



PALMERSTOWN CREDIT UNION

Trusted in Palmerstown & Chapelizod for over 50 years

Annual General Meeting 2025

€20M

Loan Portfolio

€7.8M

New Loans Issued

€48M

Members' Shares



360K

Total Transactions



Members

9,967

New Members

+235



€41K

Community Fund
Donations



1

ATM Onsite

The Year in
Numbers
2024/25



312K

Member
Digital Transactions



Avg. 59%

of Energy consumed
is from Solar Panels

Notice of Annual General Meeting for the year ended 30th September 2025

Date: Monday 15th December 2025

Start Time: 8.00pm

Venue: Palmerstown Community Centre,
Kennelsfort Road Upper, D20 EY68, Ireland.

AGM AGENDA

- 1 The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons.
- 2 Ascertain that a quorum is present.
- 3 Adoption of Standing Orders.
- 4 Reading and approval/correction of the minutes of the last Annual General Meeting.
- 5 Appointment of Tellers.
- 6 Report of the Board of Directors.
- 7 Consideration of accounts.
- 8 Report of the Auditor.
- 9 Report of the Nomination Committee.
- 10 Election of Auditor.
- 11 Election to fill a vacancy on the Board Oversight Committee.
- 12 Election to fill vacancies on the Board of Directors.
- 13 Report of the Board Oversight Committee.
- 14 Report of the Credit Committee.
- 15 Report of the Credit Control Committee.
- 16 Report of the Membership Committee.
- 17 Report of any sub-committee.
- 18 Announcement of election results.
- 19 Any other business.
- 20 Adjournment or close of meeting.

NOTICE OF ELECTIONS

Elections will be held to fill 6 vacancies on the board of directors, 1 vacancy on the Board Oversight Committee and the position of Auditor.

MINUTES OF THE LAST ANNUAL GENERAL MEETING

Please note that the minutes of the last Annual General Meeting will be available to read prior to the meeting on our website:
www.palmerstowncu.ie



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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

2. 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.

3. When nominations are announced tellers shall be appointed by the chair and ballot papers shall be distributed. Nominations shall be in the following order:

(a) nominations for auditor;

(b) nominations for members of the board oversight committee;

(c) 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

4. All motions must be submitted by members by close of business on Wednesday 4th of December 2025. Motions can be submitted by email to info@palmerstowncu.ie or in writing addressed to the chair.

5. 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.

6. In exercising his/her right of reply, a proposer may not introduce new material.

7. The seconder of a motion shall have such time as shall be allowed by the chair to second the motion.

8. 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.

9. 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

10. 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.

11. The chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.

12. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the chair.

13. The chairman's decision on any matter relating to these standing orders or interpretation of same shall be final.

14. 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.

15. 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.

16. 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.

17. 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.

18. Adjournments

Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act, 1997 (as amended).

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Lawrence Byrne	(Chair)
John Murphy	(Vice Chair)
Martina Miller	(Secretary)
Damien Brady	
Miriam Kelly	
Derek Magee	
James Brennan	
Declan Ward	
Gerry Lavin	(Co-Opted)
Denise Watson	(Resigned)

BOARD OVERSIGHT COMMITTEE

Jessica Hickey	(Chair)
Richard Heywood Jones	
Tony O'Reilly	

CEO

Stacy McGrath

REGISTERED OFFICE & NUMBER

48 Manor Road, Palmerstown,
Dublin 20, D20 R720
79CU

BANKERS

AIB, Lucan, Co. Dublin

SOLICITORS

Ivor Fitzpatrick

INDEPENDENT AUDITOR

Grant Thornton

INTERNAL AUDITOR

ILCU, IAS

RULE AMENDMENTS

Rule Amendment 1

That this Annual General Meeting agrees to amend Rule 14(1) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of the word "natural" to read as follows:

Rule 14. Person under age 16

- (1) A natural person under the age of sixteen:
 - a) may be a member of the credit union, and
 - b) subject to paragraph (2), may enjoy all the rights of membership, other than voting rights, and can give all necessary receipts.

Rule Amendment 2

That this Annual General Meeting agrees to amend Rule 109 of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of Rule 109(3) (a) to (f) inclusive and replacing it with the following:

- (3) All complaints under this rule shall be decided in the following manner:
 - (a) For the purposes of this rule the complaining party or parties described under paragraph (1) shall be referred to as the complainant.
 - (b) The board of directors shall appoint a complaints officer who is suitably qualified and authorised to investigate, and wherever possible resolve complaints, received from complainants.
 - (c) In the event that a complaint is not resolved to the satisfaction of the complainant, the complainant may refer the complaint to the Financial Services & Pensions Ombudsman, or other adjudication body as appropriate.
 - (d) Nothing in this rule shall prevent the Financial Services & Pensions Ombudsman from investigating and adjudicating a complaint made against a credit union about the provision of, or failure to provide, a financial service, so long as the complaint:
 - (a) falls within the jurisdiction of that Ombudsman, and
 - (b) does not relate to a matter that involves only the governance of the credit union.

CHAIRPERSON'S REPORT

I am pleased to welcome you to the 2025 Annual General Meeting of Palmerstown Credit Union. It is my honour to present my report to you in this, my first year as Chairperson of the Board of Directors of Palmerstown Credit Union.

OVERVIEW

Following the exit of Ulster Bank from the Irish market, Palmerstown Credit Union is now the sole financial institution in the Palmerstown/Chapelizod area, and we have reviewed our strategy to embrace this unique opportunity.

The year to 30th September 2025 was one of significant change and challenge, particularly in the global economy where we have been subject to ongoing negative influences in the form of the wars in Ukraine and Gaza, Climate Change, and the tariff threat from global trade tensions.

Notwithstanding this, our Credit Union had a successful year as I will detail below.

COMMUNITY:

Through our Community Fund, €41,166 was distributed to 20 local community groups and bursary recipients within our common bond.

CLIMATE ACTION AND SUSTAINABILITY:

The areas of climate and sustainability are core to our strategy. In line with our overall sustainability agenda, sustainable lending is a key component of our strategic plan. That sustainability agenda sees us exploring every avenue to reduce our carbon footprint and to align our products and service with the UN sustainability goals we will be looking to you, our members, to assist us in this goal.

IT:

We continue to invest in our IT platform to enhance our service to you, our members, and to ensure that our operating system is operationally resilient and robust against the ever-present risk of a Cyber attack.

STRATEGIC PLAN:

We reviewed the strategic plan, and agreed clear key deliverables for implementation over the coming three years, including:

- ▶ Enhancing Products and Services
- ▶ Investing in People
- ▶ Leading on Sustainability
- ▶ Strengthening IT Resilience
- ▶ Deepening Community Connections

DIVIDEND AND INTEREST REBATE:

The credit union ended the year with a surplus of €598,942 and we are recommending the credit union declare a dividend of 0.25% at a cost of €116,040 (2024 – €88,342) and a loan interest rebate of 5% (excluding mortgages) at a cost of €73,611 (2024 – €110,284). These figures have been arrived at in consideration of providing a return to you, while at the same time preserving the reserves of the Credit Union, given the potential impact of the various negative external forces as outlined above.

