



BALLINASLOE
Credit Union
LOCAL LOYAL LENDING

Financial Accounts, Notice & Agenda – AGM 2024

AGM will take place on Wednesday, 15th January 2025 at 8.00pm

Ballinasloe Credit Union (Our Lady of Lourdes) Limited is regulated by the Central Bank of Ireland. Credit Union Registered Number 202CU



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Notice of Meeting

Notice is hereby given of the 58th Annual General Meeting of Ballinasloe Credit Union (Our Lady of Lourdes) Limited. The A.G.M. will be held in the Shearwater Hotel, Ballinasloe on 15th January 2025 at 8.00pm.

The members assembled at any general meeting may suspend the order of business upon a two thirds (2/3) vote of the members present at the meeting.

Agenda

The business at annual general meetings of the members shall be:

- A) The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons;
- B) Ascertainment that a quorum is present;
- C) Adoption of Standing Orders;
- D) Reading and approval (or correction) of the minutes of the last general meeting;
- E) Report of the Board of Directors;
- F) Report of the Auditor;
- G) Consideration of accounts;
- H) Report of the Board Oversight Committee;
- I) Declaration of dividend / rebate of interest & approval of ILCU affiliation fee;
- J) Notice of Motions;
- K) Report of the Nomination Committee;
- L) Appointment of Tellers;
- M) Election of Auditor;
- N) Election to fill vacancies on the Board of Directors and Board Oversight Committee;
- O) Report of the Credit Committee;
- P) Report of the Credit Control Committee;
- Q) Report of the Membership Committee;
- R) Report of the Audit and Risk Committee;
- S) Report of Marketing, Youth And Education Committee;
- T) Report of the Investment Committee;
- U) Any other business;
- V) Announcement of election results;
- W) Adjournment or close of meeting.

The members assembled at any general meeting may suspend the order of business upon a two thirds (2/3) vote of the members present at the meeting.



Board of Directors

Chairperson	Sean Madden
Vice Chairperson	Adrian Ahern
Secretary	Brian King
Board of Directors	Carmel Carrick Jessica Caldecott Eileen Reddin Michael Lally Sean Kelly Aju Abraham

Board Oversight Committee

Aidan Clifford, Declan Harney, Edward Kelly

Board Committees

Audit & Risk committee

Carmel Carrick, Jessica Caldecott, Michael Lally

Nominations Committee

Eileen Reddin, Sean Kelly, Aju Abraham

Remuneration Committee

Sean Madden, Adrian Ahern, Brian King

External Auditor

Grant Thornton

Internal Auditor

Moore Ireland

Solicitors

Joseph M. Jordan Solicitor

Investment Advisors

Davy

Standing Orders for Annual General Meeting 2024



VOTING

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

ELECTION PROCEDURE

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

When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot and by majority vote. When the votes have been counted by the tellers, the results shall be announced by the chairperson. In the event that all vacancies are not filled by the first ballot further ballots shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure one further ballot shall be taken and should that ballot fail to determine the issue, the vacancies shall be filled by lot from among such candidates having an equality of votes.

MOTIONS

- All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.
- A proposer of a motion may speak for such period as shall be at the discretion of the chairperson of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
- In exercising his/her right of reply, a proposer may not introduce new material.

- The seconder of a motion shall have such time as shall be allowed by the chairperson to second the motion.
- Members are entitled to speak on any such motion and must do so through the chairperson. All speakers to any motion shall have such time as shall be at the discretion of the chairperson.
- The chairperson shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

MISCELLANEOUS

- The chairperson of the board of directors shall be the chairperson of any general meeting, except where he/she is not available, in which case it shall be the vice-chairperson, except where he/she is not available, in which case the board shall decide amongst themselves who shall act as chairperson of any general meeting.
- The chairperson may at his/her discretion, extend the privilege of the floor to any person who is not a member.
- Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the chairperson.
- The chairperson's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
- No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors.
- Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

- SUSPENSION OF STANDING ORDERS**
Any one of these Orders or all of these Standing Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.
- ALTERATION OF STANDING ORDERS**
Standing Orders may be amended or altered at a general meeting and only if a motion to this effect has received a two-thirds majority of those present and voting.

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

Rights and Responsibilities of Members

As one of the owners of the Credit Union, you have a right to know how it is being run and how it is performing. With this right comes the responsibility to contribute to the effective and fair running of the Credit Union. The best way to exercise these rights and responsibilities is to attend the Annual General Meeting (AGM), contribute to discussions about Credit Union matters and with care, elect to office, people who will have the general good of the membership at heart. Every member has one vote at the AGM regardless of the number of shares (savings) they hold.



Chairpersons Report

I am honoured as Chairperson of the Board of Directors of Ballinasloe Credit Union to present your Credit Union's Annual Report for the year ended 30th September 2024.

Credit Unions are an essential part of the financial and social fabric of the country. As member-owned, community based, not-for-profit financial institutions, we are committed to maintaining financial services within our local communities and offering exceptional in person and online member experiences.

Sustainability Report

Throughout the booklet, and for the third year, we are incorporating a sustainability report into our annual report to members. Based on the 17 UN Sustainable Development Goals ("UN SDGs") and aligned to our core Operating Principles, they represent an international consensus on conditions under which humanity can thrive.

When we compare the 10 Credit Union operating principles and the UN SDG's, we see the same aspirations reflected in both frameworks. The UN SDGs provide a unique framework to tell our Credit Union's sustainability story that is illustrated in this booklet.

Sustainability is deeply embedded into every aspect of the credit unions operating principles and ethos. Earlier this year, we were delighted, together with other credit unions across the country, to be appointed Sustainable Development Goals (SDG) Champions by the Department of the Environment, Climate and Communications for 2023 and 2024. This is a significant appointment for credit unions and recognition of the important work which we carry out in local communities. As the only financial institution in Ireland owned and governed by our members, credit unions are by their structure, designed to be sustainable.

Credit Unions work in a way that best serves members. People want innovative digital services as well as personal respect and will not accept that one should be at the expense of the other. We are focused on providing digital experiences with a human touch. Regardless of the way in which a member chooses to use to avail of our services, there is always a friendly member of staff available to provide support and guidance.

ESG Initiatives

In 2024, Ballinasloe Credit Union reinforced its commitment to sustainability by supporting a range of impactful initiatives. We promoted health and well-being by supporting local sports clubs and wellness programmes, encouraging healthier lifestyles throughout the community. Our contribution to a sensory garden at a local school helped foster biodiversity and provided a peaceful, eco-friendly space for both students and

the wider community. We also enhanced educational opportunities by funding local schools and supporting programmes that empower families and encourage early learning. Additionally, our support for the Ballinasloe Enterprise Centre helped local entrepreneurs access the resources they need to innovate and grow, further strengthening our community's economic resilience. Through these efforts, we continue to build a vibrant, sustainable, and inclusive Ballinasloe for future generations.

Governance – Strategic Plan

Following the introduction of our first Sustainability report in 2022, we have documented our first ESG policy & formal strategy for 2025 - 2028. This strategy aims to align the Credit Union's Operating Principles with the UN SDGs, creating a structured three-year plan that places our members and community at its core.

Financials

You are members of a strong Credit union which has traded successfully for nearly 60 years. This year's surplus will be used to fund future member services, maintain reserves, and pay distributions for the long term good of the Credit Union.

The key performance indicators for the financial year end 30 September 2024 are:

- **Gross Loans of €49.5m**
- **Member Savings of €111m**
- **Income of €4.6m**
- **Surplus of €1.9m**
- **Assets of €135m**
- **Reserves of 17%**

Our Gross Loans Outstanding (€49.5m) as a percentage of Total Assets stands at 37% (2023 33%), one of the strongest among our peer Credit Unions - those having total assets of over €100 million, and we have also set aside a provision for loan losses amounting to 7.1% of gross loans outstanding.

Lending

The loan book grew by 16% in 2024. Gross loans issued for the year ended 30 September 2024 were €22.7m, €3.5m more than those issued in 2023. Member loan repayments remained strong during 2024 and, together with impaired loans written off resulted in overall gross loans outstanding increasing by €6.8m in 2024.

With a volatile economic environment being ever constant, Credit Unions remain vital and accessible providers of affordable and ethical financial services across the country. We are committed to offering access to services to everyone in our community and would urge those who might have previously relied on a doorstep

lender, or those who might be tempted to borrow from unregulated lenders, to come and talk to us first.

New Products and Services

During the year we introduced **Term Deposit Products**. Consisting of 1, 3 & 5 year terms these offer a real choice for our members who wish to lock away savings for a time, earning a fair return.

2025 will see new products and services going live for our member's benefit. We will introduce **Member Business Current Account Services (MBCAS)** to complement our existing service for personal members. This means that we will have current account, overdraft, and debit card services available for our business members.

We will also introduce a suite of **Insurance products** for our members to expand the services available and offer a competitive choice for Car, Home, Pet & Travel Insurances.

We are also looking forward to introducing **SEPA Instant Credit Transfer (SEPA Inst)** during 2025. Consumers expect ever easier and faster services. The SEPA Inst scheme delivers these by enabling pan-European credit transfers with the funds made available on the account in less than ten seconds even during the evening, weekends and holidays, all year round.

