

CELEBRATING



YEARS

1963 • 2023

Tullamore Credit Union



ANNUAL REPORT 2023



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## Notice of Annual General Meeting

The Annual General Meeting of the members of Tullamore Credit Union Ltd will take place in the Esker Arts Centre, Tullamore, R35 NY50 on Monday 11th December 2023 at 8pm. All members are welcome to attend.

### Board Of Directors:

Liam O'Callaghan (Chairperson)  
 Eileen Brophy (Vice Chairperson)  
 Ray Spain (Secretary)  
 Patrick Doheny  
 Francis Mollen  
 Ciara Flanagan  
 Seán Craven  
 Peter Hensey  
 John Cregan  
 Imelda McCann  
 Linda Dowling, co-opted September 2023  
*Brian McRedmond resigned January 2023*

### Board Oversight Committee:

Mary Droogan (Chairperson)  
 Noel McManamly (Secretary)  
 Martin Buckley  
*Vivienne Clarke resigned October 2022*

### CEO:

Paul Shaw

*Cover photo supplied by Loughnan Hooper*

## Agenda

- A. Acceptance of proxies
- B. Ascertainment that a quorum is present
- C. Adoption of standing orders
- D. Approval of the minutes of last Annual General Meeting
- E. Board of Directors Report
- F. Financial Report
- G. Report of the CEO
- H. Report of the Auditor
- I. Report of Board Oversight Committee
- J. Declaration of Dividend
- K. Report of the Credit Committee
- L. Report of the Credit Control Committee
- M. Report of the Membership Committee
- N. Community Involvement
- O. Report of the Nomination Committee
- P. Appointment of Tellers
- Q. Election of Auditor
- R. Appointment of Auditor
- S. Election to fill vacancies on the Board Oversight Committee
- T. Election to fill vacancies on the Board of Directors
- U. Rule amendments
- V. Any other business
- W. Announcement of election results
- X. Adjournment or close of meeting



## Board of Directors' Report



2023 was a milestone year for our Credit Union in which we celebrated 60 years at the heart of the local community. We are very proud of the great reputation we have built up over those years and our track record of providing access to affordable loans to local people. We also take great

pride in how we serve our members and always seek to set new and improved standards of member service.

We were delighted to welcome Minister of State with responsibility for Credit Unions, Jennifer Carroll McNeill to Tullamore as a special guest at our anniversary celebrations. The Minister's family is immersed in the history of Tullamore Credit Union and it is fitting that she holds this office at this special time for us.

We have had a tremendous year financially as evidenced by the accounts that have been presented to you. There are two main factors in this success. Firstly, interest rates have increased and this has allowed us to earn a return on our investments, both short term and long term. Secondly, our lending activity has increased significantly which means that you, our members, are turning to us in greater numbers to assist with the major decisions in your lives. We understand the great responsibility that you have placed on us and we assure you we will not let you down.

Because of this improved financial performance we are thrilled to now propose to share some of our surplus earnings with you, our members, for the first time since 2019.

We have also had a great year of community engagement.

Through our community support fund we helped 87 local organisations with worthwhile projects and paid out a total of €40,000. We fund these projects because we know they represent a sound investment which will deliver a return to our members into the future.

We also held our Pride of Place competition from Spring to Autumn and the effort that local communities and business put into improving the appearance of housing estates, public area and

business premises was inspirational. Huge congratulations to all the participants.

Because this was our sixtieth birthday, we decided to support some larger events in the community. These included the Retro Cannonball in May which was a great day of family fun in Tullamore. We also sponsored the 51st Irish Hot Air Balloon Championships. Despite the best efforts of the September weather, this proved to be a great spectacle and attracted all of the best type of attention to the local area. We are also the main sponsors of the Christmas Panto Cinderella currently running in Esker Arts Centre.

In recent years we have invested significant resources in our technology offering and we are constantly striving to make advances in the areas of cloud technology and cybersecurity to enhance our services, improve our members' experience and to better protect our members' data. This process is ongoing and we expect 2024 to be a big year of technological improvements.

Despite this large investment in technology, we know that you the members greatly value the face-to-face services that we provide. We are committed to maintaining that service for you as long as you want it. Just because on-line services are available, we will never try to force you to use them. It will always be your choice.

To our members, thank you all for your continued support of our Credit Union and for availing of our services in record numbers during the past year.

I wish to thank the very hard-working team in Tullamore and Kilcormac for all their diligence and dedication on our members' behalf.

Finally, thank you to our Board for the generosity and professionalism with which they approach their role and for the support that they have shown for me and the team over the past year.

*Liam O'Callaghan, Chairperson, Tullamore Credit Union*



## CEO Report



We are pleased to report a successful outcome to this financial year with a significant increase in our surplus after several years in which the low interest rate environment seriously impacted our profitability.

However, we know that the increased interest rates that have contributed to this surplus are a double-edged sword for our members and are a symptom of the high rates of inflation that we have all endured for the past two years.

### Savings

The level of share growth in 2023 has been steady at 4.5%, similar to the previous year and is a further vote of confidence by our members who clearly trust us as a very safe place to keep their surplus funds. Unlike many Credit Unions, we have been able to avoid imposing a cap on the level of savings that individual members can hold in shares, other than the statutory cap of €100,000, which applies to all Credit Unions. This is because of the very strong capital position that has been built up over the past 60 years.

### Lending

In the last twelve months, we issued more than 6,000 loans, totalling over €40 million, and we ended the financial year with a loan book of just under €93 million, including almost €25 million in mortgages. Our home loans are now very competitive in comparison to other mortgage offerings in the market. We have also seen increasing interest in our business and agri loans.

The level of loan arrears as a percentage of our loan portfolio has been steadily reducing during the year. This is a credit to our Lending team who are making sure that all loan applications are assessed correctly but also to our Credit Control team who work proactively with borrowers in financial difficulties to ensure the best possible outcome.

### Operations

I would like to acknowledge and praise the high standard of service given by the Operations Team to our members over the last year. We have very busy front offices in Tullamore and Kilcormac and we process an average of 6,000 transactions face to face every week. Despite these huge volumes we keep queuing time below 15 minutes at peak times

and most of the time the member can call in, make a transaction and leave within no more than 5 minutes.

We are also continuing to build our on-line presence and many of you currently use our App and On-line services. We are investing in improvements to our core technology and expect to be introducing major enhancements to our IT services during 2024.

### Members

This year, we continued to experience strong growth in our membership, with many new members opening accounts. During the financial year, over 1000 new members joined the credit union and many of those new members availed of our Current Account offering. We have been thrilled to see a massive increase in the use of our debit cards during the past year in every corner of the world. We want our members to be proud to display their Tullamore Credit Union membership wherever they go and I would urge any member considering switching their current account to contact us. We will always maintain our presence in the community and, unlike some of our competitors, we will not leave town and we will not reduce our service to a "hub" or a "cashless branch".

### Other Services

This year we were delighted to partner with Aidan O'Neill, Qualified Financial Advisor to provide a free financial advice service for our members. Aidan has met many of our members during 2023 and has provided advice on many important areas such as loan protection, retirement planning, investments and how to make ends meet.

We continue to offer members a suite of competitive insurance services from Peopl. Insurance, which includes Home Insurance, Travel Insurance and have recently introduced Car Insurance.

We also pay a high premium, on behalf of our members in respect of death benefits for our members. These benefits are still provided to our members free of charge and we will strive to maintain this benefit in future years.

