

CARRICK-ON-SUIR  
**Credit Union Ltd.**



## **61<sup>st</sup> Annual General Meeting**

**Monday 19<sup>th</sup> February 2024 at 8.00pm  
in The Carraig Hotel, Carrick-on-Suir.**

Greystone Street,  
Carrick-on-Suir,  
Co. Tipperary.

Tel: (051) 640675  
E-mail: [info@carrickcu.ie](mailto:info@carrickcu.ie)  
Web: [www.carrickcu.ie](http://www.carrickcu.ie)

Carrick on Suir Credit Union Ltd.  
is regulated by the Central Bank of Ireland

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## MODEL STANDING ORDERS

### 1. Voting

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with section 82(2) of the Credit Union Act, 1997 (as amended)

### 2 - 3 Election Procedure

- Elections to the board of directors, to the board oversight committee and the position of auditor shall be by majority vote and by secret ballot.
- When nominations are announced tellers shall be appointed by the chair and ballot papers shall be distributed. Nominations shall be in the following order:
  - nominations for auditor;
  - nominations for members of the board oversight committee;
  - nominations for directors.

When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot and by majority vote. When the votes have been counted by the tellers, the results shall be announced by the chair. In the event that all vacancies are not filled by the first ballot further

ballots shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure one further ballot shall be taken and should that ballot fail to determine the issue, the vacancies shall be filled by lot from among such candidates having an equality of votes.

### 4 - 9 Motions

- All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.
- A proposer of a motion may speak for such period as shall be at the discretion of the chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
- In exercising his/her right of reply, a proposer may not introduce new material.
- The seconder of a motion shall have such time as shall be allowed by the chair to second the motion.
- Members are entitled to speak on any such motion and must do so through the chair. All speakers to any motion shall have such time as shall be at the discretion of the chair.
- The chair shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

### 10 - 15 Miscellaneous

- The chair of the board of directors shall be the chair of any general meeting, except where he/she is not available, in which case it shall be the vice-chair, except where he/she is not available, in which case the board shall decide amongst themselves who shall act as chair of any general meeting.
- The chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.
- Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the chair.
- The chairperson's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
- No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors.
- Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.
- Suspension of Standing Orders  
Any one of these Orders or all of these Standing Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.
- Alteration of Standing Orders  
Standing Orders may be amended or altered at a general meeting and only if a motion to this effect has received a two-thirds majority of those present and voting.
- Adjournments  
Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act, 1997 (as amended).

## NOTICE OF ELECTIONS FOR A.G.M.

### Elections shall be held

1. to fill three vacancies on the Board of Directors and three outgoing directors are seeking re-election
2. to fill three positions on the Board Oversight Committee and two outgoing committee members are seeking re-election
3. to fill position of Auditor who is seeking re-election

## AMENDMENTS TO STANDARD RULES ARISING FROM IRISH LEAGUE OF CREDIT UNIONS AGM 2023

Please note there has been one amendment to the Standard Rules for Credit Unions arising from Irish League of Credit Unions AGM 2023. The wording of rule amendment is set out below.

### Rule 30 (1)(a)

**“That this Annual General Meeting amends Rule 30 of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of the following Rule 30 (1)(a)**

(1) (a) Provided a share dividend has been declared in accordance with the Act, the directors may recommend to the annual general meeting for approval a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.

### And by the insertion of the following Rule 30 (1)(a) to read:

(1) (a) The directors may recommend to the annual general meeting for approval a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.”

## AGENDA

- A. Ascertain that a Quorum is present.
- B. Adoption of Standing Orders
- C. Reading and Approval (or correction) of the Minutes of last A.G.M. and any intervening special general meeting.
- D. Chairperson’s Address & Report of the Board of Directors.
- E. Financial Report.
- F. Report of the Auditor.
- G. Report of the Board Oversight Committee.
- H. Declaration of Dividend & Loan Interest Rebate
- I. Report of Credit Committee.
- J. Report of Credit Control Committee.
- K. Report of Membership Committee.
- L. Report of any Sub-Committee.
- M. Report of the Nominating Committee.
- N. Election: Auditor.
- O. Election to fill vacancies on the Board Oversight Committee.
- P. Election to fill vacancies on the Board of Directors.
- Q. Amendments to Standard Rules (if any).
- R. Any other business.
- S. Announcement of election results.
- T. Adjournment or close of meeting.

By Order of the Board  
*Nina Fogarty*  
Hon. Secretary

## CHAIRPERSON'S ADDRESS 2023

You are very welcome and thank you for attending this our 61st Annual General Meeting of Carrick-on-Suir Credit Union Ltd. I am delighted to present the Directors report for 2023 on behalf of the Board of Directors.

We continue to operate in a challenging environment with the rise of inflation impacting the cost of living, increased regulatory and industry levies which are a significant operational cost and intense regulatory compliance and governance responsibilities from Central Bank.

Carrick-on-Suir Credit Union continues to be well positioned to respond to the needs of our members and our solid business model ensures the continuity of a quality service for members which in turn yielded favourable results for the accounting period. The Directors are pleased to report an overall surplus of €276,000. A dividend of 0.10% will be proposed on shares and a loan interest rebate of 15% and will require membership approval at this AGM. We continue to give back to the community in other ways within our common bond area by giving financial contributions to support local voluntary organisations and sporting groups.

Lending to our members is our core business. A total of €6.97M was issued in loans in the past year. Home improvement, car loans and personal loans remain the top loan categories among our members. Our new monster loan product which attracts a favourable rate of 5.99 % has proven a very positive move for the credit union encouraging loan growth. The Board has also taken the decision to sign up to the CUSOP mortgage offering. It is hoped that Carrick-on-Suir Credit Union will be in a position to offer mortgages by the end of 2024/early 2025.

Savings continue to be guaranteed by the Government Deposit Guarantee Scheme up to €100,000. The share cap remains in place for the present time. Our Statutory Reserve remains above the minimum requirement.

While many credit unions have moved away from providing Death Benefit Insurance, Carrick-on-Suir Credit Union continues to provide Death Benefit Insurance Cover of €2,600. Loan Protection Insurance and Life Cover Insurance on savings up to €3,000 (subject to the terms and conditions) which is provided at no direct cost to the member. The cost of providing these insurances (currently stands at €353,000) and is included in our overall operating costs.

2023 brought some unexpected staff changes and the Board commends the commitment of all staff to engaging and responding efficiently and effectively to members. They have demonstrated a strong teamwork ethic and each one has the ability to provide the highest standards of service and continue to innovate in their roles.

On this note for an unprecedented ninth year running, the Irish Credit Union Movement has topped the league table for the best customer experience in Ireland.

The Board wishes to express their gratitude to our Credit Union Manager, Sean McDonnell. After 32 years of service and commitment to Carrick-on-Suir Credit Union Sean has announced his intention to retire at the end of 2024. His knowledge, experience, empathy and commitment to the members, staff and Board never wavered during his tenure.