Distributions from Surplus

We have continued to be there for our members during 2024, in a challenging and volatile economic environment. It is important that the credit union continues to make responsible and prudent decisions over the longer term. Our focus remains on community and sustainable finance, and this has led us to begin developing a long-term **community support strategy** with our existing social fund at the centre.

In terms of Distributions the board propose the following:

That there be a **Dividend of 0.40%** on share balances paid. As mentioned earlier, members will also have the opportunity to earn Deposit Interest on longer term savings with the introduction of our Term Deposit Products.

The board are proposing a **0% Loan Interest Rebate**. We have maintained loan interest rates at the same level throughout the past two years while aggressive interest rate increases were introduced across the economy. We believe that our range of loan products represent significant value.

For 2024 we increased the funds available in the **Social Fund** for community projects to €75,000 and this level will be maintained for 2025. We encourage all groups to consider making an application for support. The application forms are available on our website.

The Credit Union also absorbs the cost of the ILCU Annual Affiliation Fee into operating expenditure on behalf of its members as well as providing **free life savings, loan protection and death benefit insurance**.

The ability to make distributions from available surplus is reviewed by the board annually and our strategy is to make future distributions in a targeted way for the benefit of the Credit Union's members and the wider community.

Future Strategy

We will continue to strengthen our Balance Sheet position through cost control and income generation opportunities within an overarching strategy of building financial and operational resilience to support our long-term sustainability.

From a service delivery point of view, we are immensely proud to note that Ballinasloe Credit Union joined with other Credit Unions in Ireland in winning the CXi award for customer experience for the TENTH consecutive year. Credit unions were also ranked as the most highly regarded organisation in Ireland, in the Ireland RepTrak® 2024 annual study. This is an important acknowledgment of the trust that members of the public, not just credit union members, place in the credit union and the value placed on credit unions' friendly people focused approach.

It is our firm intention to continue to support our members through the delivery of value for money financial services, member service excellence and a continued focus on supporting the wider community through our various sponsorships and the enhanced social fund.

Collaboration

We are delighted to inform our members that we have commenced discussions with a neighbouring Credit Union, in relation to combining our resources to become an even stronger credit union. The Board of Directors are of the view that by combining our Credit Unions we will build on our proud record to ensure we continue making a distinct and positive contribution to the challenges and opportunities facing our members and our community.

This initiative provides assurance on the continuation of services locally and ensures that the Credit Union will have the combined strength to meet the very challenging times ahead for credit unions generally.

This announcement is made in the spirit in which our credit unions intend to move forward with this process – honesty and transparency so that you, our members, can be sure that at all times you are fully informed. As the process evolves, each member will be provided with an information pack, which will give details outlining the financial position of the participating credit unions and the benefits of this initiative. Please be assured that the Board of Directors wish to fully engage with members throughout this process. The proposed merger will require the approval of our regulator, the Central Bank. It is also very important to note that throughout this proposed process, it will be business as usual with no impact on day-to-day activities for members.

Acknowledgements

I would like to express my thanks and appreciation to the management team and staff for their continued commitment and professionalism, meeting the standards of service required and ensuring that the Credit Union continues to provide a vital service in our community.

I would also like to thank my fellow Directors and Board Oversight Committee members for their contribution during the past year. To those colleagues who are not offering themselves for re-election I wish to extend my appreciation for the immense service and commitment shown during your time on the board.

I would like to thank you, our loyal members, for the continued support and dedication you show to your Credit Union. We genuinely appreciate it, and we will continue to grow and develop to ensure that we sustain for you a strong, stable Credit Union that cares for its members...always!

Finally, on behalf of the Board of Directors and all the team in Ballinasloe Credit Union, I wish all our members a safe & prosperous 2025.

Sean Madden

Sustainability Report

Sustainability is about meeting the needs of the present without compromising the ability of future generations to meet their own. Sustainable businesses achieve long-term financial success while creating positive value for society and operating within environmental limits.

In 2015, the United Nations General Assembly (UN-GA) established 17 Sustainable Development Goals (UN SDGs), with 193 countries, including Ireland, committing to the plan. These goals reflect a global consensus on the conditions needed for humanity to thrive, encompassing interconnected environmental, societal, institutional, and economic factors. Social conditions include fundamental rights to food, water, sanitation, education, health, and freedom.



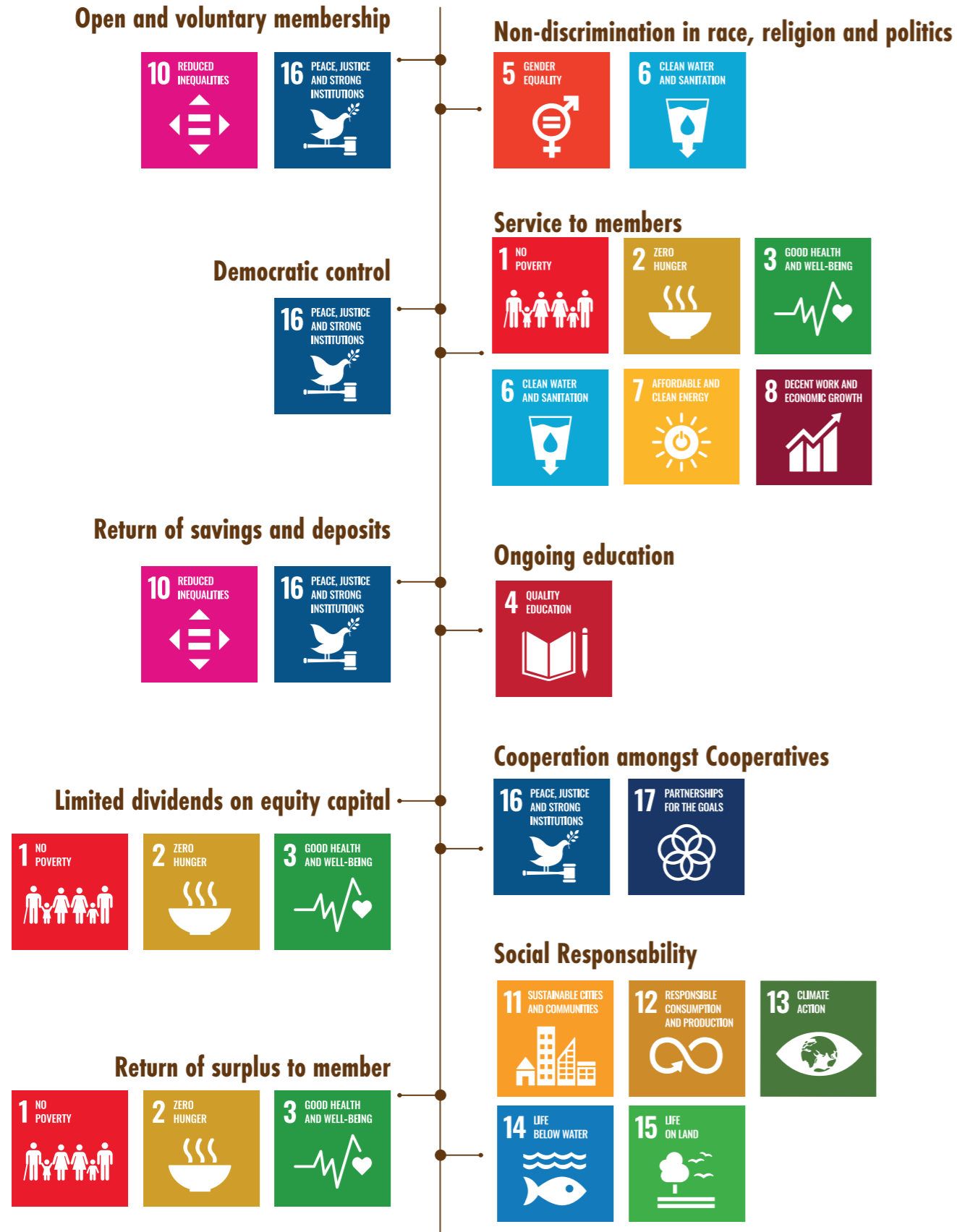
Cappataggle Hurling Club



St. Patrick's Day



When we compare our operating principles with the UN SDGs, we find shared aspirations in both frameworks. For nearly 60 years, we have upheld these principles, and now, guided by the UN SDG framework, we are challenging ourselves to do even more. This AGM report explores our core operating principles through the lens of the UN SDGs, highlighting our commitment to sustainability and continuous improvement.



Good Health and Well Being

Ballinasloe Credit Union is dedicated to improving the well-being of our community, in line with the UN's Good Health and Well-Being goal. Through our Social Fund, we support local sports clubs, recognising how important they are for encouraging exercise, teamwork, and mental wellness. These efforts reflect our commitment to helping local organisations that improve life for people of all ages. By backing these clubs, we strengthen community ties and contribute to a healthier, more active Ballinasloe, ensuring lasting benefits for everyone.



Ballinasloe Credit Union Community Games



Moore Community Games

Financial Statements

Directors' report

For the financial year ended 30 September 2024

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2024.