### Our Team

We have a dedicated hard-working team of 72 people across our locations at Patrick St & Main St Tullamore and Kilcormac. They provide a level of service to our members that is unparalleled anywhere in financial services or any retail operation in this town or even this country. I wish to thank



them for their work and for being such an inspirational group of people to work with every day.

### **Our Board**

Tullamore Credit Union is a community organisation with 60 proud years of service behind us. The success of this organisation is down to successive Boards from the first group who had the vision to set the wheels in motion in 1963 to the current Board and Board Oversight Committee who represent our members in the governance of the organisation. We are now a significant financial institution with assets of almost €400m and this understandably entails a lot of scrutiny from regulators and a high degree of responsibility rests on the shoulders of our Board.

Our Board are not paid for their time but they do their work in a highly professional manner and each of them brings their own significant experience and expertise to the table for the benefit of all members. I wish to thank them for the support they have given to me, the management team and the staff throughout the year.

*Paul Shaw, CEO*

## **Report of the Audit, Risk and Compliance (ARC) Committee**

### **Risk**

The Committee has responsibility for overseeing the Risk Management Framework at Tullamore Credit Union. It assesses risks based on the likely occurrence, and the controls and procedures that are in place to mitigate them. A monthly meeting is held where potential risks to Tullamore Credit Union are discussed and recommendations are brought to the Board of Directors to implement controls and procedures in order to minimise any impact on Tullamore Credit Union. In addition, the Risk Management Officer presents a detailed quarterly report to the Board. The Committee believes that all risks are managed to a level that minimises any effect to Tullamore Credit Union and its Members.

### **Internal Audit**

The Credit Union Act 1997 (as amended) (the Act) requires Tullamore Credit Union to engage the services of an independent internal audit function. As outlined in S76k of the Act, the Internal Audit function provides for independent internal oversight and evaluation and improvement of the risk management framework, internal controls and governance processes. Moore Ireland currently acts

as independent Internal Auditors for Tullamore Credit Union. A work plan is devised for the year with a set number of audits to be carried out each quarter. The Internal Auditor reports to the Committee quarterly and makes recommendations to further protect the Credit Union membership.

### **Compliance**

The ARC Committee also oversees the compliance function within Tullamore Credit Union. This includes ensuring that the Credit Union operates in compliance with all applicable legislation and that the required policies and procedures are in place. In conjunction with the ARC committee, a compliance plan for the last year was prepared and approved. All actions in the plan were conducted during the year and the Compliance Manager presents his reports to the Committee on a quarterly basis, also presenting the reports to the Board as required.

*Ciara Flanagan, Chairperson of the Audit Risk & Compliance Committee*



## Financial Report



On behalf of the Finance Committee, I am pleased to report on our Credit Union's performance for the year ended 30th September 2023. Economic conditions over the last twelve months have seen many economies globally face the dilemma of increased inflation which has

resulted in a high cost of living crisis. Central Banks around the globe and in particular the European Central bank have endeavoured to get inflation back to its target of 2%, and as a result, we have seen the ECB raise interest rates on 10 occasions since July 2022.

Between increased interest rates and the high cost of living, we recognise that many households are currently facing financial challenges. For Tullamore Credit Union, we have also seen an increase in certain categories of our own expenditure, however the credit union sector is unique in that increased interest rates have allowed the Credit union to achieve better investment returns and increase our investment income. Growth in savings and total assets have been strong and our loan book has seen exceptional growth through 2023 to an all-time high of €93 million.

Overall, the excess of income over expenditure for the year ended amounted to €2.9 million. This has significantly increased on last year's figure of €0.87 million. Despite seeing an increase in some categories of expenditure due to inflation, this increased surplus has largely stemmed from achieving better investment returns.

Despite the cost-of-living crisis, there has been continued growth in members savings. There was growth of 4.5% during the financial year (excluding MPCAS current accounts) to €303.7 million. Whilst this presents a challenge in terms of our reserve ratio which stands at a still very strong 19.59% (the sector average is c.16%), the current interest rate environment will allow us to generate better investment returns which as a result will improve this ratio and our overall financial position.

This year our loan portfolio has grown by 12.5% to €93 million. The increase is evident in both personal and house loans, and both have performed exceptionally well during the year. Additionally, we have seen a slight decrease in arrears overall but

continue to hold adequate provisions of €6.3 million for any potential loan losses going forward.

The investment portfolio generated income of €3.8 million in the financial year ending 30th September 2023. This exceeded expectations but is a welcome change on prior years in many respects. This increased income will have a beneficial impact on the overall financial position of Tullamore Credit Union. Our investment portfolio now stands at €294 million. It remains well diversified and consists mainly of Bank Deposits and Bonds, almost all of which are fully capital guaranteed. The portfolio is fully compliant with all investment limits specified under regulations in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

Overall, the financial year has seen a very strong performance throughout. As a result of the surplus generated, our Reserves have increased from €73.4m to €76.3m at year end. The financial outlook for Tullamore Credit Union remains positive and investment returns and strong lending have played an important role in producing this year's surplus.

There is some uncertainty around the pace at which inflation will reduce and how long we will endure increased interest rates and the higher cost of living. The Finance committee and board of directors recognise the financial challenges that some of our members face in this current economic environment. We also recognise that both Tullamore Credit Union's saver and borrower are an integral part of our business model and their contribution to maintaining its financial stability for the future.

Tullamore Credit Union has benefited this year from increased investment returns and the Board of Directors feels strongly that a portion of this increased income should be returned to members. The Board of Directors is recommending payment to members of both a dividend of 0.15% and loan interest rebate of 15% to borrowers on the higher interest rate of 9.5% and above.

*Darragh Corbett, Head Of Finance*



## Report of Credit Committee

Report on the activities of the Credit Committee for the year ended 30th of September 2023.

The provision of loans to members is a primary service of our Credit Union. All loan applications are individually assessed and whilst every effort is made to approve each application, the process has to ensure that there is no undue risk to the individual borrower or to the Credit Union as a whole.

When evaluating loan applications, we are always conscious of the fact that we are lending our members' savings. We are therefore obliged to establish that the member has the ability to repay the loan. There are times when we unfortunately have to refuse a loan and the most common reasons for such an outcome are either a member's overall indebtedness and/or their inability to repay. It should however be noted that in the last year our Credit Union granted loans of €40,293,887 which is a tremendous achievement.

The enhancement of our mortgage product offering based on feedback from our members and professionals within our Common Bond has proven a huge success. The current offering is a max home loan offering of €350,000 over 25 years at 4.2% (APR 4.3%) variable. We also began offering a 5 year fixed rate option at 4.2% (APR 4.3%) and a Green Mortgage at 4.0% (APR 4.1%) during the last financial year. We currently have 267 mortgages amounting to €24,918,412, of which 68 were issued in the current year, to a value of €7.3m. It is important to note that our variable rate is not impacted upon by movements of the European Central Bank Rate.

### LOANS

1. The value of loans granted in 2023 was €40,293,887
2. Overall, the loan book grew by €10.3m to €93m - an overall increase of 12.5%.
3. Loan interest for 2023 equated to €5.8m

### MANAGEABLE LOANS

If you are concerned about managing your day-to-day bills due to the increased cost of living our NEW Manageable Loan is the one for you!

This loan enables you to spread the cost of certain living expenses over a 12-month period with one regular monthly repayment.