I would like to thank my fellow Directors on the Board, Board Oversight Committee and Sub Committee members for volunteering their time on our behalf. The countless hours of your time reflects your huge commitment to the successful running of the Credit Union always discharging your duties/responsibilities with integrity. Lastly, to you the members, we want to express our deep gratitude to each and every one for your continued support of Carrick-on-Suir Credit Union. This is your Credit Union and it is imperative that we continue to support our local credit union.

On this subject, I must remind members that, under regulation, there are maximum permitted terms that directors can serve and the composition of the board must rotate accordingly. Some of our present Directors will be required to stand down in order to comply with this regulation. It is imperative for the continuation of the Credit Union that a properly constituted board is in place.

If you are interested or think a member would be suitable please contact any member of the board or leave your contact details in the office. If a properly constituted board is not in place, the credit union will not be permitted to function as it presently does.

We would also like to thank our Internal and External Auditors, our Risk & Compliance, Data Protection Advisors and Service Providers for their dedication and work during the year.

Again the Board wishes to thank you, our members, for your continued support and loyalty to the credit union and hope that you will continue to do so for many years to come.

*Dolores McCarthy*  
Chairperson



**Carrick-on-Suir**  
Credit Union

## Online & Mobile APP BANKING

- ⊕ Move money between your accounts
- ⊕ Move money to other bank accounts
- ⊕ Check your balances
- ⊕ Get your e-Statement
- ⊕ Pay a bill



### Carrick-on-Suir Credit Union

Greystone Street, Carrick-on-Suir, Co. Tipperary

Tel: 051 640675

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

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

## CARRICK-ON-SUIR CREDIT UNION LIMITED DIRECTORS & OTHER INFORMATION

### DIRECTORS

Dolores McCarthy (Chairperson)  
Mary O'Brien (Vice Chairperson)  
John F. Casey (Secretary)  
Nina Fogarty  
Raymond Power  
Ross Clery  
John Power

### BOARD OVERSIGHT COMMITTEE MEMBERS

Teresa Joy  
Bridget FitzPatrick  
Marie McGrath

CREDIT UNION NUMBER 37CU

### REGISTERED OFFICE AND BUSINESS ADDRESS

Greystone Street  
Carrick-on-Suir  
Co. Tipperary

### AUDITORS

Anne Marie Power & Co.  
Chartered Accountants and  
Registered Auditors  
3 Castle Street  
Carrick-on-Suir  
Co. Tipperary

### BANKERS

Bank of Ireland  
Main Street  
Carrick-on-Suir  
Co. Tipperary

### SOLICITORS

Derivan Sexton & Co.  
Solicitors  
New Street  
Carrick-on-Suir  
Co. Tipperary

**Carrick-on-Suir Credit Union Limited**  
**DIRECTORS' REPORT**

For the financial year ended 30 September 2023

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2023.

**PRINCIPAL ACTIVITY**

The principal activity of the business continues to be the operation of a credit union.

**Authorisation**

The credit union is authorised as follows:

- Entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.

**Business review**

The directors acknowledge the results for the year and the year-end financial position of the credit union.

The directors expect to develop and expand the credit union's current activities and they are confident of its ability to continue to operate successfully in the future.

**Dividends and loan interest rebates**

The directors are proposing a dividend in respect of the year ended 30 September 2023 of €56,956 (0.10%) (2022: €5,732 (0.01%)) and a loan interest rebate of €163,277 (15.00%) (2022: €79,002 (7.50%)).

**Principal risks and uncertainties**

The principal risks and uncertainties faced by the credit union are:

**Credit risk**

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss.

**Lack of loan demand**

Lending is the principal activity of the credit union and the credit union is reliant on it for generating income to cover costs and generate a surplus.

**Market risk**

Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates.

**Liquidity risk**

Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded.

**Operational risk**

Operational risk is the risk of loss resulting from inadequate or failed processes or systems of the credit union, any failure by persons connected with the credit union or from external events.

**Global macro-economic risk**

There is an economic and operational risk relating to rising inflation rates, disruption to global supply chains and a general uncertainty in the markets as a result of the pandemic and the on-going war in Eastern Europe.

These risks and uncertainties are managed by the board of directors as follows:

**Credit risk**

In order to manage this risk, the board of directors regularly reviews and approves the credit union's loans policy. All loan applications are assessed with reference to the loans policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

**Lack of loan demand**

The credit union provide lending products to its members and promote these products through various marketing initiatives.

**Market risk**

The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

**Liquidity risk**

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due.

**Operational risk**

The operational risk of the credit union is managed through the employment of suitably qualified staff to ensure appropriate processes, procedures and systems are implemented and are further supported with a robust reporting structure.

**Global macro-economic risk**

The board of directors and management closely monitor the developments of rising inflation rates and disruption to global supply chains and markets, and continue to take appropriate actions to mitigate any possible adverse effects on the credit union.

**Accounting records**

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the credit union are maintained at the credit union's premises at Greystones Street, Carrick-on-Suir, Co Tipperary.

**Events after the end of the financial year**

There have been no significant events affecting the credit union since the year end.

**Auditors**

In accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Anne Marie Power & Co. offer themselves for re-election.

This report was approved by the board and signed on its behalf by:

*Dolores McCarthy*

Member of the board of directors

Date: 16 January 2024

*John F Casey*

Member of the board of directors

## DIRECTORS' RESPONSIBILITIES STATEMENT

For the financial year ended 30 September 2023

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations. The directors are also responsible for preparing the other information included in the annual report. The Credit Union Act, 1997 (as amended) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the credit union and of the income and expenditure of the credit union for that period.

In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reason for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.

The directors are responsible for ensuring that the credit union keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the credit union, enable at any time the assets, liabilities, financial position and income and expenditure of the credit union to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Credit Union Act, 1997 (as amended) and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of directors:

*Dolores McCarthy*

*John F Casey*

Member of the board of directors

Member of the board of directors

Date: 16 January 2024

## BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT

For the financial year ended 30 September 2023

The Credit Union Act, 1997 (as amended) requires the appointment of a board oversight committee to assess whether the board of directors has operated in accordance with part iv, part iv(a) and any regulations made for the purposes of part iv or part iv(a) of the Credit Union Act, 1997 (as amended) and any other matter prescribed by the Central Bank of Ireland in respect of which they are to have regard to in relation to the board of directors.

On behalf of the board oversight committee:

*Marie McGrath*

Member of the Board Oversight Committee

Date: 16 January 2024

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARRICK-ON-SUIR CREDIT UNION LIMITED

### OPINION

We have audited the financial statements of Carrick-on-Suir Credit Union Limited, which comprise the income and expenditure account, the statement of other comprehensive income, the balance sheet, the statement of changes in reserves and the statement of cash flows for the financial year ended 30 September 2023, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law including the Credit Union Act, 1997 (as amended) and accounting standards issued by the Financial Reporting Council including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, Carrick-on-Suir Credit Union Limited's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2023 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended).

