



**2012**  
International  
Year of



# Cooperatives



## Co-operative Alliance Ireland Yearbook

*Co-operatives - The Way Forward*



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## Foreword

This Yearbook is a joint collaboration between the three organisations which represent Co-operatives in Ireland. It was undertaken as one of the initiatives to mark the International Year of Co-operatives in 2012. The Irish Co-operative Organisation Society (ICOS), NABCO (the National Association of Building Co-operatives) and the Irish League of Credit Unions (ILCU) are working together as Co-operative Alliance Ireland to raise awareness of the contribution of our model to reaching our social and economic goals.

Co-operatives are an important part of life in Ireland:

- In the agricultural and food sector, Co-ops and their associated companies account for total sales of €11bn and have some 150,000 members and employ 12,000 people in Ireland.
- Housing Co-operatives have provided homes for thousands of families across the country, and are now promoting wider community development opportunities in education, training and employment and in child and family services.
- The credit union movement has over 2.9m members in Ireland with savings of close to €12bn, with over 9,000 volunteers and 3,500 employees. It is an important provider of savings and loan facilities to its members, and builds their capacity to manage their finances.

Across the full range of Co-operatives, a majority of Irish people are members of the Co-operative movement. And yet Co-operatives remain a relatively unsung success story in promoting sustainable economic development and building better communities.

This Yearbook sets out to address that gap in information, providing case studies that show the range and scale of activity among co-operatives in Ireland. It also gives a step-by-step guide to setting up a new Co-operative, underlining our commitment to spreading co-operation as a better way of doing business.

The common thread across the Co-operative movement in every sector is the self help ethos and the promotion of better business and organisation for the benefit of the members. Our participation in the United Nations International Year of Co-operatives 2012 allows us to join with Co-operatives across the world to celebrate our successes and redouble our efforts to spread the message of Co-operation further yet.



*Pat McLoughlin, President,  
ICOS*



*Declan Hudson, Chairman,  
NABCO*



*Jimmy Johnstone, President,  
Irish League of Credit Unions*



## Vision & Purpose

As a representative umbrella organisation for the Co-operative movement in Ireland, ICOS represents and is focused on driving the evolution of the Irish Co-operative sector through the promotion of best-practice, change and helping to enhance the sustainability of our member Co-ops. We endeavour to:

- Foster greater interaction between ICOS and our member Co-ops
- Effectively use our collective voice and lobbying capabilities
- Challenge our members and ourselves to promote continuous improvement and competitive change
- Promote the principles of the Co-operative
- Develop our membership base through the training and education of our grass roots membership
- Promote greater member participation, particularly with younger generations of members
- Delivering tangible value to our members in the services we provide



*Seamus O'Donohoe, CEO, ICOS*

## Our Mission

*Generating leadership,  
competitiveness and value  
through stronger Co-operation*

## Our Roots

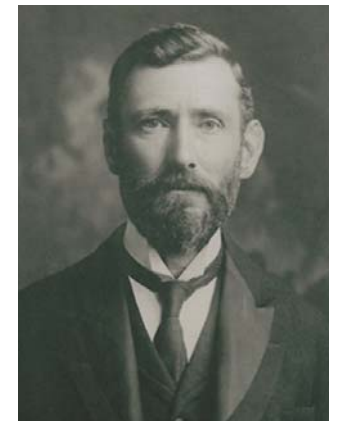
- 1889 sees the opening of the first Co-operative creamery in Dromcollogher, County Limerick
- Adopting the Danish Co-operative Model, Sir Horace Plunkett the Irish Agricultural Organisation Society Ltd. (later renamed Irish Co-operative Organisation Society Limited (ICOS)), was formed in 1894 by Sir. Horace Plunkett and his friends.
- On the recommendation of W.B Yeats, one of the first ICOS employees was the poet, painter, mystic and practical economist George William Russell, otherwise known as Æ

## The influence of the founding ICOS members can still be seen today

- The seeds for credit societies in Ireland were sown within ICOS by Fr. Tom Finlay, S.J. Based on the Raiffeisen system, Ireland's First Co-operative Agricultural Credit Society was set up in Co. Cork in November 1894
- Sir Horace Plunkett helped establish the fore-runner to today's Department of Agriculture Fisheries and Food in Ireland. The Department of Agriculture and Technical Instruction for Ireland (DATI) was formed in 1899
- With the advice and financial support of IAOS the Society of the United Irishwomen was formed in 1910. In 1935 the Society of the United Irishwomen changed its name to the Irish Countrywomen's Association (ICA)
- Evolving from their small Co-operative beginnings in Ireland, multi-billion euro companies like Arysza AG, Glanbia, Irish Dairy Board and Kerry Group have established a global market present
- Marketed through the Irish Dairy Board and available in over 50 countries around the globe, the 'Kerrygold' brand is Ireland's only truly internationally known food brand

## Sir Horace Plunkett

- 1854 – Horace Curzon Plunkett, our founding President and one of the pioneers of the Co-operative movement and shining lights of Irish agriculture was born in Co. Meath, the third son of the 16th Lord Dunsany
- 1879 – Following his education at Eton and Oxford, Plunkett moved to the USA and spent ten years ranching in Wyoming
- 1889 – Even though Plunkett was not involved in setting up first creamery Co-op in Ireland in Drumcollagher in 1889, he was successful in starting the second in Ballyhahill in 1891
- 1894 - The Irish Agricultural Organisation Society Ltd. (later renamed Irish Co-operative Organisation Society Limited (ICOS)), was formed by Sir. Horace Plunkett and his friends
- 1897 - Plunkett set up the Irish Agricultural Wholesale Society (IAWS) for the supply of inputs and supplies to Co-ops. This company has today evolved into the international company known as Arysza AG
- 1899 – Founding Vice President of the Department of Agriculture and Technical Instruction for Ireland. Can claim to be the oldest department in the Irish Republic, having preceded the Irish Government structure



*Sir Horace Plunkett*

- 1909 – In his last public letter as President of the United States, President Theodore Roosevelt, gave thanks to Sir Horace Plunkett for his great services to the organisation of agriculture in the United States. Roosevelt, credits Sir. Horace Plunkett with helping formulate agricultural policy in the USA. In fact, Roosevelt adopted Plunkett’s slogan of “Better farming, better business, better living” for his conservation and agricultural policy
- 1914 – The Co-op movement spread throughout Ireland and by 1914 there were over 800 Co-ops in the country
- 1919 – Started the Plunkett Foundation in Ireland and England. The Plunkett Foundation continued to promote and develop agricultural Co-operatives and rural community enterprise, with the slogan “Better Farming, Better Business, Better Living”. Over the years it too has evolved. Its work today focuses on the development of Co-operatives in the areas of Rural Community Enterprises, Community Shops, Co-operative Pubs, and Community Food Enterprises
- 1924 – In conjunction with the Empire Exhibition at Wembley in north London the Plunkett Foundation organised the first global conference of agricultural Co-operatives
- 1932 – Sir Horace spent the last years of his life in England and died there in 1932 at the age of 78

## Who We Serve

We serve Co-ops that collectively have over 150,000 individual members and employ >12,000 people in Ireland. Starting from agriculture Co-op roots, and the vision of our founding President, Sir Horace Plunkett in 1894, ICOS today has evolved to serve the Co-operative sector in seven core categories, namely:

- Multipurpose dairy Co-ops
- Livestock sector Co-ops
- Store, trade and wholesale Co-ops
- Service-related Co-ops
- Community-oriented, culture and leisure Co-ops
- Food, fishing and beverage Co-ops
- Advisory and education-related Co-ops

## Services We Provide

ICOS provides a broad range of services to its members. Such areas of service include:

- **Providing a Co-operative voice**

ICOS is a registered Co-operative. We have been representing and serving the Co-operative sector in Ireland for close on 120 years.

Our core business is to provide **vision, leadership** and **value** to the Co-operative movement in Ireland. We use our collective voice to put the needs of the Co-operative movement and our member Co-ops to the forefront of what we do.