Our new Manageable Loan at a rate of 9.5% (APR 9.9%) is NOW available, to find out more visit our website [www.tullamorecu.ie](http://www.tullamorecu.ie) or contact our office on 057 935 1780.

### MEMBERS WITH FINANCIAL DIFFICULTY

We always encourage our members to talk to us about their borrowing requirements and/or financial position if they find themselves in financial difficulty. We are a credit union for our members and strive to help members with their finances at all times. It is rare that we are unable to help a member sort out their finances provided they are open and forthcoming with their situation. In this regard it should be noted that Tullamore Credit Union have a Debt Consolidation Loan which enables its members to combine their existing borrowings into one loan with one manageable weekly/monthly repayment. The maximum borrowing is €30,000 over a max term of 7 years @ 9.5% (APR 9.9%)

### COMMITTEE MEETINGS

The Committee continues to meet regularly and to provide regular updates to the Board on its activities. I would like to take this opportunity to thank fellow Committee members, the CEO and the loan officials of Tullamore Credit Union for their support during the year.

## Report of Membership Committee

Throughout the year a total of 1,117 new members joined Tullamore Credit Union. This continued growth reflects the trust people have in our Credit Union as a Financial Institution and that many continue to see the benefits of membership.

We were also delighted to see that of the 1,117 new members 366 of them were juvenile members i.e., they were under the age of 16. We welcome you to our credit union and look forward to serving your financial needs into the future.

We were also happy to see that there were a good number of our members who reactivated their accounts, and we welcome them back. We are delighted to have you back and we are looking forward to assisting and supporting you again.

Apart from the normal share account Tullamore Credit Union Ltd also have a current account available to you, our members. This means that Tullamore can serve your everyday banking needs also. Since its launch in late 2019, we have ~ 5,000 of our members who have opened current accounts with us. You can find out more about this and indeed all our services at [www.tullamorecu.ie](http://www.tullamorecu.ie)

We would like to thank you for your continued support and would like to remind you that our membership is open to anyone who lives, works, or studies within our common bond. If you know of anyone who fits these criteria, we ask you to encourage them to join you as members of Tullamore Credit Union.



## Report of the Credit Control Committee

The Credit Control Committee is responsible for ensuring that loans are repaid in accordance with the terms and conditions of loan agreements. The Committee monitor outstanding loans on an ongoing basis so that prompt and effective action can be taken where loans fall into arrears. In taking this action, the interests of the Credit Union take priority. In keeping with the ethos of the Credit Union movement, members will at all times be treated with respect. Members who are struggling to repay their loans will be dealt within a supportive manner by the Credit Control team.

It is important to ensure that a distinction is drawn between those members who are genuinely struggling to repay a loan balance due to altered circumstances (e.g., illness, unemployment, etc.) and those members who can repay but are choosing not to. Regrettably, there always remain a number of borrowers who, for whatever reason, refuse to engage with the Credit Union to address their outstanding debts. In such cases, with all other options exhausted, we will not hesitate to instigate legal proceedings for the recovery of monies owed to our Credit Union.

We have a very experienced Credit Control team in place, and they invest a huge amount of time in communicating with and assisting members who are experiencing difficulties meeting their loan repayments. The vast majority of cases are resolved relatively easily, and we would urge any member that is experiencing financial difficulties or difficulties in paying their debts, to engage with the Credit Union. Timely action is vital to ensure that the financial pressure does not become an unbearable burden.

Overall, in the past year the sum of €417,703 (2022: €315,604) has been "charged off". The Committee follow-up these loans actively and will take every available measure to ensure repayment. This commitment is evidenced by the fact that €409,262 (2022: €452,182) of loans previously charged off has been recovered this year.

In conclusion, the Committee would like to thank our Credit Control team for their assistance during the year.

## Directors' Report

The Directors present their Annual Report and the audited financial statements for the financial year ended 30 September 2023.

## PRINCIPAL ACTIVITY

The principal activity of the business continues to be the operation of a Credit Union.

## AUTHORISATIONS

The Credit Union is authorised as follows:

- Insurance, reinsurance or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018.
- Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended).
- 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

The Directors are proposing a dividend in respect of the financial year ended 30 September 2023 of €448,609 (0.15%) (2022: €nil (0.00%)) and a loan interest rebate of €341,020 (15.00%) on all loans with interest rates of 9.5% and above (2022: €nil (0.00%)).

## 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 principle activity of the Credit Union and the Credit Union is reliant on it for generating income to cover costs and generate a surplus.

### Market risk

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

### Liquidity risk

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

### Operational risk

Operational risk is the risk of loss resulting from





inadequate or failed processes or systems of the Credit Union, any failure by persons connected with the Credit Union or from external events.

## Global macro-economic risk

There is an economic and operational risk relating to rising inflation rates, disruption to global supply chains and a general uncertainty in the markets as a result of the changing geopolitical landscape.

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 credit policies. All loan applications are assessed with reference to the credit policies in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

### Lack of loan demand

The Credit Union provide lending products to its members and promote these products through various marketing initiatives.

### Market risk

The Board of Directors regularly reviews and approves the Credit Union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

### Liquidity risk

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

### Operational risk

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

## Global macro-economic risk

The Board of Directors and management closely monitor the developments of rising inflation rates and disruption to global supply chains and markets, and continue to take appropriate actions to mitigate any possible adverse effects on the Credit Union.

## Accounting records

The Directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the Credit Union are maintained at the Credit Union's premises at Patrick Street and Main

Street, Tullamore, Co. Offaly.

## 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.

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

*Liam O'Callaghan, Chairperson of the Board of Directors*

*Ray Spain, Member of the Board of Directors*  
Date: 14th November 2023

## Directors' Responsibilities Statement

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 "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 of Directors:

*Liam O'Callaghan, Chairperson of the Board of Directors*

*Ray Spain, Member of the Board of Directors*  
*Date: 14th November 2023*

## Board Oversight Committee's responsibilities statement

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:

*Mary Droogan, Chairperson of the Board Oversight Committee.*  
*Date: 14th November 2023*

## Report of the Board Oversight Committee

The Board Oversight Committee (BOC) has the responsibility for ensuring that the interests of the members of Tullamore Credit Union Ltd are safeguarded and protected. We form an entity that is independent of the Board of Directors. Our function is to assess whether the Board of Directors is operating in accordance with all the relevant legislation, best practice and good corporate governance.

Martin Buckley was elected at last year's AGM to replace Vivienne Clarke on the Board Oversight Committee. A new Head of Finance and IT Manager have been appointed to the Management team and we wish them well in their new and challenging roles.

We would also like to acknowledge and thank all those involved in organising the Credit Union's 60th anniversary celebrations.

As per regulatory requirements, at least one member of the Board Oversight Committee has attended every Board of Directors meeting. We ourselves met at least once a month and we reported quarterly to the Board of Directors. We had a supervisory presence at all the Members' Quarterly Prize Draws.

All members of the Board Oversight Committee continued to take part in statutory and voluntary professional development training throughout the year and this training was delivered mainly online.

It is the view of the Board Oversight Committee that the Board of Directors fulfilled its role in accordance with part iv of the Credit Union Act 1997 and with all other relevant legislative and regulatory requirements at all times.

It has been an extremely busy and challenging year in Tullamore Credit Union as we are experiencing a period of rapid growth and expansion. We believe that every decision made by the Board of Directors has been motivated by the needs of the membership.