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the director's use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the credit union's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### OTHER INFORMATION

Other information comprises information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the

extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by the Credit Union Act, 1997 (as amended)

Based solely on the work undertaken in the course of the audit, we report that:

- we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- in our opinion proper accounting records have been kept by the credit union;
- the financial statements are in agreement with the accounting records of the credit union; and
- the financial statements contain all primary statements, notes and significant accounting policies required to be included in accordance with section 111(1)(c) of the Act.

### RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the credit union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the credit union or to cease operations, or has no realistic alternative but to do so.

### RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgement and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the credit union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the credit union's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the credit union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

### THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the credit union's members, as a body, in accordance with section 120 of the Credit Union Act, 1997 (as amended). Our audit work has been undertaken so that we might state to the credit union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the credit union's members as a body, for our audit work, for this report, or for the opinions we have formed.

### ANNE MARIE POWER & CO.

Chartered Accountants and Registered Auditors  
3 Castle Street, Carrick-on-Suir, Co. Tipperary.  
Date: 16 January 2024



**Carrick-on-Suir Credit Union Limited**  
**INCOME AND EXPENDITURE ACCOUNT**  
For the financial year ended 30 September 2023

	NOTES	2023 €	2022 €
<b>INCOME</b>			
Interest on members' loans		1,099,475	1,003,786
Other interest income and similar income	1	<u>717,653</u>	<u>302,578</u>
<b>Net interest income</b>		<b><u>1,817,128</u></b>	<b><u>1,306,364</u></b>
Other income	2	<u>7,743</u>	<u>336,832</u>
<b>Total income</b>		<b><u>1,824,871</u></b>	<b><u>1,643,196</u></b>
<b>EXPENDITURE</b>			
Employment costs		328,874	338,496
Other management expenses	3	1,103,507	994,037
Depreciation		38,227	39,705
Net impairment (gains)/losses on loans to members (note 5)		<u>77,945</u>	<u>(101,375)</u>
<b>Total expenditure</b>		<b><u>1,548,553</u></b>	<b><u>1,270,863</u></b>
<b>Surplus for the financial year</b>		<b><u>276,318</u></b>	<b><u>372,333</u></b>

**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
for the financial year ended 30 September 2023

	2023 €	2022 €
Surplus for the financial year	276,318	372,333
Other comprehensive income	-	-
<b>Total comprehensive income for the financial year</b>	<b><u>276,318</u></b>	<b><u>372,333</u></b>

The financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf by;

The notes on pages 20 to 31 form part of these financial statements.

*Dolores McCarthy*

Member of the board of directors

*Marie McGrath*

Member of the board oversight committee

*Sean McDonnell*

Manager

Date: 16 January 2024

**Carrick-on-Suir Credit Union Limited**  
**BALANCE SHEET**  
for the financial year ended 30 September 2023

	NOTES	2023 €	2022 €
<b>ASSETS</b>			
Cash and balances at bank		2,117,239	1,165,668
Deposits and investments – cash equivalents	7	13,381,208	10,676,780
Deposits and investments – other	7	44,478,343	48,475,602
Loans to members	8	13,398,029	12,161,248
Provision for bad debts	9	(1,383,056)	(1,187,222)
Tangible fixed assets	10	374,152	412,379
Debtors, prepayments and accrued income	11	<u>276,113</u>	<u>228,766</u>
<b>Total assets</b>		<b><u>72,642,028</u></b>	<b><u>71,933,221</u></b>
<b>LIABILITIES</b>			
Members' shares	12	57,459,576	57,192,367
Other liabilities, creditors, accruals and charges	13	792,309	544,620
Other provisions	14	<u>27,149</u>	<u>25,670</u>
<b>Total liabilities</b>		<b><u>58,279,034</u></b>	<b><u>57,762,657</u></b>
<b>RESERVES</b>			
Regulatory reserve	16	7,979,614	7,979,614
Operational risk reserve	16	258,373	280,764
Other reserves			
- Realised reserves	16	6,048,139	5,833,318
- Unrealised reserves	16	<u>76,868</u>	<u>76,868</u>
<b>Total reserves</b>		<b><u>14,362,994</u></b>	<b><u>14,170,564</u></b>
<b>Total liabilities and reserves</b>		<b><u>72,642,028</u></b>	<b><u>71,933,221</u></b>

The financial statements were approved and authorised for issue by the board and signed on behalf of the credit union by:

The notes on pages 20 to 31 form part of these financial statements.

*Dolores McCarthy*

Member of the board of directors

*Marie McGrath*

Member of the board oversight committee

*Sean McDonnell*

Manager

Date: 16 January 2024

**Carrick-on-Suir Credit Union Limited**  
**STATEMENT OF CHANGES IN RESERVES**  
for the financial year ended 30 September 2023

	Regulatory reserve	Operational Risk Reserve	Realised reserves	Unrealised reserves	Total
	€	€	€	€	€
<b>As at 1 October 2021</b>	<b>7979,614</b>	<b>136,000</b>	<b>5,808,159</b>	<b>5,928</b>	<b>13,929,701</b>
Surplus for the financial year	-	144,764	175,640	51,929	372,333
Dividend and loan interest rebate paid	-	-	(131,470)	-	(131,470)
Transfers between reserves	-	-	(19,011)	19,011	-
<b>As at 1 October 2022</b>	<b>7,979,614</b>	<b>280,764</b>	<b>5,833,318</b>	<b>76,868</b>	<b>14,170,564</b>
Surplus for the financial year	-	-	276,318	-	276,318
Dividend and loan interest rebate paid	-	-	(83,888)	-	(83,888)
Transfers between reserves	-	(22,391)	22,391	-	-
<b>As at 30 September 2023</b>	<b>7,979,614</b>	<b>258,373</b>	<b>6,048,139</b>	<b>76,868</b>	<b>14,362,994</b>

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2023 was 10.98% (2022: 11.09%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2023 was 0.36% (2022: 0.39%).

The notes on pages 20 to 31 form part of these financial statements.

**Carrick-on-Suir Credit Union Limited**  
**STATEMENT OF CASH FLOWS**  
for the financial year ended 30 September 2023

	Note	2023 €	2022 €
<b>Opening cash and cash equivalents</b>		<b>11,842,448</b>	<b>12,853,396</b>
<b>Cash flows from operating activities</b>			
Loans repaid by members	8	5,735,893	5,678,554
Loans granted to members	8	(6,974,924)	(6,466,130)
Interest on members' loans		1,099,475	1,003,786
Other interest income and similar income		694,978	302,578
Other income		7,743	336,832
Bad debts recovered and recoveries		120,139	163,883
Dividend and loan interest rebate paid		(83,888)	(131,470)
Operating expenses		(1,432,381)	(1,332,533)
Movement in other assets and liabilities		224,496	182,383
<b>Net cash flows from operating activities</b>		<b>(608,469)</b>	<b>(262,117)</b>
<b>Cash flows from investing activities</b>			
Fixed asset (purchases)/disposals		0	(4,695)
Net cash flow from other investing activities		3,997,259	157,536
<b>Net cash flows from investing activities</b>		<b>3,997,259</b>	<b>152,841</b>
<b>Cash flows from financing activities</b>			
Members' shares received	12	20,693,347	17,946,555
Members' shares withdrawn	12	(20,426,138)	(18,848,227)
<b>Net cash flow from financing activities</b>		<b>267,209</b>	<b>(901,672)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>3,655,999</b>	<b>(1,010,948)</b>
<b>Closing cash and cash equivalents</b>	<b>6</b>	<b>15,498,447</b>	<b>11,842,448</b>

The notes on pages 20 to 31 form part of these financial statements.