Principal activity

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

Authorisation

The credit union is authorised as follows:

- 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 of €402,782 (0.40%) in respect of the financial year ended 30 September 2024 (2023: €197,730 (0.20%)).

Principal risks and uncertainties

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

Credit risk

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

Lack of loan demand

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

Market risk

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

Liquidity risk

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

Operational risk

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

Global macro-economic risk

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

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

Directors' report (continued)

For the financial year ended 30 September 2024

Credit risk

In order to manage this risk, the board of directors regularly reviews and approves the credit union's credit policy. 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.

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 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 Main Street, Ballinasloe, Co. Galway.

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:

Sean Madden
Chairperson of the board of directors

Adrian Ahern
Member of the board of directors

Date: 16th December 2024

Directors' responsibilities statement

For the financial year ended 30 September 2024

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 the 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:

Sean Madden
Chairperson of the board of directors

Adrian Ahern
Member of the board of directors

Date: 16th December 2024

Board oversight committee's responsibilities statement

For the financial year ended 30 September 2024

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:

Aidan Clifford
Chairperson of the board oversight committee

Date: 16th December 2024

Independent auditor's report to the members of Ballinasloe Credit Union (Our Lady of Lourdes) Limited

Opinion

We have audited the financial statements of Ballinasloe Credit Union (Our Lady of Lourdes) Limited for the financial year ended 30 September 2024, 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 29, including a summary of significant accounting policies as set out in note 2.

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

In our opinion, Ballinasloe Credit Union (Our Lady of Lourdes) 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 2024 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report to the members of Ballinasloe Credit Union (Our Lady of Lourdes) Limited (Continued)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

Responsibilities of directors for the financial statements

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

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

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.

Independent auditor's report to the members of Ballinasloe Credit Union (Our Lady of Lourdes) Limited (Continued)

Responsibilities of the auditor for the audit of the financial statements (continued)

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

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

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

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

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

Sean Ridley

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

Date: 16th December 2024

Income and expenditure account

For the financial year ended 30 September 2024

	Schedule	2024 €	2023 €
Income			
Interest on members' loans		2,998,492	2,747,414
Interest payable and similar charges (note 23)		(1,267)	-
Other interest income and similar income	1	1,564,950	1,046,527
Net interest income		4,562,175	3,793,941
Other income	2	76,457	68,037
Total income		4,638,632	3,861,978
Expenditure			
Employment costs		1,362,893	1,280,457
Other management expenses	3	2,061,009	1,881,339
Depreciation		90,818	106,761
Net impairment gains on loans to members (note 5)		(828,964)	(703,561)
Total expenditure		2,685,756	2,564,996
Surplus for the financial year		1,952,876	1,296,982

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

Sean Madden
Member of the board of directors

Gráinne Murphy
CEO

Date: 16th December 2024

Statement of other comprehensive income

For the financial year ended 30 September 2024

	2024 €	2023 €
Surplus for the financial year	1,952,876	1,296,982
Other comprehensive income	-	-
Total comprehensive income for the financial year	1,952,876	1,296,982

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

Sean Madden
Member of the board of directors

Gráinne Murphy
CEO

Date: 16th December 2024

The notes on pages 22 to 37 form part of these financial statements.

Balance sheet

As at 30 September 2024

	Notes	2024 €	2023 €
Assets			
Cash and balances at bank	6	3,088,493	4,163,605
Deposits and investments – cash equivalents	7	23,577,716	21,135,749
Deposits and investments – other	7	61,333,174	63,895,709
Loans to members	8	49,495,941	42,683,661
Provision for bad debts	9	(3,520,104)	(3,637,713)
Members' current accounts overdrawn	14	2,361	2,205
Tangible fixed assets	10	465,462	536,188
Equity investment	11	30,000	-
Debtors, prepayments and accrued income	12	881,778	877,343
Total assets		135,354,821	129,656,747
Liabilities			
Members' shares	13	105,203,216	101,809,630
Members' deposits	13	1,631,320	1,333,919
Other members' funds	13	3,445,604	3,681,191
Members' current accounts	14	825,270	667,051
Other liabilities, accruals and charges	15	802,691	473,159
Other provisions	16	45,461	46,699
Total liabilities		111,953,562	108,011,649
Reserves			
Regulatory reserve	18	15,000,000	13,562,043
Operational risk reserve	18	1,583,890	1,461,454
Other reserves			
- Realised reserves	18	6,632,994	6,467,703
- Unrealised reserves	18	184,375	153,898
Total reserves		23,401,259	21,645,098
Total liabilities and reserves		135,354,821	129,656,747

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

Sean Madden
Member of the board of directors

Gráinne Murphy
CEO

Date: 16th December 2024

The notes on pages 22 to 37 form part of these financial statements.

Statement of changes in reserves

For the financial year ended 30 September 2024

	Regulatory reserve	Operational risk reserve	Realised reserves	Unrealised reserves	Total
	€	€	€	€	€
As at 1 October 2022	13,562,043	1,139,627	5,495,527	150,919	20,348,116
Surplus for the financial year	-	-	1,294,003	2,979	1,296,982
Transfers between reserves	-	321,827	(321,827)	-	-
As at 1 October 2023	13,562,043	1,461,454	6,467,703	153,898	21,645,098
Surplus for the financial year	-	-	1,922,399	30,477	1,952,876
Transfers between reserves	1,437,957	122,436	(1,560,393)	-	-
Payment of dividend	-	-	(196,715)	-	(196,715)
As at 30 September 2024	15,000,000	1,583,890	6,632,994	184,375	23,401,259

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2024 was 11.08% (2023: 10.46%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2024 was 1.17% (2023: 1.13%).

Statement of cash flows

For the financial year ended 30 September 2024

	Notes	2024 €	2023 €
Opening cash and cash equivalents		25,299,354	25,107,678
Cash flows from operating activities			
Loans repaid by members	8	15,816,365	15,844,052
Loans granted to members	8	(22,703,131)	(19,227,258)
Interest on members' loans		2,998,492	2,747,414
Interest payable and similar charges	23	(1,267)	-
Other interest income and similar income		1,564,950	1,046,527
Bad debts recovered and recoveries	5	785,841	910,182
Other income		76,457	68,037
Dividends paid	22	(196,715)	-
Members' current accounts lodgements	14	10,006,811	7,472,888
Members' current accounts withdrawals	14	(9,848,748)	(7,239,702)
Operating expenses		(3,423,902)	(3,161,796)
Movement in other assets and liabilities		323,859	(289,838)
Net cash flows from operating activities		(4,600,988)	(1,829,494)
Cash flows from investing activities			
Fixed asset purchases	10	(20,092)	(77,369)
Equity investment	11	(30,000)	-
Net cash flow from other investing activities		2,562,535	(33,798)
Net cash flows from investing activities		2,512,443	(111,167)
Cash flows from financing activities			
Members' savings received	13	94,544,037	90,951,902
Members' savings withdrawn	13	(91,088,637)	(88,819,565)
Net cash flows from financing activities		3,455,400	2,132,337
Net increase in cash and cash equivalents		1,366,855	191,676
Closing cash and cash equivalents	6	26,666,209	25,299,354

The notes on pages 22 to 37 form part of these financial statements.

The notes on pages 22 to 37 form part of these financial statements.

Notes to the financial statements

For the financial year ended 30 September 2024

1. Legal and regulatory framework

Ballinasloe Credit Union (Our Lady of Lourdes) 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 Main Street, Ballinasloe, Co. Galway.

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 a reasonable expectation that the credit union has adequate resources to continue in operational existence for the foreseeable future. The credit union therefore continues to adopt the going concern basis in preparing its financial statements.

2.4 Income

Interest on members’ loans

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

Deposit and investment income

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

Other income

Other income is recognised on an accruals basis.

2.5 Cash and cash equivalents

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

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

2. Accounting policies (continued)

2.6 Deposits and investments

Held at amortised cost

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

Central Bank deposits

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

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 loss/(gain) 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 economic 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.

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

2. Accounting policies (continued)

2.9 Tangible fixed assets

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

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Premises	2% straight line per annum
Fixtures & fittings	15% straight line per annum
Computer equipment	20% straight line per annum

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

2.10 Impairment of assets

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

2.11 Equity investment

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

2.12 Other receivables

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

2.13 Financial liabilities – members' savings

Members' savings 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.

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

2. Accounting policies (continued)

2.14 Members' deposits

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

2.15 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).

2.16 Other payables

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

2.17 Pension

Ballinasloe Credit Union (Our Lady of Lourdes) Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme) ("the Scheme"). This is a funded defined benefit scheme with assets managed by the Scheme's trustees. The ILCU is the principal employer of the Scheme and Ballinasloe Credit Union (Our Lady of Lourdes) Limited is a participating employer. The Scheme is a multi-employer defined benefit scheme and there is insufficient information for the credit union to separately identify its share of the Scheme's underlying assets and liabilities. Consequently, the Scheme is currently accounted for as a defined contribution plan. If an agreement is entered into with the Scheme that determines how Ballinasloe Credit Union (Our Lady of Lourdes) Limited will fund a past service deficit, the credit union shall recognise a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit). Refer to note 27 for further detail.