- **Customer service, Co-op development & new Co-op registration**

ICOS are leaders in Co-operative development. We are also Ireland’s leading organisation for registering new Co-ops. We live by our mission to provide ‘world class service’ to our members. Through our core values we aim to deliver vision, leadership, and value to our members. For prospective Co-op start-ups, ICOS follows a process whereby prospective Co-operatives are evaluated for suitability, registered with the assistance of ICOS, and put through a two-year ‘Start-Up’ development programme.

- **Co-op rules & governance**

ICOS is the Co-operative with the foremost expertise in Ireland on Co-operative rules and governance. Our model rules are accepted by the Registrar of Friendly Societies. We provide advice on rules, governance, and annual Co-operative financial reporting. ICOS makes representations to the International Accounting Standards Board on behalf of Co-operatives in relation to emerging issues in relation to financial reporting.

- **Lobbying & representation**

ICOS lobbies and represents its members on nearly 50 boards, industry bodies and governmental institutions etc. We also maintain an active network across many departments of government. ICOS is one of the few Irish industry organisations that have a full-time office in Brussels since the early 1970s. Our Brussels office maintains a network with over 150 groups and organisations across Europe. ICOS’s reputation for openness, fairness, pragmatism and integrity advances our status both at home and abroad.

- **Sectoral expertise**

ICOS supports the creation of commercially viable Co-operatives that are structured, and focused on the economic drivers promoted through Co-operative principles. Co-operatives provide over 100 million jobs around the world. ICOS’s expertise across many industry sectors, together with our lobbying activities and our international networks help us deliver tangible value for our members.

- **Training & education**

Within ICOS we pursue a policy whereby we 'Educate to Co-operate'. A primary focus for our education initiatives is on corporate governance. Through ICOS Skillnet we have the facility to provide targeted training and personal development programs. We are also able to provide targeted training across a broad number of Co-operative industry sectors and fields of interest.

- **Networking & synergy**

ICOS actively promotes and supports the principle of 'Co-operation amongst Co-operatives'. We facilitate networking and business opportunities amongst our member Co-ops both in Ireland and internationally. When called upon, ICOS has always been the first to help facilitate and guide willing Co-ops to forge new relationships, drive industry wide initiatives, pursue joint ventures and mergers.

- **Communication**

In today's information age ICOS has focus on actively communicating with its members in a timely fashion. Our website, Twitter and Facebook feeds are updated regularly. Depending on the Co-operative sector we also send targeted e-mails on a regular basis, organise networking events, seminars and conferences.

As always our team of development managers are only a phone call away.

- **Promoting overseas development**

Through the Irish Foundation for Co-operative Development (IFCD), ICOS aids in the advancement of the Co-operative model in developing countries. Through our overseas networks and connections, we are always on the lookout for business opportunities for our members back home in Ireland.

- **Funding opportunities**

ICOS has a long track record of securing funding for the Irish Co-operative sector. Currently, we are focused on securing funding for projects in areas of innovation, research and development



## About Us

NABCO (the National Association of Building Co-operatives) is Ireland's national federation for the Co-operative housing movement. Since its foundation in 1973 Co-operative housing has:

- supported the provision of more than 5,000 homes across a mix of tenures
- taken responsibility for the ongoing management of nearly 1,800 homes available at affordable rents
- promoted the development of locally affiliated Co-operative societies across Ireland
- provided wider community development opportunities such as Childcare and Family Services
- started to develop employment and education opportunities for members and to explore community based supports for older members



*Niall O'Keeffe, CEO, NABCO*

NABCO is a Co-operative of Co-operatives, currently working with seven affiliated societies in Dublin, Kildare, Galway and Munster. Our local structure means that housing services are always locally owned and locally managed.

## Co-operative Living

Co-operatives are always people-centred and values-led. At NABCO we provide comprehensive training programmes for our members to give them the skills they need to exercise leadership for their communities, making for a more resilient society that is better placed to cope with change. Our governing structures are always member-led and we support good governance through training and development for our board members.

As a Co-operative we have concern for community at the heart of our values. We have supported the development of a Co-operative child and family services that currently operate within three of our communities with a fourth service coming online in 2012. NABCO's affiliated societies also support community development through summer programmes for young people, community gardens, local book clubs and other structured activities.

We work with co operative members to help them to meet their own ambitions through self-help. We provide volunteering opportunities in the areas of community development, housing management and childcare, all backed by programmes of personal training and development. We promote employment opportunities by providing structured work placements leading to real skills development in areas such as property and development.



## Development

NABCO promotes the continued expansion of the Co-operative housing sector as a solution to housing need. Examples of expertise in project delivery include:

- Avondale Park, Fingal: NABCO has managed the planning, design and delivery of more than 200 state-of-the-art new homes alongside a cutting edge childcare service.
- Loughlinstown, Dun Laoghaire-Rathdown: on a site provided by Dun Laoghaire-Rathdown County Council, NABCO developed 49 new apartments and communal facilities with communal facilities for members.
- Unfinished Housing Estates: NABCO is working with the Department of Environment, Community and Local Government and local county councils to pilot solutions to unfinished housing developments in areas such as Longford and Cork.



*Riverside Housing Co-operative, Loughlinstown*

## Building Better Communities

Membership of a Co-operative housing society allows for greater opportunities for mutual effort and community development than in other forms of housing tenure. Almost all of NABCO's developments are equipped with communal rooms that can be used by local societies for meetings, training and social events. Members frequently come together to promote their local community and to meet their common need. Examples of local activity in Co-operative communities include street parties, book clubs, allotments and summer camps for local children.



*New Co-operative housing at Avondale Park, Mulhuddart*

## Child and Family Services

Concern for education and community development is at the heart of the Co-operative identity. To meet a locally identified need in this area, local Co-operatives have developed Childcare and Family Services in a number of our communities. Childcare Services are currently provided in Tallaght, Lucan and Island Key in Dublin's East Wall and a new service will open shortly in Avondale Park, west Dublin.

Our child and family services are based on a genuine partnership approach between parents, children, staff and the community. We actively promote good relations between our services and local communities by hosting shared activities such as street parties and sports days. Parents are supported through parents groups, parenting courses and access to wider training and development opportunities.

## Affiliated Societies

NABCO's members are local affiliated housing societies that join NABCO to share in the benefits of membership. At present there are seven affiliated societies across the country who avail of shared national services as well as training and networking opportunities. NABCO is available to help local groups who wish to come together to meet local housing need and who recognise the benefits of a Co-operative approach.



*Local children help plant a community garden at Newtown Court, North Dublin*

## The National Federation

As the national federation NABCO has an important role in representation and promotion of the Co-operative housing movement. We participate in the Community and Voluntary Pillar of social partnership as well as representing the movement to Government, key stakeholders and the media. As the national representative body for co-operative housing, NABCO is authorised to nominate candidates in the Administrative Panel for elections for Seanad Éireann.

NABCO represents Irish Co-operative housing internationally through membership of organisations such as CECODHAS, the European housing forum, and the International Co-operative Alliance. In 2013, NABCO will celebrate its 40th anniversary by hosting CECODHAS's European housing conference during Ireland's presidency of the European Union.

## Joining a Co-operative

Membership of a housing Co-operative is voluntary and is open to anyone. Groups of people may come together to solve their own housing needs through starting a home-ownership co-operative or may apply to become members of a rental housing Co-operative.

Membership of a local rental Co-operative is based on an assessment of real housing need and new members are typically recruited through the social housing waiting list of the town or county where they live. All prospective members have the opportunity to attend information and familiarisation sessions at which the benefits and responsibilities of membership are explained. Once members join, they can become representatives on the boards of their local society and seek election to NABCO's national board.

NABCO can assist groups seeking to set up their own housing Co-operative by providing information, advice and training. We support groups registering as Co-operatives by providing expert advice on the legal form of Co-operatives and through provision of model rules for new societies. We can also provide guidance in housing development and detailed support in accessing housing finance.