## **1. LEGAL AND REGULATORY FRAMEWORK**

Carrick-on-Suir Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at Greystones Street, Carrick-on-Suir, Co Tipperary.

## **2. ACCOUNTING POLICIES**

### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with applicable Irish accounting standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Credit Union Act, 1997 (as amended). The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Euro (€) which is also the functional currency of the credit union.

The following principal accounting policies have been applied:

### **2.2 Statement of compliance**

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

### **2.3 Going concern**

After reviewing the credit union's projections, the directors have reasonable expectation that the credit union has adequate resources to continue in operational existence for the foreseeable future. The credit union therefore continues to adopt the going concern basis in preparing its financial statements.

### **2.4 Income**

#### **Interest on members' loans**

Interest on members' loans is recognised on an accruals basis using the effective interest method.

#### **Deposit and investment income**

Deposit and investment income is recognised on an accruals basis using the effective interest method.

#### **Other income**

Other income is recognised on an accruals basis.

### **2.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and deposits and investments with a maturity of less than or equal to three months.

### **2.6 Deposits and investments**

#### **Held at amortised cost**

Investments designated on initial recognition as held at amortised cost are measured at amortised cost using the effective interest method less

impairment. This means that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount, minus, in the case of a financial asset, any reduction for impairment or uncollectability.

#### **Central Bank deposits**

Credit unions are obliged to maintain certain minimum deposits with the Central Bank but may also hold an excess over the regulatory minimum. The regulatory minimum deposits are technically assets of the credit union but to which the credit union has restricted access. The regulatory minimum portion will not ordinarily be returned to the credit union while it is a going concern and is separately identified in note 7, Deposits and investments - other. Funds held with the Central Bank in excess of the regulatory minimum requirements are fully available to the credit union and are therefore treated as cash equivalents and are separately identified in note 7, Deposits and investments - cash equivalents. The amounts held on deposit with the Central Bank are not subject to impairment reviews.

#### **Investments at fair value**

Investments designated on initial recognition as non basic are recognised at fair value. They are subsequently measured at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account.

### **2.7 Financial assets - loans to members**

Loans are financial assets with fixed or determinable payments. Loans are recognised when cash is advanced to members and measured at amortised cost using the effective interest method.

Loans are derecognised when the right to receive cash flows from the asset has expired, usually when all amounts outstanding have been repaid by the member.

### **2.8 Provision for bad debts**

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and the adequacy of same on a regular basis.

Any bad debts/impairment losses are recognised in the income and expenditure account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the income and expenditure account.

### **2.9 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The credit union adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the credit union. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the income and expenditure account during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold premises	2% straight line per annum
Fixtures and fittings	20% straight line per annum
Computer and office equipment	25% straight line per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income and expenditure account.

## 2.10 Impairment of assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income and expenditure account. If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income and expenditure account.

## 2.11 Other receivables

Other receivables such as prepayments are initially measured at transaction price including transaction costs and are subsequently measured at amortised cost using the effective interest method.

## 2.12 Financial liabilities - members' shares

Members' shares are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at amortised cost.

## 2.13 Other payables

Short term other liabilities, creditors, accruals and charges are measured at the transaction price.

## 2.14 Pension costs

The credit union operates a defined contribution pension scheme. The assets of these schemes are held separately from those of the credit union in independently administered funds. Employer contributions to the scheme are charged to the income and expenditure account in the period to which they relate.

## 2.15 Holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

## 2.16 Derecognition of financial liabilities

Financial liabilities are derecognised when the obligations of the credit union specified in the contract are discharged, cancelled or expired.

## 2.17 Regulatory reserve

The Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10 per cent of the assets of the credit union. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

## 2.18 Operational risk reserve

Section 45(5)(a) of the Credit Union Act, 1997 (as amended) requires each credit union to maintain an additional reserve that it has assessed is required for operational risk having regard to the nature, scale and complexity of the credit union. Credit unions are required to maintain a minimum operational risk reserve having due regard for the sophistication of the business model.

The directors have considered the requirements of the Act and have considered an approach to the calculation of the operational risk reserve. The credit union uses the Basic Indicator Approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the Operational Risk Reserve. Therefore the credit union will hold an operational risk reserve which will at a minimum equal 15% of the average positive gross income for the previous three years. For any year in which there was a deficit, this will be excluded from the calculation.

## 2.19 Other reserves

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are subdivided into realised and unrealised. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as unrealised and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that the balance of the SPS refund receivable at the balance sheet date is also classified as unrealised and is not distributable. All other income is classified as realised.

## 2.20 Distribution policy

Dividends and loan interest rebates are made from the current year's surplus or reserves set aside for that purpose. The board's proposed dividends and loan interest rebates to members each year is based on the distribution policy of the credit union.

The rate of dividends and loan interest rebates recommended by the board will reflect:

- the risk profile of the credit union, particularly in its loan and investments portfolios;
- the board's desire to maintain a stable rather than a volatile rate of

- dividend each year; and
- members' legitimate dividend and loan interest rebate expectations; all dominated by prudence and the need to sustain the long-term welfare of the credit union.

For this reason the board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements.

The credit union accounts for dividends and loan interest rebates when members ratify such payments at the Annual General Meeting.

## 2.21 Taxation

The credit union is not subject to income tax or corporation tax on its activities.

## 3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCE OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires the directors to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

### Determination of depreciation, useful economic life and residual value of tangible assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the year end was €374,152 (2022: €412,379).

### Provision for bad debts

The credit union's accounting policy for impairment of loans is set out in note 2.8. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and other external factors such as legal and regulatory requirements. The provision for bad debts in the financial statements at the year end was €1,383,056 (2022: €1,187,222) representing 10.32% (2022: 9.76%) of the total gross loan book.

### Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have developed an approach to the calculation of the operational risk reserve. The operational risk reserve of the credit union at the year end was €258,373 (2022: €280,764).

### Adoption of going concern basis for financial statements preparation

The credit union continues to closely monitor developments within the global macro-economic environment. The directors have prepared projections and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the credit union's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial

statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the credit union was unable to continue as a going concern.