The credit union also 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 is €24,366 (2023: €14,091).

2.18 Holiday pay

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

2.19 Derecognition of financial liabilities

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

2.20 Regulatory reserve

The Credit Union Act 1997 (Regulatory Requirements) Regulations 2016 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10 per cent of the assets of the credit union. In instances where the credit union has been approved for long term lending, a minimum regulatory reserve of 12.5 per cent is required. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

2. Accounting policies (continued)

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

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 credit union also holds additional amounts in its operational risk reserve in respect of risks it has assessed are present in its operating environment that may vary over time.

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 and the balance of the SPS refund receivable 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.

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

3. Judgements in applying accounting policies and key source of estimation uncertainty

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

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the year end was €465,462 (2023: €536,188).

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 €3,520,104 (2023: €3,637,713) representing 7.11% (2023: 8.52%) of the total gross loan book.

Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have developed an approach to the calculation of the operational risk reserve. The credit union uses the basic indicator approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the minimum 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 credit union also holds additional amounts in its operational risk reserve in respect of risks it has assessed are present in its operating environment that may vary over time. The operational risk reserve of the credit union at the year end was €1,583,890 (2023: €1,461,454).

Pension

Ballinasloe Credit Union (Our Lady of Lourdes) Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded scheme of the defined benefit type, with assets invested in separate trustee administered funds. Judgement is required to assess whether the credit union has sufficient information to enable it to account for the Scheme as a defined benefit plan. An assessment has been performed of the information currently available and Ballinasloe Credit Union (Our Lady of Lourdes) Limited has determined that there is currently insufficient information available to provide an appropriate allocation of pension assets and liabilities due to the following:

- Scheme assets are not segregated or tracked by contributing employers. There is insufficient information to appropriately allocate the assets to individual employers as contributions paid are pooled in a single fund and none of the contributing employers have separately segregated asset pools.
- Orphan members are those members (including pensioners) who previously contributed to the scheme where their employer has paid an exit cost and as a result has no further liability to the scheme. A pension liability continues to exist for these individual members. There is uncertainty around where the obligation rests in respect of orphan members currently and into the future.
- The Funding Plan calculations are based on each employer's share of liabilities at a point in time. This does not infer that each employer is contributing towards its liabilities. The determination of the contribution rate is a point in time assessment and is not updated subsequently for changes in the employers' liability that may occur in the future. Subsequently, as the profile of the scheme continues to change, there will continue to be a natural cross subsidisation.

Consequently, Ballinasloe Credit Union (Our Lady of Lourdes) Limited continues to account for the plan as a defined contribution plan.

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

3. Judgements in applying accounting policies and key source of estimation uncertainty (continued)

Adoption of going concern basis for financial statements preparation

The credit union continues to closely monitor developments within the global macro-economic environment. The directors have prepared projections and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the credit union's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the credit union was unable to continue as a going concern.

4. Key management personnel compensation

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

	2024	2023
	€	€
Short term employee benefits paid to key management	544,107	535,861
Payments to pension schemes	45,238	39,263
Total key management personnel compensation	589,345	575,124

5. Net impairment gains on loans to members

	2024	2023
	€	€
Bad debts recovered	(706,394)	(834,633)
Impairment of loan interest reclassified as bad debt recoveries	(79,447)	(75,549)
Movement in bad debts provision during the year	(117,609)	(89,390)
Loans written off during the year	74,486	296,011
Net impairment gains on loans to members	(828,964)	(703,561)

6. Cash and cash equivalents

	2024	2023
	€	€
Cash and balances at bank	3,088,493	4,163,605
Deposits and investments – cash equivalents (note 7)	23,577,716	21,135,749
Total cash and cash equivalents	26,666,209	25,299,354

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

7. Deposits and investments

	2024	2023
	€	€
Deposits and investments – cash equivalents		
Accounts in authorised credit institutions (Irish and non-Irish based)	23,479,234	21,014,266
Central Bank deposits	98,482	121,483
Total deposits and investments – cash equivalents	23,577,716	21,135,749
Deposits and investments – other		
Accounts in authorised credit institutions (Irish and non-Irish based)	35,323,372	42,435,033
Bank bonds	24,021,933	20,506,047
Central Bank deposits	977,630	954,629
Other investments	1,010,239	-
Total deposits and investments – other	61,333,174	63,895,709
Total deposits and investments	84,910,890	85,031,458

The rating category of counterparties with whom the investments were held at 30 September 2024 and 30 September 2023 is as follows:

	2024	2023
	€	€
Aa1	4,733,232	-
Aa3	9,141,247	14,783,296
A1	33,975,469	23,160,772
A2	3,000,000	3,000,000
Baa1	32,984,830	32,472,922
Baa2	-	10,538,356
Central Bank	1,076,112	1,076,112
Total	84,910,890	85,031,458

8. Financial assets – loans to members

	2024	2023
	€	€
As at 1 October	42,683,661	39,596,466
Loans granted during the year	22,703,131	19,227,258
Loans repaid during the year	(15,816,365)	(15,844,052)
Gross loans and advances	49,570,427	42,979,672
Bad debts		
Loans written off during the year	(74,486)	(296,011)
As at 30 September	49,495,941	42,683,661

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

9. Provision for bad debts

	2024	2023
	€	€
As at 1 October	3,637,713	3,727,103
Movement in bad debts provision during the year	(117,609)	(89,390)
As at 30 September	3,520,104	3,637,713

The provision for bad debts is analysed as follows:

	2024	2023
	€	€
Grouped assessed loans	3,520,104	3,637,713
Provision for bad debts	3,520,104	3,637,713

10. Tangible fixed assets

	Premises	Fixtures & fittings	Computer equipment	Total
	€	€	€	€
Cost				
As at 1 October 2023	734,221	208,314	455,879	1,398,414
Additions	-	4,832	15,260	20,092
As at 30 September 2024	734,221	213,146	471,139	1,418,506
Depreciation				
As at 1 October 2023	420,746	79,588	361,892	862,226
Charge for year	14,685	30,894	45,239	90,818
As at 30 September 2024	435,431	110,482	407,131	953,044
Net book value				
As at 30 September 2024	298,790	102,664	64,008	465,462
As at 30 September 2023	313,475	128,726	93,987	536,188

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

11. Equity investment

	€
Cost	
As at 1 October 2023	-
Initial investment	30,000
As at 30 September 2024	30,000
Accumulated impairment	
As at 30 September 2024	-
Net book value	
As at 30 September 2024	30,000
As at 30 September 2023	-

The equity investment represents an investment made by the credit union in CU Mortgage Services Designated Activity Company, a company with registered number 755686, and having its registered office at Suite 28, Morrison Chambers, 32 Nassau Street, Dublin, D02 XF22.

12. Debtors, prepayments and accrued income

	2024	2023
	€	€
Prepayments	176,870	270,954
Loan interest receivable	121,130	100,892
Accrued income on investments	520,772	442,491
Other debtors	63,006	63,006
As at 30 September	881,778	877,343

13. Members' savings

	2024	2023
	€	€
As at 1 October	106,824,740	104,692,403
Received during the year	94,544,037	90,951,902
Withdrawn during the year	(91,088,637)	(88,819,565)
As at 30 September	110,280,140	106,824,740

Members' savings are analysed as follows:

	2024	2023
	€	€
Members' shares	105,203,216	101,809,630
Members' deposits	1,631,320	1,333,919
Other members' funds	3,445,604	3,681,191
Total members' savings	110,280,140	106,824,740

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

14. Members' current accounts

	2024	2023
	€	€
As at 1 October	664,846	431,660
Lodgements during the year	10,006,811	7,472,888
Withdrawals during the year	(9,848,748)	(7,239,702)
As at 30 September	822,909	664,846

	2024		2023	
	No. of Accounts	Balance of Accounts €	No. of Accounts	Balance of Accounts €
Debit	71	2,361	47	2,205
Credit	684	825,270	567	667,051
Permitted overdrafts	3	8,649	3	1,290

15. Other liabilities, accruals and charges

	2024	2023
	€	€
Accruals and other liabilities	773,763	444,775
PAYE/PRSI	28,928	28,384
As at 30 September	802,691	473,159

16. Other provisions

	2024	2023
	€	€
Holiday pay accrual		
As at 1 October	46,699	41,728
(Credited)/charged to the income and expenditure account	(1,238)	4,971
As at 30 September	45,461	46,699

17. Financial instruments

17a. Financial instruments – measured at amortised cost

	2024	2023
	€	€
Financial assets		
Financial assets measured at amortised cost	133,581,120	128,748,713
Financial liabilities		
Financial liabilities measured at amortised cost	111,953,562	108,011,649

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

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

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

17. Financial instruments (continued)

17b. 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:

As at 30 September 2024	Total	Level 1	Level 2	Level 3
	€	€	€	€
Other investment	1,010,239	-	1,010,239	-
Total	1,010,239	-	1,010,239	-
As at 30 September 2023	Total	Level 1	Level 2	Level 3
	€	€	€	€
Other investment	-	-	-	-
Total	-	-	-	-

There was a fair value movement of €10,239 recognised in the income and expenditure account for the year ended 30 September 2024 (2023: €nil).