To find out more about Co-operative housing in your area, or to enquire about starting your own Co-operative, contact us at:



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33 Lower Baggot Street  
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**Irish League**  
of **Credit Unions**

## Background to Irish League of Credit Unions (ILCU)

The Irish League of Credit Unions (ILCU) is the principal trade and representative association for credit unions in Ireland, both North and South. It represents 493 credit unions (103 in Northern Ireland) with total membership of approximately 2.9 million. ILCU affiliated credit unions hold almost €11.7 billion in members' shares/deposits and have approximately €5.5 billion on loan to members at this time.

The ILCU fulfills three main roles as follows:

1. **Trade/Representative Association**
2. **Monitoring/Supervisory Activities and Support**
3. **Business Support Services**

## Credit Union Structures and Operations – The Credit Union Difference Philosophy and Structure

Credit unions were introduced to Ireland in 1958 when the Irish movement's founder, Nora Herlihy observed how unemployment, poor housing, sickness, emigration and money lending was adversely affecting many peoples' lives. At the time, the availability and management of money was a major difficulty for many. In particular, there was virtually no credit available to working class people. Nora, together with other founder members Seamus MacEoin and Sean Forde, sought a means of giving people control of their own finances. These founder members made contact with the fledgling credit union movement in the USA which resulted in the concept of credit union being brought to Ireland. By the end of 1958 there were five credit unions here. For its success over the years in serving members' needs and its impressive penetration levels (with 57% of the population claiming credit union membership), the Irish movement is an international success story in credit union terms.

The prime focus of credit unions is to meet the financial needs of their members by providing a safe place to save and access to credit at fair and reasonable rates of interest.

Credit unions occupy a unique position in the social and economic fabric of Ireland and operate in accordance with the following statutory objects:

- (a) the promotion of thrift among its members by the accumulation of their saving
- (b) the creation of sources of credit for the mutual benefit of its members at a fair and reasonable rate of interest
- (c) the use and control of members' savings for their mutual benefit



*Kieron Brennan, CEO, Irish League of Credit Unions*



- (d) the training and education of members in the wise use of money
- (e) the education of its members in their economic, social and cultural well-being as members of the community
- (f) the improvement of the well-being and spirit of the members' community
- (g) the provision to its members of such additional services as are for their mutual benefit



*Manager and Board of St. Brigid's Credit Union in Clara host Russian Delegation*

In addition, the registered rules of affiliated credit unions require that each credit union conducts its affairs in accordance with a set of Operating Principles which are utilised throughout the credit union world. These principles form the basis of what we call the credit union difference and make provision, inter alia, for open and voluntary membership, democratic control, the return of surplus to members and non discrimination in race, politics and religion. Credit unions are unique financial institutions in terms of ownership, management and objects. An overview of some of the key differences between credit unions and other financial institutions follows:

### **Ownership – Democracy and Mutuality**

Every credit union is owned and controlled by its members with each member having one vote (irrespective of their level of shareholding). Membership of a credit union is open to people who have a “common bond”.

### **Common Bond**

The common bond is the link which unites the members of the credit union - it is what members have in common. Types of common bonds include:

- **Community bond** (where all members live, or work, in a particular locality)
- **Occupational bond** (where all members are in the same profession or occupation, or work for the same employer)
- **Associational bond** (where all members are in the same society or association)

### **Not for profit (but for service)**

Credit unions are not for profit financial Co-operatives owned and run by their members. Any surplus income generated is either used to bolster reserves and/or develop additional services for members or it is returned to those members by way of a return on savings or rebate of loan interest paid by the borrowing members during the previous year. Generally transaction charges are not levied on members. Loans and savings are insured at no direct cost to the member.

### **Run by Volunteers**

While some credit unions employ staff to assist in operations, the primary direction and role of every credit union is determined by volunteers (and is required to be so by legislation). Credit unions are predominantly run by volunteers.

Volunteer Boards of Directors and Supervisory Committees are democratically elected by the members of the credit union at their Annual General Meeting. In excess of 9,000 volunteers are involved in the movement nationally. Some credit unions are managed entirely on a voluntary basis while some employ professional staff, however, a common element across the broad spectrum of credit unions is a network of volunteers who direct and control the organisation and are accountable to the membership.

### **Autonomous Entities**

Each credit union is a separate legal entity, with its own independent or autonomous status and manages its own affairs subject to the Credit Union Act 1997 (as amended) and other relevant legislation.

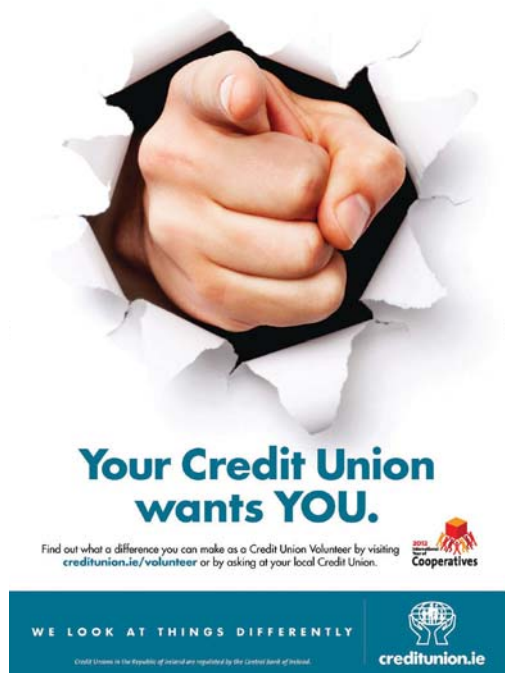


*Russian delegation visiting Birr Credit Union Nov 2011*

## Community Focused

By their nature, credit unions are an integral part of the communities in which they operate and make a real and tangible contribution to those communities. Many credit unions provide social capital to their communities – some examples of how are:

- development of enterprise centres to house local start-up businesses;
- provision of finance to build local crèches;
- sponsorship of local community groups and projects
- the building of a neighbourhood village as a public private partnership in conjunction with a City Council, Health Board and Enterprise Ireland. This project won numerous national and international awards.



## Credit Union Operations

The credit union difference is not merely around ethos and philosophy. The business model of credit unions is also fundamentally different to every other financial institution operating in the State. In short, credit unions are member owned, member run, not for profit financial Co-operatives which exist only to serve their members' needs. Credit unions are answerable to their members and must run daily operations in a responsible manner that protects member savings and the integrity of the credit union. At the Annual General Meeting of the credit union members elect a board of directors. The board of directors is granted through legislation the power to control, direct and manage the credit union. One of the key strengths of credit unions lies in the simplicity of their business model. While credit unions have not been immune to the turmoil in the global financial system, they have fared better than many other financial institutions. In fact, recent events have highlighted the strength of credit union operations. Credit unions fund their loan books entirely from member savings and are therefore less exposed to the credit crunch and the global financial crisis since they do not borrow from banks or the financial markets to fund their loans to members.

## Services Offered by Credit Unions

### Savings

Credit unions offer both share and deposit accounts. There are a number of savings accounts options that can be held. Members can usually withdraw savings easily unless they are pledged as security against a loan. Each credit union share held attracts a dividend for that year (provided one is declared by the members in general meetings). Deposit accounts attract an interest rate.

## Loans

Credit unions will consider loan applications from members for any "provident and productive" purpose (as required by law). Each credit union board adopts a Credit Policy which sets out the limits and procedures to be followed when loan applications are being processed. Members have access to loans with flexible repayment schedules and without any hidden fees or transaction charges.

### Life Savings Insurance

LS insurance is the life insurance cover all Irish credit unions provide for eligible members as an additional incentive for them to save regularly. Members pay no individual charge. The amount of insurance benefit to which a member is entitled is in proportion to the amount of savings the member has and depends on a member's age at date of lodgement. Once earned, the insurance benefit remains in force for as long as a member leaves his/her savings in the credit union. Premia for this cover are paid, as an operational expense, by the credit union.

