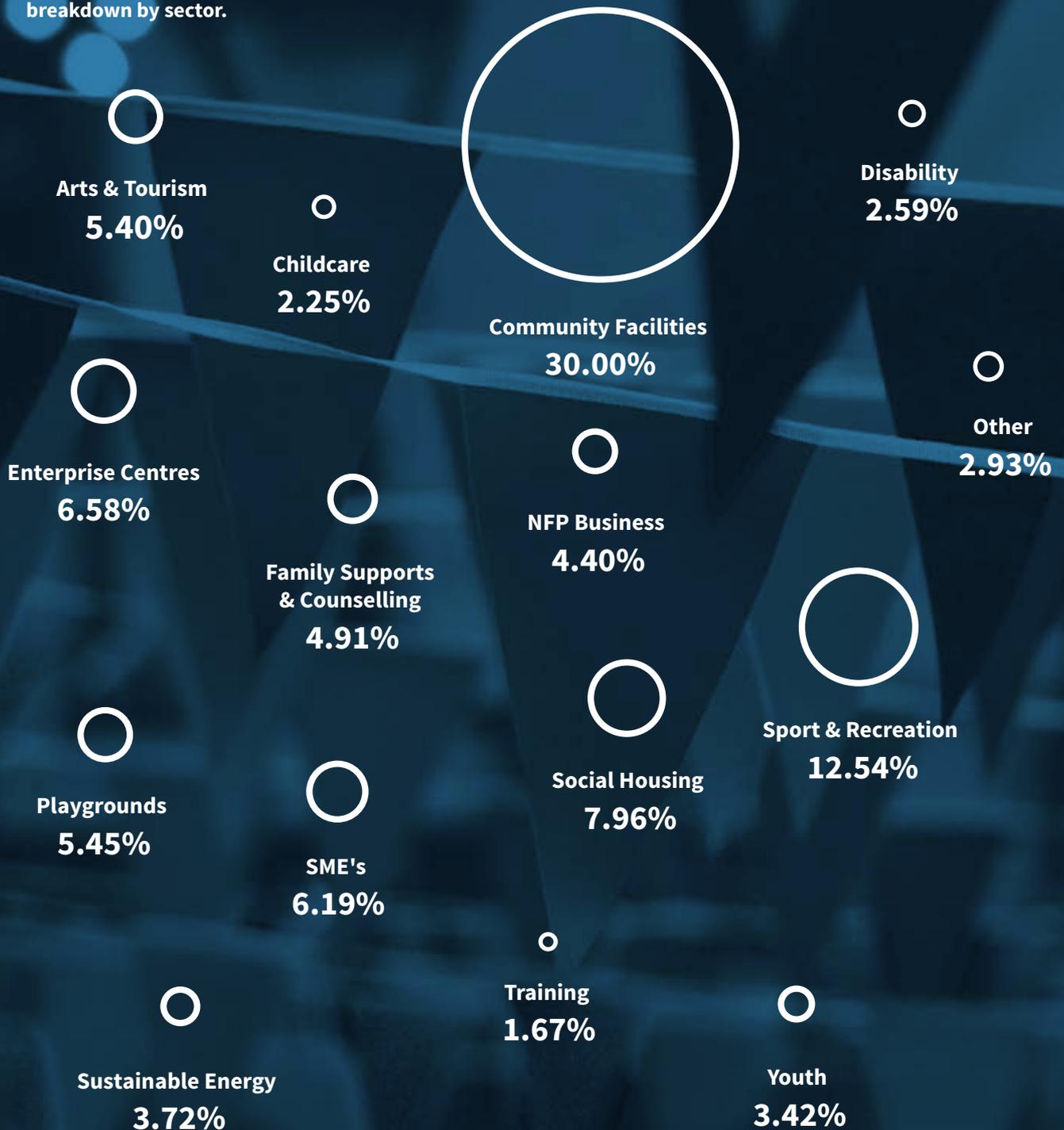
The introduction of the scheme follows from initial research and development undertaken by the SFF. The SFF project managed the process encouraging the key stakeholders; Credit Unions; the Central Bank and the Department of Social Protection to focus on the needs of families that have been exploited by money lenders for years.

The ‘It Makes Sense’ loan increases a credit union’s capability to deliver on their core ethos. In doing so it makes a bold statement about addressing a social problem in Ireland today, i.e. the need for an alternative to the money lending industry which charges exorbitant rates to those who can least afford them.

# Social Dividend

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CLANN CREDO has, since 1996, made socially directed investments worth over €82 million in almost 800 projects; the following is a breakdown by sector.



# 2015: A Year of Continued Success & Consolidation

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**T**he financial year 2015 saw Clann Credo consolidate much of the success and good work seen to date.