MEMBER FOCUS:

We now provide a full range of financial products and services, including digital and face to face options. We have launched the national credit union mortgage service and, following feedback from you, we have installed an ATM service providing access to cash for all in the community.

We will continue to seek your evaluation by way of Member Service surveys and at the counter.

Please be honest and proactive in giving us your opinions and recommendations.

CHAIRPERSON'S REPORT (CONTINUED)**LOOKING AHEAD:**

The Board's current strategic plan envisages continuing growth through improved services to you, our members, while at the same time actively exploring options for collaboration with other credit unions, up to and including amalgamation. While we are available for discussions with other credit unions in the future, our focus in the short and medium term will be on delivering good value and improved services for our members in a sustainable way. As climate action becomes even more a priority, the Board will be mindful of its responsibilities and these have been included as an important part of our strategic plan.

APPRECIATION:

On behalf of the Board of Directors, I want to thank our CEO, Stacy McGrath, and her management team and staff for their continued commitment to providing the best service to you, our members, while at the same time dealing with the ongoing challenge of change within our own credit union and the wider sector and economy.

I also want to thank my fellow Board members, Board Oversight Committee and all Committee members who have given tirelessly of their time during the year.

Finally, I want to thank you, our members, for your ongoing support and loyalty to the Credit Union.

I ask you to continue as advocates of the Credit Union to encourage your families and friends to consider Palmerstown Credit Union as their preferred choice of financial institution.



Lawrence Byrne
Chairperson

CEO REPORT

Dear Members,

I am delighted to present my 2025 report to you. As I reflect on the past year, I am mindful of the challenges that we have met and the progress that we have made in bringing our credit union forward to meet those challenges. With the changes in the financial sector in Ireland in recent years, Palmerstown Credit Union has now become the sole financial institution within the Palmerstown/Chapelizod area. I am happy that, with our dedicated team and our product range, we can deliver on this responsibility to our members.

Again, Palmerstown Credit Union had a successful year. While the Irish economy is performing well at present, the continuation of global political disruption means that we face a further period of uncertainty which we believe we are well positioned to manage.

We are pleased to report that arrears remain low and continue to align with sector benchmarks, reflecting the strong quality of our lending practices.

The year was one of substantial change internally. To address the challenges of a rapidly changing financial and political landscape, we made key changes and appointments within our team, which, I am pleased to advise, are now fully in place.

OUR YEAR IN NUMBERS

- ▶ Loan Book now at €20 million.
- ▶ €7.8 million in new loans issued to support members with their financial goals.
- ▶ 5 new mortgages provided, helping members take important steps toward home ownership.
- ▶ Member savings increased by €3 million, bringing total shares to €48 million, demonstrating strong member confidence.
- ▶ €100,000 allocated to our Community Fund, reaffirming our commitment to supporting local projects and initiatives.
- ▶ 235 new members welcomed, showing ongoing growth and community engagement.
- ▶ Over 360,000 member transactions processed, highlighting the high level of activity and reliance on our services.

IT:

We continually review and benchmark our IT systems and platforms. As part of this ongoing improvement, we are planning to migrate our server infrastructure to a secure Cloud environment. This will enhance system stability, accessibility, and overall security.

We remain committed to investing in the highest standard of security for both our systems and our members.

We ask all members to remain vigilant. Please do not click on links or open attachments in unsolicited emails. If you are ever unsure about the legitimacy of a message, please contact the Credit Union directly.

COMMUNITY:

During the year, we were delighted to support local clubs and organisations with €41,166 in sponsorships and community funding. Since the Community Fund began, we have proudly distributed €312,620 to local projects and initiatives that make a real difference in our area.

To further strengthen this commitment, we have appointed a Community Officer, dedicated to working closely with clubs, community groups, and organisations across our Common Bond. Their role is to listen, support, and help connect groups with funding opportunities.

CEO REPORT (CONTINUED)

We encourage local clubs, schools and community groups to apply for funding and to get in touch for a conversation — we are here to help, and we want to continue investing in what matters most: our community.

ESG/SUSTAINABILITY:

We are committed to developing this important area. Over the past years, we have invested in our offices, equipment, and operational processes to help reduce our carbon footprint. We are already seeing positive results from these changes, including improved efficiency and cost savings.

In October 2024, we installed solar panels at Manor Road, and we are pleased to report that 59% of our energy consumption has since been powered by solar energy.

NEW DEVELOPMENTS:

We have installed an ATM at our Manor Road premises, giving members 24/7 access to cash for greater convenience.

In November 2025, we will launch the National Credit Union Mortgage, a capped variable rate mortgage. Plans are also underway to introduce a fixed-rate mortgage product in 2026.

SEPA Instant Payments went live in October 2025, enabling members to send and receive funds instantly.

Our current account service will migrate to the Visa platform in 2026, enhancing flexibility and usability for members.

COLLABORATION

During the year, we partnered with our neighbours, Lucan and District Credit Union, to provide our members with access to Financial Advice services. This is a free service, and we encourage any member with questions regarding savings, investments, or pensions to get in touch and arrange an appointment.

We are also delighted to have partnered with Ballyfermot Inchicore Credit Union (BICU), allowing BICU members to access our Current Account service. This collaboration has been made possible through changes introduced in the Credit Union (Amendment) Act 2023.

We look forward to continuing to strengthen our relationships with neighbouring Credit Unions and to enhancing the range of products and services available to all our members.

This year, we said a fond farewell to Patricia Quinn and Breda Brennan as they began their retirements. Patricia and Breda have been an important and valued part of PCU for the past 10 years, and we'll truly miss them. We wish them both all the joy, good health, and relaxation that retirement brings. I would like to thank our Board of Directors, Board Oversight committee and committee members all of whom serve on a voluntary basis for their ongoing commitment, dedication, and guidance in the running of the Credit Union.

I want to thank you, our members, for your continued support and positive feedback. I encourage you to continue to promote and avail of all services available to you, by using this service you continue to invest in your local community.

Finally, I would also like to thank our management team and staff for their hard work and support during a challenging year. They ensured that our members' needs were always met in a positive and caring way.



Stacy McGrath
CEO

DEPOSIT GUARANTEE SCHEME DEPOSITOR INFORMATION SHEET

Basic information about the protection of your eligible deposits.