### Loan Protection Insurance

LP insurance is the cover all Irish credit unions take out on the lives of eligible, borrowing members. Members pay no individual charge. Under the Loan Protection policy, when a member with an outstanding loan balance dies, the balance is repaid in full (subject to policy terms and conditions). With most credit unions, the loan of a member who suffers total and permanent disability for any occupation before his/her 60th birthday is also covered. Premia for this cover are paid, as an operational expense, by the credit union.

LP/LS insurance is underwritten by the Irish movement's wholly owned insurance company, ECCU Assurance Company Limited. LP/LS insurance is a valuable and unique benefit for Irish credit union members and is a key differentiating factor between credit unions and all other financial service providers currently operating in the country.

## Additional Services Offered by Credit Unions

Anything other basic credit union savings and loans are deemed to be "additional services". It is expected that the new legislative environment, to be created as a result of a proposed new Credit Union Act, will significantly improve this situation by facilitating the development of new services and, in particular, the development of shared services among credit unions.







Children, staff and parents celebrate at a street party in Island Key, Dublin

## Co-operative Child and Family Services

A partnership between families and communities

NABCO's Child and Family Service was established in 2001 to respond to the needs of members in NABCO's affiliated housing Co-operatives for quality, affordable childcare. The services are now open to all children in local areas from one to twelve years of age.

At the start of the last decade, members of the housing Co-operative in Lucan, west Dublin, were keen to have the option to pursue opportunities for education and employment. However, although their local area was well-provided with private childcare facilities, this option was not affordable to members. Parents came together and worked with NABCO to assess the possibility of meeting their own childcare needs within their own community. Using their local communal room and a start-up grant from the Equal Opportunities Childcare Programme, parents were able to provide a facility for 18 children. Over time, the need for childcare within the community grew and a new, state-of-the-art extension, completed in 2009, has expanded the capacity of the centre to up to 56 children each day.

At the same time, NABCO worked closely with other housing Co-operative communities to address childcare needs. Two further services have been added in Brookview, Tallaght, and in

Island Key in Dublin's East Wall. A further service will open in Avondale Park, Mulhuddart, shortly.

NABCO's Child and Family Services play a central role in the life of their communities and regular parties, clubs and classes form an important part of the services' activities. Following an early pilot of the Childhood Development Initiative in the Brookview centre, support for parents and families has been a key part of the Service's work.

The Co-operative identity of the Child and Family Service informs every aspect of its work. Children, parents and staff are treated as equal partners in developing the service and engagement with the surrounding community is seen as a crucial role in supporting children and families to reach their full potential.

For more information on NABCO's Child and Family Service contact:

**Catherine Healy**  
**Child and Education Services Manager**  
**NABCO**

**Co-operative House**  
**33 Lower Baggot Street**  
**Dublin 2**  
**catherine.healy@nabco.ie**



## Credit Union Alliance

Co-operation among co-operatives in Cork

Each credit union is a financial Co-operative in its own right but what about the idea of Co-operation among Co-operatives? There are over 500 credit unions on the island of Ireland and there is quite a lot of informal Co-operation between them. Formal Co-operation, however, is not so common but one successful example is the Credit Union Alliance in the Cork region. A group of seven credit unions\* recognised that there were significant opportunities to reduce costs and improve performance through the medium of Co-operation. This has resulted in financial benefits for them and improved services for their members.

The Alliance started informally in 2002 to design a joint approach to marketing. This worked so well that the group decided to expand its remit into new areas such as policy development, credit control, compliance and purchasing. In December 2009, with the help of ICOS, the Credit Union Services Co-operative Society was registered and now trades as the Credit Union Alliance. Today the seven credit unions listed below are

working to standardise operational policies and procedures in a number of key areas. The alliance has developed shared services such as debt collection and legal advice, which the credit unions are free to "dip in" to as required, while still retaining their independence.

*"The Alliance has shown us all the practical benefits of Co-operation"*

William Casey,  
 Chairperson St Gabriel's Credit Union

**Ballincollig Credit Union**  
**Bandon Credit Union**  
**Bantry Credit Union**  
**Clonakilty Credit Union**  
**Kinsale Credit Union**  
**Skibbereen Credit Union**  
**St Gabriel's Credit Union**





*Pictured with His Excellency the Vice President of China, Xi Jinping during his visit to the farm of Dairygold Vice Chairman in February 2012 are (l to r): Dairygold Chief Executive Jim Woulfe, Vice Chairman James Lynch, Minister for Agriculture, Marine & Food Simon Coveney TD and Dairygold Chairman Bertie O'Leary.*

## Dairygold Co-operative Society

Ireland's largest farmer owned Co-op

With over 9,000 members and a turnover of over €750 million Dairygold Co-operative Society is Ireland's largest farmer owned Co-operative. Located in Munster, in the heart of Ireland's most green and fertile milk production region, Dairygold is also the country's second largest milk processor. Dairygold's grass based production model places it at the forefront of dairy farming efficiency allowing it to compete with the very best internationally.

The Society operates three distinct businesses, Dairy, Agri and Retail. The dairy business operates six milk processing facilities, three in Ireland and three overseas while its agri business is the country's second largest agri trader combining grain-intake, milling, feed, fertiliser and farm requisite sales. Dairygold's retail business operates 39 stores under the Co-op SuperStores and Co-op Stores retail brands.

Formed in 1990 with the merger of Ballyclough Co-operative Creamery Limited and Mitchelstown Co-operative Agricultural Society Limited, Dairygold's success has been built on a century of Co-operative heritage and dairy processing excellence. Ballyclough and Mitchelstown Co-operatives were established in the early 1900's.

While maintaining a commitment to the Co-operative ideal of a farmer ownership, Dairygold today is sharply focused on building a profitable and sustainable dairy and agri business that can compete on the global stage for the benefit of its Membership through innovation, customer focus and efficient milk processing.

### Contact Details:

**Tel:** +353 (0) 25 24411

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**Email:** [info@dairygold.ie](mailto:info@dairygold.ie)



**ECCU**  
Assurance Company Limited



## ECCU Assurance Company Ltd

The Credit Union movement's own Life Assurance company

Credit unions provide a range of life insurance products to their members, usually at no direct cost to the member. The main products are:

- Life Savings Insurance - provides a payment based on a member's savings history in the event of his or her death
- Loan Protection Insurance – repays a member's outstanding credit union loan in the event of his or her death
- Death Benefit Insurance - provides a fixed benefit in the event of a member's death for the purposes of paying funeral expenses

These products are provided through ECCU Assurance Company Limited, which was established by Irish credit unions in 1980 so that the credit union movement could have its own life company. Its only customers are the 493 credit unions affiliated to the Irish League of Credit Unions. ECCU is a not-for-profit

assurance company. Credit unions pay the required premiums on behalf of their members and any surplus remaining after paying claims and operating costs is paid back to credit unions annually.

There is an element of risk equalisation built into the premium calculation so that credit unions with an older membership base are not unduly penalised. While premiums are competitive, credit unions with a young member base are occasionally "cherry-picked" and offered lower premiums by commercial insurers. However, in the spirit of Co-operation, all affiliated credit unions continue to use ECCU for their assurance needs.

### Contact Details:

**ECCU Assurance Company Limited,  
33-41 Lr Mount Street,  
Dublin 2**



## Goodwill Housing Co-operative Society Ltd

Self help housing in County Kildare

Goodwill Housing Association was established in 1992 by the late Marie Harrigan Mullane with the aim of providing housing to people on Kildare County Council's Housing list.

The group encountered a number of challenges in realising their ambitions over the next 10 years, yet despite this, meetings continued to be held on a monthly basis. The meetings were well attended and the capacity of organisation to manage its own affairs was developed. In 2003 Goodwill Housing Association was wound up and a new entity, Goodwill Housing Co-operative Society was formed. Goodwill became an affiliated member of NABCO and has from that time, continually benefitted from NABCO's expertise and Co-operative ethos.

