Credit Union Compliance Checklist Annual Summary

		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Financial													
Solvency	*Hold a minimum of £1 per member in General Reserve*	Y	Y	Y	0	Y	Y	Y	Y	Y	Y	Y	Y
Capital/Asset Ratio	*Must be solvent, or at least 5% or higher if offering loans £15K in excess of shares*	6.42%			7.65%			6.71%			5.95%		
Liquidity	*10% of total relevant liabilities (unattached shares plus guaranteed line of credit)*	18%			17%			36%			54%		
Transfer to Reserves	*20% surplus until general reserve = 10% assets*		Y										
CQ Return	*Submit to PRA/FCA within 1 month of end of quarter*	Y			Y			Y			Y		
Annual Audit	*Completion of external audit and accounting standards followed.*	Y											
CY Annual Return	*Submitted within 6months of year end to both PRA & FCA*						Y						
Bad Debt Provision	*35% - net liability of loans 3-6 months in arrears, 60% - net liability of loans 7-9 months in arrears, 80% - net liability of loans 10 - 12 months in arrears, 100% net liability of loans more than 12 months in arrears; 2% net*			Y			Y			Y			Y
Lending													
Loans to staff & connected officers	*Maintenance of policy and procedure*			Y			Y			Y			Y
Large Loan exposures	*25% of capital on single loan (A large exposure is a loan greater than £7500 plus 10% of capital); 300% of capital or on occasion, up to 500% (with prior PRA / FCA notification)*								Y				
Maximum Loan Interest	*3% per month on reducing balance;*			Y					Y				
Maximum Loan Value	*0-4.9% capital/assets ratio= shares + £7.5K* *5% capital/assets ratio = shares + £15K*			Y					Y				
% shares on loan	*Recommended 80 - 90%*	98%	97%	-404%	99%	97%	94%	93%	92%	94%	94%	Y	91%
Credit Control in Place	*Implemented and effective in recovering delinquent loans*			Y			Y			Y			Y
Savings													
Maximum Savings	*£15,000 or 1.5% total shareholding whichever is the greater*	Y							Y				
Other Requirements													
Review Policy & Procedures Manual	*Up to date and compliant*			Y									

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Adequate Resources	*Ensure credit union has sufficient personnel and finances to provide a service to members. For this to be achieved, the credit union's finances should be compliant on the Financial requirements section of this checklist*		Y			Y			Y			Y	
AGM	*Regulatory requirements achieved*					Y							
Senior Managers Regime	*Senior Managers Regime Road Map Updated*						Y						Y
Regulatory Fees and Association Dues	*Paid in full or up to date Association, PRA / FCA Fee, FOS Fee, FSCS Levy*		Y					Y					
Borrowings	*Not more than 20% of shareholdings for two consecutive quarters*		Y			Y			Y			Y	
Complaints	*FOS Sign in view; Leaflet available; procedure followed; Report to PRA / FCA by 31 March*			Y			Y			Y			Y
Conflict of Interest Policy	*Policy maintained and officers declare and take appropriate actions when conflicts of interest arise*	Y						Y					
Data Protection	*Eight principles adhered to. Security procedures in place*		Y										
FRN & Disclosure Requirement	*Quoted in all correspondence with the Regulator. "authorised and regulated by Financial Services Authority" included on letterheads, statements, publicity etc*	Y						Y					
Fidelity Bond	*In place and at adequate levels*	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Insurances	*Maintain Fidelity Bond - LPLS - General Insurances*	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
IT Backup	*Regular Back up stored off site*		Y			Y			Y			Y	
Money Laundering Prevention	*MLRO in post; ID requirements up to date and followed, report to Board, At least annual training received*					Y							Y
Risk Assessment Review	*Regular review of risk assessment*		Y			Y						Y	
Revue Treating Customers Fairly Policy	*Board 6 monthly review of TCF policy*				Y						Y		
Website	*Website DDA compliant, Financial Promotions compliant, contact data accurate*					Y						Y	
Report to Board	*Monthly Compliance Report*	Y	Y	Y	Y	Y	Y	Y	y	Y	Y	Y	Y