



CORE CREDIT UNION  
— STRONGER TOGETHER —

# Notification of the 58th Annual General Meeting

Annual Report and Financial Statements  
for the Year ending 30th September 2023

*Prizes to be Won!*

Virtual Meeting,  
6th December at 7pm.  
Scan the QR Code to Register



## Competition

Prizes to be won  
on the night.  
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LOANS | CURRENT ACCOUNTS | SAVINGS

44  
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58  
YEARS  
SERVING THE  
COMMUNITY

Your money  
stays  
in the  
community

€  
157m  
IN ASSETS

€  
50m  
IN LOANS

130m  
SAVINGS

6,300  
ACTIVE  
LOANS

25  
LOANS  
ISSUED  
PER DAY



# NOTICE OF ANNUAL GENERAL MEETING

Dear Member,

**Notice is hereby given of the 58th Annual General Meeting of Core Credit Union Ltd which will take place virtually on Wednesday December 6th 2023, at 7:00pm.**

**PLATFORM:** Online Zoom Webinar Information Link:  
<https://www.corecu.ie/agm2023/>

**REGISTRATION DEADLINE: Tuesday 5th December 2023 by 5:00pm**

To identify attendees, we will require the following information as listed below. These must match the details provided on your account.

- members name;
- email address;
- account number;
- phone number.

Questions on the night can be posted using Zoom Q&A. To ask a question, use the raise hand function or email in advance at **AGM@corecu.ie**

Voting at the AGM will be facilitated via the Zoom polling function and a poll will pop-up on screen during the relevant section of the meeting and be displayed for 30 seconds. Check out the guide on our website for further information.

## **NOTE:**

The link above includes the following:

- Link to register for meeting
- Minutes of AGM 2022
- How-to videos for the meeting software
- Financial Statements 2023

We would like to invite all members to attend this meeting.


Elections for 3 Directors and 2 Board Oversight Members will take place on the night.




**Edel Churchill**, Secretary

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Core Credit Union Ltd is regulated by the Central Bank of Ireland. Reg No. 225CU / CUIS Financial Services DAC, t/a Peopl is regulated by the Central Bank of Ireland. Ref No. C182485

# Member-Pay Death Benefit Insurance Payment Increase January 1st, 2024

As of January 1st, 2024, the MDBI payment will increase from €72 per annum to **€96 per annum for the benefit of €3,000** for all existing programme members and any new members joining the programme.

## The Decision Support Services (DSS)

The Decision Support Services, (DSS) is a new service which was established under the Assisted Decision-Making (Capacity) ACT 2015 and exists to promote the rights and interest of people who may need support with decision-making. The DSS is an essential service for people who face difficulties and need support exercising their decision-making capacity. Their role is to help protect and uphold peoples right to make their own decision about their personal welfare, property, and affairs. For more information on the DSS, please visit <https://www.decisionsupportservice.ie>

## Environment, Sustainability and Governance – Core Credit Union’s ESG focus

Here at Core Credit Union, we are committed to encouraging and supporting sustainable changes in our common bond and beyond by continuing to support our members and their financial needs. As our members make more environmentally friendly choices in their day to day living, Core is committed to helping our members on their journey. We are looking into developing loans which support a member’s choice to become more environmentally



friendly, whether that be through purchasing electronic goods such as electronic cars, e-bikes or upgrading the BER rating of your home. We are committed to continue to make our members the main focus of our Credit Union and offer quality customer service which our members can rely on.



### Member Death Benefit Insurance.

Protect your loved ones should the unexpected happen.

Call and enrol today!

01 272 5600

corecu.ie

Core Credit Union Ltd is regulated by the Central Bank of Ireland. Reg No. 225CU  
CUNA Mutual Group Services (Ireland) Limited is regulated by the Central Bank of Ireland. Reference number C33182.  
CUNA Mutual Group Services (Ireland) Limited registered in Ireland number 371942; registered office 511 The Capel Building, Mary's Abbey, Dublin 7.

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# ORDER OF BUSINESS

1. The acceptance by the board of directors of the authorised representatives of members that are not natural persons.
2. Ascertainment that a quorum is present.
3. Adoption of standing orders.
4. Reading and approval (or correction) of the minutes of the last annual general meeting (2021/2022).
5. Report of the Chairperson.
6. Report of the CEO, including the;
  - Report of the Credit Committee
  - Report of the Credit Control Committee
  - Report of the Membership Committee.
7. Report of the Auditor.
8. Consideration of accounts.
9. Report of the Board Oversight Committee.
10. Declaration of dividend and interest rebate (if any).
11. Report of the Risk, Audit & Compliance Committee.
12. Report of the Nomination Committee.
13. Appointment of Tellers.
14. Election of Auditor.
15. Election to fill vacancies on the Board Oversight Committee.
16. Election to fill vacancies on the Board of Directors.
17. Motions.
18. Attendees prize draw.
19. Announcement of election results.
20. Any other Business.
21. Adjournment and close of the meeting.

## NOTICE OF ELECTIONS

Elections will be held to fill the following vacancies

- The position of Auditor
- 2 vacancies on the Board Oversight Committee
- 3 vacancies on the Board of Directors

# CREDIT UNION DIRECTORS AND OTHER INFORMATION

## Board of Directors



### Chairperson - Alan Guerins

Alan has served on the Board of Core for five years; he and his family are all active long-time members of the Credit Union. He has extensive experience in the Digital/Advertising industry holding various senior positions. Alan has a strong business and social acumen and is involved in various local community projects. In Core Credit Union he is currently Chairperson and has served on all committees.



### Vice-Chairperson - Ian McDonald

Ian McDonald has been a Chartered Accountant for almost 31 years. He currently works as Chief Financial Officer for a small number of companies in the technology sector. He has also been a volunteer Board member of several organisations over the past 20 years. He is a long-standing member of Core Credit Union and joined the Board in 2022. He also sits on the Investment Committee and Nominations Committee.



### Secretary - Edel Churchill

Edel Churchill worked for over a decade internationally as a community frontline healthcare worker before retraining in marketing and taking up business operational roles upon her return to Ireland. As a long-time supporter of the Credit Union movement, Edel joined the board of Core Credit Union in 2020 to share her skills and give back to her local community. She looks forward to supporting and contributing to the continued development of Core Credit Union. Edel holds qualifications in Credit Union Legislation & Regulation, Anti-Money Laundering, and a Diploma in Corporate Governance.



## Directors



### Director - Elizabeth Harpur

Elizabeth Harpur has been a Director of Core Credit Union from 2017 and has acted as Chair from December 2017 to March 2020. A former staff member of Shankill Ballybrack Credit Union, Elizabeth is an experienced director having been a member of the Shankill Ballybrack Board since 2012. She has held roles including Vice-Chair and Secretary as well as being a member of several committees, such as Credit Committee, Nomination Committee and Property and Remuneration. A Fellow of the Institute of Accounting Technicians of Ireland, Elizabeth also holds a Diploma in Credit Union Governance.



### Director - Stebbin Mwalilino

Stebbin has experience in risk management within a banking financial institution and previous management work experience in managerial positions within the retail sector. He has an Honours Bachelor's Degree in Business Studies and a Master's in Project Management. He currently sits on both the Risk, Compliance and Audit Committee and the Investment Committee.



### Director - Siobhán Harding

Siobhán Harding has extensive experience in IT. She has worked both in Ireland and the US for Microsoft Corporation, and later in Silicon Valley for PayPal as its Globalization Production Manager. She is a long-term supporter of credit unions, both in Ireland and the USA. She returned to Ireland for family reasons and is grateful to be able to serve her local community again. Siobhán is currently Chair of the Remuneration Committee and on the Nominations Committee as well.



### Director - Matt McConnell

Matt McConnell is a qualified accountant with over 19 years of experience across the financial services industry and utility sector. A graduate of UCD and ACCA certified, Matt currently is Head of Operations, Billing Services at Uisce Éireann, Ireland's State Water utility, and brings a wealth of experience in the areas of investment planning, revenue control, payment services, stakeholder, and credit control management. Living in Leopardstown with his young family, Matt is involved in his local GAA and soccer club.



### Director - Eva Kane

Eva was co-opted onto the Board of Directors this year and also sits on the Risk, Compliance and Audit Committee. She is currently working full time as a Financial Advisor, and participates in other voluntary work within the community. She is an active facilitator for anti-violence programs across Irish prisons, and the Team Lead for Wheatfield Prison's AVP program. She has a degree in Entrepreneurship and Management from IADT, and an MSc in International Business from Michael Smurfit Graduate Business School.



### Director - Yvonne O'Hanlon

Yvonne qualified as a Solicitor in 1983 and is a Partner in Hayes McGrath Solicitors specialising in Property and Probate matters. Currently living in Monkstown, she is keen to support the Credit Union in a growing Mortgage Market and was recently co-opted onto the Board of Directors in Spring 2023. Yvonne also sits on the Risk and Compliance Committee. Apart from enjoying a busy work life, Yvonne is a mother and grandmother and enjoys spending time with family and friends, walking, gardening, and going to concerts.

# CREDIT UNION DIRECTORS AND OTHER INFORMATION

## Board Oversight Committee



### Oversight Committee - Pat McAuliffe

Pat joined the Board Oversight Committee in 2020 and brings with him many years' experiences of the Credit Union movement. Pat previously served on the Foxrock and District Credit Union Board of Directors and was serving as Chair on that Board during the transfer of engagement between Foxrock and District Credit Union and Core Credit Union. Because of working closely with Core Credit Union during that time Pat came to appreciate and value the ethos of Core Credit Union and as a result agreed to join the Board Oversight Committee. Married with two daughters, Pat lives in Cabinteely and is a keen Leinster Rugby supporter.



### Oversight Committee - Eoin Massey

Eoin Massey graduated with a Bachelor of Business and Enterprise Degree and a Bachelor of Business and Entrepreneurship Honours Degree from IADT - Dun Laoghaire. He went on to study accountancy and is a full member of Certified Public Accountants Ireland the Association of Chartered Certified Accountants. He also holds qualifications in forensic accountancy, corporate fraud investigations and is a certified financial planner. He currently works as a Director in Advisory and Restructuring and volunteers with other charitable organisations. He feels the credit union is a great way to learn more, give back to the community and share his experience and knowledge.