Goodwill continued to work with Kildare County Council and was eventually successful in getting agreement to purchase a site from them. Following the granting of planning permission, building commenced on 26 units in Rickardstown, Newbridge funded under the Department of the Environment, Community and Local Government's Capital Loan and Subsidy Scheme. These units were completed in December 2009 with some members moving in during Christmas week.

Sadly, while Marie remained active up until the building had commenced, she did not live to see the completion of the units. However, she would have had great satisfaction from knowing that many of the people that had remained with the Society from the beginning were housed.

Parallel to this, Goodwill entered into discussions with Kildare County Council and Barrack Construction. This resulted in the society benefitting from a Part V agreement to purchase 18 apartments at Millfield, Newbridge, also in 2009.

Goodwill is keen to grow as a Co-operative organisation and to expand and develop its services. It is currently considering ways in which the Society can tap into the surfeit of vacant housing available throughout the mid-Leinster region.

Goodwill is fully managed by its members with the assistance of two non-beneficial Directors.

**Goodwill Housing can be contacted at:**  
[goodwillhousing@gmail.com](mailto:goodwillhousing@gmail.com)

## IFAC Accountants

An accountancy service by farmers, for farmers

In 1974, Donal Cashman, as Deputy President of the IFA, saw the need for a specialised farm accounts agency. From 1975 to 1977, local farm accounts groups were formed and Recorders were engaged to record farm management accounts. The Irish Farm Accounts Co-operative Society Limited (now trading as IFAC Accountants) was established in 1978 and all clients receiving a service at that time became shareholders.

The number of active/non active shareholders and non-shareholder clients in the Society is 27,857. The turnover is €12.1m and the number of staff employed is 122 and in addition, there are 141 employed as book-keepers.

When IFAC was set up, the objective was to provide Irish give value for money. IFAC book-keepers call to clients with a laptop computer to keep their book-keeping up to date. Interim accounts (9-10 months) are produced on demand for tax planning before the accounts year end.

### Management Accounts/Comparative Analysis – Unique Service

IFAC believes that accounts produced for tax purposes should also be used to provide management information. The value of a farmer's year end accounts produced by IFAC Accountants is enhanced by bench-marking i.e. comparing the results against those farmers with a similar enterprise mix. The IFAC database compares a farmer's own figures on output, individual costs and profit with the national average and top 10% within similar enterprise mix e.g. mainly creamery milk producers, mainly cattle, mainly sheep etc.

The Co-operative is owned and run by farmers (shareholders), therefore the members, through the board of management, have direct access into the running of the organisation. The board has 18 members, 12 of whom are elected by members and 6 Co-opted from IFA, Macra Na Feirme and ICOS. Members having an input into policy is unique in the accountancy business.

### Contact Details

Willie Fahey, C.E.O., [williefahey@ifac.ie](mailto:williefahey@ifac.ie)

IFAC Accountants

Irish Farm Centre

Bluebell, Dublin 12

Tel: (01) 4551036

Email: [info@ifac.ie](mailto:info@ifac.ie)

Fax : (01) 4551053

Web: [www.ifac.ie](http://www.ifac.ie)





## National Co-op Farm Relief Services Ltd

Supplying skilled labour and back up to farmers and the rural country

National Co-op Farm Relief Services Ltd, trading as FRS Network was established in 1980 to develop, promote and co-ordinate farm relief services in Ireland. It is a federal Co-op in which all local Farm Relief Services (FRS) Co-ops took shareholding. Over the years, National Co-op FRS promoted and encouraged a series of amalgamations among the local FRS Co-ops and we now have eight member Co-ops with 21 offices nationwide.

The FRS Network Organisation provides a wide range of services to over 20,000 farmers including relief milking, hoof care, freeze branding, pregnancy screening, general farm work, plastic collection and fencing. FRS Network has a staff of almost 2,000 and the combined annual turnover of the organisation (including its member coops) is €30m. In recent years, FRS Network has diversified into other non-farming sectors including FRS Recruitment, FRS Training and FRS Homecare.

FRS Network plays a vital role in the supply of a very professional back up service to farmers both for general day to day operation of their farms such as milking and general farm work and through our specialised services such as hoof care, pregnancy scanning and freeze branding. FRS fencing is established as one of Ireland's leading fencing contractors and suppliers of a wide range of top class fencing materials.

FRS Network is very much a self-help organisation in true Co-operative spirit which grew out of farmers coming together in a voluntary capacity to organise local relief milking groups to meet a need on their own farm. The same Co-operative spirit and principle still persists today.

### Contact details:

**Peter Byrne**  
CEO  
FRS Network, Derryvale,  
Roscrea, Co Tipperary  
086/2569790 or 0505/22100  
Francis Fitzgerald (Chairman)  
Tim Maher (Vice Chairman)



## National Federation of Group Water Schemes

Organising the provision of drinking water to rural communities

National Federation of Group Water Schemes Founded in 1998, the National Federation of Group Water Schemes (NFGWS) is the representative and training organisation for the community-owned and community-run rural water sector, comprising almost 400 affiliated group schemes.

Some 150,000 households across rural Ireland secure their drinking water supplies from a group water scheme, the majority of which are themselves organised as Co-operatives.

Shortly after its formation, the NFGWS successfully negotiated a Rural Water Programme with government, ensuring that group water scheme consumers would be treated on a basis of parity with urban dwellers in terms of capital investment in water services infrastructure and on-going operational supports.

Through a partnership arrangement with central and local government, the Federation is actively (and successfully) promoting a transformation in Irish rural water services.

A targeted capital investment in addition to tailored training courses, mentoring and other support services provided by the NFGWS means that Ireland's group water schemes are increasingly performing to the highest international standards.

With eight full-time and two part-time employees, the NFGWS has an annual turnover of approximately €0.75 million. With its main office in Monaghan, the Federation has regional offices in Tuam, Tullamore and Kiltimagh.

What does Co-operation mean to the NFGWS? The provision of drinking water to rural communities relied in the first instance on the Co-operative effort of communities working together for the common good. The model and ethos provided by the Co-operative movement provided a natural home for a sector that continues to rely on voluntary commitment and member ownership as essential ingredients in building success.

**Contact details:**  
Tel. 047-72766  
Email: [julie@nfgws.ie](mailto:julie@nfgws.ie)  
[www.nfgws.ie](http://www.nfgws.ie)





## Roscommon Co-operative Livestock Mart Ltd

A proud record of serving our farmer members for over 50 years

Roscommon Co-operative Livestock Mart Ltd  
Serving Farmers For Over 50 Years  
1959 to 2012

Roscommon Co-operative Livestock Marts has held a central role in farming in County Roscommon for over 50 years and plays an important role in the social and economic life of both rural people and residents of Roscommon town.

Roscommon Mart was the first such mart to be set up in Connacht and was established as a result of the foresight of a group of individuals who came together in the late 1950s to put a stop to the situation where livestock were sold privately and give farmers an opportunity to have stock weighed publicly and sold at public auction.

At that time there was no Co-operative Mart in the West of Ireland and the few that were in the Country were located mainly in the South. The mart was built at a cost of £23,000 and the opening sale was held on 10th July 1959. It was the first such facility to be established in the West of Ireland.

When the Mart was first established, the share register had a total of 458 members and down through the years additional shareholders have been added.

The mart has a tradition and a reputation for selling good quality cattle and sheep. It attracts buyers from across Ireland and Northern Ireland. It also holds sales for pedigree cattle and sheep, as well as organic stock.

The management structure is in the form of board of Management elected by the shareholders on a geographic basis. The Society has a turnover in excess of €26 million. It has strong support from the local community. The Society employs 3 permanent staff and up to 30 part-time clerical and yard staff and 4 Auctioneers. Canteen facilities are available on site, as well as a Veterinary supplies store offering a valuable service to its customers.

Roscommon Mart is located at Circular Road, Roscommon.