The high levels of activity evident in 2013 and 2014, resulting primarily from projects financed under the Rural Development Programme (RDP), eased off in 2015 as the current round of RDP funding came to a conclusion.

The reduced level of activity provided Clann Credo with an opportunity to develop more exacting and robust procedures, particularly in the areas of credit decision, loan book management and support functions.

Overall, new loans disbursed decreased from €15.8 million in 2014 to €8.3 million, with a resultant impact on income and loan portfolio size.

Nonetheless, there was still a surplus of €104,000 for the financial year, compared to €147,000 for 2014.

Given the lower level of activity noted above, this was a very positive outcome.

The loan book at the end of 2015 stood at €18.5 million, accounted for by just under 270 community organisations.

Bad debt provisions amounted to €2.6 million, representing 14.3% of the loan book, slightly up on 2014.

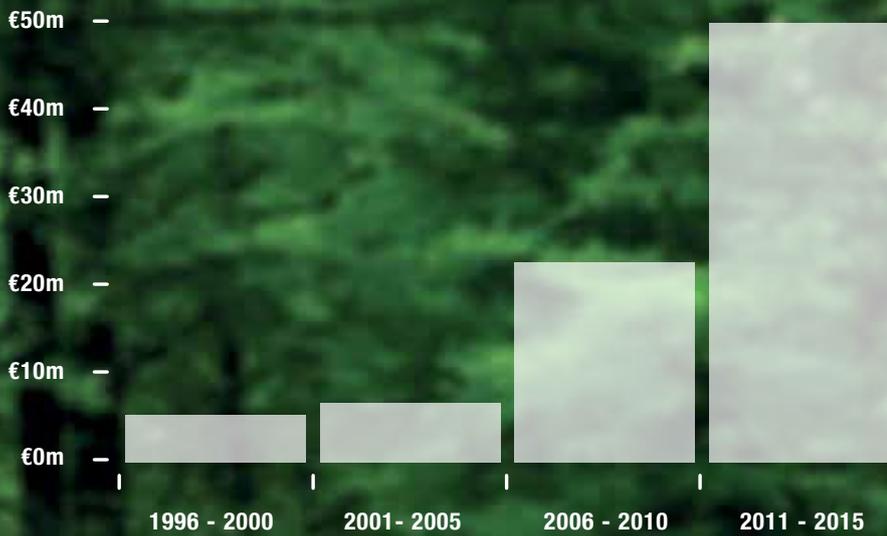
Cash reserves stood at just over €6.2 million, while monies owing to the Social Finance Foundation fell from €15.9 million to €10.9 million, as a result of a reduced loan book funding requirement.

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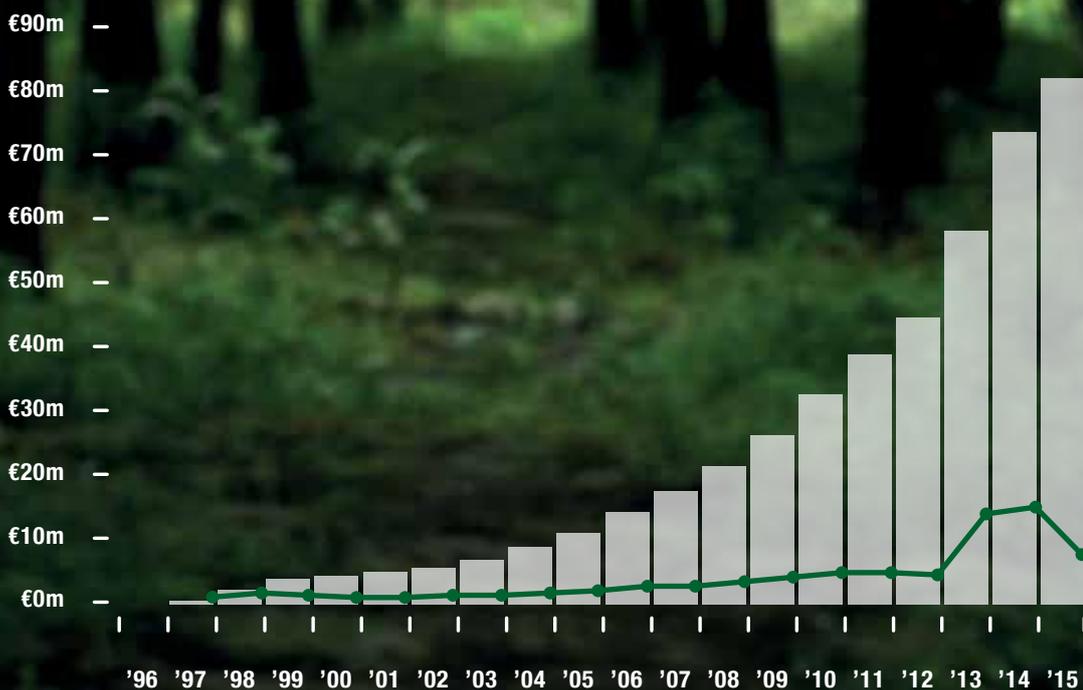
## Highlights 2015