### Oversight Committee Nominee - Stephen Forsyth

Stephen Forsyth was co-opted to the Board Oversight Committee at the end of 2022. An accountant, Stephen has been working as a financial controller for several years and has a great interest in the ethos of the Credit Union. As a Board Oversight Director, he has attended Board meetings throughout the year as the Oversight representative and is looking forward to continuing as part of this committee.

**Registered Number:** 225CU

**Registered Office:**

Clara House, 37 Glenageary Park, Glenageary, Co. Dublin, A96 XE26

**Auditors:**

Grant Thornton, Chartered Accountants & Statutory Audit Firm  
Mill House, Henry Street, Limerick.

**Solicitors:**

Maurice O'Callaghan BCL, O'Callaghan Legal  
F15 The Pottery, Bakers Point, Pottery Road, Dún Laoghaire, A96 P761

# STANDING ORDERS

**1. Voting** - Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with section 82(2) of the Credit Union Act, 1997 (as amended). Since this year's AGM will be a virtual meeting, voting on motions and elections will be by electronic means.

## **2-3 Election Procedure**

**2.** Elections to the Board of Directors, to the board Oversight Committee and the position of Auditor shall be by majority vote and by secret ballot electronically [www.corecu.ie/agm2023](http://www.corecu.ie/agm2023).

**3.** Election Procedure - ELECTRONIC VOTING. When nominations are announced tellers shall be appointed by the Chair and voting procedures and instructions shall be communicated to attendees. The mechanics of the virtual voting process (circulated to registered attendees) will be explained in detail at the AGM by the Chair. Elections shall be in the following order: (a) Election of auditor; (b) Election for membership of the board of directors; and (c) Election for membership of the board oversight committee. When the votes have been checked and verified by the tellers, the results shall be announced by the Chair.

## **4 - 9 Motions**

**4.** 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.

**5.** A proposer of a motion may speak for three minutes and shall have the right of reply before the motion is put to the meeting for a vote.

**6.** In exercising their right of reply, the proposer may not introduce new material.

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

**8.** Members are entitled to speak on the motion for up to three minutes and must do so through the Chair. All speakers to the motion shall have such

time as shall be at the discretion of the Chair.

**9.** The Chair shall have the absolute right to decide when the motion has been sufficiently discussed and may choose to put the motion to the meeting giving the proposer the right of reply before doing so.

## **10-18 Miscellaneous**

**10.** The Chair of the Credit Union shall be the Chair of any general meeting, except where they are not available, in which case it shall be the Vice-Chair, except where they are not available, in which case the Board shall decide amongst themselves who shall act as Chair of any general meeting.

**11.** The Chair may at their discretion, extend the privilege of the floor to any person who is not a member.

**12.** Matters not covered by the agenda may be introduced under "Any Other Business" at the discretion of the Chair.

**13.** The Chair's decision on any matter relating to these Standing Orders or interpretation of same shall be final.

**14.** The Chair shall have a second or casting vote in addition to their own vote on matters other than voting at elections where there is an equality of votes.

**15.** Any matter to be decided upon by a vote at the AGM shall, unless otherwise expressly provided for by law or the rules be decided upon by majority vote.

**16.** Suspension of Standing Orders - Any one of these Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.

**17.** Alteration of Standing Orders - Standing Orders may be amended or altered at a general meeting and only if a motion to this effect has received a two-thirds majority of those present and voting.

**18.** Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act, 1997 (as amended). Voting and quorum are also set out in section 80A and section 81 of Credit Union Act, 1997 (as amended).

# MOTIONS

## **MOTION NO. 1**

That this Annual General Meeting approves the payment of a dividend of 0.35% as recommended by the Board of the Directors.

## **MOTION NO. 2**

That this Annual General Meeting approves Core Credit Union Rule Book Version 2023.

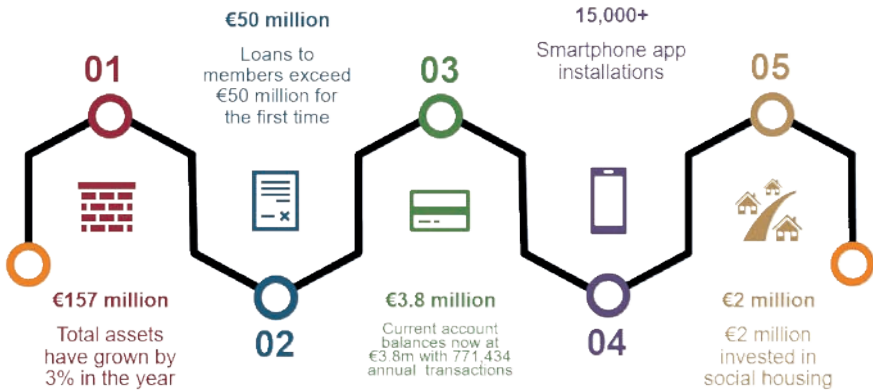
A copy of Core Credit Union Rule Book Version 2023 is available as follows:

- From our website at [www.corecu.ie/AGM2023](http://www.corecu.ie/AGM2023)
- By emailing [members@corecu.ie](mailto:members@corecu.ie) requesting an electronic copy
- Hard copies are available in Core Credit Unions offices.

# CHAIR'S REPORT

I'm delighted to present the Director's report for 2023 on behalf of the Board of Directors. The past number of years have been very challenging for all Credit Unions including Core Credit Union. Long-term strategic decisions were implemented that had no immediate impact but we are now seeing these benefits coming to fruition. Principally among these decisions was the reduction in the sizes of our branches where possible and delivering a more modern branch experience. We are delighted to be coming out the other side of this work and feedback from our members on the new Monkstown Farm Office and new Dún Laoghaire Office has been extremely positive. The current refurbishment of our Ballybrack office is also nearing completion giving a much overdue improved access for our members with limited mobility.

The results for both 2022 and 2023 have been strong with a combined surplus of €2.87 million restoring our total reserves ratio to 13.9% [€21.9 million] which is significantly ahead of the regulatory requirement of 10%. As a Board it is imperative that we ensure Core Credit Union has a strong balance sheet to protect the €134.5M of members savings and current accounts that we are responsible for.



Looking forward our forecasts are strong and I'm happy to say they support the declaration of a dividend for 2023 of 0.35%. This is the first time since 2018 that we have been able to declare a dividend and it is the largest dividend proposed since 2015. In proposing a dividend, the Board is very mindful of our responsibilities to set aside sufficient reserves to maintain the strength of our balance sheet while also rewarding our members who save with us.

Our growth in savings was very strong for several years and accelerated rapidly during the early parts of the COVID-19 pandemic. It was not possible for our reserves to maintain growth at the same high levels and we were left with no choice but to implement a cap on the maximum balances each member could hold with us. Thankfully, as a result of the changed interest rate landscape we were in a position to remove this cap in March this year and members can now hold up to €100,000 in the credit union which is fully protected by the Deposit Guarantee Scheme.

In April 2023 an article appeared in a national newspaper regarding a potential merger. Mergers are a key competent of our strategy and whilst we are not actively engaged in any discussions at this time we look forward to continuing to explore opportunities in the

future. The Credit Union (Amendment) Bill 2022 which is currently making its way through the legislative process will also provide opportunities for deeper collaboration and shared services between Credit Unions who wish to expand services to members but do not wish to merge to do so. As a Credit Union providing a full range of services to our members, we are in a position to partner with Credit Unions to provide services to their members under this new legislation.

Core goes from strength to strength thanks to the countless hours volunteered by the Board of Directors. The Directors gave generously of their time throughout the year, thus reflecting in their huge commitment to the successful running of the Credit Union and the board are fully aware of their regulatory responsibilities and the need to ensure good governance is in place. Sincere thanks to the members of the Board of Directors for their ongoing contributions to the success of the Credit Union.

Thanks are due to the members of the Board Oversight Committee for their work. Finally, I wish to thank our CEO, the management team and staff. The Directors regularly witness the enormous commitment of staff to delivering the best for our members. They have demonstrated over the year their ability to provide the highest standards of service and continue to innovate in their roles.

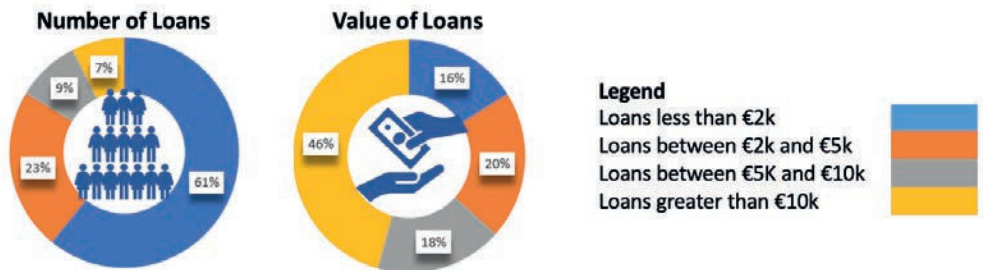


**Alan Guerin**, Chair

## CEO'S REPORT

2023 has been another very strong year for Core Credit Union. We were established to allow people in our community to save and borrow from each other at fair and reasonable rates of interest. While the method by which our members interact with the Credit Union continues to evolve and will do so into the future, the same purpose exists, and the need for a credit union is as compelling today as it was in 1966 when our Credit Union was formed.

For the first time our loan book has exceeded €50 million which is a clear demonstration of the impact we have in the everyday lives of our members. Larger loans are becoming more common and during the year we issued loans from as high as €300,000 to as small as €40. While low in overall numbers at 7% of loans issued, large loans represent 46% of the value loans issued for the year. On the other end of the scale we see the real social impact of our loans with 61% of our total number of loans issued are for less than €2,000. While financially these only make up 16% of our loans, the real value of these loans is the personal impact they they have on the lives of our members



# CEO'S REPORT CONTINUED

Ireland is currently grappling with a housing crisis, causing an increasing number of individuals to experience a sense of exclusion, as the attainment of fundamental needs such as security, safety, and warmth remains beyond their reach. While we cannot solve the housing crisis it is important that we play whatever part we can. We are proud to have helped establish the Credit Unions Approved Housing Bodies (CU AHB) which is a fund regulated by the Central Bank of Ireland. This fund provides loans to Approved Housing Bodies for the provision of social housing. In addition to supporting the setup of this fund we have also invested €2m into the fund. So far, this fund has committed €30m in loans to Tuath Housing Association, Circle VHA and Cooperative Housing Ireland each of which are active in our common bond and the latter are delivering the new apartment block beside our office in Ballybrack.