Eligible deposits in Palmerstown Credit Union Limited are protected by:	the Deposit Guarantee Scheme {"DGS"}, ⁽¹⁾
Limit of protection:	Eligible deposits up to €100,000 per depositor per institution. ⁽²⁾
If you have more eligible deposits at the Palmerstown Credit Union Limited:	All your eligible deposits at Palmerstown Credit Union Limited are 'aggregated' and the total is subject to the limit of €100,000. ⁽²⁾
If you have a joint account with other person(s):	The limit of €100,000 applies to each depositor separately. ⁽³⁾
Reimbursement period in case of Palmerstown Credit Union Limited's failure:	10 working days ⁽⁴⁾
Currency of reimbursement:	Euro
To contact Palmerstown Credit Union Limited for enquiries relating to your account:	Palmerstown Credit Union Limited, 48 Manor Rd, Redcowfarm, Palmerstown, Co. Dublin, D20 R720 Tel: 01 626 5621 E-mail: info@palmerstowncu.ie Web: www.palmerstowncu.ie
To contact the DGS for further information on compensation:	Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1. Tel: 0818 681 681 Email: info@depositguarantee.ie
More information:	www.depositguarantee.ie

ADDITIONAL INFORMATION

(1) Scheme responsible for the protection of your deposit

Your deposit is covered by a statutory deposit guarantee scheme. If insolvency should occur, your eligible deposits would be repaid up to €100,000.

(2) General limit of protection

If a covered deposit is unavailable because a credit institution is unable to meet its financial obligations, depositors are repaid by the DGS. This repayment covers at maximum €100,000 per person 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.

(3) Limit of protection for joint accounts

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

In some cases eligible deposits which are categorised as "temporary high balances" are protected above €100,000 for six months after the amount has been credited or from the moment when such eligible deposits become legally transferable. These are eligible deposits relating to certain events which include:

- certain transactions relating to the purchase, sale or equity release by the depositor in relation to a private residential property;
- sums paid to the depositor in respect of insurance benefits, personal injuries, disability and incapacity benefits, wrongful conviction, unfair dismissal, redundancy, and retirement benefits;
- the depositor's marriage, judicial separation, dissolution of civil partnership, and divorce;
- sums paid to the depositor in respect of benefits payable on death; claims for compensation in respect of a person's death or a legacy or distribution from the estate of a deceased person.

More information can be obtained at www.depositguarantee.ie

(4) Reimbursement

The responsible deposit guarantee scheme is:

Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1. Tel: 0818 681 681. Email: info@depositguarantee.ie. Website: www.depositguarantee.ie.

It will repay your eligible deposits (up to €100,000); within 10 working days from 1 January 2025 to 31 December 2025; and within 7 days from 1 January 2026 onwards, save where specific exceptions apply.

Where the repayable amount cannot be made available within seven working days depositors will be given access to an appropriate amount of their covered deposits to cover the cost of living within five working days of a request. Access to the appropriate amount will only be made on the basis of data provided by the credit institution. If you have not been repaid within these deadlines, you should contact the deposit guarantee scheme.

OTHER IMPORTANT INFORMATION

In general, all retail depositors and businesses are covered by the Deposit Guarantee Scheme. Exceptions for certain deposits are stated on the website of the Deposit Guarantee Scheme. Your credit institution will also inform you on request whether certain products are covered or not. If deposits are eligible, the credit institution shall also confirm this on the statement of account.



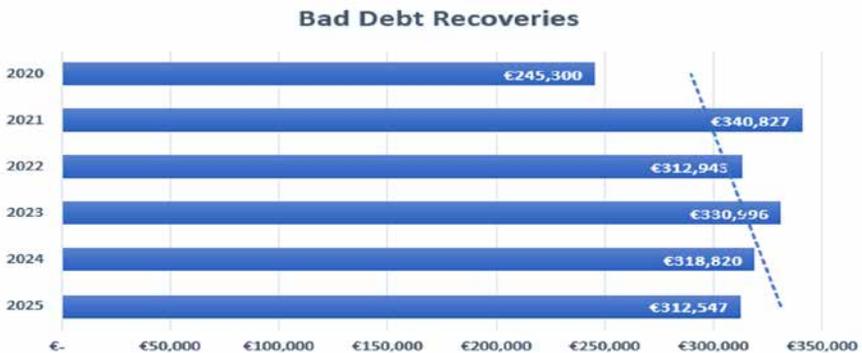
CREDIT CONTROL COMMITTEE REPORT

The Credit Control Committee meets monthly to monitor member accounts. Any member in breach of loan repayments is contacted and given an opportunity to rectify the situation.

If you find yourself in financial difficulty with your repayments, please contact the credit control team immediately. Remember, it is never too late to talk to your credit union. The problem will be dealt with in the strictest of confidence and we will endeavour to work out a solution satisfactory to both parties.

- ▶ Bad Debt Recoveries were strong for the year with €312,547 recovered from charged off accounts.
- ▶ The A1 Ratio stands at 1.59%.
- ▶ 18 accounts to the value of €180,794 were charged off in the financial year.

Below 5-year graph on bad debts recovered.



On behalf of the Committee, a sincere thanks to the staff for their help and hard work throughout the year.

The Credit Control Committee, Palmerstown Credit Union.

CREDIT COMMITTEE REPORT

The Credit Committee met and examined the lending operations throughout the year, we can confirm that all loans were prudently assessed and based on the repayment capacity of each prospective borrower, whether it was for a relatively small loan or a mortgage. As one of the Credit Union's operating principles we want to lend to our member at fair rates, while making decisions that will help educate and encourage members to borrow and fulfil their dreams without putting them under unnecessary financial pressures and we are happy to report that the monthly data submitted to the credit committee verified that the credit union remained compliant with their own internal policies and procedures as set out by the Board and Management.

All of our loan products follow the same ethos.

- ▶ Local decision-making – All lending decisions are made here in your community, with members best interests at heart
- ▶ Flexible repayments – Pay fortnightly or monthly, whichever suits you
- ▶ No early repayment penalties
- ▶ No hidden fees or surprise charges
- ▶ Personal service – We know our members, and we're here to support you

LOANS ISSUED

Mortgages issued	€894,000
Personal Loans Issued	€6,952,957
Gross Loans	€20,142,358

On behalf of the Credit Committee, a sincere thank you to the staff and management of the Credit Union for their outstanding work during the last year and to the members of Palmerstown Credit Union, we thank you for your continued support throughout the year and ask that you make Palmerstown Credit Union your first port of call for your future borrowing needs.

Your New Home for Mortgages

Discover Our Capped
Variable Rate Mortgages



YOUTH COMMITTEE REPORT

The Youth Committee is appointed on an annual basis to spread awareness of the Credit Union and fostering our ethos among the youth of the community. I would like to thank all members of this year's Youth Committee for their continued commitment. This past year, the Youth Committee has engaged in many recurring initiatives and introduced some new initiatives with the support of the community.

MOLLY O'CALLAGHAN SCHOLARSHIP IN PARTNERSHIP WITH POBALSCOIL IOSOLDE 2025

The Molly O'Callaghan Scholarship with Pobalscoil Iosolde received 12 applications this year, applicants were invited to interview. The interview panel consisted of Mark Gleeson (Guidance Counsellor with Pobalscoil Iosolde), Aisling Corcoran and Caoimhe Daffy (Members of PCU Youth Committee). This year, the successful applicant was Thomas Tierney.