18. Reserves

	Balance 01/10/23	Payment of dividend	Appropriation of current year surplus	Transfers between reserves	Balance 30/09/24
	€	€	€	€	€
Regulatory reserve	13,562,043	-	-	1,437,957	15,000,000
Operational risk reserve	1,461,454	-	-	122,436	1,583,890
Other reserves					
Realised					
General reserve	6,467,703	(196,715)	1,922,399	(1,560,393)	6,632,994
Total realised reserves	6,467,703	(196,715)	1,922,399	(1,560,393)	6,632,994
Unrealised					
Interest on loans reserve	100,892	-	20,238	-	121,130
Investment income reserve	-	-	10,239	-	10,239
SPS reserve	53,006	-	-	-	53,006
Total unrealised reserves	153,898	-	30,477	-	184,375
Total reserves	21,645,098	(196,715)	1,952,876	-	23,401,259

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

19. Credit risk disclosures

In line with regulatory requirements, the credit union:

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

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

	2024		2023	
	€	%	€	%
Loans not impaired				
Total loans not impaired, not past due	41,179,081	83.20%	34,308,575	80.38%
Impaired loans:				
Not past due	992,386	2.00%	1,161,458	2.72%
Up to 9 weeks past due	5,187,756	10.48%	4,948,418	11.59%
Between 10 and 18 weeks past due	500,066	1.01%	782,171	1.83%
Between 19 and 26 weeks past due	393,751	0.80%	406,771	0.95%
Between 27 and 39 weeks past due	267,140	0.54%	258,971	0.61%
Between 40 and 52 weeks past due	267,573	0.54%	359,843	0.85%
53 or more weeks past due	708,188	1.43%	457,454	1.07%
Total impaired loans	8,316,860	16.80%	8,375,086	19.62%
Total loans	49,495,941	100.00%	42,683,661	100.00%

20. Related party transactions

20a. Loans

	2024		2023	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	1	20,000	4	69,000
Total loans outstanding to related parties at the year end	6	137,805	9	188,718
Total provision for loans outstanding to related parties		3,615		19,961

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 0.31% of the total loans outstanding at 30 September 2024 (2023: 0.44%).

20b. Savings

The total amount of savings held by related parties at the year end was €633,416 (2023: €472,143).

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

21. Additional financial instruments disclosures

21a. Financial risk management

The credit union manages its members' savings and loans so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from the credit 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. The credit union is also exposed to counterparty credit risk pertaining to its deposit and investment portfolio. In order to manage this risk the board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

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

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

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

21b. Liquidity risk disclosures

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

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

21. Additional financial instruments disclosures (continued)

21c. Interest rate risk disclosures

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

	2024		2023	
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	<u>49,495,941</u>	6.62%	<u>42,683,661</u>	6.93%

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

22. Dividends

The following distributions were paid during the year:

	2024		2023	
	%	€	%	€
Dividend on shares	<u>0.20%</u>	<u>196,715</u>	<u>-</u>	<u>-</u>

The directors are proposing a dividend of €402,782 (0.40%) in respect of the financial year ended 30 September 2024. (2023: 197,730 (0.20%)).

23. Interest payable and similar charges

Deposit interest payable for the year

	2024	2023
	€	€
Total deposit interest paid	<u>1,267</u>	<u>-</u>

24. Events after the end of the financial year

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

25. Insurance against fraud

The credit union has Insurance against fraud in the amount of €5,200,000 (2023: €5,200,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

Notes to the financial statements (continued)

For the financial year ended 30 September 2024

26. Capital commitments

There were no capital commitments at 30 September 2024.

27. Comparative information

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

28. The Irish League of Credit Unions Republic of Ireland Pension Scheme

Ballinasloe Credit Union (Our Lady of Lourdes) Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees.

On 31 March 2022, the defined benefit scheme closed to future accrual and although staff retained all the benefits that they had earned in the Scheme to that date, Ballinasloe Credit Union (Our Lady of Lourdes) Limited and its employees ceased making regular contributions to the Scheme and ceased earning any additional benefits from the Scheme.

At the date of closure of the Scheme, there was a past service deficit which was allocated to each participating credit union based on the total benefits earned by staff in each credit union. Ballinasloe Credit Union (Our Lady of Lourdes) Limited's allocation of that past service deficit was €1,527,310. This cost was included in the income and expenditure account for the financial year ended 30 September 2022. The deficit amount was paid to the trustees of the Scheme during the financial year ended 30 September 2022.

As this is a pooled pension scheme, Ballinasloe Credit Union (Our Lady of Lourdes) Limited remains liable to cover the cost of their share of any future increase in the total cost of providing the pension payments to credit union employees who were part of the Scheme. Ballinasloe Credit Union (Our Lady of Lourdes) Limited could exit the Scheme and therefore never have to make a potential additional payment requirement but exiting the Scheme may incur a substantial additional cost.

If credit unions exit the Scheme, they are required to pay to the trustees the exit amount which the trustees determine is required to fund benefits in respect of their active, deferred and pensioner members on a "no risk" basis. The exiting credit union thereby settles any liability they have to contribute to the Scheme in the future.

29. Approval of financial statements

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

Schedules to the income and expenditure account

For the financial year ended 30 September 2024

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's report on pages 15 to 17.

Schedule 1 – Other interest income and similar income

	2024	2023
	€	€
Investment income received/receivable within 1 year	1,554,711	1,046,527
Movement in unrealised gain on investments	10,239	-
Total per income and expenditure account	1,564,950	1,046,527

Schedule 2 – Other income

	2024	2023
	€	€
Miscellaneous income	-	5,000
Commissions	50,862	43,751
MPCAS income	25,595	19,286
Total per income and expenditure account	76,457	68,037

Schedules to the income and expenditure account (continued)

For the financial year ended 30 September 2024

Schedule 3 – Other management expenses

	2024	2023
	€	€
Rent and rates	1,380	10,308
Light, heat and cleaning	30,936	32,114
Repairs and renewals	19,143	29,779
Security	40,362	36,812
Printing and stationery	21,757	29,454
Postage and telephone	29,838	28,500
Donation and sponsorship	24,220	17,508
Promotion and advertising	79,965	106,123
Training costs	26,582	15,609
Staff uniform costs	11,251	1,184
Convention expenses	20,886	24,186
AGM expenses	27,886	23,196
Travel and subsistence	5,686	4,066
Bank charges	84,401	39,661
Audit fee	28,721	28,721
Legal and professional fees	270,604	128,622
General insurance	59,768	58,155
Share and loan insurance	333,169	348,727
Death benefit insurance	107,554	112,714
Computer maintenance	345,058	284,316
SPS, affiliation fees and subscriptions	100,465	94,243
Regulatory levies	196,830	212,623
Social development	75,000	50,000
MPCAS expenses	76,007	96,555
Office expenses	43,540	68,163
Total per income and expenditure account	2,061,009	1,881,339

Members' Prize Draw

The operation of the Members' prize draw is fully financed by the draw entry fee of €4 per quarter paid by each entrant. The prize draw is operated on a non-profit basis - all entry fees are used for the provision of prizes and the running of the draws. The results are published on the tv screens in branch and on our social media platforms. The draws take place in March, June, September & December.

The rules governing the draw are available on the Credit Union website. Each draw is supervised by our solicitor and our auditors Grant Thornton carry out an audit of the

prize draw fund as part of their audit work. Members in the draw must notify us in writing if they no longer wish to be included in the car draw and we will remove their entry at the next draw deduction date. In September 2024, 5,584 members took part in the draw. During the financial year, circa €89k has been paid out in prizes to 54 lucky winners. If you are not part of the draw and would like to sign up, please contact our office and we would be delighted to include you.

Ballinasloe Credit Union

Members' Prize Draw Year Ended September 30th 2024

2024	(€)
Opening Balance	196
Members Entry Fee	89,656
	<hr/>
	89,852
	<hr/>
Top prize	75,000
Cash prize	12,500
Legal fees	1,400
Prize fund	<hr/>
	452



December Draw – John Mc Grath



March Draw – Bridie Scott



September Draw – Patrica Quinn



Life on Land



Ballinasloe Credit Union is happy to support the UN's goals of caring for life on land and promoting good health and well-being. Through our Social Fund, we helped a local school create a sensory garden. This garden is a peaceful space that supports nature and helps students relax. It shows how being close to nature can improve mental health, learning, and community life. We are dedicated to supporting local projects, helping make Ballinasloe greener and more welcoming for everyone in the future.