## 4. KEY MANAGEMENT PERSONNEL COMPENSATION

The directors of the credit union are all unpaid volunteers. The key management personnel compensation is as follows:

	2023	2022
	€	€
Short term employee benefits paid to key management	158,650	172,732
Payments to pension schemes	<u>16,873</u>	<u>13,512</u>
<b>Total key management personnel compensation</b>	<b><u>175,523</u></b>	<b><u>186,244</u></b>

## 5. NET IMPAIRMENT (GAINS) / LOSSES ON LOANS TO MEMBERS

	2023	2022
	€	€
Bad debts recovered	(120,139)	(163,883)
Movement in bad debts provision during the year	195,834	2,155
Loans written off during the year	<u>2,250</u>	<u>60,353</u>
<b>Net impairment (gains)/ losses on loans to members</b>	<b><u>77,945</u></b>	<b><u>(101,375)</u></b>

## 6. CASH AND CASH EQUIVALENTS

	2023	2022
	€	€
Cash and balances at bank	2,117,239	1,165,668
Deposits and investments – cash equivalents (note 7)	<u>13,381,208</u>	<u>10,676,780</u>
<b>Total cash and cash equivalents</b>	<b><u>15,498,447</u></b>	<b><u>11,842,448</u></b>

## 7. DEPOSITS AND INVESTMENTS

	2023	2022
	€	€
<b>Deposits and investments – cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	8,919,494	8,761,110
Irish and EU state securities	3,478,139	-
Collective investment schemes	28,547	27,888
Bank bonds	750,000	-
Central Bank deposits	<u>205,028</u>	<u>1,887,782</u>
<b>Total deposits and investments – cash equivalents</b>	<b><u>13,381,208</u></b>	<b><u>10,676,780</u></b>
<b>Deposits and investments – other</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	27,350,000	24,850,000
Collective investment schemes	821,440	799,424
Bank bonds	15,861,609	22,375,714
Central Bank deposits	<u>445,294</u>	<u>450,464</u>
<b>Total deposits and investments – other</b>	<b><u>44,478,343</u></b>	<b><u>48,475,602</u></b>
<b>Total deposits and investments</b>	<b><u>57,859,551</u></b>	<b><u>59,152,382</u></b>

**8. FINANCIAL ASSETS – LOANS TO MEMBERS'**

	2023	2022
	€	€
As at 1 October	12,161,248	11,434,026
Loans granted during the year	6,974,924	6,466,130
Loans repaid during the year	(5,735,893)	(5,678,554)
<b>Gross loans and advances</b>	<b><u>13,400,279</u></b>	<b><u>12,221,602</u></b>
<b>Bad debts</b>		
Loans written off during the year	(2,250)	(60,354)
<b>As at 30 September</b>	<b><u>13,398,029</u></b>	<b><u>12,161,248</u></b>

**9. PROVISION FOR BAD DEBTS**

	2023	2022
	€	€
As at 1 October	1,187,222	1,185,067
Movement in bad debts provision during the year	195,834	2,155
<b>As at 30 September</b>	<b><u>1,383,056</u></b>	<b><u>1,187,222</u></b>

**The provision for bad debts is analysed as follows:**

	2023	2022
	€	€
Grouped assessed loans	1,383,056	1,187,222
<b>Provision for bad debts</b>	<b><u>1,383,056</u></b>	<b><u>1,187,222</u></b>

**10. TANGIBLE FIXED ASSETS**

	Freehold Premises	Fixtures, and fittings	Computer & Office equipment	Total
	€	€	€	€
<b>Cost</b>				
1 October 2022	<u>496,962</u>	<u>315,553</u>	<u>163,458</u>	<u>975,973</u>
<b>At 30 September 2023</b>	<b><u>496,962</u></b>	<b><u>315,553</u></b>	<b><u>163,458</u></b>	<b><u>975,973</u></b>
<b>Depreciation</b>				
1 October 2022	227,960	207,816	127,818	563,594
Charge for year	<u>9,939</u>	<u>14,615</u>	<u>13,673</u>	<u>38,227</u>
<b>At 30 September 2023</b>	<b><u>237,899</u></b>	<b><u>222,431</u></b>	<b><u>141,491</u></b>	<b><u>601,821</u></b>
<b>Net book value</b>				
<b>At 30 September 2023</b>	<b><u>259,063</u></b>	<b><u>93,122</u></b>	<b><u>21,967</u></b>	<b><u>374,152</u></b>
<b>At 30 September 2022</b>	<b><u>269,002</u></b>	<b><u>107,737</u></b>	<b><u>35,640</u></b>	<b><u>412,379</u></b>

**11. DEBTORS, PREPAYMENTS AND ACCRUED INCOME**

	2023	2022
	€	€
Loan interest receivable	24,412	17,177
Investment income receivable	172,003	128,125
Prepayments and other debtors	<u>79,698</u>	<u>83,464</u>
<b>As at 30 September</b>	<b><u>276,113</u></b>	<b><u>228,766</u></b>

**12. MEMBERS' SHARES**

	2023	2022
	€	€
As at 1 October	57,192,367	58,094,039
Received during the year	20,693,347	17,946,555
Withdrawn during the year	(20,426,138)	(18,848,227)
<b>As at 30 September</b>	<b><u>57,459,576</u></b>	<b><u>57,192,367</u></b>

**13. OTHER LIABILITIES, CREDITORS, ACCRUALS AND CHARGES**

	2023	2022
	€	€
Other liabilities, creditors and accruals	656,682	407,188
Prize draw	131,011	129,414
PAYE/PRSI liability	<u>4,616</u>	<u>8,018</u>
<b>As at 30 September</b>	<b><u>792,309</u></b>	<b><u>544,620</u></b>

**14. OTHER PROVISIONS**

	2023	2022
	€	€
Holiday pay accrual		
At 1 October	25,670	29,666
Charged to the income and expenditure account	<u>1,479</u>	<u>(3,996)</u>
<b>As at 30 September</b>	<b><u>27,149</u></b>	<b><u>25,670</u></b>

**15. FINANCIAL INSTRUMENTS****15a. Financial instruments - measured at amortised cost**

Financial assets	2023	2022
	€	€
Financial assets measured at amortised cost	<u>64,105,465</u>	<u>64,425,523</u>
Financial liabilities	2023	2022
	€	€
Financial liabilities measured at amortised cost	<u>58,279,034</u>	<u>57,762,657</u>

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans and other debtors and investment income receivable.

Financial liabilities measured at amortised cost comprise of members' savings, other liabilities, creditors, accruals and charges and other provisions.

**15b. Financial instruments - fair value measurements**

FRS 102 requires fair value measurements to be disclosed by the source of inputs, using a three level hierarchy:

- Quoted prices for identical instruments in active market (level 1);
- Prices of recent transactions for identical instruments and valuation techniques using observable market data (level 2), and
- Valuation techniques using unobservable market data (level 3).