MOLLY O'CALLAGHAN COMMUNITY SCHOLARSHIP 2025

The Youth Committee introduced a second bursary for sixth-year students who are living within the common bond but are attending a school that is outside the common bond and are entering into their first year of third-level education. The Molly O'Callaghan Community Scholarship received 2 applications this year – both applicants were invited to interview. This year, the successful applicant was Lorcan Murphy.

APPRENTICESHIP BURSARY 2025

The Youth Committee understands that progression to third-level education is not the path for everyone. As a result, we have renewed the Apprenticeship Bursary to support young people in the community who are starting an apprenticeship with the aim of helping them with the associated costs. Applications for this bursary can be received all year, please encourage your family and friends that may be eligible to make an application.

CREDIT UNION SCHOOLS QUIZ

The Youth Committee held the local round of the ILCU's annual Credit Union Schools Quiz at St Lorcan's B.N.S hall, and all participants enjoyed the event. Thank you to St. Lorcan's for the use of the hall.

CREDIT UNION ART COMPETITION

The Youth Committee judged the local level of the ILCU's annual art competition this year – having received submissions from under 7 years old all the way to 18 years old and over. All winners at the local level progressed to the Chapter Level.

Conor O'Dempsey
Youth Committee Chairperson

MEMBERSHIP COMMITTEE REPORT

Our membership is key to our success through loans and this year we achieved some great numbers.

- ▶ **9,667 Active Members**
- ▶ **235 New Members**
- ▶ **87 new members welcomed through Online Onboarding**
- ▶ **69 current accounts opened**

We are proud to say that we have almost 4,500 members now receiving E-Statement & E-AGM online. We would urge our members to sign-up for our "Online Services" to take benefit of our trusted and enjoyable member experience.

Our online and offline services include

- ▶ Online Onboarding (allowing new members to apply via our APP in less than 10 minutes)
- ▶ Member Personal Current Account Service
- ▶ **Online Banking using the website & APP to securely make payments, transfer funds**
- ▶ AIS Account Information System (Member can give direct 'secure' access to bank account information)
- ▶ Online Loan application and Issue through DocuSign

Please visit www.palmerstowncu.ie and click on "Register for Access" to enable online banking.

Our members benefit from insurance paid for by Palmerstown Credit Union. This insurance is free for all qualifying members and include

- ▶ Loan Protection & Life Savings Insurance benefit of up to €3,000
- ▶ Death Benefit Insurance of €2,600 that also helps towards covering funeral costs.
- ▶ Qualifying member must have a minimum of €250 in shares and must have joined before the age of 70

Regrettably, we assisted nominees of 37 members who passed away, beneficiaries have received €60,645 in share insurance, the premiums for these benefits are currently paid by the credit union.

In addition, the insurance cleared loans worth €36,063 which was reassuring to the families. 33 beneficiaries received the Death benefit of €85,800 (€2,600 each). These levels of claims are likely to impact our premium costs in future years.

If you are unsure who the nominee is on your account or if you wish to update it, please contact the credit union.

We continue to ask members to update their Proof of Address and Proof of ID.

This is in accordance with our regulatory requirements with the Criminal Justice Acts.

You may need to update your details if –

- ▶ If you have not transacted on your account in sometime
- ▶ If your marital status has changed
- ▶ Changing Addresses
- ▶ Updating expired Passport or Driving License

Finally, we love to hear from our members, so please get in touch with any queries you may have, or suggestions for improvements to any of our activities or any additional services members would like to see in Palmerstown Credit Union.

MEMBERSHIP COMMITTEE PHOTOS



COMMUNITY FUND REPORT

The Community Fund Committee is delighted to report another highly successful year for our community fund disbursement in 2024–2025. This year we disbursed over €41,166 to community clubs and initiatives.

Furthermore, we are pleased to inform our members that the cumulative donations from the community fund, spanning 2020 to 2025, have now surpassed €312,000. This achievement demonstrates our commitment to supporting our community and highlights the impact that you the member have on your local community by using your Credit Union services.

We take immense pride in our ability to support a wide spectrum of organisations and individuals, ensuring that people of all ages, backgrounds, and affiliations, residing in Palmerstown or Chapelizod, are positively impacted by our fund.

We look forward to another amazing year of collaboration with all our clubs!

Here are some of the successful applicants for 2024/2025

- ▶ Palmerstown Meals On Wheels
- ▶ Palmerstown FC
- ▶ Chapelizod Allotments Association
- ▶ St. Philomena's Church
- ▶ Together FM
- ▶ Palmerstown Camera Club
- ▶ St. Pat's GAA Féile
- ▶ St. Pat's GAA Senior Ladies Team
- ▶ Glenville Football Club
- ▶ ILCU Foundation
- ▶ Palmerstown Meitheal Group –St. Patrick's Day Festival & Céilé at the Crossroad
- ▶ Molly O'Callaghan Scholarship Recipients

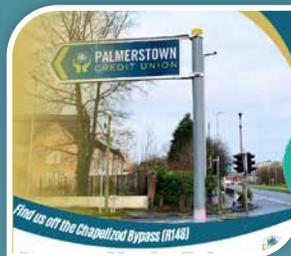
We are proud to say that “YOUR loans are helping the #community grow”

To make an application to the community fund please visit our website www.palmerstowncu.ie or for enquiries please send an email to membersnotice@palmerstowncu.ie.

The Community Fund Committee



COMMUNITY FUND PHOTOS



NOMINATIONS COMMITTEE REPORT

Section 56(B) of the Credit Union Act 1997 (as amended) requires the appointment of a Nomination Committee to be comprised of between three and five members, all of whom must be members of the Board of Directors.

The Nomination Committee is responsible for:

- Identifying candidates to be nominated for appointment to the Board of Directors.
- Accepting nomination of candidates proposed to be appointed to the Board.
- Conducting due diligence on members seeking election to the Board in accordance with the Fitness & Probity requirements of the Central Bank Reform Act 2010.
- Proposing candidates for election by acting to be members of the Board.
- Ensuring that new Directors and other volunteers receive appropriate training.

Every candidate to be nominated for appointment as a member of the Board of Directors of a Credit Union must be proposed through the Nomination Committee of the Credit Union; as such nominations from the floor at the AGM are no longer permitted.

In accordance with section 53 of the Credit Union Act, 1997 (as amended) the maximum term of office for a director is 3 years. In addition, section 53 requires that at each Annual General Meeting the number of directors whose term of office expires shall, as near as possible, be the same.

This year the number of nominations seeking elections to the Board of Directors is 1 and there are 5 nominations for re-election.