**Contact details:**  
Tel 090 6626352/0906626149/0906626099  
Fax: 090 6625689  
email: [roscommonmart@gmail.com](mailto:roscommonmart@gmail.com)  
Website: [www.roscommonmart.ie](http://www.roscommonmart.ie)



## Sligo Rovers F.C.

FAI Cup winners 2010 and 2011 - an integral part of Sligo for 100 years

Sligo Football & Sports Development Society Ltd. Trading as Sligo Rovers F.C.

Sligo Rovers has been an integral part of Sligo community (urban & rural) for almost 100 years. Sligo Showgrounds, its 12 acre home, is owned and held in trust for the club by the local community. The ground, which can never be sold, has two functions:

- To provide top facilities for youth development through soccer coaching
- To provide a community social / entertainment amenity by operating a senior (professional) team in the country premier league

It is a source of great satisfaction on a winters evening to see group of youngsters training on the brightly lit synthetic pitch where all levels of underage and coaching from u10 to u18, boys and girls is provided, across a range of sports.

When the club fell into severe financial difficulties in 1988 it was taken over by the community and registered as a Co-operative. Its share register has over 500 fully paid up members (€635 per share) but there are many times this number involved in some way in the multi-facet Co-operative activities.

Despite investing around €3 million in ground development over the last 10 years there is almost no debt. The Co-operative movement in Ireland has been described as "the story of a struggle". For Sligo Rovers every day is a "struggle" yet it has never failed to meet its commitments – achieved sometimes through sound financial planning and sometimes reliant on miracles. One comforting thought is that the membership will always rally, in times of difficulty. The community looks after Sligo Rovers but there is obviously a reciprocal benefit. Throughout the playing season if one observes a group of people in discussion from any strata of society there is a chance the Sligo Rovers is the topic – be it negative or positive comment.

Another special aspect of the Society is that some of its staunchest and hard-working members would often not bother to attend games, yet would almost die in the cause of Sligo Rovers – a unique commitment that is hard to explain and impossible to imitate.

**The Co-operative operates at Sligo Showground:**  
**+353 71 9171212**  
[sligorovers@eircom.ie](mailto:sligorovers@eircom.ie)



## Templecrone Co-op Agricultural Society Ltd

Bringing value to Dungloe and the Rosses for over 100 years

The Templecrone Co-operative Agricultural Society Ltd was founded in 1906 by the infamous Paddy "the Cope" Gallagher. Dungloe and the Rosses is situated in the North West of Donegal in what can only be described as the hinterlands of the country, suppressed by Landlords and local traders, Paddy set about gaining fair value for local farmers in the early 1900's. By 1917 The Cope had already become the third largest Co-operative in the country. Paddy based his original vision for the Templecrone Co-operative on the Scottish Co-operative movement which he encountered during his time working in Scotland.

A far cry from their first order of a shipment of fertilizer is today's Co-operative, with over 100 employees and an annual turnover in excess of €12million the Cope is still a thriving business maintaining Paddy's original concept of bringing value to the local area. The Cope's current retail reach goes from Supermarkets to Fashion Clothes Stores, to Builders Merchants and Furniture. The Cope has recently expanded its businesses to include Information Technology Services and Repairs and also a state of the art Children's Adventure Centre. The Cope continues to diversify even in the most difficult of trading conditions, which it has done time and time again over the last 106 years.

The Cope as it is more affectionately known is governed by a Committee of 13 Individuals from various parts of the local and wider community, all with varying backgrounds but the common goal of maintaining the objectives of the society which was set out by Paddy all those years ago in a little house in the townland of Cleendra.

The Cope is vitally important to the small community that it caters for. Not only does it strive everyday to bring best value to the local people, and keeps over 100 local people employed on a regular basis, but it spreads much wider to the suppliers it works with in the local and wider community, the Cope's reach is far wider and greater than anyone could ever anticipate and has become a great example of a Co-operative which transformed its model through the ages to mould to the changing economy and environment.

Contact Information:

**Mark Sharkey**  
**Managing Director**  
**Tel: 074 9522640**  
**Fax: 074 9561691**  
**Email: [info@thecope.ie](mailto:info@thecope.ie)**  
**Web: [www.thecope.ie](http://www.thecope.ie)**



## Western Forestry Co-operative

A federal co-operative promoting opportunity in farm forestry

In line with its 100 year tradition, when research showed that the poor grey soils, predominant in the West of Ireland could grow timber successfully, the Co-operative movement quickly saw the opportunity for farmers. ICOS successfully lobbied Government to have afforestation grants included in "The Western Package (1980)"

It saw the advantage of introducing a lucrative crop to utilise areas of the farm which were previously unproductive. However farmers had no forestry tradition and for well documented reasons were actually antagonistic towards it. This prejudice to farm forestry extended to farm organisations, agricultural services and community development groups.

To meet this challenge the seven main farmer's Co-operatives in the region, with ICOS, formed the (federal) Western Forestry Co-operative in 1985, with twenty farmer controlled branches formed later. The active ingredient of farmer's own Co-operative, supported by state and EEC funding succeeded (eventually)

in breaking down prejudices and having farm forestry accepted. Membership of the Co-operative branches, each with professional back-up and the services to facilitate farm afforestation, swelled to over 3000 by the early 90's. Success was also achieved in grouping the small areas (average 4 ha.) on individual farms with plantations on neighbouring farms to give the necessary scale.

This afforestation scheme was so successful it had to be extended throughout the country and indeed the entire EU. This encouraged the emergence of many strong forest development companies.

Western Forestry Co-op is unique as it was not formed by Co-operating farmers to provide better services / markets but formed by Co-operatives to meet the "unfelt needs" of farmer members. Also members enthusiastic participation rotates being strongest at establishment and harvesting but relatively passive during other growth phases.



## Starting a Co-operative

# Introductory Guidelines and Business Plan Template

Basic steps in setting up a  
Co-operative and the services  
provided by ICOS



## 1. ICOS – Irish Co-operative Organisation Society

The Irish Co-operative Organisation Society (ICOS) is a co-operative umbrella organisation that serves and promotes commercial co-operative businesses and enterprise across multiple sections of the Irish economy.

### Our mission is:

***Generating leadership, competitiveness and value through stronger co-operation***

Within ICOS we aim to embrace the pioneering, innovative and tenacious spirit of our founding members to help strengthen our co-operatives operating in today's commercial and competitive world.

### Our core values are:

**vision | leadership | value**

**Vision** – As the umbrella organisation representing many of Ireland's agribusiness co-operatives, ICOS has a responsibility to sense the future, innovate and help evolve the co-operative movement to help meet the needs of its members and the needs of the market place.

**Leadership** – ICOS is the unifying voice for Irish co-operatives. ICOS endeavours to show leadership and direction in order to maintain sustainable business growth in an ever growing globally competitive marketplace.

**Value** – ICOS strives to deliver tangible value to its members. We aim to educate our members on the value of the co-operative, encourage and develop the next generations of co-op leaders to ensure sustainability, self-governance and self-responsibility.

ICOS member co-operatives collectively have over 150,000 individual members, employ >12,000 people in Ireland (a further 24,000 abroad) and has combined turnover of €10 billion. Starting from agriculture co-op roots and the vision of our founding President Sir Horace Plunkett in 1894, ICOS today has evolved to serve the co-operative sector in seven core categories namely:

1. Advisory and Education related Co-ops
2. Community oriented, Culture & Leisure Co-ops
3. Food, Fishing & Beverage Co-ops
4. Livestock sector Co-ops
5. Multipurpose Dairy Co-ops
6. Store, Trade & Wholesale Co-ops
7. Service related Co-ops



## 2. What is a Co-operative

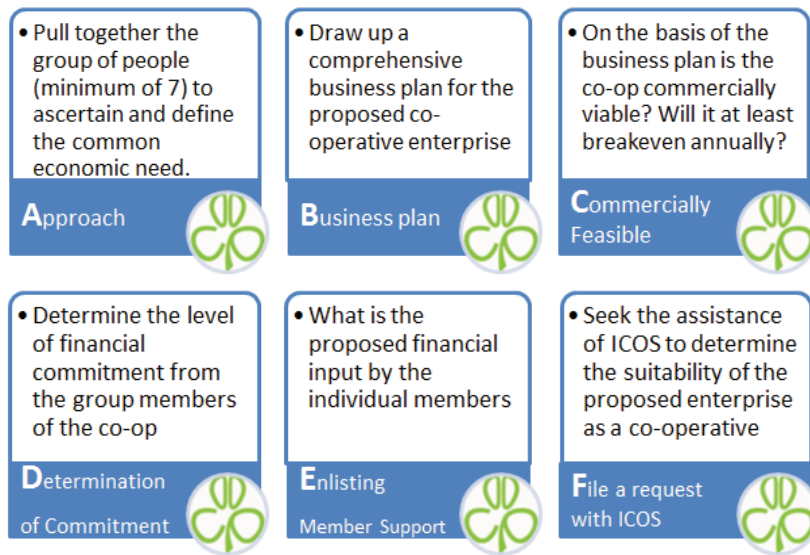


### What is a co-operative?

A co-operative is an enterprise which is owned and controlled by its user members and operates for the benefit of its user members.