The table below sets out fair value measurements using the fair value hierarchy:

At 30 September 2023	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	2,500,000	-	2,500,000	-
Bank bonds	4,900,000	-	4,900,000	-
Collective investment scheme	<u>849,987</u>	<u>849,987</u>	-	-
<b>Total</b>	<b><u>8,249,987</u></b>	<b><u>849,987</u></b>	<b><u>7,400,000</u></b>	<b><u>-</u></b>
At 30 September 2022	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	2,500,000	-	2,500,000	-
Bank bonds	4,900,000	-	4,900,000	-
Collective investment scheme	<u>827,312</u>	<u>827,312</u>	-	-
<b>Total</b>	<b><u>8,227,312</u></b>	<b><u>827,312</u></b>	<b><u>7,400,000</u></b>	<b><u>-</u></b>

There was a fair value movement in the amount of €22,675 recognised in the income and expenditure account for the year ended 30 September 2023 (2022: (€175,180)).

## 16. RESERVES

	Payment of dividend & loan interest rebate		Appropriation of current year surplus	Transfers between reserves	Balance 30/09/23
	01/10/22				
<b>Regulatory reserve</b>	€ 79,979,614	-	€ -	€ -	€ 79,979,614
<b>Operational risk reserve</b>	280,764	-	-	(22,391)	258,373
<b>Other reserves</b>					
<b>Realised</b>					
Undistributed surplus	5,748,584	-	56,931	22,391	5,827,906
Special reserve -					
Proposed dividend and interest rebate	84,734	(83,888)	219,387	-	220,233
<b>Total realised reserves</b>	<b>5,833,318</b>	<b>(83,888)</b>	<b>276,318</b>		<b>6,048,139</b>
<b>Unrealised</b>					
Investment income reserve	46,456	-	-	-	46,456
SPS reserve	30,412	-	-	-	30,412
<b>Total unrealised reserves</b>	<b>76,868</b>				<b>76,868</b>
<b>Total reserves</b>	<b>14,170,564</b>	<b>(83,888)</b>	<b>276,318</b>		<b>14,362,994</b>

## 17. CREDIT RISK DISCLOSURES

In line with regulatory requirements, the credit union:

- restricts the concentration of lending by the credit union within certain sectors or to connected persons or groups (concentration limits);
- restricts the absolute amount of lending to certain sectors to a set percentages of the regulatory reserve (large exposure limit);
- restricts the loan duration of certain loans to specified limits (maturity limits); and
- requires specified lending practices to be in place where loans are made to certain sectors such as business loans, community loans or loans to another credit union.

The carrying amount of the loans to members represents the credit union's maximum exposure to credit risk. The following provides information on the credit quality of loan repayments. Where loans are not impaired it is expected that the amounts repayable will be received in full.

	2023		2022	
	€	%	€	%
<b>Loans not impaired</b>				
Total loans not impaired, not past due	10,686,392	79.76%	9,592,639	78.88%
<b>Impaired loans:</b>				
Not past due	663,685	4.96%	695,661	5.72%
Up to 9 weeks past due	1,297,183	9.68%	1,250,566	10.28%
Between 10 and 18 weeks past due	195,834	1.46%	116,500	0.96%
Between 19 and 26 weeks past due	100,988	0.75%	22,159	0.18%
Between 27 and 39 weeks past due	167,310	1.25%	231,674	1.91%
Between 40 and 52 weeks past due	25,883	0.19%	30,774	0.25%
53 or more weeks past due	<u>260,754</u>	<u>1.95%</u>	<u>221,275</u>	<u>1.82%</u>
<b>Total impaired loans</b>	<b>2,711,637</b>	<b>20.24%</b>	<b>2,568,609</b>	<b>21.12%</b>
<b>Total loans</b>	<b>13,398,029</b>	<b>100.00%</b>	<b>12,161,248</b>	<b>100.00%</b>

## 18. RELATED PARTY TRANSACTIONS

### 18a. Loans

	2023		2022	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	8	96,000	6	86,000
Total loans outstanding to related parties at the year end	10	186,428	8	147,093

The related party loans stated above comprise of loans outstanding to directors and the management team (to include their family members or any business in which the directors or management team had a significant shareholding). Total loans outstanding to related parties represents 1.39% of the total loans outstanding at 30 September 2023 (2022: 1.21%).

### 18b. Savings

The total amount of savings held by related parties at the year end was €334,583 (2022: €354,621).

## 19. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

### 19a. Financial risk management

The credit union manages its members' savings and loans so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from the credit unions activities are credit risk, market risk, liquidity risk and interest rate risk. The board of directors reviews and agrees policies for managing each of these risks, which are summarised below.

**Credit risk:** Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss. In order to manage this risk the board of directors regularly reviews and approves the credit union's loans policy. Credit risk mitigation may include the requirement to obtain collateral as set out in the credit union's loans policy. Where collateral or guarantees are required, they are usually taken as a secondary source of repayment in the event of the borrower's default. The credit union maintains policies which detail the acceptability of specific classes of collateral. The principal collateral types for loans are: an attachment over members' pledged shares and personal guarantees. The nature and level of collateral required depends on a number of factors such as the term of the loan and the amount of exposure. All loan applications are assessed with reference to the loans policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

**Market risk:** Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates. The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

**Liquidity risk:** Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded. The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due.

**Interest rate risk:** The credit unions main interest rate risk arises from adverse movements in interest rates receivable which would affect investment income. The credit union reviews any potential new investment product carefully to ensure that minimum funds are locked in low yielding long term investments yet at the same time maximising investment income receivable.

### 19b. Liquidity risk disclosures

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The credit union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in regulatory requirements.

### 19c. Interest rate risk disclosures

The following shows the average interest rates applicable to relevant financial assets and financial liabilities.

	2023		2022	
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	13,398,029	8.57%	12,161,247	8.82%

Any dividend payable is at the discretion of the directors and is therefore not a financial liability of the credit union until declared and approved at the AGM.

## 20. DIVIDENDS AND LOAN INTEREST REBATES

The following distributions were paid during the year:

	2023		2022	
	%	€	%	€
Dividend on shares	<u>0.01</u>	<u>5,625</u>	<u>0.05</u>	<u>28,623</u>
Loan interest rebate	<u>7.5</u>	<u>78,263</u>	<u>10.00</u>	<u>102,847</u>

The Directors propose the following distributions in respect of the year:

	2023		2022	
	%	€	%	€
Dividend on shares	<u>0.10</u>	<u>56,956</u>	<u>0.01</u>	<u>5,732</u>
Loan interest rebate	<u>15.00</u>	<u>163,277</u>	<u>7.50</u>	<u>79,002</u>

## 21. EVENTS AFTER THE END OF THE FINANCIAL YEAR

There have been no significant events affecting the credit union since the year end.

## 22. INSURANCE AGAINST FRAUD

The credit union has Insurance against fraud in the amount of €5,200,000 (2022: €5,200,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

## 23. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2023.

## 24. COMPARATIVE INFORMATION

Comparative information has been reclassified where necessary to conform to current year presentation.