The Board Oversight Committee would like to sincerely acknowledge and extend its thanks on behalf of the membership to the Board of Directors, the CEO, the management team and all staff for the commitment and dedication shown throughout the year.

Finally, we would like to thank you the membership, for your cooperation, understanding and commitment to the continued growth of your Credit Union. We wish you all a happy and healthy year ahead.

*Mary Droogan, Noel McManamly, Martin Buckley*

## Independent Auditor's Report to the Members of Tullamore Credit Union Limited

### Opinion

We have audited the financial statements of Tullamore Credit Union Limited for the financial year ended 30 September 2023, 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 the 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 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, Tullamore Credit Union Limited's financial statements:

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

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

financial statements are authorised for issue.

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

#### **Other information**

Other information comprises information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

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

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

#### **Responsibilities of Directors for the financial statements**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting



Practice in Ireland, including FRS 102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Responsibilities of the auditor for the audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of

accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

### **The purpose of our audit work and to whom we owe our responsibilities**

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

*Denise O'Connell FCA  
for and on behalf of Grant Thornton,  
Chartered Accountants & Statutory Audit  
Firm, Limerick  
Date: 14th November 2023*



## Report of the Nomination Committee

The Credit Union Acts of 1997 to 2012 set out the duties and responsibilities of the Nomination Committee. Section 56B (5) of the Credit Union Act states that: "Every candidate to be nominated for appointment as a member of the Board of Directors of a Credit Union shall be proposed through the Nomination Committee of the Credit Union. No person shall otherwise be put forward for election or seek election at an annual general meeting or special general meeting of the Credit Union at which an election is held for members of the Board of Directors."

Under Section 56B (6) of the Act, the Nomination Committee must ensure it receives nominations in time prior to the AGM. This section states that: "The Nominating Committee shall ensure it receives nominations for appointment of persons as members of the Board of Directors of a Credit Union in time prior to any Annual General Meeting, or Special General Meeting at which an election is held for such members, so as to enable any requirements by or under Part 3 of the Central Bank Reform Act 2010 to be met in advance of those persons being nominated for appointment." As part of this process, a notice of elections seeking the nomination of candidates, was posted in the Credit Union office.

All prospective candidates must be fully advised of the time commitment required prior to standing for election, and the Nomination Committee is obliged to carry out a Fitness & Probity assessment of each candidate in advance of the AGM. We wish to confirm that this has been done.

Linda Dowling was co-opted onto the Board during the year to fill the vacancy following the resignation of Brian McRedmond.

Linda Dowling and two outgoing members of the Board of Directors, Imelda McCann and Liam O'Callaghan, have been nominated and have offered themselves for election: The Nomination Committee is pleased to advise that we are proposing the following three candidates for election to the Board of Directors: Linda Dowling, Imelda McCann and Liam O'Callaghan.

One (1) outgoing member of the Board Oversight Committee (Mary Droogan) has offered herself for re-election to the Board Oversight Committee. The Nomination Committee is pleased to advise that we are proposing Mary Droogan for election to the Board Oversight Committee.

The Nomination Committee is pleased to announce that all candidates have satisfied the necessary fitness and probity requirements. The Nomination Committee, in accordance with our statutory obligations, is proposing all candidates nominated to fill all vacancies at tonight's Annual General Meeting.

We would like to take this opportunity to invite members who would like to participate in the running of our Credit Union to contact any member of staff or Director. Directors and volunteers do not receive any gratuity for their time and commitment to our credit union. We thank all directors and volunteers for their work and dedication to our credit union.

***Ray Spain, Chairperson - Nomination Committee, Tullamore Credit Union***

## Minutes of the 2022 AGM

93 members of Tullamore Credit Union attended the 2022 AGM held on Monday the 12th of December 2022 in the Tullamore Court Hotel. 71 members attended in person, 22 on-line and apologies were received from 2 members.

The meeting commenced at 8:00pm with the Chairperson Ray Spain welcoming members to the 60th AGM. The Chairperson started the meeting with the Credit Union prayer and a moments silence was observed to remember all 222 members of Tullamore Credit Union who had passed away since the last AGM.

The Chairperson sought a proposal to move items on the Agenda and these changes were adopted on the proposal of Fra Mollen and seconded by Brian McRedmond.

**Acceptance of Proxies:** There were none.

**Ascertainment that a Quorum is present:** The Chairperson confirmed that there was a quorum as more than 30 Members were present.

**Adoption of Standing Orders:** The standing orders for holding the 2022 AGM were adopted on the proposal of Brian Gunning and seconded by Imelda McCann.

**Approval of the minutes of last Annual General Meeting:** The Secretary Patrick Doherty informed the meeting that a copy of the minutes of last year's AGM were published on pages 12, 13 and 14 of the 2022 Annual Report booklet and were therefore taken as read. There were no matters arising and the minutes of the 2021 AGM were adopted on the proposal of Eileen Brophy and seconded by Barry Lacomber.



**Board of Directors Report:** The Chairperson Ray Spain presented the Board of Directors Report and addressed the following issues:

- Celebration of Tullamore Credit Union's 60th Anniversary
- Financial Strength
- Launch of Financial Advisory Service
- Increasing Regulatory Fees

The Board of Directors Report was adopted on the proposal of Peter Hensey and seconded by Brian McRedmond.

**Financial Report:** Fra Mollen - Board member presented the Financial Report and highlighted:

- Savings increased by 5.8% to €290.6 million
- Loan Book increased by 6.4% to a record high €82.6 million
- Financial Year Surplus of €870,180
- Reserves increased to €73.4 million

There were no questions for Peter Barry - Head of Finance and the Financial Report was adopted on the proposal of Michael Reynolds and seconded by Tom Lawless.

**Declaration of Dividend:** A zero dividend was adopted on the proposal of Fra Mollen and seconded by Imelda McCann.

**Report of the CEO:** Paul Shaw presented the CEO's Report and addressed the following issues:

- New Strategic Plan
- Upgrading the IT system
- Members, Community, Quality and the Credit Union Team
- Voluntary role of the Board looking after 37,000 members

The CEO's Report was adopted on the proposal of Barry Lacomber and seconded by Brian Gunning.

**Auditors Report:** The Auditors Report was presented on-line by Denise O'Connell of Grant Thornton. There were no questions for the Auditor and the report was adopted on the proposal of Brian McRedmond and seconded by Tony Flanagan.

**Board Oversight Committee Report:** The Board Oversight Committee Report was read by Noel McManamly and it was adopted on the proposal of Michael Reynolds and seconded by Peter Hensey.

**Credit Committee Report:** The Credit Committee Report was taken as read and it was adopted on the proposal of Seán Craven and seconded by Ray Carroll.

**Credit Control Committee Report:** The Credit Control Committee Report was taken as read and it was adopted on the proposal of Michael Reynolds and seconded by Eileen Brophy.

**Membership Committee Report:** The Membership Committee Report was taken as read and it was adopted on the proposal of Brian McRedmond and seconded by Imelda McCann.

**Nomination Committee Report:** The Nomination Committee Report was read by Liam O'Callaghan and it was adopted on the proposal of Fra Mollen and seconded by Peter Hensey.

**Risk and Audit Committee Report:** The Risk and Audit Committee Report was read by Ciara Flanagan and it was adopted on the proposal of Tom Lawless and seconded by Ray Carroll.