## 3. Starting a Co-operative

ICOS background and knowledge in the co-operative movement benefits those wishing to set up new co-operatives. In fact, we try to make setting up a co-operative as easy as A - B - C. ICOS lists the following steps when accessing the viability and suitability of the proposed enterprise as a co-operative.



### A - Approach

- Do you have a minimum of seven people who have a common need and are willing to form a co-operative?
- Have you defined an economic need for that co-operative?

### B - Business Plan

- Has a business plan for the proposed co-operative been drafted?
- An example of a Business Plan template is available on request from ICOS.

### C - Commercially Feasible

On the basis of this business plan and the projections outlined within it, is the enterprise;

- Commercially viable?
- Will it at least breakeven annually?

### D - Determination of Commitment

Are the members of the proposed co-operative willing to put forward finances to help start the proposed co-operative. A registered co-operative, like a company, is an incorporated legal entity with Limited Liability. It can act on its own initiative, it can enter contracts, can sue and be sued, but must also be responsible for its actions.

### E - Enlisting Member Support

Discuss and agree the level of support, (e.g. the percentage of member share capital in start-up funds) that the members are willing to commit to the enterprise.

### F - File a Request with ICOS

When the steps outlined above have been completed please file a request with ICOS. ICOS may require to meet with the group prior to registration.

## 4. Co-op vs. Limited Company

The basis for making the choice between registering as a co-operative under the Industrial and Provident Societies Act or as a company under the Companies Act should first and foremost be determined by the suitability of the corporate structure to the strategic plan and intent of the business being established.

Co-operatives place considerable emphasis on the ethos of member benefit, member participation and member loyalty. Transparency, openness and democratic accountability are also a part of the co-operative ethos. If, in the organisation of the new venture, practical measures and policies can be put in place to cultivate and sustain these values, the co-operative corporate form should yield competitive advantages over use of a company structure. These would arise if the co-operative showed itself as being able to turn these values into a better sense of identification with, commitment to and willingness by members to use the new organisation. Thus there is merit in the founding members of the new organisation giving some thought to the process they will use to communicate and win support for whatever structure they seek to put in place, as this should yield a greater loyalty dividend subsequently.

It is perhaps in the area of identity and ownership that both corporate forms differ most. Co-operatives are uniquely associated with the idea of democratic control and being open accountable businesses accessible to all those who are able to use their services and are willing to accept the responsibilities that being a member of a co-operative entails. Thus singular emphasis is put on the idea that those members who actively use the services of the co-operative are the persons who should be in control and should benefit from its services. A corollary to this idea is that these members should also contribute to the financing of the business in proportion to the use they are making of it.

Item	Co-operative	Private Company
Limited Liability	Yes (value of the share capital given by the individual members)	Yes
Membership	No Limit	100

<b>Perpetual Succession</b>	Yes	Yes
<b>Can Issue Share Capital</b>	Yes	Yes
<b>Can Reduce &amp; Expand Share Capital</b>	Yes	Yes, but with strict criteria
<b>Minimum number of Members</b>	7 individuals	1 or 2
<b>Compliance Burden</b>	<ul style="list-style-type: none"> <li>Conduct an annual audit</li> <li>Submit annual / triennial returns</li> </ul>	<ul style="list-style-type: none"> <li>Conduct an annual audit</li> <li>Submit annual return</li> <li>Submit returns in regard to changes of directors and officers</li> </ul>
<b>Back-up Services</b>	See below - Section 8. ICOS Back-up services and Co-operative Development	Separate Legal Fees and Consultant Costs
<b>Power of Nomination of Shares</b>	Yes, up to €15,000	No
<b>Taxation Status</b>	Same for both Co-operatives and Private Companies	Same for both Co-operatives and Private Companies
<b>Are Model Rules Available</b>	Yes	No

## 5. ICOS Expertise in starting new co-ops

ICOS was formed in 1894, one year after the Industrial and Provident Societies Acts of 1893 was signed into law.

The Registrar of Friendly Societies is responsible for registration new co-operatives in Ireland. Their website recognises the role of ICOS in formulating model rules for Irish cooperatives;

<http://www.cro.ie/en/business-registration-ip-society.aspx>

Their website states;

*‘Registration of Industrial & Provident Society*

*In order to register an industrial and provident society, the grouping involved, which must consist of at least seven people, must draw up a set of rules governing the operation of the society. The rules must as a minimum contain the matters required to be provided for by the second Schedule of the Industrial and Provident Societies Act 1893. The rules, together with the prescribed application form and fee are submitted to the Registrar for examination and, once the rules are found to be in accordance with statute, the society is registered.*

*There are a number of representative groups for co-operatives with whom the Registrar has agreed forms of Model Rules which can be used in the registration of societies. The Irish Co-operative Organisation Society Limited (ICOS) has agreed Model Rules and ICOS can also assist in the establishment and registration of a co-operative’.*

## 6. Incorporating a Co-operative Society

### What Incorporation Means

Co-operative societies of all types are incorporated by being registered under the Industrial and Provident Societies Acts 1893 -1978. The Registrar of Friendly Societies administers these Acts. The office of the Registrar is located at Parnell House, 14 Parnell Square, Dublin 1.

A minimum of seven persons is required to incorporate a co-operative society under the legislation. (Where a federal or secondary co-operative is being established by two or more co-operatives a minimum of two participating co-operatives is sufficient.) A suitable name must be chosen for the co-operative and the name must include the words "Society" and "Limited". A registered office for the proposed co-operative must be identified to which all correspondence can be sent.

### Legal Nature of a Co-operative

A registered co-operative, like a company, is an incorporated legal entity. It is a legal person separate from the members who set it up. It can act on its own initiative, can enter contracts, can sue and be sued, but must also be responsible for its actions. Like a company, a co-operative enjoys limited liability. The liability of the members is limited to the shares they hold in the co-operative. The word "Limited" should always appear after the name of the co-operative.

### Special Members

The people who sign the application for registration are called the Special Members. They must act as the Committee of Management or Board of Directors of the co-operative until the first Statutory General Meeting is held, usually as soon as convenient after registration.

### New Members/Elections

Authority to admit people to membership of a co-operative rests with the Committee of Management/Board (with the Special Members until the Committee or Board is first elected). The Special Members admit applicants to membership of the co-operative and issue them with shares for which they have applied. Usually a standard form of application is available and each co-operative will have to set the level of investment required from members.

The new total membership will then elect a Committee of Management or Board under the rules of the co-operative and that group will normally hold office for a year until the next Annual General Meeting. The Rules provide for a proportion of the Committee/Board to retire each year and be eligible for re-election.

### Shareholding Limits

Under current legislation no individual member can hold an interest of more than €150,000 or 1% of the total asset value of the co-operative whichever is the greater in any co-operative society.