## 25. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 16 January 2024.



### SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 13 to 15.

#### SCHEDULE 1 - OTHER INTEREST INCOME AND SIMILAR INCOME

	<b>2023</b>	<b>2022</b>
	€	€
Investment income received/receivable within 1 year	694,978	456,241
Investment income receivable outside of 1 year	-	21,517
Movement in unrealised gain/(loss) on investments	<u>22,675</u>	<u>(175,180)</u>
<b>Total per income and expenditure account</b>	<b><u>717,653</u></b>	<b><u>302,578</u></b>

#### SCHEDULE 2 - OTHER INCOME

	<b>2023</b>	<b>2022</b>
	€	€
Commission and fees	7,743	8,507
ECCU rebate	-	24,199
SPS refund	-	<u>304,126</u>
<b>Total per income and expenditure account</b>	<b><u>7,743</u></b>	<b><u>336,832</u></b>

#### SCHEDULE 3 - OTHER MANAGEMENT EXPENSES

	<b>2023</b>	<b>2022</b>
	€	€
Rent and Rates	4,792	3,340
Lighting, Heating and Cleaning	14,102	11,098
Repairs and Renewals	212,257	106,658
Printing and Stationery	18,326	10,201
Postage and Telephone	13,933	8,215
Donations and Sponsorship	7,270	5,620
Debt Collection	9,949	5,592
Promotion and Advertising	5,910	4,177
Training Costs	3,700	2,514
Convention and Chapter expenses	-	2,268
AGM Expenses	12,743	9,886
Travel and Subsistence	1,295	1,764
Bank Charges and Interest	34,430	44,316
Audit Fee	17,500	16,500
General Insurance	26,268	25,365
Share and Loan Insurance (Gross)	143,554	148,602
Legal & Professional Fees	112,661	81,750
Computer Maintenance	120,960	164,794
Miscellaneous Expenses	9,801	10,216
Death Benefit Insurance	209,211	192,059
Affiliation Fees	439	3,973
SPS Contribution	8,035	2,601
Regulatory and Other Levies	111,292	126,216
Credit agency fees	<u>5,079</u>	<u>6,312</u>
<b>Total per income and expenditure account</b>	<b><u>1,103,507</u></b>	<b><u>994,037</u></b>

## BOARD OVERSIGHT COMMITTEE REPORT 2023

The Board Oversight Committee (BOC) is an independent body consisting of three members elected at AGM who assess whether the Board of Directors has operated in accordance with Part IV and Part IVA of the Credit Union Act 1997 (as amended) and any other matter prescribed by the Central Bank.

The committee met regularly over the course of the year to discharge its duties, attended all Board meetings and met with the board formally four times to fulfil its obligations. At these formal meetings we have outlined the functions of the Board of Directors in governance of the credit union. The Board Oversight Committee is pleased to report they are happy with the outcome of these meetings.

The Board Oversight Committee completed necessary training during the year and the committee presided over the election of principal officers of the board after last year's AGM.

We would like to thank the Board, Management and staff for their help and co-operation during the year. Bridget Fitzpatrick has recently resigned from our committee and we wish to thank her sincerely for her valued contribution to our activities.

Teresa Joy, Bridget FitzPatrick, Marie McGrath – Board Oversight Committee

## CREDIT COMMITTEE REPORT 2023

We are pleased to report that loans granted for the year amounted to €6.97 million. Loan Book is now €13.4m.

Loans were considered and granted for a wide variety of purposes including Cars, Weddings, Education, Holidays, Household Items, Funerals, Medical, Christmas Expenses, Building / Home Improvements. We welcome your loan applications at all times.

During the year some loan requests were refused mainly because of:

- 1) Member failing to meet promised repayments on existing loans.
- 2) No regular pattern of savings/repayments.
- 3) Inability, in the opinion of Credit Committee to meet loan repayments required, on the evidence of stated and proposed income.
- 4) No clear purpose / necessity for loan.
- 5) Loans too frequent.
- 6) Indebtedness too high
- 7) Mortgage Arrears
- 8) Central Credit Register report

We welcome all loan requests from our members. To comply with financial regulation and credit union policy members may be required to provide evidence of income, bank statements, mortgage account statements and all other information necessary to process and evaluate loan applications.

Members are reminded that our credit union, along with all other lenders, is now obliged to forward report to Central Credit Register (CCR) on all loans over €500 on a monthly basis. Going forward arrears on your loan account may affect your credit rating and ability to borrow.

## CREDIT CONTROL COMMITTEE REPORT 2023

It is the responsibility of the Credit Control Committee to monitor, identify and rectify the manner in which members are adhering to the repayment schedule on which their loans were granted.

We meet on a regular basis and report to the Board of Directors at their normal monthly meeting. All members failing to make promised repayments are contacted by letter or phone initially and our Committee is very active in making house calls to defaulting members. While we make every effort to help out members who find themselves in financial difficulty it is often necessary to place accounts with our Solicitor and to take Court Proceedings to recover loan arrears. We do not hesitate in seeking Court Judgments for defaulting members who ignore correspondence from us and our Solicitor.

Any member experiencing financial difficulty should contact our Committee or any member of staff as soon as possible to avoid a significant build up of loan arrears. Each case is treated on its merits and we do our utmost to remedy financial problems in a mutually beneficial manner.

We also provide the service of a Money Advice and Budgeting Officer who will meet members or non-members and discuss financial difficulties they may have.

We remind members that when taking out a loan the credit agreement they sign is a legally binding agreement and promised repayments must be made. Failure to meet promised repayments will prevent members from taking out loans and will result in arrears or non-payment being reported to Central Bank Central Credit Register.

## MEMBERSHIP REPORT

New Members Joined 2023 – 235

## INSURANCE REPORT

During the course of our last financial year a sum of €352,765 was paid by your Credit Union to provide Insurance cover on savings, loans and death benefit. Loans to the value of €55,446 were cleared by our insurance and the sum of €100,230 was paid in insurance on savings. This service, at no cost to the member, ensures that in the event of death a member's loan is cleared in full and insurance up to a maximum of €3,000 is paid on savings. We must remind members that loan insurance is only available up to 85 years of age and also that savings insurance is related to age. Detail of age structure is listed at the back of this booklet and you can examine in your own time.

Details of our death benefit insurance cover are printed inside back cover. The benefit under this scheme was €2,600 and premium was paid by Credit Union. Last year we had death benefit claims on the accounts of 94 members amounting to €250,250. The cost of this insurance cover was €209,211.

We take this opportunity to offer our sympathy to the families of our bereaved members.

DEATH BENEFIT INSURANCE

2023 Benefit: €2,600

Eligibility: To be eligible a participant in the scheme is required:

- 1) to be a Credit Union Member
- 2) to have joined the Credit Union before age 70 years, be or been eligible for cover under the Life Savings Policy and have remained a member of the Credit Union
- 3) Account must be active (not dormant)
- 4) Minimum shareholding of €100 must be maintained.

**What is Loan Protection Insurance?**

In the credit union, the outstanding loan balances of eligible members are automatically insured at no direct cost to the member. So you can take out a credit union loan in the full confidence that your dependents will be protected against your debts, should you die.