**Appointment of Tellers:** Damien McIntyre - Compliance Manager, Matt Worgan - Risk Manager and Barry Byrne - Finance Officer were proposed to act as tellers by the Chairperson Ray Spain and seconded by Eileen Brophy and Noel McManamly a member of the Board Oversight Committee oversaw the elections.

**Election of Auditor:** Grant Thornton was proposed for Auditor for the 2022/2023 Financial Year.

**Election to fill vacancies on the Board Oversight Committee:** Martin Buckley and Noel McManamly were nominated by the Nomination Committee.

**Election to fill the vacancies on the Board of Directors:** The Nomination Committee nominated the following four members: John Cregan, Patrick Doherty, Ciara Flanagan and Fra Mollen.

**The Community Involvement Report:** The Community Involvement Report was read by Liam O'Callaghan and it was adopted on the proposal of Ray Carroll and seconded by Peter Hensey.

**Rule Amendment:** There were no Rule Amendments.

**AOB:** The Chairperson - Ray Spain called on members in the room wishing to raise issues to state their name and members on-line wishing to raise issues to use the Question icon at the bottom of their screens.

A member raised the issue of difficulties he encountered in America when using his Credit Union Credit Card. The CEO responded and explained that some American retailers have not signed up for chip and pin and highlighted the need to communicate with Credit Union members planning on travelling to the USA. The member who raised the issue was



very thankful for the staff assistance he received when he contacted the Credit Union office.

**Announcement of Election Results:** The Chairperson announced the following Election Results:

- Grant Thornton was elected as the Auditor for the 2022/2023 Financial Year.
- Martin Buckley and Noel McManamly were elected to the Board Oversight Committee.
- John Cregan, Patrick Doheny, Ciara Flanagan and Fra Mollen were elected to the Board of Directors.

**AGM Draw:** Paul Shaw, CEO announced the 25 winners of the €50 Quid Vouchers.

**Adjournment or Close of Meeting:** The Chairperson - Ray Spain thanked the Management and Staff and also paid a special tribute to his fellow members on the Board of Directors and the Board Oversight Committee for their support over the last year. The Chairperson closed the meeting by thanking all members for their attendance at tonight's AGM and the meeting concluded at 9.25pm.

A copy of the 2022 Annual Report Booklet is attached to these minutes.

*Patrick Doheny - Secretary,  
Tullamore Credit Union*

## Community Involvement

This year as we celebrated our 60th anniversary, we endeavoured to involve and support our community even more than ever.

The official celebrations began with the visit of Minister Jennifer Mac Neill to our office in April, but prior to this, we held our Primary Schools Quiz, introduced a new writing competition for our Secondary Schools students, presented our 'Bring Home A Loved one' winner with her prize and adjudicated at our 'Face The Phoenix' competition.

In May, we invited Retro Cannonball to Tullamore and what a spectacle it was - over 80 cars sped down High St and crossed the finish line at our front door. The Municipal Council arranged a family fun event in O Connor Square on the same day - all adding a fun-festival feeling, bringing members into the town centre and supporting our local businesses.

In July, we held our ever popular Junior Members' Day in Tullamore Sportslink - despite the torrential rain, we had a great day!

Our Community Support Fund is our main sponsorship fund. Each year we invite local community, cultural, charity and sporting groups to

apply for funding to assist worthwhile projects locally. Our presentation event was held in May, it was lovely to be able to interact personally with almost 80 community groups, who received funding from our fund of €40,000.

Our hugely popular and highly competitive Pride of Place competitive was held during the summer months. It was heartening to see so many residents associations coming together and showing their Pride in their Place. We held our presentation event in September in the Esker Arts centre; it was a lovely evening, with short speeches and lots of smiling faces!

In September, we supported the Hot Air Ballooning Championships - although the weather played havoc with some of the days, it was a spectacle to see the hot air balloons once again rising over the horizon in Tullamore.

On the business front, we have continued to interact locally and throughout our common bond area. Our new Mobile Information Unit visited Kilbeggan, Pullough and Mountlucas; we attended the SEAL event in the Tullamore Court Hotel, the Lunch Club in Mucklagh and continue to use the Tullamore Chamber of Commerce QUID vouchers as competitions prizes - thereby ensuring that all of our local businesses are supported.

Our 60th anniversary celebrations are not over yet - in the coming months, we will be supporting the Chamber Business Awards, the new Christmas Panto in the Esker Arts Centre as well engaging with Self Help Africa in the creation of a sister credit union in the developing world.

Sometimes it is easier for us to go to you - so if you are a member of a community group and would like us to come and talk to you about what our credit union can do for you - just contact the office and we will be happy to oblige!



## Income & Expenditure Account

For the financial year ended 30th September 2023

Schedule	2023 €	2022 €
<b>INCOME</b>		
Interest on Members' Loans	5,800,348	5,460,899
Other Interest Income and Similar Income	1      3,843,920	1,980,365
<b>Net Interest Income</b>	<b>9,644,268</b>	<b>7,441,264</b>
Other Income	2      335,358	229,003
<b>TOTAL INCOME</b>	<b>9,979,626</b>	<b>7,670,267</b>
<b>EXPENDITURE</b>		
Employment Costs	2,826,047	2,881,401
Other Management Expenses	3      4,136,533	4,006,655
Depreciation	137,781	192,572
Net Impairment Gains on Loans to Members (note 5)	(45,757)	(280,541)
<b>TOTAL EXPENDITURE</b>	<b>7,054,604</b>	<b>6,800,087</b>
<b>SURPLUS FOR THE FINANCIAL YEAR</b>	<b>2,925,022</b>	<b>870,180</b>

## Statement of Other Comprehensive Income

For the financial year ended 30th September 2022

	2023 €	2022 €
Surplus for the Financial Year	2,925,022	870,180
Other Comprehensive Income	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>	<b>2,925,022</b>	<b>870,180</b>

The financial statements were approved and authorised for issue by the Board and signed on behalf of the Credit Union by:

Member of the Board of Directors:

Liam O'Callaghan

Date: 14th November 2023

Member of Board Oversight Committee:

Mary Droogan

Date: 14th November 2023

CEO:

Paul Shaw

Date: 14th November 2023

The notes on pages 19-30 form part of these financial statements.



## Balance Sheet

As at 30th September 2023

	Notes	2023 €	2022 €
<b>ASSETS</b>			
Cash and Balances at Bank	6	4,604,389	8,271,341
Deposits and Investments - Cash Equivalents	7	72,571,961	45,507,744
Deposits and Investments - Other	7	221,506,376	237,804,726
Loans to Members	8	92,960,519	82,613,516
Provision for Bad Debts	9	(6,325,757)	(6,297,863)
Members' Current Accounts Overdrawn	13	13,525	11,393
Tangible Fixed Assets	10	1,675,879	1,766,776
Debtors, Prepayments and Accrued Income	11	2,546,224	1,681,973
<b>TOTAL ASSETS</b>		<b>389,553,116</b>	<b>371,359,606</b>
<b>LIABILITIES</b>			
Members' Shares	12	303,799,009	290,560,937
Members' Current Accounts	13	7,841,423	6,207,695
Other Liabilities, Creditors, Accruals and Charges	14	1,520,744	1,113,258
Other Provisions	15	92,822	103,620
<b>TOTAL LIABILITIES</b>		<b>313,253,998</b>	<b>297,985,510</b>
<b>RESERVES</b>			
Regulatory Reserve	17	49,084,677	46,790,122
Operational Risk Reserve	17	2,600,000	2,600,000
Other Reserves			
Realised Reserves	17	23,989,484	23,694,719
Unrealised Reserves	17	624,957	289,255
<b>TOTAL RESERVES</b>		<b>76,299,118</b>	<b>73,374,096</b>
<b>TOTAL LIABILITIES AND RESERVES</b>		<b>389,553,116</b>	<b>371,359,606</b>

The financial statements were approved and authorised for issue by the Board and signed on behalf of the Credit Union by:

Member of the Board of Directors:	Liam O'Callaghan	Date: 14th November 2023
Member of Board Oversight Committee:	Mary Droogan	Date: 14th November 2023
CEO:	Paul Shaw	Date: 14th November 2023

The notes on pages 19-30 form part of these financial statements.