*Michael Aherne (CEO Dubco Ireland CU) Donal Coghlan (Director CUAHB) Jennifer Carroll MacNeill (Minister of State with responsibility for CUs), Michael Byrne CEO Core CU and Alan Roche (CEO Heritage CU) at the launch of the CUAHB funded homes in Citywest.*

From the warmest June to the wettest July, 2023 has seen climate change continue to impact Ireland. Climate considerations are now an important aspect of the Environmental, Social, and Corporate Governance (ESG) agenda and one where the Central Bank have outlined their expectations very clearly to all financial institutions. There are two aspects of how Core Credit Union can play its part in ESG.

Firstly, what we do as a business. Over the past number of years, we have taken pro-active steps to reduce our carbon footprint and in 2023 we have been working on our ESG framework document as well as undertaking energy audits of all our buildings. 2024 will see us install solar panels on our buildings where feasible, not only will this help reduce our carbon footprint but will also provide savings in energy costs into the future. Secondly, is how we can help our members to take proactive steps. While we already provide green car loans, 2024 will see us launch our ESG framework formally and this will include a new green loan to help our members finance the necessary steps to cut carbon.

### **To reduce Ireland's carbon footprint, we need to electrify our transport and heating systems and then ensure that the energy being generated are from renewable sources.**

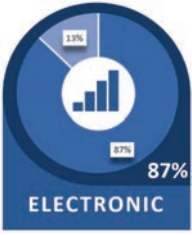
Savings are the lifeblood of the Credit Union and it is by saving together that we can lend to each other. The recent adverse interest rate environment combined with an austere regulatory capital framework resulted in the introduction of a necessary but unwelcome limit on how much members can save with the Credit Union. Over the past eighteen months there has been a significant reversal of the interest rate environment with the ECB raising interest rates on 10 occasions to 4.5% at present. This has allowed the Credit Union to remove limits on members savings with members being again able to save up to the €100,000 Central Bank of Ireland Limit.

Cyber risk is one of the most significant risks facing financial institutions, businesses and individuals. We continue to invest in our Risk Management Framework to mitigate all risk to protect the Credit Union and our members. Part of this continued improvement resulted in Core Credit Union being awarded ISO 27001 Standard for Information Security. We also continue to work on our operational resilience framework to ensure business continuity

16 | NEWS

**'We've got to get real' – 125,000 years of data and 2023 set to be hottest so far**





when issues arise but also that impact to members services are minimised in any such event.

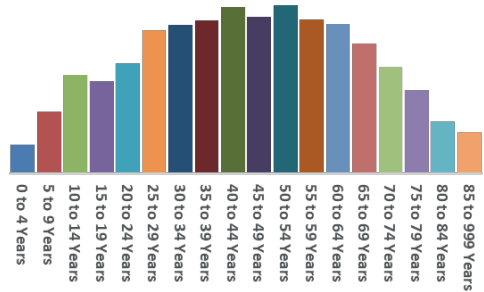
Member activity continues to increase year on year with over 1.4 million transactional processed in 2023 of which over 1.2 million transactions were electronic. Branches continue to maintain significant transactional volumes and while volumes have reduced branches are critical for key moments in our members financial lives.

Current Accounts are the main driver in transaction growth now accounting for 55% of total transactions and growing. As would be expected, 98% of these transactions are electronic.

Financially 2023 has been a very strong year with a surplus of €1.36 million following a surplus of €1.51 million in 2022. Cost control measures implemented in previous years are now ensuring that we can build our reserves and allow members to save again. The increase in interest rates by the European Central Bank has resulted in an increase of €805,134 in investment income further strengthening our surplus.

While many members are facing higher interest rates on lending from other financial institutions we would like to affirm to our members that we have no plans to increase interest rates. Our reserves position continues to strengthen with a total reserves ratio of 13.5% in 2023 which has grown from 12.9% in 2022. The total value of reserves at year end now stands at €21.9 million which places the credit union in a very strong financial position.

Membership is the key to success of the credit union and thankfully we continue to attract new and young members with our demographics tracking very closely to the CSO demographics of our common bond. A central part of the growth in our new member activity and lending has been our new Dún Laoghaire branch which continues to grow. Historically the Dún Laoghaire branch ranked 4th in relation to activity but Dún Laoghaire is now ranked 1st.



Mortgages are an intrinsic part of our future strategy however our limits for mortgage lending prevent us from getting into the mortgage market in a meaningful way.

Mortgage lending done properly does not increase risk and to ensure that credit unions can do this collectively and safely we have joined a new collaborative Credit Union owned mortgage CUSO ("Credit Union Services Organisation"). Through CUSO and engagement with the Central Bank we would hope to see significant growth in our mortgages.

Volunteering and working in a Credit Union is becoming more complex and onerous every year with an ever-increasing regulatory landscape which we must ensure compliance with both in spirit and by rule. 2024 will see additional knowledge and competence standards becoming compulsory for Credit Unions. Our culture is one of serving the member which lessens the burden to adopt but none the less it requires continual upskilling and learning for all involved. To this end, I would like to give special thanks to our Board and Board Oversight Committee who provide the experience and skills free of charge to the Credit Union and to our staff whose ongoing commitment to serving our members is unwavering.

Lastly I would like wish you health, happiness and success in 2024 and we look forward to meeting your financial needs in 2024 and beyond.

*Richard Byrne*

**Michael Byrne, CEO**

# BOARD OVERSIGHT COMMITTEE REPORTS

The Credit Union Act 1997 (as amended) (“the Act”) requires the appointment of a Board Oversight Committee to assess whether the Board of Directors has operated in accordance with part IV and IV (A) of the Act and with any regulations made for the purposes of Part IV or IV (A) of the Act and any other matter prescribed by the Central Bank in respect of which they are to have regard to in relation to the Board of Directors.

As required by the Act the Board Oversight Committee attended all meetings held by the Board of Directors. We are satisfied that all duties and responsibilities were carried out in accordance with the Rules and Regulations as set down in the Act.

Under the Credit Union Act 1997 (as amended), we are required to provide an annual Compliance Statement to our Members at the AGM each year. We are satisfied that the Board of Directors has complied with and operated in accordance with Part IV and Part IV (A) of the Act.

During the past year, the Board Oversight Committee welcomed Stephen Forsyth as a new member. We would also like to thank Lia Downer who stepped down, for her work on the BOC.

We wish to thank the Directors, Management and Staff for their co-operation and assistance throughout this year.



**Eoin Massey**  
Chairperson

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# RISK AUDIT AND COMPLIANCE COMMITTEE

The Board of Directors has overall responsibility for ensuring that Core Credit Union has appropriate and prudent policies, procedures, and controls in place to manage risk and ensure compliance with statutory requirements.

The Risk, Compliance & Audit Committee assists the Board of Directors in carrying out its statutory and regulatory obligations in respect of risk management, compliance, and internal audit to safeguard the funds of the members of the Credit Union.

The committee met monthly with the Risk Management Officer and the Compliance Officer and quarterly with the Internal Auditor over the past year.

## The Committee

- Oversaw the implementation of the Board approved Credit Union Risk, Compliance and Internal Audit plans.
- Reviewed reports from the Risk, Compliance, and Internal Audit functions.
- Oversaw the implementation of recommendations of the Risk, Compliance, and Internal Audit functions.
- Reviewed the Risk Register and assessed the appropriateness of the Risk Management system.
- Reviewed the performance and effectiveness of the Risk and Compliance functions.
- Reviewed the performance and effectiveness of the Internal Audit function.
- Monitored and reviewed the implementation of the Credit Union Business Continuity Plans from a governance and operational perspective and
- Reported monthly to the Board of Directors.

The Committee oversaw and monitored the implementation of improvements to controls based on recommendations of our internal auditors, Moore and our external auditors, Grant Thornton.

The Committee wishes to express its sincere thanks and appreciation to the staff and management of the Credit Union for their assistance and support in carrying out its function during the year. The Committee saw Francois Tritz and Siobhan Harding retire and we wish them well. The committee increased this year from 3 Board members to 5 Board members and welcomed Matt McConnell, Eva Kane and Yvonne O'Hanlon to the Committee.

## Committee Members:

Edel Churchill (Chair)  
Stebbin Mwalilino  
Matt McConnell  
Eva Kane  
Yvonne O'Hanlon

# NOMINATIONS COMMITTEE

The Nomination Committee has the responsibility to ensure that our Board has the experience, skills, and knowledge to manage, direct and generally control the affairs, funds and records of our Credit Union. The Committee ensures that during the recruitment and tenure of Board and Board Oversight Committee members, fitness and probity is carried out and a review of each of the candidates is in line with the legal and Central Bank requirements.

Throughout the financial year, the committee acknowledged the resignations of Francois Tritz, Elizabeth O'Connor and Lia Downer for personal reasons. We would like to say thank you to them for their service and commitment to the Board and Board Oversight Committee during their time and wish them the very best in their future endeavours.

## Elections

The committee has identified and accepted the nominations of the candidates for election at this AGM. The Due diligence process has been completed for all candidates.

### Directors

Eva Kane

Yvonne O'Hanlon

Re-election Alan Guerins

### Board Oversight

Stephen Forsyth

Re-election Pat McAuliffe

On behalf of the Nominations Committee Members

**Siobhan Harding, Elizabeth Harpur and Ian McDonald**



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# DIRECTORS' REPORT

For the financial year ended 30 September 2023

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

## Principal Activity

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

## Authorisation

The credit union is authorised as follows:

- Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended).
- Entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.

## Business Review

The directors acknowledge the results for the year and the year-end financial position of the credit union. The directors expect to develop and expand the credit union's current activities and they are confident of its ability to continue to operate successfully in the future.