**Life Savings Insurance**

Our life savings insurance is a very valuable service provided free-of-charge to qualifying members. Subject to certain terms & conditions, cover is provided on your shares up to a maximum of €3,000 in total, if at the time the shares are lodged, you the member

- Were actively at work or in good health, and
- Have joined the Credit Union before age 70 and
- Have remained and still remain a member of our Credit Union

Only the first named on a joint account is eligible for life savings insurance cover and club or business accounts do not qualify for cover.

**HOW DOES LIFE SAVINGS INSURANCE WORK?**

The amount of insurance benefit on savings which a member is entitled to is in direct proportion to their savings and their age. In your credit union account every €1 you save:

AGE	COVER
Before 55	Provides €1 of Insurance
During 55 to 59 inclusive	Provides 75c of Insurance
During 60 to 64	Provides 50c of Insurance
During 65 to 70 inclusive	Provides 25c of Insurance

For example, if you are 54 years of age with €1,000 saved in the credit union, an insurance benefit of €1,000 in addition to your savings will be paid out on your death. If you are 57 years of age with nothing saved before age of 55, but save €1,000 since, an insurance benefit of €750 in addition to your savings will be paid out on your death.

Once earned, the insurance remains in force as long as you leave your savings in the credit union.



**Deposit Guarantee Scheme**  
**Depositor Information Sheet**

**Basic information about the protection of your eligible deposits**

- Eligible deposits in Carrick-on-Suir Credit Union Ltd are protected by: the Deposit Guarantee Scheme (DGS)
- Limit of protection: €100,000 per depositor per credit institution
- If you have more eligible deposits at the same credit institution: All your eligible deposits at Carrick-on-Suir Credit Union Ltd are 'aggregated' and the total is subject to limit of €100,000
- If you have a joint account with other person(s): The limit of €100,000 applies to each depositor separately
- Reimbursement period in case of credit institution's failure: 20 working days
- Currency of reimbursement: Euro or, for branches of Irish banks operating in other EEA Member States, the currency of that State.
- To contact Carrick-on-Suir Credit Union Ltd for enquiries relating your account: to Carrick-on-Suir Credit Union Ltd, Greystone Street, Carrick-on-Suir, Co. Tipperary, Tel: 051 640675, Fax: 051 640671 Web : [www.carrickcu.ie](http://www.carrickcu.ie) or Email : [info@carrickcu.ie](mailto:info@carrickcu.ie)
- To contact the DGS for further information on compensation: Deposit Guarantee Scheme, Central Bank of Ireland, PO BOX 11517, Spencer Dock, North Wall Quay, Dublin 1, Tel: 1890-777777, Email: [info@depositguarantee.ie](mailto:info@depositguarantee.ie)

**More information: [www.depositguarantee.ie](http://www.depositguarantee.ie)**

**ADDITIONAL INFORMATION**

Your deposit is covered by a statutory Deposit Guarantee Scheme. If insolvency of your credit institution should occur, your eligible deposits would be repaid up to €100,000.

If a covered deposit is unavailable because a credit institution is unable to meet its financial obligations, depositors are repaid by a Deposit Guarantee Scheme. This repayment covers at maximum €100,000 per credit institution. This means that all eligible deposits at the same credit institution are added up in order to determine the coverage level. If, for instance a depositor holds a savings account with €90,000 and a current account with €20,000, he or she will only be repaid €100,000.

In case of joint accounts, the limit of €100,000 applies to each depositor.

However, deposits in an account to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor for the purpose of calculating the limit of €100,000.

**CARRICK-ON-SUIR CREDIT UNION**  
*Ready for an upgrade?*  
 CREDIT REUNION TIME!



**CAR LOAN**  
 CAR LOAN BASED ON €10,000 OVER 5 YEARS:  
 Interest Rate: 9.75% | Rate APR: 10.22% | Amount Borrowed: €10,000  
 Weekly Repayments: €48.60 | Loan Term: 5 years | Cost of Credit: €2,634.79  
 Total Repayable: €12,634.79

Carrick-on-Suir Credit Union Ltd, Greyfriars Street, Carrick-on-Suir, Co. Tipperary  
 Tel: 051 640675 • Email: info@carrickcu.ie • Web: www.carrickcu.ie  
 Terms and Conditions Apply. Carrick-on-Suir Credit Union is regulated by the Central Bank of Ireland.

**SERVICES**

- Share / Savings Accounts
- Loan Accounts
- Share & Loan Insurance -Free to Qualifying Members
- Death Benefit Insurance - Currently €2,600 - Free to Qualifying Members
- Foreign Exchange
- Bill Pay Facility
- Payroll Deductions
- Standing Order Payments
- Money Advice & Budgeting Service
- Gift Vouchers
- Discount on Home, Car & Travel Insurance
- Website with access 24/7 to accounts
- EFT – Electronic Funds Transfer
- Mobile banking via Mobile Device App

*Carrick-on-Suir Credit Union Limited*  
**PRIZE DRAW INCOME AND EXPENDITURE ACCOUNT**  
*Year ended 30 September 2023*

	€	€
Oct-22 Opening balance	129,414	
May-23 2023/2024 deduction	180,648	
Sep-23 Prizes paid out		179,051
Sep-23 Closing balance	<u>          </u>	<u>131,011</u>
	<u>310,002</u>	<u>310,062</u>

**CARRICK-ON-SUIR CREDIT UNION PRIZE DRAW**

Carrick-on-Suir Credit Union Prize Draw is self-funded and non-profit making. That means that all funds collected are used for the Prize Draw. In May 2023, €52 was deducted from 3,474 eligible members who had signed up for the prize draw. The €52 entrance fee includes entry to all prize draws from 1 June 2023 to 31 May 2024. We give out €12,500 each month in prizes (1\*€10,000 and 5\*€500). In addition to this, we gave away 3 \*€500 each day for the 12 Days of Christmas December 2023. Any surplus funds held will be distributed in May 2024 in an additional draw.

The 12 winners of the top prize during the year ended 30 September 2023 are as follows:

Month.....	Name
Oct-22.....	Maurice Drohan
Nov-22.....	Angela Watson
Dec-22.....	Rachel Bowers
Jan-23.....	Edmund Betts
Feb-23.....	John Lonergan
Mar-23.....	Laurence Brannigan
Apr-23.....	Meagan Power
May-23.....	Christopher Griffin
Jun-23.....	Leonard & Helena Byrne
Jul-23.....	Colette Landers
Aug-23.....	Celestine Kennedy
Sep-23.....	Mark Keane

## CREDIT UNION PRAYER

Lord, make me an instrument of Thy Peace

Where there is hatred let me sow Love

Where there is injury, Pardon

Where there is doubt, Faith

Where there is despair, Hope

Where there is darkness, Light

And where there is sadness, Joy.

O! Divine Master

Grant that I may not so much seek

To be consoled as to console

To be understood as to understand

To be loved as to love.

For it is in giving that we receive

It is in pardoning that we are pardoned

And it is in dying

That we are born to Eternal Life.

**CARRICK-ON-SUIR**  
***Credit Union Ltd.***

Greystone Street, Carrick-on-Suir, Co. Tipperary.

Tel: (051) 640675