### Reporting Requirements

The law requires that each society must keep appropriate accounts, books and records and the members in general meeting must appoint a public auditor annually. There is also a requirement that the audited accounts be submitted with a properly completed Annual Return to the Registrar of Friendly Societies by the 31<sup>st</sup> March. Every three years a society must complete a "Triennial Return" and submit it to the Registrar of Friendly Societies. The appropriate forms and further details in regard to these requirements can be had by contacting the Registry of Friendly Societies.



## 7. ICOS – Back-up Services & Co-op Development

ICOS provides a broad range of services to its members. Such areas of service include;

1. Providing a Co-operative Voice.
2. Customer Service, Co-op Development & New Co-op Registration.
3. Co-op Rules & Governance.
4. Lobbying & Representation.
5. Sectorial Expertise
6. Training & Education
7. Networking & Synergy
8. Communication
9. Promoting Overseas Development
10. Funding Opportunities

For further details please see our website.



## Starting a Co-operative: - A Basic Business Plan Template

The following document serves as a guide document only. It is an example of the questions and thought process that the Irish Co-operative Organisation Society (ICOS) expects prospective co-operatives to discuss prior to submitting an application for registration of a new co-operative.



### 1. Contact Details

<b>Proposed Co-operative Name</b>	A suitable name must be chosen for the co-operative and the name must include the words "Society" and "Limited".
<b>Proposed Registered Office Address</b>	Note: Cannot be a P.O. Box
<b>Secretary Name</b>	
<b>Phone Number</b>	
<b>E-mail Address</b>	
<b>Date</b>	
	<b>Name and Addresses of the Seven or More Special Members</b>
1.	
2.	
3.	
4.	
5.	
6.	
7.	



## 2. Co-operative Details

<b>Co-operative Outline &amp; Business Activities</b>	Brief Outline of the History of the Enterprise. Outline the primary business activities of the enterprise. Outline the common need and set out how the proposed co-op aims to satisfy this need.												
<b>Co-operative Purpose</b>	<p>What are the business objectives of the co-operative? Outline the expected targets for the enterprise.</p> <table border="1" data-bbox="371 778 909 938"> <thead> <tr> <th>Year</th> <th>Number of Members</th> <th>Expected Turnover - €</th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td></td> <td></td> </tr> <tr> <td>Year 2</td> <td></td> <td></td> </tr> <tr> <td>Year 3</td> <td></td> <td></td> </tr> </tbody> </table>	Year	Number of Members	Expected Turnover - €	Year 1			Year 2			Year 3		
Year	Number of Members	Expected Turnover - €											
Year 1													
Year 2													
Year 3													
<b>Management Details</b>	Has the proposed enterprise decided on a Management Team and Board of Directors? If yes, please detail;												
<b>Accountant</b>	Has the enterprise selected an Accountant and Auditor for the Enterprise? If yes, please detail;												



## 3. Marketing Plan

<b>Feasibility of the Co-operative</b>	<p>3.1 Will the enterprise be offering a service or produce a product or goods? Please specify.</p> <p>3.2 What is the expected demand for these goods or services? Please specify.</p> <p>3.3 Has a Feasibility plan been conducted for the enterprise? If yes, please attach this document to your business plan.</p>
<b>Pricing and Market Positioning</b>	Have the founding members discussed the Pricing & Positioning of these services / goods in the market place? Please specify.





## 4. Operational Plan

<b>Proposed Start Date</b>	What is the planned start date / operational date of this enterprise?
<b>Operational Plan</b>	Are there manufacturing / services delivery plans in place at this stage?
<b>Staffing &amp; Training</b>	Are there Staffing and Training Plan plans in place at this stage?



## 5. Financial Plan

<b>Funding Requirements</b>	What is the total funding requirements to deliver the proposed product or service that the co-operative intend to deliver?
<b>Members Input</b>	What % of this funding will be provided by the members of the co-operative?
<b># Members</b>	How many members have been canvassed to initially form the co-operative?
<b>Members : Financial Contribution per Member</b>	What is the proposed financial input in terms of share capital by the individual members in the co-operative?
<b>Other Funding Sources</b>	Outline other sources of funding that are being sought or secured, e.g grants etc.
<b>Bank Funding</b>	Has funding being sought or committed by a bank or other credit institution? If yes, specify the name of the bank .



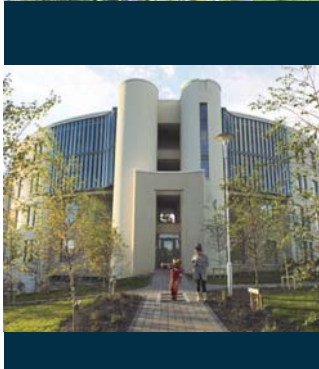
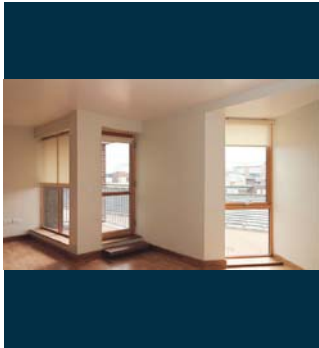




## Representing | Promoting | Developing Housing Co-operatives since 1973

To find out more about how Co-operative Housing can work for your community, please contact us:

Geoff Corcoran, National Development Manager  
geoff.corcoran@nabco.ie



NABCO (National Association of Building Co-operatives Ltd.)  
Co-operative House, 33 Lower Baggot Street, Dublin 2.

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Fax: +353 1 661 4462  
Email: [admin@nabco.ie](mailto:admin@nabco.ie)  
Website: [www.nabco.ie](http://www.nabco.ie)

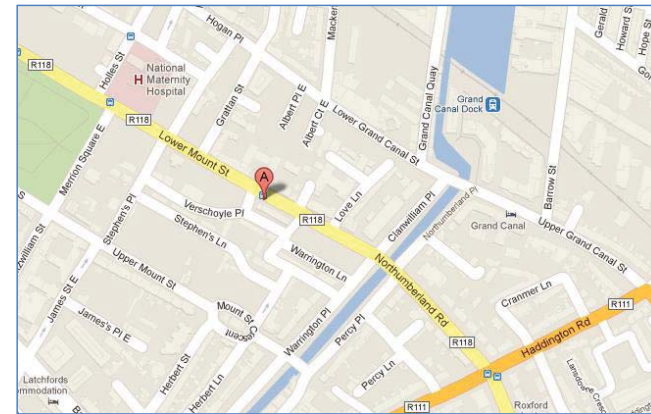


### Contact

Irish League of Credit Unions  
33 – 41 Lower Mount Street  
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Tel: + 353 (0) 1 6146700  
Fax: + 353 (0) 1 6146701  
Email: [info@creditunion.ie](mailto:info@creditunion.ie)

### Map



### Facebook

[facebook.com/creditunion.ie](http://facebook.com/creditunion.ie)



### Twitter

[twitter.com/creditunionie](http://twitter.com/creditunionie)



### Website

[www.creditunion.ie](http://www.creditunion.ie)



## Statement on Co-operative Identity

The Statement on Co-operative Identity was adopted at the 1995 General Assembly of the International Co-operative Alliance (ICA), held in Manchester on the occasion of the alliance's Centenary. The Statement was the product of a lengthy process of consultation involving thousands of co-operatives around the world.

### Values:

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

### Principles:

The co-operative principles are guidelines by which co-operatives put their values into practice.

- **Voluntary and Open Membership:** Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.
- **Democratic Member Control:** Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.
- **Member Economic Participation:** Members contribute equitably to democratically control the capital of their co-operative. At least part of the capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: a) Developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible. B) Benefiting members in proportion to their transactions with the co-operatives. C) Supporting other activities approved by the membership.
- **Autonomy and Independence:** Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with their organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain the co-operative identity.
- **Education, Training and Information:** Co-operatives provide education and training for their members, elected representatives, managers and employees so that they can contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders about the nature and benefits of co-operation.
- **Co-operation among Co-operatives:** Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.
- **Concern for the Community:** Co-operatives work for the sustainable development of their communities through policies approved by their members.