## Dividends

The directors are proposing a dividend in respect of the financial year ended 30 September 2023 of €441,459 (0.35%) (2022: The directors did not propose a dividend).

## 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:

### **Credit Risk**

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

### **Lack of Loan Demand**

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

### **Market Risk**

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

### **Liquidity Risk**

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

### **Operational Risk**

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

### **Global Macro-economic Risk**

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

### **Accounting Records**

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the credit union are maintained at the credit union's premises at Clara House, 37 Glenageary Park, Glenageary, Co. Dublin.

### **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:



Chairperson of the board of directors



Member of the board of directors

**Date:** 15 November 2023

# DIRECTORS' RESPONSIBILITIES STATEMENT

For the financial year ended 30 September 2023

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations. The directors have elected to prepare the financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). The directors are also responsible for preparing the other information included in the annual report. The Credit Union Act, 1997 (as amended) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the credit union and of the income and expenditure of the credit union for that period.

In preparing those financial statements the directors are required to:

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

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

On behalf of the board:



Chairperson of the board of directors



Member of the board of directors

**Date:** 15 November 2023

# BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT

For the financial year ended 30 September 2023

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

On behalf of the board oversight committee:



Chair of the board oversight committee

**Date:** 15 November 2023

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORE CREDIT UNION LIMITED

## Opinion

We have audited the financial statements of Core Credit Union Limited for the financial year ended 30 September 2023, which comprise:

- the Income and Expenditure account;
- the Statement of other comprehensive income;
- the Balance Sheet;
- the Statement of changes in reserves;
- the Statement of Cash Flows; and
- the related notes 1 to 29, including the summary of significant accounting policies as set out in note 2.

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

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

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORE CREDIT UNION LIMITED (CONTINUED)

## Other information

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

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

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

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

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

## Responsibilities of directors for the financial statements

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

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

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

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs

(Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

**Denise O'Connell** FCA

for and on behalf of

**Grant Thornton**

Chartered Accountant & Statutory Audit Firm

Limerick

**Date:** 15 November 2023

# INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2023

		2023	2022
Income	Schedule	€	€
Interest on members' loans	1	4,118,894	3,950,392
Other interest income and similar income		1,485,586	680,452
<b>Net interest income</b>		<b>5,604,480</b>	<b>4,630,844</b>
Other income	2	184,908	807,423
<b>Total income</b>		<b>5,789,388</b>	<b>5,438,267</b>
<b>Expenditure</b>			
Employment costs		1,764,786	1,663,603
Other management expenses	3	2,471,161	2,372,710
Pension funding deficit (note 28)		-	109,629
Depreciation		403,804	410,204
Fair value movement on investment property		(145,000)	(485,390)
Net impairment gains on loans to members (note 5)		(63,431)	(145,803)
<b>Total expenditure</b>		<b>4,431,320</b>	<b>3,924,953</b>
<b>Surplus for the financial year</b>		<b>1,358,068</b>	<b>1,513,314</b>

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



Member of the board  
of directors



Member of the board  
oversight committee



CEO

**Date:** 15 November 2023

The notes on pages 29 to 46 form part of these financial statements.

# STATEMENT OF OTHER COMPREHENSIVE INCOME

For the financial year ended 30 September 2023

	2023	2022
	€	€
Surplus for the financial year	1,358,068	1,513,314
Other comprehensive income	-	-
<b>Total comprehensive income for the financial year</b>	<b>1,358,068</b>	<b>1,513,314</b>

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

*Elizabeth Hanrahan*

Member of the board of directors

*Michael Byrne*

Member of the board oversight committee

*Michael Byrne*

CEO

**Date:** 15 November 2023

The notes on pages 29 to 46 form part of these financial statements.

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# BALANCE SHEET

As at 30 September 2023

		2023	2022
Assets	Notes	€	€
Cash and balances at bank	6	3,630,652	4,572,710
Deposits and investments – cash equivalents	7	28,455,212	26,949,471
Deposits and investments – other	7	71,344,020	67,087,100
Loans to members	8	50,059,600	46,743,009
Provision for bad debts	9	(2,267,607)	(2,279,002)
Members' current accounts overdrawn	14	15,421	8,466
Tangible fixed assets	10	4,652,336	4,941,124
Investment property	11	500,000	2,753,370
Debtors, prepayments and accrued income	12	600,992	1,447,793
<b>Total assets</b>		<b>156,990,626</b>	<b>152,224,041</b>
<b>Liabilities</b>			
Members' shares	13	127,880,994	125,425,253
Members' stamps	13	2,726,633	2,621,082
Members' budget accounts	13	12,048	12,571
Members' current accounts	14	3,863,378	2,942,150
Other liabilities, creditors, accruals and charges	15	585,599	658,202
Other provisions	16	26,280	27,157
<b>Total liabilities</b>		<b>135,094,932</b>	<b>131,686,415</b>
<b>Reserves</b>			
Regulatory reserve	18	16,465,280	15,973,280
Operational risk reserve	18	1,607,432	1,582,432
Other reserves			
- Realised reserves	18	3,059,219	2,082,894
- Unrealised reserves	18	763,763	899,020
<b>Total reserves</b>		<b>21,895,694</b>	<b>20,537,626</b>
<b>Total liabilities and reserves</b>		<b>156,990,626</b>	<b>152,224,041</b>


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



Member of the board  
of directors



Member of the board  
oversight committee



CEO

**Date:** 15 November 2023

The notes on pages 29 to 46 form part of these financial statements.

# STATEMENT OF CHANGES IN RESERVES

For the financial year ended 30 September 2023

	Regulatory reserve	Operational risk reserve	Realised reserves	Unrealised reserves	Total
	€	€	€	€	€
<b>As at 1 October 2021</b>	<b>15,856,280</b>	<b>1,582,432</b>	<b>1,338,234</b>	<b>247,366</b>	<b>19,024,312</b>
Surplus for the financial year	-	-	853,781	659,533	1,513,314
Transfers between reserves	117,000	-	(109,121)	(7,879)	-
<b>As at 1 October 2022</b>	<b>15,973,280</b>	<b>1,582,432</b>	<b>2,082,894</b>	<b>899,020</b>	<b>20,537,626</b>
Surplus for the financial year	-	-	1,043,307	314,761	1,358,068
Transfers between reserves	492,000	25,000	(66,982)	(450,018)	-
<b>As at 30 September 2023</b>	<b>16,465,280</b>	<b>1,607,432</b>	<b>3,059,219</b>	<b>763,763</b>	<b>21,895,694</b>

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2023 was 10.49% (2022: 10.49%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2023 was 1.02% (2022: 1.04%).

The notes on pages 29 to 46 form part of these financial statements.



# STATEMENT OF CASH FLOWS

For the financial year ended 30 September 2023

		2023	2022
	Notes	€	€
<b>Opening cash and cash equivalents</b>		<b>31,522,181</b>	<b>45,856,224</b>
<b>Cash flows from operating activities</b>			
Loans repaid by members	8	21,002,635	21,437,340
Loans granted to members	8	(24,656,094)	(22,946,484)
Interest on members' loans		4,118,894	3,950,392
Other interest income and similar income		1,485,586	680,452
Bad debts recovered and recoveries		388,904	399,902
Other income		184,908	807,423
Members' budget accounts lodgements	13c	177,307	192,569
Members' budget accounts withdrawals	13c	(177,830)	(192,032)
Members' current accounts lodgements	14	39,396,614	20,025,283
Members' current accounts withdrawals	14	(38,482,341)	(18,049,677)
Operating expenses		(4,305,582)	(4,145,942)
Movement in other assets and liabilities		773,321	(704,495)
<b>Net cash flows from operating activities</b>		<b>(93,678)</b>	<b>1,454,731</b>
<b>Cash flows from investing activities</b>			
Fixed asset (purchases)/disposals		2,352,989	178,177
Net cash flow from other investing activities		(4,256,920)	(16,139,697)
<b>Net cash flows from investing activities</b>		<b>(1,903,931)</b>	<b>(15,961,520)</b>
<b>Cash flows from financing activities</b>			
Members' shares received	13a	51,790,402	46,322,245
Members' shares withdrawn	13a	(49,334,661)	(45,994,864)
Members' stamps received	13b	4,380,573	4,060,273
Members' stamps withdrawn	13b	(4,275,022)	(4,214,908)
<b>Net cash flow from financing activities</b>		<b>2,561,292</b>	<b>172,746</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>563,683</b>	<b>(14,334,043)</b>
<b>Closing cash and cash equivalents</b>	6	<b>32,085,864</b>	<b>31,522,181</b>

The notes on pages 29 to 46 form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

## 1. Legal and regulatory framework

Core Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at Clara House, 37 Glenageary Park, Glenageary, Co. Dublin, A96 XE26

## 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 except for the valuation of the investment property as specified in the accounting policies below.

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

The following principal accounting policies have been applied:

### 2.2 Statement of compliance

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

### 2.3 Going concern

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

### 2.4 Income

#### Interest on members’ loans

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

#### Deposit and investment income

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

#### Other income

Other income is recognised on an accruals basis.

### 2.5 Cash and cash equivalents

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

## **2.6 Deposits and investments**

### **Held at amortised cost**

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

### **Central Bank deposits**

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

### **Investments at fair value**

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

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

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

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

## **2.8 Provision for bad debts**

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

## **2.9 Tangible fixed assets**

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

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

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

Depreciation is provided on the following basis:

Premises	2% straight line per annum
Fixtures, fittings and equipment	20%/14% straight line per annum
Computer hardware and software	20%/33.33% straight line per annum
Motor vehicles	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 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 Investment properties**

Investment properties are carried at fair value determined annually at each reporting date as derived from an independent market valuation for comparable property adjusted if necessary for any difference in the nature, location or condition of the specific asset, with changes in fair value recognised in the income and expenditure account. No depreciation is provided.

## **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 Other payables**

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

## **2.14 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.

## **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 Pension costs**

Core Credit Union Limited participates in an industry-wide pension scheme for a former employee (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 Core Credit Union 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 Core Credit Union 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 28 for further detail.