The Nomination Committee would appeal to any member who would like to become involved in the credit union as a volunteer to contact them. Contact details are available on our website www.palmerstowncu.ie/volunteering. Volunteering whether as a member of the Board Oversight Committee or as a member of the Board of Directors can be a rewarding and valuable experience, both socially and professionally. New requirements relating to governance require that the Board of the Credit Union has appropriate skills necessary to discharge the functions of the Board.



BOARD OVERSIGHT COMMITTEE REPORT

The Credit Union Act 1997(as amended) requires the appointment of a Board Oversight Committee to assess that the Board of Directors has operated in accordance with Part iv, Part iv(a) and any regulations made for the purpose of Part iv or Part iv(a) of the Act (as amended.).

Although no face-to-face meetings of the Board of Directors or the various Board committees have taken place for some months now, directors and management have used the various online meeting forums to continue the business of overseeing the running of Palmerstown Credit Union in a professional regulatory way.

The Board of Directors have regularly met each month, with a full quorum, using secure teleconference and team facilities. All meetings were observed by the Board Oversight Committee who can confirm that each meeting was conducted to the highest standard by the chairperson. The discussions on the various agenda items were participated in by all directors. The Board Oversight Committee can confirm that the skill mix on the Board of Directors is good and improving thanks to the astute awareness of the Nominations Committee and the marketing effort on the PCU website.

The Board Oversight Committee is satisfied that the Board is operating in accordance with Part IV and V of the Credit Union Act 2007 (as amended).

DIRECTORS' REPORT

For the financial year ended 30 September 2025

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2025.

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 financial year ended 30 September 2025 of €116,040 (0.25%) (2024: €88,342 (0.20%)) and a loan interest rebate of €73,611 (5.00%) on all loans excluding house loans and ARA loans (2024: €110,284 (7.50%) on all loans excluding house loans and ARA loans).

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 disruption to global supply chains and a general uncertainty in the markets as a result of the changing geopolitical landscape.

DIRECTORS' REPORT (CONTINUED)

For the financial year ended 30 September 2025

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 lending policy. All loan applications are assessed with reference to the lending 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 provides lending products to its members and promotes 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 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

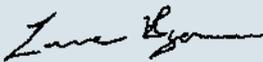
The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the credit union are maintained at the credit union's premises at 48 Manor Road, Palmerstown, Dublin 20.

EVENTS AFTER THE END OF THE FINANCIAL YEAR

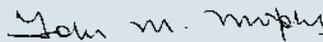
There have been no significant events affecting the credit union since the year end.

AUDITORS

In accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Grant Thornton offer themselves for re-election.



Lawrence Byrne
Chairperson of the Board of Directors



John Murphy
Member of the Board of Directors

Date: 24th November 2025

DIRECTORS' RESPONSIBILITIES STATEMENT

For the financial year ended 30 September 2025

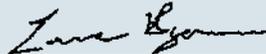
The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations. The directors have elected to prepare the financial statements in accordance with FRS 102 (as amended) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). 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. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the credit union's website.

On behalf of the board:



Lawrence Byrne
Chairperson of the Board of Directors



John Murphy
Member of the Board of Directors

Date: 24th November 2025

BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT

For the financial year ended 30 September 2025

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:



Jessica Hickey
Chairperson of the Board Oversight Committee

Date: 24th November 2025



INDEPENDENT AUDITOR'S REPORT

to the members of Palmerstown Credit Union Limited

OPINION

We have audited the financial statements of Palmerstown Credit Union Limited for the financial year ended 30 September 2025, which comprise:

- the Income and expenditure account;
- the Statement of other comprehensive income;
- the Balance sheet;
- the Statement of changes in reserves;
- the Statement of cash flows; and
- the related notes 1 to 28, including a summary of significant accounting policies as set out in note 2.

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 (as amended) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, Palmerstown 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 2025 and of its income and expenditure 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 'Auditor's responsibilities 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.

INDEPENDENT AUDITOR'S REPORT

to the members of Palmerstown Credit Union Limited
(continued)

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;
- 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 (as amended), 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.

AUDITOR'S RESPONSIBILITIES 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.

INDEPENDENT AUDITOR'S REPORT

to the members of Palmerstown Credit Union Limited
(continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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.



Sean Ridley FCA
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Audit Firm
Galway

Date: 24th November 2025

INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2025

	Schedule	2025 €	2024 €
INCOME			
Interest on members' loans		1,571,465	1,523,725
Other interest income and similar income	1	697,887	704,246
Net interest income		2,269,352	2,227,971
Other income	2	34,172	33,041
Total income		2,303,524	2,261,012
Expenditure			
Employment costs		677,497	645,266
Other management expenses	3	1,050,773	1,054,220
Depreciation		73,038	89,176
Net impairment movement on loans to members (note 5)		(96,726)	(43,477)
Total expenditure		1,704,582	1,745,185
Surplus for the financial year		598,942	515,827

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

John M Murphy

John Murphy
Member of the
board of directors

Stacy Mc Grath

Stacy Mc Grath
CEO

Date: 24th November 2025

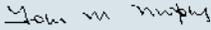
The notes on pages 31 to 45 form part of these financial statements.

STATEMENT OF OTHER COMPREHENSIVE INCOME

For the financial year ended 30 September 2025

	2025 €	2024 €
Surplus for the financial year	598,942	515,827
Other comprehensive income	-	-
Total comprehensive income for the financial year	598,942	515,827

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



John Murphy
Member of the
board of directors



Stacy Mc Grath
CEO

Date: 24th November 2025

The notes on pages 31 to 45 form part of these financial statements.

BALANCE SHEET

As at 30 September 2025

	Notes	2025 €	2024 €
ASSETS			
Cash and balances at bank	6	5,045,768	4,425,561
Deposits and investments – cash equivalents	7	7,922,871	6,889,330
Deposits and investments – other	7	30,636,458	28,787,476
Loans to members	8	20,142,358	20,021,476
Provision for bad debts	9	(900,708)	(865,708)
Members' current accounts overdrawn	14	2,736	3,496
Tangible fixed assets	10	861,207	867,656
Equity investment	11	20,000	20,000
Debtors, prepayments and accrued income	12	112,648	66,565
Total assets		63,843,338	60,215,852
Liabilities			
Members' savings	13	48,663,189	45,602,270
Members' current accounts	14	2,017,899	1,856,893
Other liabilities, creditors, accruals and charges	15	328,945	284,580
Other provisions	16	20,620	18,574
Total liabilities		51,030,653	47,762,317
Reserves			
Regulatory reserve	18	8,092,126	7,828,061
Operational risk reserve	18	460,209	324,938
Other reserves			
– Realised reserves	18	4,090,019	4,179,589
– Unrealised reserves	18	170,331	120,947
Total reserves		12,812,685	12,453,535
Total liabilities and reserves		63,843,338	60,215,852

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

John M Murphy

John Murphy
Member of the
board of directors

Stacy Mc Grath

Stacy Mc Grath
CEO

Date: 24th November 2025

The notes on pages 31 to 45 form part of these financial statements.