## Statement of Changes In Reserves

For the financial year ended 30th September 2023

	Regulatory Reserve	Operational Risk Reserve	Realised Reserves	Unrealised Reserves	Total Reserves
	€	€	€	€	€
<b>As at 1 October 2021</b>	43,889,845	3,665,541	24,748,085	200,445	72,503,916
Surplus for the Financial Year	739,628	-	-	130,552	870,180
Transfer Between Reserves	2,160,649	(1,065,541)	(1,053,366)	(41,742)	-
<b>As at 1 October 2022</b>	46,790,122	2,600,000	23,694,719	289,255	73,374,096
Surplus for the Financial Year	-	-	2,589,320	335,702	2,925,022
Transfer Between Reserves	2,294,555	-	(2,294,555)	-	-
<b>As at 30 September 2023</b>	49,084,677	2,600,000	23,989,484	624,957	76,299,118

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2023 was 12.60% (2022: 12.60%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2023 was 0.67% (2022: 0.70%).

The notes on pages 19-30 form part of these financial statements.



## Statement of Cash Flows

For the financial year ended 30th September 2023

	Notes	2023 €	2022 €
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>53,779,085</b>	<b>68,064,648</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loans Repaid by Members	8	29,529,181	29,199,593
Loans Granted to Members	8	(40,293,887)	(34,513,305)
Interest on Members' Loans		5,800,348	5,460,899
Other Interest Income and Similar Income		3,843,920	1,980,365
Bad Debts Recovered and Recoveries		491,354	535,959
Other Income		335,358	229,003
Members' Current Account Lodgements	13	74,784,742	48,754,264
Members' Current Account Withdrawals	13	(73,153,146)	(45,784,833)
Operating Expenses		(6,962,580)	(6,888,056)
Movement In Other Assets and Liabilities		(467,563)	(112,614)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>(6,092,273)</b>	<b>(1,138,725)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed Asset (Purchases)/Disposals		(46,884)	(84,343)
Net Cash Flow from Other Investing Activities		16,298,350	(29,025,085)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>16,251,466</b>	<b>(29,109,428)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Members' Shares Received	12	205,490,840	199,046,251
Members' Shares Withdrawn	12	(192,252,768)	(183,083,661)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>13,238,072</b>	<b>15,962,590</b>
Net (Decrease)/Increase in Cash and Cash Equivalents		23,397,265	(14,285,563)
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	6	<b>77,176,350</b>	<b>53,779,085</b>

The notes on pages 19-30 form part of these financial statements.



## Notes to the financial statements for the financial year ended 30 September 2023.

### 1. Legal and regulatory framework

Tullamore 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 Patrick Street, Tullamore, Co. Offaly.

### 2. Accounting Policies

#### 2.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

The following principal accounting policies have been applied:

#### 2.2. STATEMENT OF COMPLIANCE

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

#### 2.3. GOING CONCERN

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

#### 2.4. INCOME

##### Interest on members' loans

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

##### Deposit and investment income

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

##### Other income

Other income is recognised on an accruals basis.

#### 2.5. CASH AND CASH EQUIVALENTS

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

#### 2.6. DEPOSITS AND INVESTMENTS

##### Held at amortised cost

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

##### Central Bank deposits

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

##### Investments at fair value

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



## 2.7. FINANCIAL ASSETS - LOANS TO MEMBERS

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

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

## 2.8. PROVISION FOR BAD DEBTS

The Credit Union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the Credit Union, and the Credit Union assesses and approves its provisions and the adequacy of same on a regular basis. Any bad debts/impairment losses are recognised in the income and expenditure account. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the income and expenditure account.

## 2.9. TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

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

Depreciation is provided on the following basis:

Freehold premises	2% straight line
Leasehold properties	Over the period of the lease
Office equipment	20% reducing balance
Fixtures & fittings	10% reducing balance
Computer equipment	25% straight line

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 carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income and expenditure account.

## 2.11. OTHER RECEIVABLES

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



## 2.12. FINANCIAL LIABILITIES - MEMBERS' SHARES

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

## 2.13. MEMBERS' CURRENT ACCOUNTS

The Credit Union provides Member Personal Current Account Services in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

## 2.14. OTHER PAYABLES

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

## 2.15. PENSION COSTS

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 scheme are charged to the income and expenditure account in the period to which they relate. The amount payable at the year end in respect of same was €36,785 (2022: €23,285).

## 2.16. 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.

## 2.17. OPERATING LEASES

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

## 2.18. TERMINATION BENEFITS

Termination benefits are included in employment costs where applicable and are expensed to the income and expenditure account on an accruals basis.

## 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.

In addition, the Credit Union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

## 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. 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 is also classified as unrealised and is not distributable. All other income is classified as realised.



### 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 judgments 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 €1,675,879 (2022: €1,766,776).

#### 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 €6,325,757 (2022: €6,297,863) representing 6.80% (2022: 7.62%) of the total gross loan book.

#### Operational risk reserve

The Directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have developed an approach to the calculation of the operational risk reserve. In addition, the Credit Union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended). The operational risk reserve of the Credit Union at the year end was €2,600,000 (2022: €2,600,000).

#### 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.



## 4. Key Management Personnel Compensation

The Directors of the Credit Union are all unpaid volunteers. The key management personnel compensation is as follows.

	2023 €	2022 €
Short term employee benefits paid to key management	571,973	558,939
Payments to pension schemes	29,849	107,826
<b>Total key management personnel compensation</b>	<b>601,822</b>	<b>666,765</b>

## 5. Net impairment gains on loans to members

	2023 €	2022 €
Bad debts recovered	(409,262)	(452,182)
Impairment of loan interest reclassified as bad debt recoveries	(82,092)	(83,777)
Movement in bad debts provision during the year	27,894	(60,186)
Loans written off during the year	417,703	315,604
<b>Net impairment gains on loans to members</b>	<b>(45,757)</b>	<b>(280,541)</b>

## 6. Cash and cash equivalents

	2023 €	2022 €
Cash and balances at bank	4,604,389	8,271,341
Deposits and investments - cash equivalents (note 7)	72,571,961	45,507,744
<b>Total cash and cash equivalents</b>	<b>77,176,350</b>	<b>53,779,085</b>

## 7. Deposits and investments

	2023 €	2022 €
<b>Deposits and investments - cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	72,284,903	31,539,799
Irish and EEA state securities	2,666	2,666
Bank bonds	-	300,000
Investments in societies	3,809	3,809
Central Bank deposits	280,583	13,661,470
<b>Total deposits and investments - cash equivalents</b>	<b>72,571,961</b>	<b>45,507,744</b>