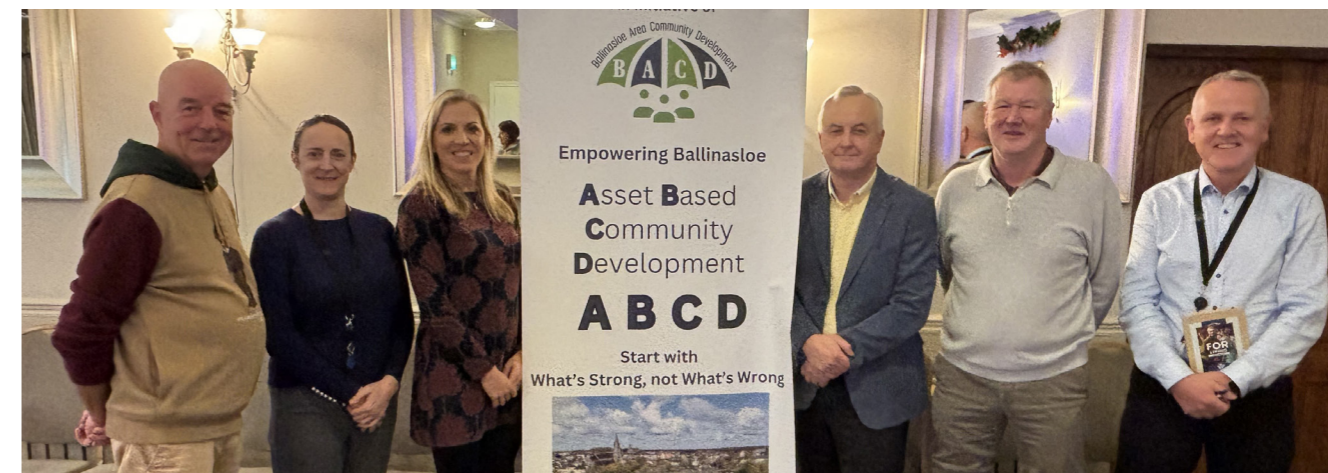


Newtown NS

Sustainable Cities and Communities



Ballinasloe Credit Union is actively supporting the UN Sustainable Development Goal (SDG) of Sustainable Cities and Communities by facilitating and participating in the Asset-Based Community Development (ABCD) project. This initiative focuses on building on the existing resources within the community, empowering individuals, associations, and institutions to collaborate and develop their strengths. By identifying and matching local assets with residents and groups who can benefit from them, the ABCD project fosters a more resilient and self-sustaining community. Ballinasloe Credit Union's involvement underscores our commitment to strengthening local connections, promoting community-led growth, and contributing to the creation of a sustainable, thriving environment for all.



ABCD Project

Credit Committee Report

The Credit Committee is appointed annually by the Board of Directors to supervise the lending process. The Committee is accountable for overseeing the granting and approval of loans within the credit policy approved by the Board of Directors. The Committee reports to the Board on a monthly basis on lending volumes and trends.

As a local member owned financial co-operative, the primary function of the Credit Union is the provision of credit to members at a fair and reasonable rate. Loan interest is the main source of income of the Credit Union and an active lending service is essential for the long-term sustainability and viability of the Credit Union.

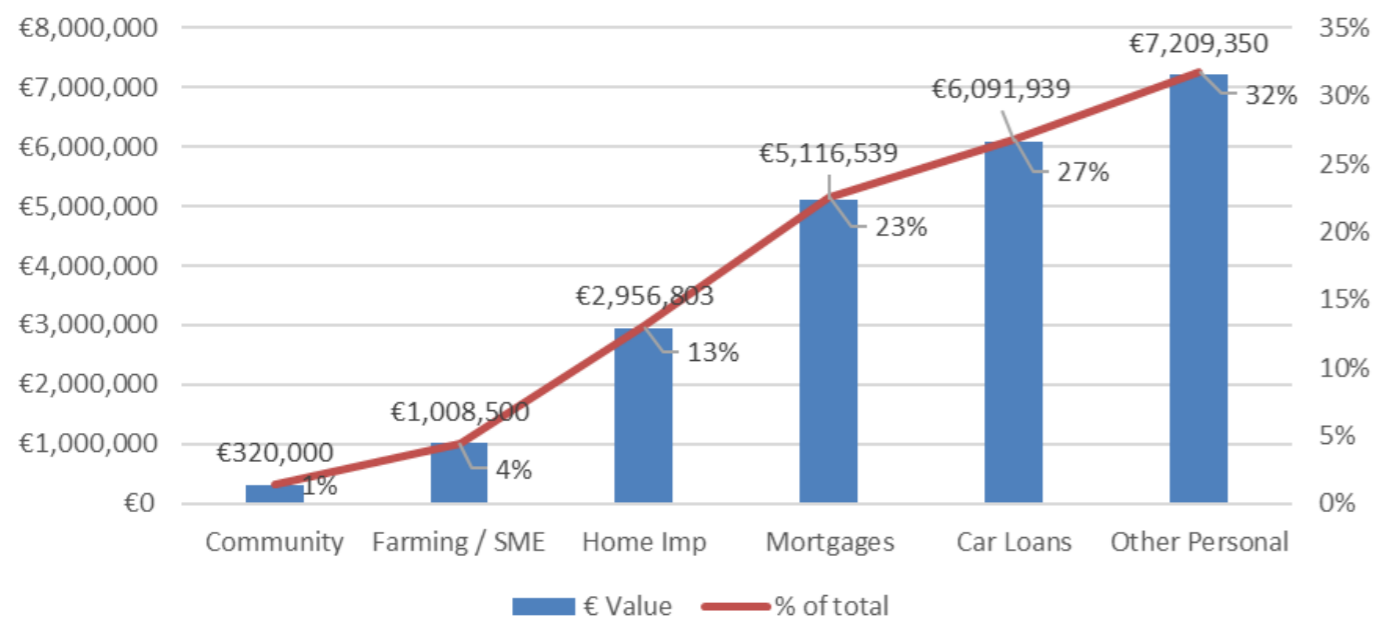
We lend for a wide variety of purposes, within four main lending categories of Personal, Business, Community and Home Mortgages. We have money to lend and offer fair and reasonable lending rates across all categories. Over the past year, our loans have helped members purchase cars, build, buy and renovate homes, helped students go to college, provided finance for farmers and supported local community initiatives.

During 2024, over 2,300 applications for loans amounting to €23m were approved. All loan applications are independently assessed and judged on their own merits. The fundamental factor which we take into consideration in assessing each loan application is the member's ability to repay the loan and every effort is made to provide approval.

We are committed to offering access to affordable credit to all in our community and would urge those who might have previously relied on a doorstep lender, or those who might be tempted to borrow from unregulated lenders, to come and talk to us first. We very much welcome loan applications and encourage all our members to consider Ballinasloe Credit Union for all your borrowing needs.

Loans issued YTD Sep 2024:
€23,000,000

Gross Loans Issued 2024



Credit Control Committee Report

The role of the Credit Control Committee is to seek to ensure the repayment of loans by members in accordance with their loan agreement. The Committee ensures that the policies and procedures adopted by the Board of Directors governing the pursuit and recovery of loans are implemented and reports to the Board of Directors at their monthly meetings.

Credit control staff, operating under the supervision of the Credit Control Committee, carry out the daily management of the credit control function. The Committee, which retains ultimate responsibility for the loan collection process, meets on a regular basis to review work undertaken by the Credit Control Staff and decide on appropriate actions to be taken.

We have support in place to assist any member who may find themselves having difficulty meeting loan repayments and we will continue to work with our members towards workable solutions on an ongoing basis.

We are also grateful to members who, sometimes in difficult circumstances, have diligently repaid their loans. We would encourage any member who is experiencing financial difficulty to contact a member of our Credit Control staff at an early stage. We are very experienced, confidential, helpful and sympathetic. Every effort is made to try and reach a solution that is suitable for both the member and the Credit Union.

Bad debts written off during 2024 amounted to €75k (2023 €296k). The Credit Union also recovered €706k in 2024, (2023: €835k) from loans written off in previous years. The level of impaired loans (loans which are overdue) increased slightly from €7.2m in 2023 to €7.3m as at September 2024. This is reflective of recent inflationary pressures.

The bad debt provision has been maintained at €3.5m for 2024 representing 7.1% of Gross Loans Outstanding.

Ballinasloe Credit Union has always been committed to ensuring that members who find themselves in difficult circumstances are treated with dignity and respect by all credit union personnel.



Launch of the 2024 October Fair

Membership Committee

Membership of the credit union is open to anyone who lives, works, or attends school within our Common Bond area, details of which are available at www.ballinasloecreditunion.ie. New member accounts, either single, joint, group or business can be opened very simply in branch or online. For details on what documents are required to open an account, please visit our website.

At September 2024, membership of Ballinasloe Credit Union stood at almost 23,000. During the financial year, we opened 444 new accounts for members. We wish to extend a warm welcome to all our new members, and we look forward to assisting them with all their financial needs.



Board Oversight Committee Report

The Credit Union Act, 1997 (as amended) require 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) 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.

The committee members for the year were **Aidan Clifford, Eddie Kelly & Declan Harney.**

The Board Oversight Committee is pleased to report that, for the year under review, in its opinion, the board of directors have operated in accordance with part iv and iv(a) of the Credit Union Act 1997 (as amended).