The credit union also operates a defined contribution plan for current employees. A defined contribution plan is a pension plan under which the credit union pays fixed contributions into a separate entity. Once the contributions have been paid the credit union has no further payments obligations. The contributions are recognised as an expense in the income and expenditure account when they fall due. Amounts not paid are shown in accruals as a liability on the balance sheet. The assets of the plan are held separately from the credit union in independently administered funds. The amount payable at the year end in respect of same was €nil (2022: €12,746).

## **2.17 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.

## **2.18 Operating leases**

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

## **2.19 Derecognition of financial liabilities**

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

## **2.20 Regulatory reserve**

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

## **2.21 Operational risk reserve**

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

The directors have considered the requirements of the Act and have 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).

## **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, the fair value movement on investment properties 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 are made from the current year's surplus or reserves set aside for that purpose. The board's proposed dividend to members each year is based on the distribution policy of the credit union.

The rate of dividend 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 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 when members ratify such payments at the Annual General Meeting.

## **2.24 Taxation**

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

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

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

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the year end was €4,652,336 (2022: €4,941,124).

#### **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 €2,267,607 (2022: €2,279,002) representing 4.53% (2022: 4.88%) 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 operational risk reserve of the credit union at the year end was €1,607,432 (2022: €1,582,432).

#### **Pensions**

Core Credit Union Limited participates in an industry-wide pension scheme for a former employee (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 Core Credit Union 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, Core Credit Union Limited continues to account for the plan as a defined contribution plan.

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

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

**CORE | CREDIT | UNION**  
— STRONGER TOGETHER —

 Savings	 Loans	 Car Loan	 Mortgage	 People Insurance
 Community Sponsorship	 Members Prize Draw	 Online Accounts	 Holiday Loan	 Current Accounts

**5 offices open 6 days a week for all Members**

Save regularly | Borrow wisely | Repay promptly  
Core Credit Union Ltd. is regulated by the Central Bank of Ireland Reg No 225 CU.

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

	2023	2022
	€	€
<b>4. Key management personnel compensation</b>		
The directors of the credit union are all unpaid volunteers. The key management personnel compensation is as follows.		
Short term employee benefits paid to key management	652,412	636,791
Payments to pension schemes	54,171	54,650
<b>Total key management personnel compensation</b>	<b>706,583</b>	<b>691,441</b>
<b>5. Net impairment gain on loans to members</b>		
Bad debts recovered	(326,099)	(312,610)
Impairment of loan interest reclassified as bad debt recoveries	(62,805)	(87,292)
Movement in bad debts provision during the year	(11,395)	-
Loans written off during the year	336,868	254,099
<b>Net impairment gains on loans to members</b>	<b>(63,431)</b>	<b>(145,803)</b>
<b>6. Cash and cash equivalents</b>		
Cash and balances at bank	3,630,652	4,572,710
Deposits and investments – cash equivalents (note 7)	28,455,212	26,949,471
<b>Total cash and cash equivalents</b>	<b>32,085,864</b>	<b>31,522,181</b>
<b>7. Deposits and investments</b>		
<b>Deposits and investments – cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	14,350,118	17,936,349
Central Bank deposits	414,669	9,013,122
Irish and EEA state securities	13,690,425	-
<b>Total deposits and investments – cash equivalents</b>	<b>28,455,212</b>	<b>26,949,471</b>
<b>Deposits and investments – other</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	25,415,126	23,287,685
Bank bonds (refer to breakdown below)	42,832,144	40,434,592
Irish and EEA state securities	-	307,864
Central Bank deposits	1,131,489	1,103,013
Other investments	1,965,261	1,953,946
<b>Total deposits and investments – other</b>	<b>71,344,020</b>	<b>67,087,100</b>
<b>Total deposits and investments</b>	<b>99,799,232</b>	<b>94,036,571</b>

	2023	2022
	€	€

The counterparties with whom the bank bonds were held at 30 September 2023 were as follows:

BNP Paribas	12,210,315
Rabobank	9,127,961
Société Générale	5,976,385
Commerzbank AG	4,463,420
Crédit Agricole S.A.	2,600,962
Deutsche Bank	2,586,495
Crédit Agricole London	2,025,838
Santander UK plc	2,016,711
Swedbank AB	1,824,057
<b>Total</b>	<b><u>42,832,144</u></b>

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

Aaa	5,464,344
Aa2	17,354,042
Aa3	23,903,550
A1	34,663,855
A2	9,834,023
A3	5,067,999
AHB Fund	1,965,261
Central Bank Deposits	1,546,158
<b>Total</b>	<b><u>99,799,232</u></b>

## 8. Financial assets – loans to members

As at 1 October	46,743,009	45,487,964
Loans granted during the year	24,656,094	22,946,484
Loans repaid during the year	<u>(21,002,635)</u>	<u>(21,437,340)</u>
<b>Gross loans and advances</b>	<b><u>50,396,468</u></b>	<b><u>46,997,108</u></b>

### Bad debts

Loans written off during the year	<u>(336,868)</u>	<u>(254,099)</u>
<b>As at 30 September</b>	<b><u>50,059,600</u></b>	<b><u>46,743,009</u></b>

## 9. Provision for bad debts

As at 1 October	2,279,002	2,279,002
Movement in bad debts provision during the year	<u>(11,395)</u>	<u>-</u>
<b>As at 30 September</b>	<b><u>2,267,607</u></b>	<b><u>2,279,002</u></b>

The provision for bad debts is analysed as follows:

Grouped assessed loans	<u>2,267,607</u>	<u>2,279,002</u>
<b>Provision for bad debts</b>	<b><u>2,267,607</u></b>	<b><u>2,279,002</u></b>

## 10. Tangible fixed assets

	Premises	Fixtures, fittings & equipment	Computer hardware & software	Motor vehicles	Total
	€	€	€	€	€
<b>Cost</b>					
As at 1 October 2022	4,652,983	2,896,481	577,939	88,267	8,215,670
Additions	-	84,973	30,043	-	115,016
Disposals	-	(687,954)	(309,542)	(19,750)	(1,017,246)
<b>At 30 September 2022</b>	<b><u>4,652,983</u></b>	<b><u>2,293,500</u></b>	<b><u>298,440</u></b>	<b><u>68,517</u></b>	<b><u>7,313,440</u></b>
<b>Depreciation</b>					
As at 1 October 2022	1,475,411	1,345,893	432,350	20,892	3,274,546
Charge for year	93,061	242,402	54,638	13,703	403,804
Disposals	-	(687,954)	(309,542)	(19,750)	(1,017,246)
<b>As at 30 September 2023</b>	<b><u>1,568,472</u></b>	<b><u>900,341</u></b>	<b><u>177,446</u></b>	<b><u>14,845</u></b>	<b><u>2,661,104</u></b>
<b>Net book value</b>					
<b>As at 30 September 2023</b>	<b><u>3,084,511</u></b>	<b><u>1,393,159</u></b>	<b><u>120,994</u></b>	<b><u>53,672</u></b>	<b><u>4,652,336</u></b>
<b>As at 30 September 2022</b>	<b><u>3,177,572</u></b>	<b><u>1,550,588</u></b>	<b><u>145,589</u></b>	<b><u>67,375</u></b>	<b><u>4,941,124</u></b>

	2023	2022
	€	€
<b>11. Investment property</b>		
Balance at 1 October	2,753,370	1,350,000
Transfer from tangible fixed assets	-	1,672,488
Fair value adjustments	145,000	485,390
Disposals	(2,398,370)	(754,508)
<b>As at 30 September</b>	<b><u>500,000</u></b>	<b><u>2,753,370</u></b>

The former Dalkey Credit Union branch property, the remaining George's Street apartment, and the Sussex Street property were sold during the financial year. The former Carrickbrennan Credit Union branch property is the sole remaining investment property at year end. In the opinion of the directors, the amount above represents the fair value of the investment property at the balance sheet date.

## 12. Debtors, prepayments and accrued income

Prepayments and other interest receivable	405,699	461,015
Loan interest receivable	132,955	108,104
Other debtors	62,338	878,674
<b>As at 30 September</b>	<b><u>600,992</u></b>	<b><u>1,447,793</u></b>

## 13. Members' savings

Members' savings are analysed as follows:

Members' shares	127,880,994	125,425,253
Members' stamps	2,726,633	2,621,082
Members' budget accounts	12,048	12,571
<b>Total members' savings</b>	<b><u>130,619,675</u></b>	<b><u>128,058,906</u></b>

### 13a. Members' shares

As at 1 October	125,425,253	125,097,872
Received during the year	51,790,402	46,322,245
Withdrawn during the year	(49,334,661)	(45,994,864)
<b>As at 30 September</b>	<b><u>127,880,994</u></b>	<b><u>125,425,253</u></b>

	2023	2022
	€	€

### 13b. Members' stamps

As at 1 October	2,621,082	2,775,717
Received during the year	4,380,573	4,060,273
Withdrawn during the year	(4,275,022)	(4,214,908)
<b>As at 30 September</b>	<b><u>2,726,633</u></b>	<b><u>2,621,082</u></b>

### 13c. Members' budget accounts

As at 1 October	12,571	12,034
Received during the year	177,307	192,569
Withdrawn during the year	(177,830)	(192,032)
<b>As at 30 September</b>	<b><u>12,048</u></b>	<b><u>12,571</u></b>

### 14. Members' current accounts

As at 1 October	2,933,684	958,078
Lodgements during the year	39,396,614	20,025,283
Withdrawals during the year	(38,482,341)	(18,049,677)
<b>As at 30 September</b>	<b><u>3,847,957</u></b>	<b><u>2,933,684</u></b>

	2023		2022	
	No. of Accounts	Balance of Accounts	No. of Accounts	Balance of Accounts
Debit	190	15,421	145	8,466
Credit	1,833	3,863,378	1,687	2,942,150
Permitted overdrafts	60	39,446	44	37,350

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

Prize draw	69	558
Creditors and accruals	542,688	619,272
PAYE/PRSI	42,842	38,372
<b>As at 30 September</b>	<b><u>585,599</u></b>	<b><u>658,202</u></b>

### 16. Other provisions

#### Holiday pay accrual

At 1 October	27,157	32,859
Credited to the income and expenditure account	(877)	(5,702)
<b>As at 30 September</b>	<b><u>26,280</u></b>	<b><u>27,157</u></b>

	2023	2022
	€	€

## 17. Financial instruments

### 17a. Financial instruments – amortised cost

#### Financial assets

Financial assets measured at amortised cost	<u>149,334,375</u>	<u>142,006,482</u>
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#### Financial liabilities

Financial liabilities measured at amortised cost	<u>135,094,932</u>	<u>131,686,415</u>
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Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans, member current accounts overdrawn and other debtors.