## 7. Deposits and investments (continued)

### Deposits and investments - other

Accounts in authorised credit institutions (Irish and non-Irish based)	95,200,000	125,800,000
Irish and EEA state securities	9,525,001	10,906,067
Bank bonds	111,219,730	95,730,330
Central Bank deposits	2,903,783	2,696,936
Other investments	2,657,862	2,671,393
<b>Total deposits and investments - other</b>	<b>221,506,376</b>	<b>237,804,726</b>
<b>Total deposits and investments</b>	<b>294,078,337</b>	<b>283,312,470</b>

## 8. Financial assets - loans to members

	2023 €	2022 €
As at 1 October	82,613,516	77,615,408
Loans granted during the year	40,293,887	34,513,305
Loans repaid during the year	(29,529,181)	(29,199,593)
Gross loans and advances	93,378,222	82,929,120

### Bad debts

Loans written off during the year	(417,703)	(315,604)
<b>As at 30 September</b>	<b>92,960,519</b>	<b>82,613,516</b>

## 9. Provision for bad debts

	2023 €	2022 €
As at 1 October	6,297,863	6,358,049
Movement in bad debts provision during the year	27,894	(60,186)
<b>As at 30 September</b>	<b>6,325,757</b>	<b>6,297,863</b>

The provision for bad debts is analysed as follows:

	2023 €	2022 €
Grouped assessed loans	6,325,757	6,297,863
<b>Provision for bad debts</b>	<b>6,325,757</b>	<b>6,297,863</b>



## 10. Tangible fixed assets

	Freehold premises	Leasehold properties	Office equipment	Fixtures & fittings	Computer equipment	Total
Cost	€	€	€	€	€	€
1 October 2022	1,576,586	39,639	190,937	632,219	1,492,256	3,931,637
Additions	10,731	-	6,090	13,063	17,000	46,884
At 30 September 2023	1,587,317	39,639	197,027	645,282	1,509,256	3,978,521

### Depreciation

1 October 2022	221,669	39,639	137,792	392,390	1,373,371	2,164,861
Charge for year	31,745	-	13,831	25,295	66,910	137,781
At 30 September 2023	253,414	39,639	151,623	417,685	1,440,281	2,302,642

### Net book value

At 30 September 2023	1,333,903	-	45,404	227,597	68,975	1,675,879
At 30 September 2022	1,354,917	-	53,145	239,829	118,885	1,766,776

## 11. Debtors, prepayments and accrued income

	2023 €	2022 €
Loan interest receivable	126,543	106,066
Investment income receivable	1,690,388	1,052,771
Prepayments and other receivables	729,293	523,136
<b>As at 30 September</b>	<b>2,546,224</b>	<b>1,681,973</b>

## 12. Members' shares

	2023 €	2022 €
As at 1 October	290,560,937	274,598,347
Received during the year	205,490,840	199,046,251
Withdrawn during the year	(192,252,768)	(183,083,661)
<b>AS AT 30 SEPTEMBER</b>	<b>303,799,009</b>	<b>290,560,937</b>



### 13. Members' current accounts

	2023 €	2023 €
As at 1 October	6,196,302	3,226,871
Lodgements during the year	74,784,742	48,754,264
Withdrawals during the year	(73,153,146)	(45,784,833)
<b>AS AT 30 SEPTEMBER</b>	<b>7,827,898</b>	<b>6,196,302</b>

	2023		2023	
	No. of Accounts	Balance of Accounts €	No. of Accounts	Balance of Accounts €
Debit	135	13,525	110	11,393
Credit	3983	7,841,423	3491	6,207,695
Permitted overdrafts	89	61,693	72	27,801

### 14. Other liabilities, creditors, accruals and charges

	2023 €	2022 €
Accruals and other liabilities	1,451,669	1,059,809
Prize draw	3,610	3,696
PAYE/PRSI	65,465	49,753
<b>AS AT 30 SEPTEMBER</b>	<b>1,520,744</b>	<b>1,113,258</b>

### 15. Other provisions

<b>Holiday pay accrual</b>	2023 €	2022 €
At 1 October	103,620	14,548
(Credited)/charged to the income and expenditure account	(10,798)	89,072
<b>AS AT 30 SEPTEMBER</b>	<b>92,822</b>	<b>103,620</b>

### 16. Financial instruments

#### 16a Financial instruments - measured at amortised cost

<b>Financial assets</b>	2023 €	2022 €
Financial assets measured at amortised cost	337,112,442	316,048,514

<b>Financial liabilities</b>	2023 €	2022 €
Financial liabilities measured at amortised cost	313,253,998	297,985,510

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

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



## 16b Financial instruments - fair value measurements

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

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

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

At 30 September 2023	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	33,685,307	-	33,685,307	-
Bank bonds	16,223,652	-	16,223,652	-
<b>TOTAL</b>	<b>49,908,959</b>	<b>-</b>	<b>49,908,959</b>	<b>-</b>

At 30 September 2022	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	36,691,462	-	36,691,462	-
Bank bonds	16,223,652	-	16,223,652	-
<b>TOTAL</b>	<b>52,915,114</b>	<b>-</b>	<b>52,915,114</b>	<b>-</b>

There were no fair value adjustments recognised in the income and expenditure account for the year ended 30 September 2023 (2022: €nil).

## 17. Reserves

	Balance 01/10/22	Appropriation of current year surplus	Transfers between reserves	Balance 30/09/23
	€	€	€	€
Regulatory reserve	46,790,122	-	2,294,555	49,084,677
Operational risk reserve	2,600,000	-	-	2,600,000

### Other reserves

#### Realised

Undistributed surplus	8,209,299	2,589,320	(2,294,555)	8,504,064
General reserve	15,485,420	-	-	15,485,420
<b>TOTAL REALISED RESERVES</b>	<b>23,694,719</b>	<b>2,589,320</b>	<b>(2,294,555)</b>	<b>23,989,484</b>

#### Unrealised

Interest on loans reserve	106,066	20,477	-	126,543
Investment income reserve	183,189	315,225	-	498,414
<b>TOTAL UNREALISED RESERVES</b>	<b>289,255</b>	<b>335,702</b>	<b>-</b>	<b>624,957</b>
<b>TOTAL RESERVES</b>	<b>73,374,096</b>	<b>2,925,022</b>	<b>-</b>	<b>76,299,118</b>



## 18. Credit risk disclosures

In line with regulatory requirements, the Credit Union:

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

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

	2023		2022	
	€	%	€	%
<b>Loans not impaired</b>				
Total loans not impaired, not past due	70,627,321	75.98%	61,598,685	74.56%
<b>Impaired loans</b>				
Not past due	1,965,404	2.11%	1,846,537	2.23%
Up to 9 weeks past due	18,039,829	19.41%	16,643,478	20.15%
Between 10 and 18 weeks past due	757,072	0.82%	1,010,554	1.22%
Between 19 and 26 weeks past due	366,051	0.39%	294,622	0.36%
Between 27 and 39 weeks past due	457,896	0.49%	368,859	0.45%
Between 40 and 52 weeks past due	170,994	0.18%	153,370	0.19%
53 or more weeks past due	575,952	0.62%	697,411	0.84%
<b>Total impaired loans</b>	<b>22,333,198</b>	<b>24.02%</b>	<b>21,014,831</b>	<b>25.44%</b>
<b>TOTAL LOANS</b>	<b>92,960,519</b>	<b>100.00%</b>	<b>82,613,516</b>	<b>100.00%</b>

## 19. Related party transactions

### 19a Loans

	2023		2022	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	8	329,700	15	212,854
Total loans outstanding to related parties at the year end	21	536,121	21	395,250
Total provision for loans outstanding to related parties		22,251		5,735

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 0.58% of the total loans outstanding at 30 September 2023 (2022: 0.48%).