Aidan Clifford - Chairperson

Finance & Investment Committee Report

The remit of the Finance & Investment Committee is to provide oversight and where appropriate review and make recommendations to the Board on financial sustainability, examine investment proposals on behalf of the board and to monitor financial markets on an ongoing basis. The committee members for the year were **Sean Madden, Brian King, Mike O'Reilly, Ronan Murray, Gráinne Murphy, Kevin Folan.**

Deposits & Investments amounted to €85m at year end Sep 2024 (2023: €85m). The chart below shows a summary of the Investment Portfolio as of 30th September 2024.

Financial year 2024 started off particularly strong from a credit union investment perspective. Interest rates hit peaks not seen since 2001 in the Eurozone as the European Central Bank (ECB) dealt with the inflation crisis arising from the pandemic era and its aftermath. Bond yields likewise spiked over the course of 2023 with German 10-year bond yields for example reaching 2.84% at end September 2023, likewise a level that we have not seen since 2011 in the Eurozone.

With high inflation in many economies throughout the last few years, central banks have tried to contain and get ahead of events with a selloff in bond markets that started in 2020 continuing to trend throughout 2023. The sell off in bond markets was fuelled in large part by a reversal of over a decade of quantitative easing and ultra-low rates as central banks moved to adapt to the new reality of price pressures throughout the economy.

To recap on previous periods, the ECB imposed ten rate hikes between July 2022 and September 2023, reversing their previous negative interest rate policy. The tightening in monetary policy throughout the world led to record

highs in bond yields in line with those experienced in the Eurozone.

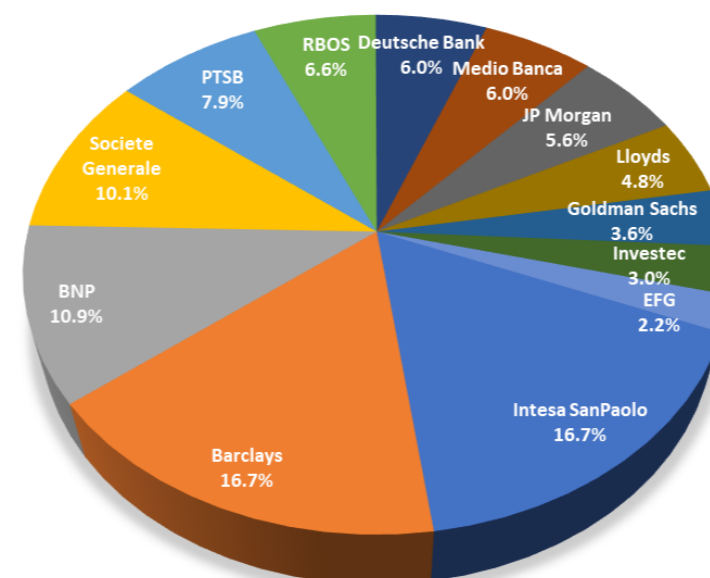
The upside of these moves in interest rate and bond markets brought a record year for credit unions compared to recent times. As investment holdings were maturing, they were being reinvested in instruments with higher yields than we had seen for many years. With these higher reinvestment rates, this saw the overall average yield on the investment portfolio increasing. During 2024 however, the ECB has begun reducing rates again resulting in downward pressure on available yields for reinvestment.

The investment portfolio generated income of €1.56m in the financial year ending 30 September 2024 which is a result of active portfolio management by the committee and the Board working with our Investment Advisors. This represents a weighted average return of 1.82% (2023: 1.22%).

We believe that the investment portfolio of Ballinasloe Credit Union is well positioned and remains fully compliant with all investment regulations under Central Bank rules. We have worked closely with our Investment Manager to manage the portfolio in what has been a relatively positive year for investments and we continue to ensure that liquidity levels remain appropriate.

The Board and the Finance & Investment Committee will continue to ensure that members savings remain safe and secure, and that investment performance is optimised within the context of the low risk mandate which underpins our investment objectives.

Sean Madden – Chairperson



Marketing, Youth and Education Committee Report

The role of the Education & Promotion Committee is to inform both members and the general public of the services and activities of our Credit Union. We do this through promotional material, general advertising and online presence. The committee is responsible for administration of the social fund, donations, sponsorship and advertising budgets, member information and organising the members prize draw. The committee members who served during the year were **Adrian Ahern, Brendan Hayes, Patricia Tierney, Mary Feeney, Niall Clarke, Shane McNeill & George Francis.**

Last year, the Credit Unions were announced as an SDG champion for 2023 & 2024, and our role was to act as an advocate and promoter of the SDGs integrating them into our work and activities. We were tasked with highlighting how we can make our organisations more sustainable. The committee is continually focusing on simple and effective sustainability actions that can be practically implemented.

Sponsorship of local events and donations to community groups during the year amounted to over €24,200. These funds were allocated to support a wide variety of local clubs, voluntary committee activities, team jerseys, events, ground upgrades and community development projects. A breakdown of how these funds were distributed is shown on page 47. Throughout the year, local sports clubs received donations through our Community Champions campaign. We look forward to continuing this initiative in 2025.

Social responsibility is one of the ten Credit Union Operating Principles. Briefly, this principle obliges credit unions to be socially responsible by contributing to the development of the local community within its common bond. The credit unions "vision of social justice extends both to the individual members and to the larger community in which they work and reside". Since its establishment in 1998 donations to local organisations from the credit union social fund have exceeded €975,000. This year the fund donated €73,795.

All local groups and societies within our common bond are invited to apply for support from the social fund. An application form is available on the Credit Union website.

The annual Credit Union Art Competition & School Quiz were again hosted by the Education Committee in 2024. These events rely in large measure on the co-operation of local national schools. We would like to acknowledge the efforts of all the teachers involved and we thank all the schools for participating in the competitions.

The committee extends its thanks to the Board of Directors, Management and Staff of the Credit Union for their assistance and help during the year.

Brendan Hayes - Chairperson



Creagh NS U11 Team at the 2024 National Quiz Final at the RDS

SOCIAL DEVELOPMENT FUND 2024



**Voluntary
Committees**

€17,600



**Community
Development Groups**

€12,000



**Sporting
Organisations**

€26,000



**Frontline, Education,
Charities**

€18,195

DONATIONS AND SPONSORSHIP 2024



**Educational
Donations**

€6,200



**Community
Groups Donations**

€9,460



**Sporting
Organisations**

€11,100

Total

€100,555

Audit & Risk Committee Report

The Audit & Risk committee is a sub-committee of the Board as per Section 56 A (3) of the Credit Union Act 1997 (as amended) and has three (3) members, all of whom are Directors. The committee members for the year were **Michael Lally, Jessica Caldecott & Carmel Carrick**.

The committee on behalf of the Board of Directors is responsible for carrying out work in the areas of Audit matters, Internal Audit, Risk Management and Compliance. The Audit & Risk Committee meets regularly during the year to discharge its statutory duties.

Audit

The Committee's principal function in respect of the Audit section of its remit is to oversee, on behalf of the Board, and of our members, the financial reporting process, the system of internal controls, and all audit related matters of the Credit Union. The committee tasks include assessing the performance of the auditor at least annually, ensuring that the internal audit function, required under section 76K of the 1997 Act, is independent and has a reporting line and unfettered access to the audit committee; reviewing the integrity of the credit union's financial statements and ensuring that they give a "true and fair" view.

Internal Audit

The Credit Union Act 1997 (as amended) requires Credit Unions to have an Internal Audit Function. The purpose of the Internal Audit Function is to evaluate and improve the effectiveness of risk management, control and governance processes. The credit union Internal Auditors appointed are ILCU Internal Audit Services (IAS). The Committee reviewed and recommended for Board approval, the internal audit work plan for 2022-2023, and subsequently carried out a review of the reports, recommendations, and overall performance of the Internal Audit function.

Risk Management

The work of the committee includes overseeing and advising the board of directors on the risk management system including assessing the appropriateness of the risk management system and ensuring that it documents the risks that the credit union is, or may be, exposed to and the systems and controls that the credit union has established to manage and mitigate those risks.

The committee met regularly and receives reports from the Risk Management Officer, who together with the CEO, has functional responsibility for Risk management. The Committee met:

- To review the Risk Register to identify whether there are any new risks required to be included.
- To review the Risk Mgt. Reports
- To review progress on recommendations made in previous reviews and reports.

The committee works to a board approved documented annual workplan and submits quarterly written reports to the board of directors.

Carmel Carrick - Chairperson

Nominations Committee Report

The Nominations Committee of Ballinasloe Credit Union is responsible for identifying suitable candidates for nomination, accepting nominations of candidates, carrying out Fitness and Probity due diligence on any candidate, and making proposals for election to the Board of Directors. The committee members for the year were **Eileen Reddin, Sean Kelly & Aju Abraham**.

The Nominations Committee has primary responsibility for ensuring that volunteers with the necessary skills and expertise are available to fill any vacancies that may arise on the Board of Directors.

Members of Ballinasloe Credit Union can apply at any time of the year to serve as a volunteer on the committees of Ballinasloe Credit Union. To do so, all that is initially required is to complete the Volunteers Application Form, available on the Credit Union website www.ballinasloecreditunion.ie

A member of the Credit Union Staff or the Nomination Committee would be pleased to meet with any member considering volunteering to discuss what is involved in being a volunteer at Ballinasloe Credit Union and answer any questions.