STATEMENT OF CHANGES IN RESERVES

For the financial year ended 30 September 2025

	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
As at 1 October 2023	6,885,729	315,313	4,846,133	179,064	12,226,239
Payment of dividend and loan interest rebate	-	-	(224,471)	-	(224,471)
Surplus for the financial year	-	-	483,196	32,631	515,827
Transfers between reserves	942,332	9,625	(861,209)	(90,748)	-
Payments from reserves	-	-	(64,060)	-	(64,060)
As at 1 October 2024	7,828,061	324,938	4,179,589	120,947	12,453,535
Payment of dividend and loan interest rebate	-	-	(198,626)	-	(198,626)
Surplus for the financial year	-	-	527,342	71,600	598,942
Transfers between reserves	264,065	135,271	(377,120)	(22,216)	-
Payments from reserves	-	-	(41,166)	-	(41,166)
As at 30 September 2025	8,092,126	460,209	4,090,019	170,331	12,812,685

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2025 was 12.67% (2024: 13.00%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2025 was 0.72% (2024: 0.54%).

The notes on pages 31 to 45 form part of these financial statements.

STATEMENT OF CASH FLOWS

For the financial year ended 30 September 2025

Notes	2025 €	2024 €
Opening cash and cash equivalents	11,314,891	10,478,285
Cash flows from operating activities		
Loans repaid by members	8 7,545,281	8,377,234
Loans granted to members	8 (7,846,957)	(10,402,260)
Interest on members' loans	1,571,465	1,523,725
Other interest income and similar income	697,887	704,246
Bad debts recovered and recoveries	312,520	317,132
Other income	34,172	33,041
Dividends paid	22 (88,342)	(85,478)
Interest rebates paid	22 (110,284)	(138,993)
Members' current accounts lodgements	14 12,311,654	11,211,527
Members' current accounts withdrawals	14 (12,149,888)	(10,617,760)
Operating expenses	(1,769,436)	(1,763,546)
Movement in other assets and liabilities	328	68,835
Net cash flows from operating activities	508,400	(772,297)
Cash flows from investing activities		
Fixed asset purchases	10 (66,589)	(50,218)
Equity investment	11 -	(20,000)
Net cash flow from other investing activities	(1,848,982)	(261,196)
Net cash flows from investing activities	(1,915,571)	(331,414)
Cash flows from financing activities		
Members' savings received	13 17,169,851	15,056,288
Members' savings withdrawn	13 (14,108,932)	(13,115,971)
Net cash flow from financing activities	3,060,919	1,940,317
Net increase in cash and cash equivalents	1,653,748	836,606
Closing cash and cash equivalents	6 12,968,639	11,314,891

The notes on pages 31 to 45 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2025

1. LEGAL AND REGULATORY FRAMEWORK

Palmerstown 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 48 Manor Road, Palmerstown, Dublin 20.

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 (as amended), 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 significant accounting policies have been applied:

2.2 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with FRS 102 (as amended) "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 a 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

2. ACCOUNTING POLICIES (CONTINUED)

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.

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. Loans are written off when there is no reasonable expectation of recovery.

Any bad debts/impairment losses are recognised in the income and expenditure account. To provide more meaningful information about the performance of the credit union loan portfolio, it presents the net impairment movement on loans to members in the income and expenditure account, which includes both:

- the movement in bad debts provision during the year, and
- the loans written off during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.8 PROVISION FOR BAD DEBTS (CONTINUED)

This presentation is considered to offer more transparent insight into the credit quality of the portfolio and the effectiveness of credit risk management.

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, using the straight-line method.

Depreciation is provided on the following basis:

Premises	2.00% straight line per annum
Computer equipment	33.33% straight line per annum
Fixtures & fittings	12.50% 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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.10 IMPAIRMENT OF ASSETS (CONTINUED)

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 EQUITY INVESTMENT

Equity investment made by the credit union is accounted for at cost less impairment.

2.12 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.

2.13 FINANCIAL LIABILITIES – MEMBERS’ SAVINGS

Members’ shares and deposits 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.

2.14 MEMBERS’ CURRENT ACCOUNTS

Credit balances on members’ current accounts are recognised as financial liabilities when funds are received from members. These balances are repayable on demand. They are initially measured at the amount deposited and subsequently measured at amortised cost.

Debit balances on members’ current accounts represent amounts advanced to members, which are classified as financial assets measured at amortised cost. These balances are assessed for impairment at each reporting date. Any impairment losses identified are recognised in the income and expenditure account.

2.15 OTHER PAYABLES

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

2.16 INTEREST ON MEMBERS’ DEPOSITS

Interest on members’ deposits is recognised on an accruals basis using the effective interest method.

2.17 PENSION

The credit union operates a defined contribution pension scheme. The assets of this scheme are held separately from those of the credit union in independently administered funds. Employer contributions to the pension scheme are charged to the income and expenditure account in the period to which they relate. The amount payable at the year end is €5,901 (2024: €4,227).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.18 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.

2.19 DERECOGNITION OF FINANCIAL LIABILITIES

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

2.20 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.

2.21 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 calculated the operational risk reserve requirement by reference to the predicted impact of operational risk events that may have a material impact on the credit union's business.

2.22 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. The credit union has established a social finance fund reserve to be used by the credit union for social, cultural and charitable purposes in accordance with section 44 of the Credit Union Act, 1997 (as amended) and this is included in realised reserves. 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 interest on loans receivable at the balance sheet date be classified as unrealised and therefore not distributable. All other income, including the SPS refund receivable, is classified as realised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.23 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.

2.24 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 €861,207 (2024: €867,656).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCE OF ESTIMATION UNCERTAINTY (CONTINUED)**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 €900,708 (2024: €865,708) representing 4.47% (2024: 4.32%) of the total gross loan book.

Equity investment

The credit union holds an unlisted equity investment in CU Mortgage Services Designated Activity Company. This investment was made for operational purposes and is not held for trading. The investment is classified as a basic financial instrument in accordance with FRS 102 (as amended) and is measured at cost less impairment. The directors have assessed that the fair value of this investment cannot be reliably measured, due to the absence of an active market and the lack of recent observable transactions for similar instruments. The directors have carried out an impairment review as at the financial year end and are satisfied that there is no objective evidence of impairment. No impairment losses have been recognised during the financial year.

Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and established an operational risk reserve which is separate, distinct and in addition to the reserves the credit union is required to hold in its regulatory reserve. The amount held in the operational risk reserve is the estimated impact of operational risk events that may have a material impact on the credit union's business. The operational risk reserve of the credit union at the year end was €460,209 (2024: €324,938).