- **Successful completion of the first pilot Social Impact Investment scheme in Ireland**
- **A second successive year of returns to social investors (0.8% gross return)**
- **Ongoing enhancement of procedures and processes arising from the work of the Evaluation Committee and the Risk Advisory Committee**
- **Recruitment of more staff to support back office functions, compliance and wider marketing effort**
- **77 new projects availed of community loan finance during 2015**
- **Capital repayments of €11.7 million ensured this finance could be recycled for re-investment in other communities**
- **The year end loan book stood at €18.5 million, to some 270 projects**
- **Clann Credo's total investments since formation now in excess €82 million**

The Amount of Loans Disbursed has grown in each five year period



Socially Directed Investments Disbursed each Year and Cumulative



# Financial Statements

## INCOME & EXPENDITURE ACCOUNT

### CONSOLIDATED INCOME STATEMENT For the year to 31st December 2015

<b>INCOME</b>	<b>2015</b>	2014	<b>%</b>
	<b>€000</b>	€000	<b>Change</b>
Socially Directed Investments (SDI) Income	<b>868</b>	1078	<b>-19%</b>
Social Impact Investing (SII) Income	<b>12</b>	68	<b>-82%</b>
Bank Deposit Interest	<b>14</b>	32	<b>-56%</b>
Fee Income	<b>87</b>	147	<b>-41%</b>
Other Income	<b>75</b>	2	<b>3650%</b>
	<b>1056</b>	1327	<b>-20%</b>
Funding Costs	<b>90</b>	114	<b>-21%</b>
General Overheads			
Office Overheads	<b>67</b>	63	<b>6%</b>
Staff and Contractor Costs	<b>647</b>	645	<b>0%</b>
Professional Fees	<b>27</b>	30	<b>-10%</b>
Promotional Costs	<b>43</b>	27	<b>59%</b>
Board & Governance Costs	<b>10</b>	8	<b>25%</b>
Other Costs	<b>0</b>	40	<b>-100%</b>
	<b>794</b>	813	<b>-2%</b>
OPERATING SURPLUS	<b>172</b>	400	<b>-57%</b>
Provision for Losses on SDI	<b>-68</b>	-253	<b>-73%</b>
NET INCOME	<b>104</b>	147	<b>-42%</b>

*Note: Income & Expenditure account presented above is a consolidation of the financial statements of Clann Credo Limited and The Clann Credo Fund as at 31st December 2015. These were audited by Grant Thornton with an 'unqualified' opinion issued on 31st May 2016. The individual audited financial statements are available upon request.*

# Financial Statements

## BALANCE SHEET

### CLANN CREDO - CONSOLIDATED BALANCE SHEET At 31 December 2015

<b>ASSETS</b>	<b>31st Dec 2015</b>	<b>31st Dec 2014</b>	<b>%</b>
	<b>€000</b>	<b>€000</b>	<b>Change</b>
<b>FIXED ASSETS</b>			
Tangible Assets	<b>20</b>	4	<b>400%</b>
<b>CURRENT ASSETS</b>			
SDI – Equity	<b>30</b>	30	<b>0%</b>
SDI – Loans	<b>18,459</b>	21,940	<b>-16%</b>
SDI – Cash	<b>46</b>	46	<b>0%</b>
Provision for Bad Debt	<b>-2,635</b>	-2,570	<b>3%</b>
	<b>15,900</b>	19,446	<b>-18%</b>
Debtors & Prepayments	<b>247</b>	382	<b>-35%</b>
Bank Balances	<b>6,202</b>	6,105	<b>2%</b>
	<b>6,449</b>	6,487	<b>-1%</b>
	<b>22,369</b>	25,937	<b>-14%</b>
<b>CAPITAL &amp; LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Creditors & Deferred Income	<b>381</b>	316	<b>21%</b>
<b>LONG TERM LIABILITIES</b>			
Social Finance Foundation Loans	<b>10,982</b>	15,209	<b>-28%</b>
<b>CAPITAL</b>			
INVESTOR FUNDS - Net	<b>11,006</b>	10,412	<b>6%</b>
	<b>22,369</b>	25,937	<b>-14%</b>

*Note: The balance sheet above is a consolidation of the financial statements of Clann Credo Limited and The Clann Credo Fund as at 31st December 2015. These were audited by Grant Thornton with an 'unqualified' opinion issued on 31st May 2016. The individual audited financial statements are available upon request.*