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

### 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:

At 30 September 2023	Total	Level 1	Level 2	Level 2
	€	€	€	€
Other investments	<u>1,965,261</u>	-	<u>1,965,261</u>	-
<b>Total</b>	<b><u>1,965,261</u></b>	<b>-</b>	<b><u>1,965,261</u></b>	<b>-</b>

At 30 September 2022	Total	Level 1	Level 2	Level 2
	€	€	€	€
Other investments	<u>1,953,946</u>	-	<u>1,953,946</u>	-
<b>Total</b>	<b><u>1,953,946</u></b>	<b>-</b>	<b><u>1,953,946</u></b>	<b>-</b>

There was a fair value adjustment recognised in the income and expenditure account for the year ended 30 September 2023 of €11,315 (2022: (€31,116)).

## 18. Reserves

	Balance 01/10/22	Appropriation of current year surplus	Transfers between reserves	Balance 30/09/23
	€	€	€	€
<b>Regulatory reserve</b>	<b>15,973,280</b>	-	<b>492,000</b>	<b>16,465,280</b>
<b>Operational risk reserve</b>	<b>1,582,432</b>	-	<b>25,000</b>	<b>1,607,432</b>
<b>Other reserves</b>				
<b>Realised</b>				
Undistributed surplus	2,082,894	1,043,307	(66,982)	3,059,219
<b>Total realised reserves</b>	<b>2,082,894</b>	<b>1,043,307</b>	<b>(66,982)</b>	<b>3,059,219</b>
<b>Unrealised</b>				
Interest on loans reserve	108,104	24,851	-	132,955
Investment income reserve	186,166	144,910	-	331,076
SPS refund	62,338	-	-	62,338
Investment property reserve	542,412	145,000	(450,018)	237,394
<b>Total unrealised reserves</b>	<b>899,020</b>	<b>314,761</b>	<b>(450,018)</b>	<b>763,763</b>
<b>Total reserves</b>	<b>20,537,626</b>	<b>1,358,068</b>	-	<b>21,895,694</b>

## 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 percentages of the regulatory reserve (large exposure limit);
- restricts the loan duration of certain loans to specified limits (maturity limits); and
- requires specified lending practices to be in place where loans are made to certain sectors such as 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.

At 30 September	2023		2022	
	€	%	€	%
<b>Loans not impaired</b>				
Total loans not impaired, not past due	38,177,912	76.27%	34,746,558	74.34%
<b>Impaired loans:</b>				
Not past due	331,837	0.66%	407,163	0.87%
Up to 9 weeks past due	9,951,299	19.88%	10,004,732	21.40%
Between 10 and 18 weeks past due	530,090	1.06%	413,584	0.88%
Between 19 and 26 weeks past due	197,359	0.39%	182,813	0.39%
Between 27 and 39 weeks past due	238,337	0.48%	204,828	0.44%
Between 40 and 52 weeks past due	166,206	0.33%	142,814	0.31%
53 or more weeks past due	466,560	0.93%	640,517	1.37%
<b>Total impaired loans</b>	<b>11,881,688</b>	<b>23.73%</b>	<b>11,996,451</b>	<b>25.66%</b>
<b>Total loans:</b>	<b>50,059,600</b>	<b>100.00%</b>	<b>46,743,009</b>	<b>100.00%</b>

## 20. Related party transactions

### 20a. Loans

At 30 September	2023		2022	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	3	25,500	8	30,400
Total loans outstanding to related parties at the year end	11	94,649	17	438,833
Total provision for loans outstanding to related parties		1,480		5,329

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 0.19% of the total loans outstanding as at 30 September 2023 (2022: 0.94%).

### 20b. Savings

The total amount of savings held by related parties at the year end was €254,357 (2022: €239,272).

### 20c. Transactions with directors

Core Credit Union Limited incurred expenditure from All Vision Media Limited of €23,987 during the financial year ended 30 September 2023 (2022: €3,306) for the provision of services. Alan Guerins (Director of Core Credit Union) is a director of All Vision Media Limited.

## 21. Additional financial instruments disclosures

### 21a. Financial risk management

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

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

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

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

**Interest rate risk:** The credit 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.

### 21c. Interest rate risk disclosures

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

	2023		2022	
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	<u>50,059,600</u>	8.80%	<u>46,743,009</u>	8.86%

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

## 22. Dividends

The following distributions were made during the year:

	2023		2022	
	%	€	%	€
Dividend on shares	-	-	-	-

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

Dividend on shares	0.35%	441,459	-	-
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## 23. Events after the end of the financial year

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

## 24. Insurance against fraud

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

## 25. Capital commitments

There were no capital commitments as at 30 September 2023.

## 26. Commitments under operating leases

The credit union entered into a 20 year lease on 1 May 2004. The credit union had future minimum lease payments under a non-cancellable operating lease as follows:

	2023	2022
	€	€
Less than 1 year	27,390	46,500
1 to 5 years	-	27,390
<b>As at 30 September</b>	<b>27,390</b>	<b>73,890</b>

## 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

Core Credit Union Limited participates in an industry-wide pension scheme for a former employee (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. 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.

Core Credit Union Limited's allocation of that past service deficit was €109,629. 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, Core Credit Union 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. Core Credit Union 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 15 November 2023.



# SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2023

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 21 to 23

## Schedule 1 – Other interest income and similar income

	2023	2022
	€	€
Investment income received/receivable within 1 year	1,329,361	656,835
Investment income receivable outside of 1 year	144,910	54,783
Movement in unrealised gain/(loss) on investments	11,315	(31,166)
<b>Total per income and expenditure account</b>	<b><u>1,485,586</u></b>	<b><u>680,452</u></b>

## Schedule 2 – Other income

	2023	2022
	€	€
Fees	759	884
Interest on budget accounts	835	1,291
Miscellaneous income	30,658	68,780
Commission	14,422	6,793
MPCAS income and fees recovered	125,178	73,674
Rental income	13,056	32,617
SPS refund	-	623,384
<b>Total per income and expenditure account</b>	<b><u>184,908</u></b>	<b><u>807,423</u></b>

# SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

## Schedule 3 – Other management expenses

	2023	2022
	€	€
LP/LS insurance	255,348	435,549
SPS contributions and affiliation fees	12,929	14,119
Central bank and other levies	299,575	268,423
Subscriptions	74,926	66,872
HR fees	-	1,292
Audit fees	25,215	23,063
Light and heat	73,267	62,002
Rates	167,036	172,474
Printing and stationery	15,259	18,454
Repairs and maintenance	44,569	43,424
Computer maintenance	425,053	347,134
AGM expenses	42,738	32,093
Canteen and cleaning	33,388	35,011
Telephone and postage	37,073	39,063
General insurance	98,122	75,228
Entertainment	9,502	6,124
Legal and professional fees	429,960	209,302
Travel expenses	29,711	17,617
Promotion and advertising	135,944	87,686
Donations and sponsorship	17,148	10,405
Bank charges and negative interest	68,489	159,336
Education and publicity	37,056	24,522
SEPA charges	22,508	21,131
MPCAS charges	136,665	102,817
Sundry	38,242	36,545
Research and development costs	11,073	19,161
(Gain)/loss on disposal of fixed assets	(69,635)	43,863
<b>Total per income and expenditure account</b>	<b><u>2,471,161</u></b>	<b><u>2,372,710</u></b>

## MEMBERS PRIZE DRAW DETAILS PRIZE DRAW ACCOUNTS

	2023	2022
<b>Income</b>	€	€
Entry Fees	225,844	219,068
Refunds	(307)	(287)
<b>Total Income</b>	<b>225,537</b>	<b>218,781</b>
<b>Expenditure</b>		
Prizes - Car	-	153,937
Prizes - Cash	225,000	65,000
Prize Draw Expenses	1,026	1.37%
<b>Total Expenditure</b>	<b>226,026</b>	<b>218,937</b>
<b>Surplus / (Deficit)</b>	<b>(489)</b>	<b>(156)</b>
<b>Prize Draw Account</b>		
Opening Balance	558	714
Deficit for the year	(489)	(156)
<b>Closing Balance</b>	<b>69</b>	<b>558</b>



**CORE CREDIT UNION**  
- STRONGER TOGETHER -

### MEMBERS DRAW

Win a Car, Cash or Prizes every month for just €52 a year!

Entry forms available in all 5 offices or online at:  
[www.corecu.ie/membersdraw](http://www.corecu.ie/membersdraw)

## REPORT OF THE CREDIT COMMITTEE

2023 has been a successful year for Core Credit Union with regards to lending. Covid-19 had a huge impact on our lending and the type of loans been issued. However, we are now seeing a vast improvement and continuous growth in our secured and unsecured lending.

We are pleased to report this year has seen a huge improvement in our mortgage lending. Our mortgage rate has remained at 5% however we have fixed the rate for the duration of the term. This has been a huge attraction to existing members and to new members especially with the ECB rate constantly increasing over the past 12 months. Also, with KBC and Ulster Bank pulling out of the market we have had huge interest in members looking to switch their mortgage to Core Credit Union.

Our Home Improvement loans have also continued to grow. With building and material costs increasing, people are borrowing larger amounts to cover these costs. From 1st October 2022 to 30th September 2023 (over a 12-month period) the loan book grew by €3.3m. This is a massive increase in comparison with 2022. We hope to continue this growth and are looking at every opportunity to help us achieve this.