Adoption of going concern basis for financial statements preparation

The credit union continue 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

4. KEY MANAGEMENT PERSONNEL COMPENSATION

The directors of the credit union serve on a voluntary basis and do not receive any remuneration for services performed in that capacity. The compensation for key management personnel is as follows:

	2025	2024
	€	€
Short term employee benefits paid to key management	250,613	181,513
Payments to pension schemes	17,916	12,611
Total key management personnel compensation	268,529	194,124

5. NET IMPAIRMENT MOVEMENT ON LOANS TO MEMBERS

	2025	2024
	€	€
Bad debts recovered	(293,420)	(291,281)
Impairment of loan interest reclassified as bad debt recoveries	(19,100)	(25,851)
Movement in bad debts provision during the year	35,000	38,000
Loans written off during the year	180,794	235,655
Net impairment movement on loans to members	(96,726)	(43,477)

6. CASH AND CASH EQUIVALENTS

	2025	2024
	€	€
Cash and balances at bank	5,045,768	4,425,561
Deposits and investments – cash equivalents (note 7)	7,922,871	6,889,330
Total cash and cash equivalents	12,968,639	11,314,891

7. DEPOSITS AND INVESTMENTS

	2025	2024
	€	€
Deposits and investments – cash equivalents		
Accounts in authorised credit institutions (Irish and non-Irish based)	6,419,344	6,888,912
Irish and EEA state securities	1,499,988	356
Central Bank deposits	3,539	62
Total deposits and investments – cash equivalents	7,922,871	6,889,330
Deposits and investments – other		
Accounts in authorised credit institutions (Irish and non-Irish based)	14,241,216	15,240,631
Bank bonds	9,889,870	9,871,270
Irish and EEA state securities	6,107,968	998,034
Central Bank deposits	397,404	369,473
Other investments	-	2,308,068
Total deposits and investments – other	30,636,458	28,787,476
Total deposits and investments	38,559,329	35,676,806



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

7. DEPOSITS AND INVESTMENTS (CONTINUED)

The rating category of counterparties with whom the investments were held at 30 September 2025 and 30 September 2024 is as follows:

	2025	2024
	€	€
A1	28,043,930	28,020,870
A3	1,618,133	4,786,151
Aa3	5,989,823	-
Baa1	2,506,500	2,500,250
Central bank	400,943	369,535
Total	38,559,329	35,676,806

8. FINANCIAL ASSETS – LOANS TO MEMBERS

	2025	2024
	€	€
As at 1 October	20,021,476	18,232,105
Loans granted during the year	7,846,957	10,402,260
Loans repaid during the year	(7,545,281)	(8,377,234)
Gross loans and advances	20,323,152	20,257,131
Bad debts		
Loans written off during the year	(180,794)	(235,655)
As at 30 September	20,142,358	20,021,476

9. PROVISION FOR BAD DEBTS

	2025	2024
	€	€
As at 1 October	865,708	827,708
Movement in bad debts provision during the year	35,000	38,000
As at 30 September	900,708	865,708

The provision for bad debts is analysed as follows:

	2025	2024
	€	€
Grouped assessed loans	900,708	865,708
Provision for bad debts	900,708	865,708

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

10. TANGIBLE FIXED ASSETS

	Premises €	Computer Equipment €	Fixtures & fittings €	Total €
COST				
As at 1 October 2024	1,211,302	559,363	302,299	2,072,964
Additions	-	23,780	42,809	66,589
As at 30 September 2025	1,211,302	583,143	345,108	2,139,553
DEPRECIATION				
As at 1 October 2024	417,748	537,172	250,388	1,205,308
Charge for year	24,227	20,685	28,126	73,038
As at 30 September 2025	441,975	557,857	278,514	1,278,346
NET BOOK VALUE				
As at 30 September 2025	769,327	25,286	66,594	861,207
As at 30 September 2024	793,554	22,191	51,911	867,656

11. EQUITY INVESTMENT

Cost	€
As at 1 October 2024	20,000
Additions	-
As at 30 September 2025	20,000
Accumulated impairment	
As at 30 September 2025	-
Net book value	
As at 30 September 2025	20,000
As at 30 September 2024	20,000

Interests in equity investment

The credit union has interests in the following equity investment:

Entity name	Registered address	Type of shares held	Proportion held %
CU Mortgage Services Designated Activity Company (Register number: 755686)	Suite 27-29 Morrison Chambers, 32 Nassau Street, Dublin 2, D02 XF22	Ordinary share capital	1.02%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

12. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2025	2024
	€	€
Prepayments	55,915	9,832
Loan interest receivable	34,517	34,517
Other debtors – SPS refund	22,216	22,216
As at 30 September	112,648	66,565

13. MEMBERS' SAVINGS

	2025	2024
	€	€
As at 1 October	45,602,270	43,661,953
Received during the year	17,169,851	15,056,288
Withdrawn during the year	(14,108,932)	(13,115,971)
As at 30 September	48,663,189	45,602,270

Members savings comprise of:

	2025	2024
	€	€
Members' shares	48,041,048	44,977,706
Members' deposits	622,141	624,564
As at 30 September	48,663,189	45,602,270

14. MEMBERS' CURRENT ACCOUNTS

	2025	2024
	€	€
As at 1 October	1,853,397	1,259,630
Received during the year	12,311,654	11,211,527
Withdrawn during the year	(12,149,888)	(10,617,760)
As at 30 September	2,015,163	1,853,397

	2025		2024	
	No. of Accounts	Balance of Accounts €	No. of Accounts	Balance of Accounts €
Debit	33	2,736	48	3,496
Credit	467	2,017,899	442	1,856,893
Permitted overdrafts	22	28,596	22	15,250

15. OTHER LIABILITIES, CREDITORS, ACCRUALS AND CHARGES

	2025	2024
	€	€
Other liabilities and accruals	314,589	269,210
PAYE/PRSI	14,356	15,370
As at 30 September	328,945	284,580

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

16. OTHER PROVISIONS

	2025	2024
	€	€
Holiday pay accrual		
As at 1 October	18,574	20,719
(Credited) to the income and expenditure account	<u>2,046</u>	<u>(2,145)</u>
As at 30 September	<u>20,620</u>	<u>18,574</u>

17. FINANCIAL INSTRUMENTS – MEASURED AT AMORTISED COST

Financial assets	2025	2024
	€	€
Financial assets measured at amortised cost	<u>62,926,216</u>	<u>59,338,364</u>
Financial liabilities	2025	2024
	€	€
Financial liabilities measured at amortised cost	<u>51,030,653</u>	<u>47,762,317</u>

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, members' current accounts overdrawn, loans, equity investment and other debtors.