## 19b Savings

The total amount of savings held by related parties at the year end was €1,400,904 (2022: €991,650).

## 20 Additional financial instruments disclosures

### 20a 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 credit policy. Credit risk mitigation may include the requirement to obtain collateral as set out in the Credit Union's credit 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; personal guarantees; and charges over assets. 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 credit policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

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

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

**Interest rate risk:** The Credit 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.

### 20b 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.

### 20c Interest rate risk disclosures

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

	2023		2022	
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	92,960,519	6.76%	82,613,516	6.93%

Any dividend payable is at the discretion of the Directors and is therefore not a financial liability of the Credit Union until declared and approved at the AGM.



## 21 Dividends

The following distributions were paid during the year:

	2023		2022	
	%	€	%	€
<b>Loans not impaired</b>				
Dividend on shares	-	-	-	-
Loan interest rebate	-	-	-	-

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

	2023		2022	
	%	€	%	€
Dividend on shares	0.15%	448,609	-	-
Loan interest rebate	15.00%	341,020	-	-

\*Loan interest rebate on all loans with interest rates of 9.5% and above.

## 22 Events after the end of the financial year

There have been no significant events affecting the Credit Union since the year end.

## 23 Insurance against fraud

The Credit Union has Insurance against fraud in the amount of €2,500,000 (2022: €2,500,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

## 24 Leasing commitments

The Credit Union had future minimum lease payments under non-cancellable operating leases as follows:

	2023 €	2022 €
Less than 1 year	22,834	18,606
1 to 5 years	54,888	52,838
Greater than 5 years	19,399	24,784
<b>AS AT 30 SEPTEMBER</b>	<b>97,121</b>	<b>96,228</b>

## 25 Capital commitments

There were no capital commitments at 30 September 2023.

## 26 Contingent liabilities

There were no contingent liabilities at the current or prior balance sheet date.

## 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 14th November 2023.



# Schedules to the Income & Expenditure Account

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 9 to 11.

## Schedule 1 - Other interest income and similar income

For the year ended 30th September 2023

	2023 €	2022 €
Investment income received/receivable within 1 year	3,528,695	1,849,813
Investment income receivable outside of 1 year	315,225	130,552
<b>TOTAL PER INCOME AND EXPENDITURE ACCOUNT</b>	<b>3,843,920</b>	<b>1,980,365</b>

## Schedule 2 - Other income

	2023 €	2022 €
Commissions and fees	123,948	72,884
Current account fees and charges	197,589	143,893
Sundry income	13,821	12,226
<b>TOTAL PER INCOME AND EXPENDITURE ACCOUNT</b>	<b>335,358</b>	<b>229,003</b>

	Christmas Holidays Opening Hours	
	Tullamore	Kilcormac
Saturday 23rd December	10am - 5pm	9.30am - 4.30pm
Sun 24th Christmas Eve	CLOSED	CLOSED
Mon 25th Christmas Day	CLOSED	CLOSED
Tues 26th St Stephen's Day	CLOSED	CLOSED
Wed 27th Dec	CLOSED	CLOSED
Thurs 28th Dec	10am - 5pm	9.30am - 4.30pm
Fri 29th Dec	10am - 5pm	9.30am - 4.30pm
Sat 30th Dec	10am - 5pm	9.30am - 4.30pm
Sun 31st Dec	CLOSED	CLOSED
Mon 1st Jan 2024	CLOSED	CLOSED
Tues 2nd Jan 2024	10am - 5pm	CLOSED

## Glossary

Words used	Simpler explanation
Dividend	The money the Credit Union pays you for keeping your money in your share account. The payment of a dividend or not is recommended by the Board of Directors following a review of the financial performance and reserve position (current and expected future) of the Credit Union
Assets	In Credit Union terms, assets mean balances owed to the Credit Union through loans to members or other financial institutions holding our funds (ie our investments)
Liabilities	In Credit Union terms, monies owing to our members who have deposited their savings with us for safe keeping
Reserves	Funds that have been generated over time to protect the Credit Union from the risk of unforeseen events such as a financial crash





### Schedule 3 - Other Management Expenses

For the year ended 30th September 2023

	2023 €	2022 €
Rent and Rates	46,017	36,089
Lighting, Heating & Cleaning	134,674	105,596
Repairs and Renewals	45,064	40,444
Security	59,724	61,381
Printing and Stationery	49,229	59,701
Postage and Telephone	54,821	62,482
Donations and Sponsorship	143,494	71,335
Promotion and Advertising	173,798	165,164
Training Costs	27,241	47,106
Convention Expenses	8,861	250
AGM Expenses	51,773	76,760
Travel and Subsistence	8,082	9,554
Bank Interest and Charges	108,853	136,835
Audit Fee	39,975	39,975
General Insurance	119,603	112,637
Share and Loan Insurance	533,789	488,362
Legal and Professional Fees	342,202	410,752
Project Costs	647,466	540,998
Computer Maintenance	614,025	564,643
Miscellaneous Expenses	118,862	101,630
Affiliation Fees	39,996	40,616
Regulatory Levies	503,660	614,180
ATM and Debit Card Expenses	265,324	220,165
<b>TOTAL PER INCOME AND EXPENDITURE ACCOUNT</b>	<b>4,136,533</b>	<b>4,006,655</b>



## Members' Quarterly Prize Draw Income and Expenditure

For the year ended 30th September 2023	2023 €	2022 €
Surplus Brought Forward	3696	4586
<b>INCOME</b>		
Income from Members	264,250	263,820
<b>TOTAL</b>	<b>267,946</b>	<b>268,406</b>
<b>EXPENDITURE</b>		
Car Prizes	124,250	104,900
Cash Prizes	134,500	153,000
Other Prizes	1,000	2,450
Car Draw Expenses	4,586	4,360
<b>TOTAL</b>	<b>264,336</b>	<b>264,710</b>
<b>SURPLUS TO BE CARRIED FORWARD</b>	<b>3,610</b>	<b>3,696</b>

## Members' Quarterly Prize Draw Winners

Our Members Quarterly Prize Draw remains very popular and typically attracts 6500 participants.

The draw takes place in our Patrick Street offices. An external supervisor as well as a member of the Board Oversight Committee monitored proceedings during each draw. Cost of entry is €10 per draw. Download an entry form [www.tullamorecu.ie](http://www.tullamorecu.ie) or call to either of our offices to sign up!

### December 2022

**1st prize:** Suzuki S- Cross

**Winner:** Rita Scully

30 winners of €1000

15 winners of €500



December 2022



March 2023

### March 2023

**1st prize:** Renault Captur

**Winner:** Hazel Cobbe

33 winners of €1000



June 2023



September 2023

### June 2023

**1st prize:** Nissan Juke

**Winner:** Emma Glennon

29 winners of €1000

2 vouchers for the NOX Hotel worth €500 each

### September 2023

**1st prize:** Suzuki S-Cross

**Winner:** Martina Egan

35 winners of €1000

*Well done to all our Prize Draw Winners!!*

Don't forget to sign up for our  
**Members' Quarterly  
 Prize Draw**



**Tullamore**  
Credit Union Ltd.







A huge **thank you** to  
all of our staff, members and  
volunteers over the years.

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