# Our People

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**Gary Brennan**  
Financial Services Consultant  
**Board of Directors**  
**Evaluation Committee**



**Jerry Butler**  
Retired from Trust Services,  
Bank of Ireland  
**Board of Directors**  
**Risk Advisory Committee**



**Tom Finlay**  
Executive Coach and  
Independent Director  
**Board of Directors**  
**Evaluation Committee**



**Magdalen Fogarty**  
Clann Credo's Founder and  
former Bursar General,  
Presentation Sisters  
**Board of Directors**  
**Evaluation Committee**



**Colin McCrea (Chair)**  
Formerly Senior Vice President,  
The Atlantic Philanthropies  
**Board of Directors**  
**Risk Advisory Committee**  
**Evaluation Committee**



**Emer Ní Bhrádaigh**  
Lecturer in Entrepreneurship  
& Social Entrepreneurship  
Champion, Dublin City University  
**Board of Directors**



**Grace Redmond**  
Former Congregational Bursar,  
Presentation Sisters  
**Board of Directors**  
**Risk Advisory Committee**



**Jim Rourke (Vice-Chair)**  
Formerly Head of Strategy and  
Public Policy,  
Bank of Scotland (Ireland) Ltd  
**Board of Directors**  
**Evaluation Committee**  
**Risk Advisory Committee**  
(chair)

*“I see Clann Credo - Community Loan Finance, expanding and providing more funds to disadvantaged communities. That will enable Clann Credo to contribute more fully in reducing inequality and exclusion and increasing community solidarity”.*

**Colin McCrea:**  
**Board Chairperson**

*“My vision for the future sees Clann Credo continuing to work in its unique, inclusive way helping communities all over Ireland to improve the life of ordinary citizens and ultimately contribute to a vision of a better Ireland”.*

**Ger Marshall:**  
**Risk Advisory Committee**

# Our People

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**Paul Sullivan**

Formerly NTMA (National Treasury Management Agency)

**Board of Directors**  
**Evaluation Committee**  
**(chair)**



**Ann Clarke**

Social and Economic Consultant.

**Risk Advisory Committee**



**Pat Leogue**

Social Inclusion Manager, Kildare LEADER Partnership

**Risk Advisory Committee**



**Ger Marshall**

Former senior manager in commercial banking with both ICC and Bank of Scotland (Ireland) Ltd

**Risk Advisory Committee**



**Martin Coggins**

Principal, Coggins & Company, Chartered Accountants, Sligo

**Evaluation Committee**



**Sheila Fox**

Bursar, Presentation Sisters, North East Province, Ireland

**Evaluation Committee**



**Jerry Kivlehan**

Treasurer, Oblate Fathers and formerly Director of the London Irish Centre

**Evaluation Committee**

*“As soon as I heard about what Clann Credo does and learned more about the ethos, I was very keen to get involved. The chance to work with a lender that really wants to get its funds out into the community, working for the greater good, was compelling”.*

**Gary Brennan:**  
**Board and Evaluation Committee**

*“I was drawn to volunteer with Clann Credo because it is an organisation dedicated to making a positive social impact in communities around Ireland. It is also a very innovative organisation that is always looking ahead”.*

**Ann Clarke:**  
**Risk Advisory Committee**

# Our People

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**Jim Boyle**  
Head of Finance  
& Operations



**Susan Gallagher**  
Social Finance Executive



**Tracey Hannon**  
Social Finance Executive



**Jennifer Hennessy**  
Social Finance Executive



**Roisin Mulligan**  
Social Finance Officer



**Paul O'Sullivan**  
CEO



**Anne-Marie Woodfull**  
Administration

# General Information

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## **Registered Office**

Irish Social Finance Centre  
10 Grattan Crescent  
Inchicore  
Dublin 8  
D08 R240

## **CRO Registered Number**

253147  
Registered with The Charities  
Regulatory Authority  
No: 20041076

## **Auditors**

Grant Thornton  
Chartered Accountants &  
Registered Auditors  
Molyneux House  
Bride Street  
Dublin 8

## **Solicitors**

Dillion Eustace  
33 Sir John Rogerson's Quay  
Dublin 2

## **Bankers**

Bank of Ireland  
Walkinstown  
Dublin 12

# GET IN TOUCH

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E: susan@clanncredo.ie

**[www.clanncredo.ie](http://www.clanncredo.ie)**

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Clann Credo is a self-sustaining not-for-profit organisation serving the community, voluntary and charity sectors. All its capital comes from private sources; religious charities and the retail banking sector through the Social Finance Foundation (SFF). The interest paid on its socially directed investments covers its operational costs.

Clann Credo - the Social Investment Fund is a company limited by guarantee,  
CRO: 253147. Registered with the CRA, No: 20041076.