The procedures regarding nominations to the Board of Directors are as follows:

The procedures regarding nominations to the Board of Directors are as follows:

- The nominee must be a member of the Credit Union and be 18 years of age or over.
- Nominations must be in writing and be signed by the proposer and seconder.

Both the proposer and seconder must be members of the Credit Union.

The nomination form must also be signed by the nominee, who must agree to the nomination.

Nomination Information & forms are available to download at <https://ballinasloecreditunion.ie/board-nominations/>

Completed nomination forms should be sent to the Chair of the Nomination Committee at the registered office of Ballinasloe Credit Union (Our Lady of Lourdes) Ltd, Main Street, Ballinasloe, Co. Galway, H53 VK18

Eileen Reddin - Chairperson



Ballinasloe & District Heritage Society ~ Hosting's Launch 2024

Benefits of Membership with Ballinasloe Credit Union

Your Savings – Your Shares

When you save with Ballinasloe Credit Union, your savings become shares, each valued at €1. By maintaining a minimum balance of €10, you can access competitive loan rates and share in the Credit Union's success through annual dividends.

We offer Fixed-Term Deposit Accounts with guaranteed returns, available in 1-Year, 3-Year, and 5-Year options, with a minimum deposit of €10. Members can hold up to €100,000 across all savings accounts.

Loans

Ballinasloe Credit Union offers competitive interest rates on a wide range of loans, including personal loans, home mortgages, car loans, home renovation loans, and financing for SMEs and farms. We also provide Green Loans for energy-efficient home upgrades and hybrid electric car purchases. Members can apply online, by phone, or in person.

We are committed to ensuring that borrowing remains affordable and accessible to all members, offering fair interest rates on loans for personal needs, home improvements, education, and more.

Insurance Services (Loan Protection & Life Savings)

Ballinasloe Credit Union offers valuable insurance services to members at no additional cost, including Loan Protection Insurance and Life Savings Insurance. These services provide financial security during challenging times. Loan Protection Insurance ensures that any outstanding loans are cleared in the event of your passing, relieving your loved ones from the financial burden. Life Savings Insurance offers a lump-sum payment to your savings upon death, based on the amount saved and your age. These services reflect our commitment to supporting members and their families.

Death Benefit Insurance (DBI)

In addition, Ballinasloe Credit Union offers Death Benefit Insurance to qualifying members under the age of 70. By maintaining a minimum of €100 in shares, members can receive a lump sum of €1,300 to assist with end-of-life expenses, further demonstrating our support for members and their families during difficult times.

Savings Nomination / Dividend / Affiliation Fee

Ballinasloe Credit Union members can nominate one or more beneficiaries to inherit their savings, up to a maximum of €27,000, in the event of their passing. This straightforward process can be updated at any time, ensuring your funds are distributed according to your wishes without requiring probate. Additionally, members may benefit from an annual dividend paid from the surplus at year-end, while the ILCU affiliation fee is included as part of the operating expenses of the Credit Union, with no extra costs involved for the member.

Online Access and Mobile App

Managing your finances is made easy with our online platform and mobile app. Members can check balances, view transactions, transfer funds, and apply for loans securely, all from their smartphone or tablet. The app is available on both Google Play and Apple iTunes, providing convenient access to your account wherever you are.

Convenient Banking Services

Although we do not have an in-branch ATM, members can use the worldwide ATM network to withdraw funds from their current account using the CU debit card. Additionally, Electronic Funds Transfers (EFT) allow members to transfer money electronically to any bank account in Ireland or within the Single European Payments Area (SEPA). Direct Debits can also be set up from your Credit Union account using your BIC and IBAN.

Members Prize Draw

For just €4 per quarter, members can enter the Members Prize Draw and have a chance to win top prizes, such as a car or cash. It's a great way to enjoy the benefits of membership while having the opportunity to win exciting prizes.

Supporting Our Community – Social and Sponsorship Funds

Ballinasloe Credit Union is committed to supporting the local community. Through our Social and Sponsorship Funds, we back numerous clubs, groups, and societies in the Ballinasloe area. This ongoing investment helps strengthen the social fabric of the community and ensures it continues to thrive.

Deposit Guarantee Scheme

Your savings are protected under the Government's Deposit Guarantee Scheme, which covers up to €100,000 per member. This provides additional peace of mind and security for your savings.

Commitment to Anti-Money Laundering Regulations

Ballinasloe Credit Union adheres to the highest standards of compliance with anti-money laundering regulations, ensuring the security and proper use of members' funds.



Quality Education



Quality Education: Ballinasloe Credit Union is happy to support the UN's goal of Quality Education by helping local primary and secondary schools and programmes like ParentChild+. This programme gives families educational books and toys, helping parents take part in their child's early learning through reading and play. By supporting these efforts, we aim to empower families and create long-lasting positive changes through better education. We stay committed to supporting local projects that improve education and build a stronger community in Ballinasloe.



Parent + Child Group

Industry, Innovation and Infrastructure



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Ballinasloe Credit Union supports the UN's goal of Industry, Innovation, and Infrastructure by helping the Ballinasloe Enterprise Centre develop a business hub on Society Street. This hub provides a vital workspace where local start-ups and entrepreneurs can innovate, grow, and manage their businesses successfully within the community. By backing this project, we are helping to boost the local economy, support small businesses, and create opportunities for sustainable development. It also encourages the sharing of ideas and collaboration among businesses. This investment reflects our strong commitment to local progress and empowering the next generation of business leaders in Ballinasloe to thrive and contribute to a brighter future for everyone.



Ballinasloe Area Community Development

Motions, Rule Amendments & Elections

Rule Amendments

Motion 1

Rule 40 (2)

That this Annual General Meeting amends Rule 40 (2) to read as follows:

The Board of Directors shall consist of seven, nine or eleven members, all of whom shall be members of the credit union.

Motion 2

Rule 53 (1)

That this Annual General Meeting amends Rule 53 (1) to read as follows:

The credit union shall have a Board Oversight Committee which shall consist of three or five members and shall have the general duty of overseeing the performance by the Board of Directors of their functions.

Elections

The Nomination Committee is charged with proposing nominees to fill the vacancies on the Board of Directors and the Board Oversight Committee. All such nominees shall be members of the Credit Union. The nominees shall be assessed by the Nomination Committee for the experience, qualifications and/or skills necessary to perform properly and effectively the functions of a Director or Board Oversight Committee member. The closing date for nominations for the vacancies arising at AGM 2024 was 15th November 2024.

Board Oversight Committee

The Committee consists of three members. There is 1 vacancy to be filled. **Edward Kelly** offers himself for re-election to the Board Oversight Committee.

Election Of Auditors

Grant Thornton were appointed as auditors at the 2023 AGM and in accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Grant Thornton offer themselves for re-election.

Board Of Directors

The Board of Directors consists of nine directors. There is 1 vacancy to be filled. Carmel Carrick retires from the Board of Directors and does not offer herself for re-election. **George Francis** offers himself for election to the Board.



Moore Community Games



Ballinasloe Snooker Club



Ballinasloe Cancer Support Centre



Lions Club ~ Message in a bottle campaign



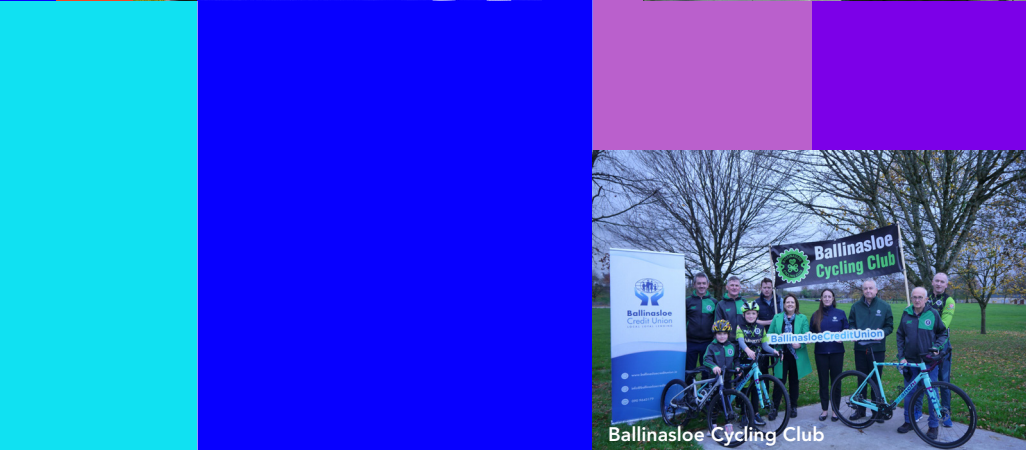
Isaac Oliver ~ Sponsorship



Darkness into light



Horse of the Fair 2024



Ballinasloe Cycling Club



Aoife Mulrey ~ Sponsorship

Ballinasloe Credit Union (Our Lady of Lourdes) Limited
T: 09096 43179 E: info@ballinasloecreditunion.ie W: www.ballinasloecreditunion.ie
Opening Hours: 9.30 - 5.30 Monday - Friday 9.30 - 4.30 Saturday