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

18. RESERVES

	Balance 01/10/24 €	Payment of dividend and loan interest rebate €	Appropriation of current year surplus €	Transfers between reserves €	Payments from reserves €	Balance 30/09/25
Regulatory reserve	7,828,061	-	-	264,065	-	8,092,126
Operational risk reserve	324,938	-	-	135,271	-	460,209
Other reserves						
Realised						
Undistributed surplus	2,578,485	(198,626)	427,342	(377,120)	-	2,430,081
Bad debt reserve	1,199,529	-	-	-	-	1,199,529
Social finance fund reserve	401,575	-	100,000	-	(41,166)	460,409
Total realised reserves	<u>4,179,589</u>	<u>(198,626)</u>	<u>527,342</u>	<u>(377,120)</u>	<u>(41,166)</u>	<u>4,090,019</u>
Unrealised						
Interest on loans reserve	34,517	-	-	-	-	34,517
Investment income reserve	64,214	-	71,600	-	-	135,814
SPS reserve	22,216	-	-	(22,216)	-	-
Total unrealised reserves	<u>120,947</u>	<u>-</u>	<u>71,600</u>	<u>(22,216)</u>	<u>-</u>	<u>170,331</u>
Total reserves	<u>12,453,535</u>	<u>(198,626)</u>	<u>598,942</u>	<u>-</u>	<u>(41,166)</u>	<u>12,812,685</u>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

19. 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 percentage 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 house loans, 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.

	2025		2024	
	€	%	€	%
LOANS NOT IMPAIRED				
Total loans not impaired, not past due	18,414,604	91.42%	17,681,497	88.31%
Impaired loans:				
Not past due	55,762	0.28%	103,771	0.52%
Up to 9 weeks past due	1,351,075	6.71%	1,968,556	9.83%
Between 10 and 18 weeks past due	136,814	0.68%	129,335	0.65%
Between 19 and 26 weeks past due	51,755	0.26%	24,206	0.12%
Between 27 and 39 weeks past due	38,687	0.19%	70,788	0.35%
Between 40 and 52 weeks past due	76,162	0.38%	32,287	0.16%
53 or more weeks past due	17,499	0.08%	11,036	0.06%
Total impaired loans	1,727,754	8.58%	2,339,979	11.69%
Total loans	20,142,358	100.00%	20,021,476	100.00%

20. RELATED PARTY TRANSACTIONS

20A. LOANS

	2025		2024	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	3	43,900	3	56,000
Total loans outstanding to related parties at the year end	7	57,836	4	44,616
Total provision for loans outstanding to related parties		-		528
Total interest income collected from loans to related parties		2,148		2,221

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 0.29% of the total loans outstanding at 30 September 2025 (2024: 0.22%).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

20B. SHARES

The total amount of savings held by related parties at the year end was €201,311 (2024: €160,138).

21. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

21A. FINANCIAL RISK MANAGEMENT

The credit union manages its members' shares and loans so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from the credit union's 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 lending policy. Credit risk mitigation may include the requirement to obtain collateral as set out in the credit union's lending 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 lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit union is also exposed to counterparty credit risk pertaining to its deposit and investment portfolio. In order to manage this 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.

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 union's 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.

21B. 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.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended 30 September 2025

21. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES (CONTINUED)

21C. INTEREST RATE RISK DISCLOSURES

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

	2025		2024	
	€	Average Interest Rate %	€	Average Interest Rate %
Gross loans to members	<u>20,142,358</u>	7.85%	<u>20,021,476</u>	8.05%

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

22. DIVIDENDS AND LOAN INTEREST REBATES

The following distributions were paid during the year:

	2025		2024	
	%	€	%	€
Dividends on shares	<u>0.20%</u>	<u>88,342</u>	<u>0.20%</u>	<u>85,478</u>
Loan interest rebates	<u>10.00%</u>	<u>110,284</u>	<u>10.00%</u>	<u>138,993</u>

The directors are proposing a dividend in respect of the financial year ended 30 September 2025 of €116,040 (0.25%) (2024: €88,342 (0.20%)) and a loan interest rebate of €73,611 (5.00%) on all loans excluding house loans and ARA loans (2024: €110,284 (7.50%) on all loans excluding house loans and ARA loans).

23. RATE OF INTEREST PAID ON MEMBERS' DEPOSIT ACCOUNTS

	2025		2024	
	%	€	%	€
Interest on members deposits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

24. EVENTS AFTER THE END OF THE FINANCIAL YEAR

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

25. INSURANCE AGAINST FRAUD

The credit union has Insurance against fraud in the amount of €5,200,000 (2024: €5,200,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

26. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2025.

27. COMPARATIVE INFORMATION

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

28. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 24th November 2025.

SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2025

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's report on pages 23 to 25.

SCHEDULE 1 – OTHER INTEREST INCOME AND SIMILAR INCOME	2025	2024
	€	€
Investment income received/receivable within 1 year	626,287	671,615
Investment income receivable outside of 1 year	71,600	32,631
Total per income and expenditure account	697,887	704,246
SCHEDULE 2 – OTHER INCOME	2025	2024
	€	€
FX commission	3,035	1,873
Entrance fees	197	240
Current account services income	27,439	26,187
Miscellaneous income	3,501	4,741
Total per income and expenditure account	34,172	33,041



SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

For the financial year ended 30 September 2025

SCHEDULE 3 – OTHER MANAGEMENT EXPENSES

	2025	2024
	€	€
Training costs	12,670	7,654
LPLS and DB Insurance	317,773	302,200
Rent and rates	8,855	4,505
General insurance	28,367	27,162
Light and heat	7,575	12,150
Repairs and maintenance	15,420	26,641
Security costs	18,083	13,980
Printing, postage and stationery	14,811	13,097
Telephone	17,255	18,954
Computer costs	203,673	181,517
Office expenses	6,828	8,701
Convention and seminar expenses	17,891	18,627
Legal and professional fees	25,150	32,974
Debt collection costs	17,078	32,652
Consultancy fees	57,015	60,905
Current account services charges	57,827	47,587
Audit fee	26,266	16,297
Bank charges	35,041	59,455
General expenses	11,247	9,071
Cash (over)/short	120	(231)
Affiliation fees and SPS charges	30,020	31,244
Regulatory levies	63,220	85,898
Subscriptions and donations	12,048	6,700
Marketing and publicity	46,540	35,905
Recruitment costs	-	575
Social finance fund reserve expenditure	41,166	64,060
Part utilisation of the social finance fund	(41,166)	(64,060)
Total per income and expenditure account	1,050,773	1,054,220



PALMERSTOWN CREDIT UNION

Trusted in Palmerstown & Chapelizod for over 50 years

What's Here for You

Savings & Member Shares

A secure place for your savings, and support for our community.

Personal & Car Loans

Fair, transparent lending with real support.

Mortgages

Support for one of life's biggest steps.

Junior Accounts

Helping younger members build good financial habits.

Green Loans

Cut household costs with energy-efficient home upgrades.

Online & Mobile Banking

Manage your money whenever and wherever you are.

New ATM Onsite

Local access to your money when needed.

Current Accounts

Everyday banking made easy with instant payments.

Community Support Fund

Your membership helps support local clubs, groups, and initiatives.



We're Here When You Need Us

If you'd like to discuss your account or any of our services, we're here to help. Call, visit, or message us.

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