Finally, we would like to say our members are our priority and we are always looking for ways to improve our services and products to facilitate you

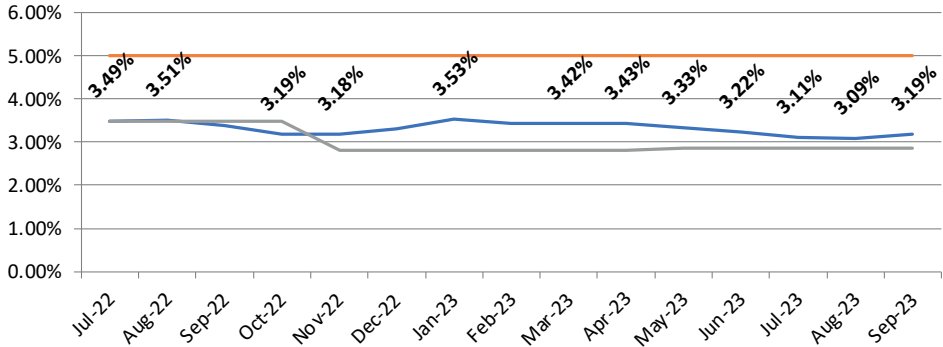
Committee members, **Leann McGovern, Mark Ryan and Paul Maher**

# REPORT OF THE CREDIT CONTROL COMMITTEE

The Credit Control Committee oversees the Credit Control function within the Credit Union. We constantly monitor loan arrears, ensuring members repayments are in accordance with their agreements, and we are pleased to report, the vast majority of our members are keeping to their contracted repayments.

We continue to support members who find themselves in financial difficulties. These are usually matters outside their control which create difficulty, and by working together we can help alleviate the pressure some members are under.

## Gross Loans In Arrears (A1 ratio)



The Credit Control Committee has an obligation to ensure that every effort is made to:

- Minimise the level of bad debts.
- Reduce the risk of loan delinquency.
- Make adequate provision for non-performing loans.

As a committee we ensure the credit control team engages proactively with members in arrears, particularly in the early stages of default. We would urge our members who find themselves in difficulties to contact us immediately. We are committed to assisting members in genuine financial difficulties.

The bad debt written off figure has increased this year to €336,868. However, it is important to note that the charged off loans are pursued vigorously and, where members fail to engage with us, we will refer these accounts to our Debt Collection Services. Accounts sent to collections are liable for the expenses incurred during the recovery process, and we make every effort to ensure these costs are repaid in full. Bad debt recoveries for the year remained strong at €326,099.

It is important to remind members that where payments are missed, these missed repayments are recorded on the Central Credit Register which may affect their ability to obtain further loans. Therefore, it is extremely important for members who are experiencing financial difficulties to contact us as soon as possible.

We would like to thank the Board of Directors, the Management Team, and Staff for their continued support throughout the past year.

Committee Members

**Michael Byrne, Fiona Doyle and Helen New**

# MEMBERSHIP REPORT

This year, we welcomed a total of 1,174 new members to Core Credit Union (2021/2022-1,366). Amongst these, 361 were minor accounts. The year 2022-2023 marked a period of robust growth in our membership, and we extend our heartfelt gratitude to our members for their unwavering trust in Core Credit Union. To help us continue reaching as many individuals in our community as possible, we kindly request that you encourage your friends and family to become part of Core Credit Union.

Regrettably, we received notifications of the passing of 252 of our members during the year. Our deepest sympathy and condolences go out to the families of these members.

**Electronic Membership** - In 2022-2023, 27.5% of new members opted for online registration compared to (26% in 2021/2022). Feedback from our members indicates that the online registration process is both convenient and swift, making it a preferred option.

**Current Accounts** - Since the introduction of our Current Accounts, we have witnessed an increase in new members joining specifically to take advantage of this offering. From October 2022 to September 2023, we opened a total of 461 Current Accounts. With our well-established switcher process, we are well-equipped to assist members considering switching due to recent bank closures, therefore simplifying the transition. We have also introduced features like Apple Pay, Google Pay, and Fitbit Pay as part of our Features & Benefits package. This complements our Switcher Process, which eases the transition for members, including handling tasks like changing Direct Debits.

The total number of Current Accounts opened to date is 2087.

**Core Credit Union App** - Our mobile app, "Core Credit Union", which offers the same functionality as our website, is performing exceptionally well and has gained substantial popularity among our members.

**Schools Savings Scheme** - We currently collaborate with 17 primary schools in our Schools Savings Scheme. We have observed a significant increase in new memberships within these schools, with many parents opting for online account openings. This trend continues to grow. Our School Coordinator regularly engages with classes to educate students about our services and benefits, aiming to instil good savings habits and financial education.

Moving forward, our focus remains on enhancing the member experience and expanding our reach within the community.

In the coming year, we are always looking to introduce even more innovative solutions and services to better serve our members, our priority is to continue offering seamless online experiences, ensuring members have easy access to our services. We're dedicated to strengthening our partnerships with local schools and increasing financial literacy programs.

We will continue to explore opportunities to make a positive impact on our community, both through financial services and community engagement.

**Jennifer Bowe,**  
Membership Officer

# Deposit Guarantee Scheme: Depositor Information Sheet

## Basic information about the protection of your eligible deposits

Eligible deposits in Core Credit Union Ltd are protected by:	the Deposit Guarantee Scheme ("DGS") <sup>(1)</sup>
Limit of protection:	€100,000 per depositor per credit institution <sup>(2)</sup>
If you have more eligible deposits at the same credit institution:	All your eligible deposits at the same credit institution are 'aggregated' and the total is subject to the limit of €100,000 <sup>(2)</sup>
If you have a joint account with other person(s):	The limit of €100,000 applies to each depositor separately <sup>(3)</sup>
Reimbursement period in case of credit institution's failure:	15 working days <sup>(4)</sup>
Currency of reimbursement:	Euro or, for branches of Irish banks operating in another member state of the EEA, the currency of that member state.
To contact Core Credit Union Ltd for enquiries relating to your account:	Core Credit Union Ltd, Clara House, 37 Glenageary Park, Glenageary, Co. Dublin, A96 XE26. Tel:01 272 5600
To contact the DGS for further information on compensation:	Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1 Tel: 1890-777777 Email: info@depositguarantee.ie
More information:	<a href="http://www.depositguarantee.ie">www.depositguarantee.ie</a>

### Additional information

(1) Scheme responsible for the protection of your deposit  
Your deposit is covered by a statutory deposit guarantee scheme. If insolvency should occur, your eligible deposits would be repaid up to €100,000.

#### (2) General limit of protection

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

#### (3) Limit of protection for joint accounts

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

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

These are eligible deposits relating to certain events which include:

- certain transactions relating to the purchase, sale or equity release by the depositor in relation to a private residential property;
- sums paid to the depositor in respect of insurance benefits, personal injuries, disability and incapacity benefits, wrongful conviction, unfair dismissal, redundancy, and retirement benefits;

- the depositor's marriage, judicial separation, dissolution of civil partnership, and divorce;
- sums paid to the depositor in respect of benefits payable on death; claims for compensation in respect of a person's death or a legacy or distribution from the estate of a deceased person.

More information can be obtained at [www.depositguarantee.ie](http://www.depositguarantee.ie)

#### (4) Reimbursement

The responsible deposit guarantee scheme is: Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1. Tel: 1890-777777. Email: info@depositguarantee.ie Website: [www.depositguarantee.ie](http://www.depositguarantee.ie)

It will repay your eligible deposits (up to €100,000); within 10 working days from 1 January 2021 to 31 December 2023; and within 7 days from 1 January 2024 onwards, save where specific exceptions apply.

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

#### Other important information

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

# EUROPEAN COMMUNITIES (PAYMENT SERVICES) REGULATIONS 2018

This is your 'Framework Contract' with us in relation to the particular payment account reference below and for the purposes of the Regulations

Core Credit Union Limited is regulated by the Central Bank of Ireland.

## CONTACT DETAILS FOR THE CENTRAL BANK OF IRELAND ARE:

**Address:** New Wapping Street  
North Wall Quay  
Dublin 1  
**Telephone:** (01) 224 6000  
**Fax:** (01) 671 5550  
**Website:** [www.centralbank.ie](http://www.centralbank.ie)

## CONTACT DETAILS FOR CORE CREDIT UNION LIMITED ARE:

**Address:** Clara House  
37 Glenageary Park  
Glenageary  
Co. Dublin, A96 XE26  
**Telephone:** (01) 272 5600  
**Email:** [members@corecu.ie](mailto:members@corecu.ie)  
**Website:** [www.corecu.ie](http://www.corecu.ie)  
**Register No:** 225CU

**Sub office:** Main Street, Shankill, Dublin 18  
8 Church Place, Sallynoggin, Co. Dublin  
5 George's St Upper Dun Laoghaire,  
Co. Dublin  
33 Church Road, Ballybrack, Co. Dublin  
Unit 2 Castlegate, Oliver Plunkett Road,  
Dún Laoghaire, Co. Dublin

**Days of Business:**  
Monday, Tuesday, Wednesday,  
Thursday, Friday and Saturday

## YOUR ACCOUNT

The following is a description of the main characteristics of the accounts and payment services on the accounts. This document relates to the Credit Union's provision of payment services, excluding current accounts, the terms of which are separate and available on the Credit Unions website:

### SHARE ACCOUNT

- Your share account is an account in which you can lodge funds for the purpose of saving. You can also use your shares as collateral against loans that you may take out with the Credit Union. It's important to note, that all shares, if less than your loan balance, are held as collateral, even if lodged after the loan drawdown.

- If you do not have a loan, you can avail of your shares "on demand" without any penalty (subject to cheques and direct debits having cleared).
- The maximum allowed per person is €100,000 across all balances.

### STAMP ACCOUNT

- Your stamp account enables you to access funds even if you have a loan on your account.
- Funds can be transferred to and from your stamp account by electronic funds transfer and direct debit/standing order facilities.
- The maximum allowed per person is €100,000 across all balances.

### CURRENT ACCOUNT (Available from 12 years +)

You can now manage your daily finances no matter where you are in the world. With access to your funds in-branch, online or on the web app, Current Account from your Credit Union gives you all the benefits you expect, but with the personal touch of your trusted Credit Union.

**1. Giving an order for payment from your account:**  
When you give us an order to make a payment from your account, we will need you to provide us with the details of the beneficiary of the payment (i.e. their IBAN and BIC code, together with any relevant identification details for the payment service provider ('PSP') with which they hold their account). Depending on how you place your order with us (i.e. online, in our offices, by telephone etc) we may also need you to verify that order by signature, by use of a password, or by use of a PIN, depending on the type of account that you hold. All of this information, taken together, is known as the 'unique identifier' that you must give us. In giving us that unique identifier, you will be consenting to our execution of that order for you. You cannot withdraw that consent after you have given it to us. However, if the order is for a direct debit to be taken from your account, you can revoke that order and your consent by notice to the beneficiary of that direct debit up to close of business on the business day before the funds are to be debited from your account. If the order is for a standing order to be taken from your account, you can revoke that order and your consent by telephoning us or calling into the office up to close of business on the Business Day before the funds are to be debited from your account. In exceptional cases, we may allow you to withdraw your consent after the times specified above, but our specific agreement will be required and we will not be obliged to do this.

2. **Cut-off times:** When we are given an order in relation to a payment on your account, we must be given that order before 11.00am on one of our Business Days. If we are given that order after that time, we will be deemed to have received that order on our next following Business Day. If we agree with you that an order is to be executed on a particular Business Day, then we will be deemed to have received that order on that particular Business Day.

3. **Execution times:** We confirm that we have up to the end of the first Business Day following the date of deemed receipt under 2 above to so credit that amount. If the order is initiated by paper, in both cases we will have an extra Business Day to do this.

4. **Spending limits and payment instruments:** If we give you a payment instrument on your account (i.e. a card with a PIN number, or use of online banking with a password etc, you may separately agree spending limits with us for use of a particular payment instrument. If we give you such a payment instrument for your account, you must, as soon as you receive it, take all reasonable steps to keep its personalised security features safe including the following:

- Do not write your online PIN down or carry it with your membership book.
- Do not disclose your PIN to anyone.
- Never disclose your pin over the telephone.
- Keep our telephone number to hand for reporting suspicious account activity.

If you do not protect your payment card or PIN, or you give them to someone else, you may be held liable for unauthorised transactions. If the payment instrument is lost, stolen, misappropriated or used in an unauthorised manner, you should notify us immediately at 01 272 5600. We reserve the right to block your use of a payment instrument for any of the following reasons:

- (a) The security of the payment instrument;
- (b) if we suspect that it is, or has been, used in an unauthorised or fraudulent manner;
- (c) (if the payment instrument is connected with the provision by us of credit to you) a significantly increased risk that you may be unable to fulfil your obligations to pay; and
- (d) our legal or regulatory obligations, including our national or European Union Obligations

If we block your use of a payment instrument, we will tell you about it (and the reasons for it) when the member contacts the Credit Union reporting their card/Pin lost/stolen unless giving you that information would compromise our security or would be prohibited by law. You may request that we unblock the payment instrument and we will do so, or replace the payment instrument, once the reason for blocking no longer exists.

5. **Charges:** We only levy a limited number of charges in connection with the accounts that we offer. Details of these charges are available in our offices or available on request. These charges are incorporated by reference into this Framework Contract.

6. **Interest rates:** If an interest rate applies to your account, you are told this when you open your account and that interest rate is incorporated by

reference into this Framework Contract. You can obtain confirmation of that interest rate by contacting us as set out above.

7. **Exchange rates:** If any payment on your account (including a withdrawal by you from your account) involves a currency conversion being made by us, we will use a reference exchange rate by FEXCO international payments. The reference exchange rate will change daily and this is the basis on which we will calculate the actual exchange rate. On the date on which we effect the currency conversion, we will take the reference exchange rate that applies on that date, add a fixed amount of 1% commission and the total will equal the actual exchange rate that is used by us in the currency conversion plus 1% commission. You can find out the daily changes to the reference exchange rate by contacting us as set out on the previous page.

8. **Giving you information:** If we need to give you information or notice of any matters relating to this Framework Contract, we will do so in writing in either the Credit Union office and on our website unless we state otherwise herein. Such information or notice will be given to you promptly upon the requirement to do so arising. You may request that we provide or make available to you certain information (prescribed by law) relating to individual payment transactions executed on your account at least once a month and free of charge, in a manner that allows you to store and reproduce the information unchanged.

9. **Copy Framework Contract:** For as long as you hold this account with us, you have the right to receive, at any time and on request by you, a copy of this Framework Contract on paper or, if possible, by secure email.

10. **Unauthorised transactions:** If you become aware of a transaction on your account that is unauthorised or incorrectly executed or if your payment instruction is lost, stolen or misappropriated, within thirteen months of that transaction being debited from your account. You will be entitled to rectification from us if that transaction was unauthorised or incorrectly executed. If the transaction was unauthorised, we will refund the amount of it to you and, if necessary, restore your account to the state that it would have been in if the unauthorised transaction had not taken place

**PROVIDED THAT:**

(a) you will bear the loss of an unauthorised transaction on your account, up to a total of €50, if the unauthorised transaction resulted from (a) the use of a lost, stolen or misappropriated payment instrument unless (i) the loss, theft or misappropriation was not detectable to you prior to the payment and you have not acted fraudulently, or (ii) the loss was caused by actions or lack of action by us or any of our employees, agents or third parties acting on our behalf.

(b) you will bear all losses relating to an unauthorised transaction on your account if you incurred those losses by acting fraudulently or by failing, intentionally or with gross negligence, or if you failed to take all reasonable steps to keep the payment instrument and personalised security credentials safe, to use the payment instruction in accordance with any terms that we tell you are applicable to it, and to notify us without undue delay of it being lost, stolen, misappropriated or used in an unauthorised manner;

(c) so long as you have not acted fraudulently you will not bear any financial consequences resulting from the use of a lost, stolen or misappropriated payment instrument once you have notified us in accordance with this Framework Contract that it has been lost, stolen or misappropriated.

(d) if we have not required strong customer authentication, in accordance with applicable legal or regulatory standards, you will not bear any financial losses unless you have acted fraudulently.

**11. Refunds of direct debits:** If a direct debit is taken from your account but:

(a) your direct debit authorisation did not specify the exact amount of the payment; and

(b) the amount of the payment exceeded the amount you could reasonably have expected taking into account your previous spending patterns, this Framework Contract and other relevant circumstances; and

(c) you give us such factual information as we may require; and

(d) you did not give us consent in advance to the direct debit being taken from your account; and

(e) neither we nor the beneficiary of the direct debit made information available to you about the transaction at least four weeks before the debit date, then you may request a refund from us of that direct debit for an eight week period following the debit date. We will then have ten Business Days to refund you, or give you reasons for our refusal to refund you and that your right to refer the matter to the Financial Services Ombudsman, see clause 17 for further details.

**12. Unique identifier:** If you give us an order to make a payment from your account and we execute it in accordance with the correct unique identifier, we will be taken to have executed it correctly as regards the beneficiary of that order. If you give us an incorrect unique identifier, we will not be liable for the non-execution, or defective execution, of the order. We will, however, make reasonable efforts to recover the funds involved.

**13. Our liability if you make a payment out of your account:** If you give us an order to make a payment from your account, we are liable to you for its correct execution unless we can prove to you (and if necessary to the beneficiary's PSP) that the beneficiary's PSP received the payment. If we are so liable to you for a defective or incorrectly executed order, we will refund the amount of it to you and, if applicable, restore your account to the state that it would have been in if the defective or incorrect transaction had not taken place. Irrespective of whether we are liable to you or not in these circumstances, we will try to trace the transaction and notify you of the outcome. If we refuse to execute a payment transaction we will provide the reasons to you and the procedure for correcting any factual mistakes that may have led to the refusal unless prohibited by law or by regulatory requirements.

**14. Our liability if you receive a payment in to your account:** If the payer's PSP can prove that we received the payment for you, then we will be liable to you. If we are liable to you we will immediately place the amount of the transaction at your disposal and credit

the amount to your account. If you have arranged for a direct debit to be paid into your account, we will be liable to transmit that order to the payer's PSP. We will ensure that the amount of the transaction is at your disposal immediately after it is credited to our account. If we are not liable as set out above, the payer's PSP will be liable to the payer for the transaction. Regardless of whether we are liable or not, we will immediately try to trace the transaction and notify you of the outcome.

**15. Duration, changes and termination:** Your contract with us, as detailed in this Framework Contract, is of indefinite duration. If we want to change any part of the information provided herein which is required by Regulation 76, we will give you at least two months' written notice of the proposed change where required by law to do so. If you do not notify us within that two month period that you do not accept the proposed change, you will be deemed to have accepted it. If you do not want to accept the proposed change, you must notify us in writing and you will be allowed to terminate your contract with us in relation to the account to which this Framework Contract relates immediately and without charge before the end of that two month period. If we change an interest rate or an exchange rate in a way that is more favourable to you, we have the right to apply that change immediately and write to you soon afterwards confirming that change. We can change an exchange rate immediately and without notice if that change is based upon the reference exchange rate agreed in this Framework Contract. You may terminate your contract with us in relation to the account to which this Framework Contract relates on one month's notice in writing. We may terminate our contract with you in relation to the account to which this Framework Contract relates on giving you two month's notice in writing.

**16. Governing law and language:** This Framework Contract shall be governed by and construed in accordance with the laws of Ireland, and all communication between us and you during our contractual relationship shall be conducted in English.

**17. Redress:** If you have a complaint in relation to the matters governed by this Framework Contract you can write to us and we will deal with your complaint in accordance with our obligations under the Regulations. If you are not satisfied with the outcome of this internal process, you may refer your complaint to the Financial Services Ombudsman. Contact details are as follows:

Financial Services Ombudsman Bureau,  
3rd Floor, Lincoln House,  
Lincoln Place, Dublin 2 Lo-call 1890 66 20 90  
Tel. (01) 662 0699,  
Fax (01) 6620890  
E-mail: [enquiries@financialombudsman.ie](mailto:enquiries@financialombudsman.ie).

**18. Consent:** By maintaining and/or carrying out transactions on this account, you explicitly consent to us accessing, processing and retaining personal data necessary for the provision of these payment services.

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