

# South Dublin Credit Union Annual Report & Financial Statements 2024



**ANNUAL GENERAL MEETING**  
**on Tuesday 28th January 2025**  
**at 8pm in The Talbot Hotel, Stillorgan**



**SOUTH DUBLIN  
CREDIT UNION**

**South Dublin Credit Union Ltd.**  
**Tel: 01 288 4877 Email: [info@southdublincu.ie](mailto:info@southdublincu.ie)**



# FOR NEW WHEELS

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Loans are subject to approval. Terms and conditions apply.

**Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating which may limit your ability to access credit in the future.**

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

## **Notice of Annual General Meeting for the Year Ended 30th September 2024**

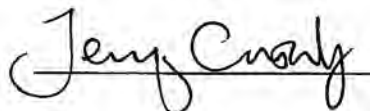
Notice is hereby given that the **Annual General Meeting of South Dublin Credit Union** will be held in the **Talbot Hotel, Stillorgan on Tuesday 28th January 2025 at 8.00pm.**

There will be a raffle for members present at the meeting. Lots of prizes to be won on the night!

### **AGENDA**

- (a) The acceptance by the board of directors of the authorised representatives of members that are not natural persons;**
- (b) Ascertainment that a quorum is present;**
- (c) Adoption of Standing Orders;**
- (d) Reading and approval (or correction) of the minutes of the last annual general meeting, and any intervening special general meeting;**
- (e) Report of the Board of Directors;**
- (f) Consideration of accounts;**
- (g) Report of the Auditor;**
- (h) Report of the Board Oversight Committee;**
- (i) Declaration of dividend and rebate of interest (if any) approval of ILCU affiliation fee**
- (j) Report of the Credit Committee;**
- (k) Report of Credit Control Committee;**
- (l) Report of Membership Committee;**
- (m) Report of the Nomination Committee;**
- (n) Appointment of Tellers;**
- (o) Election of Auditor;**
- (p) Election to fill vacancies on the Board Oversight Committee;**
- (q) Election to fill vacancies on the Board of Directors;**
- (r) Any other business; - member raffle**
- (s) Announcement of election results;**
- (t) Adjournment or close of meeting.**

Signed:



**Jerry Crowley, Secretary**

## **STANDING ORDERS**

### **1. Voting**

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

### **2 - 3 Election Procedure**

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

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

### **4 - 9 Motions**

4. All motions 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 such period as shall be at the discretion of the chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
6. In exercising his/her right of reply, a proposer may not introduce new material.
7. The seconder of a motion shall have such time as shall be allowed by the chair to second the motion.
8. Members are entitled to speak on any such motion and must do so through the chair. All speakers to any motion shall have such time as shall be at the discretion of the chair.
9. The chair shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

## 10 - 15 Miscellaneous

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

## REPORT OF THE BOARD OF DIRECTORS, 2024

On behalf of the Board of Directors, I am pleased to present the Annual Report and Financial Statements for the year ending on the 30th September, 2024.

The past year has been one of transition for your credit union. In mid-summer Cairtriona Kelly-Puca stepped down from her position as CEO. Cairtriona was with the credit union for fourteen years, initially as Assistant Manager and, for the past four years, as Manager/CEO. During her time with the credit union she had to contend with the financial consequences of the banking collapse, the impact of the Covid-19 pandemic, and the increasingly onerous compliance demands of the regulatory environment. In addition, Cairtriona had to respond to a growing demand for the provision of expanded IT services and the migration of internal software systems. We are indebted to her for her loyal service and wish her and her family future success and happiness.

As a consequence of Cairtriona's departure, the board were fortunate to be able to appoint George Hamilton who agreed to act as interim CEO until the end of January 2025. The board are indebted to George, a former CEO with long experience of credit union involvement, who has been instrumental in effectively driving necessary and significant productive change. The Central Bank has approved the appointment of a proposed permanent CEO who will take up his position at the beginning of February.

While International events over the past year have cast a dark shadow over prospects for European growth, the performance of the Irish economy has been strong. The rate of inflation has fallen to close to the target level of 2% and continuing declines in the ECB rate stimulated some reduction in the loan rates charged to domestic borrowers. The credit union responded by lowering the rates charged on the most popular categories of loans. However, while lending has consequently increased, member savings have also continued to rise, stimulated by a decision to remove previous deposit restrictions and raise the member deposit limit to €100,000. While maintaining a high degree of security in the credit union's investment portfolio, investment returns have shown a sustained improvement.


Over the past year the asset base of the credit union increased by 7.8% to €71.8M, overall operational income rose by 22% to €1.858M and an operational surplus of €354,078 has been recorded; other factors, including the proceeds of the sale of the Donnybrook premises, have raised the overall surplus to €1,226,641. In the light of discussions with the Central Bank of Ireland (CBI) the board decided to raise the level of reserves to €11M (15.3% of total assets) to consolidate the credit union's financial security. However, at the request of the board, the CBI has sanctioned the proposed payment of a 0.25% dividend on member's shares for which AGM approval is sought.

The provision of lending facilities appropriate to the social needs of members is central to the role of credit unions. Over the past year the credit union increased the value of its lending by 8.7% to €15M, increased the individual unsecured limit to €150,000 and extended the provision of free loan protection insurance to members up to the age of 80. The board would like to

encourage members to arrange to meet with one of our friendly loan officers to discuss their forthcoming borrowing requirements.

Your credit union continues to adapt to meet the evolving needs of members and to respond effectively to the challenges of changing financial, legislative and regulatory environments while maintaining the core element of personal service within our community. The Board is responsible for the governance of the credit union and is comprised of 11 directly elected credit union members; an independent 3-member Board Oversight Committee (BOC), with extensive experience of credit union governance and operation, ensures that the board acts responsibly. All of these unpaid volunteers generously give of their time and expertise to promote the prudent development of the credit union in the best interests of the membership. On your behalf, and personally, I would like to thank them for their unselfish dedication and professional support. However, it is at an operational level that most of us interact with the credit union and sincere thanks are due to our CEO, the management team and staff for their hard work and dedication to the ethos and development of the credit union, and their commitment to the effective provision of a caring and personal service to members.

The future success and independence of the credit union depends on your continued support through increased use of the services provided, encouraging eligible colleagues, friends and family to become members and, possibly, governance involvement.



On behalf of the Board of Directors  
**Brendan O'Sullivan, Chairperson.**

## **NOMINATIONS**

We remind all members of the importance of keeping their nominations up to date. Please contact the office if you have any queries.

## **PHOTO IDENTIFICATION AND ADDRESS VERIFICATION**

We would like to remind all members of the requirement for current photo identification and address verification and we encourage everyone to keep their details up to date.

## **GOVERNMENT SAVINGS GUARANTEE**

All Credit Unions including South Dublin Credit Union Limited member's savings are currently guaranteed by the Irish Government Savings Guaranteed Scheme to a maximum of €100,000 per member.

## **REPORT OF THE CEO**

I am delighted to report a very successful financial year in SDCU with growth in membership, the loan book and services to our members as well as increases in our asset size and reserves. A healthy surplus of €1,222,430 has been reported for the financial year, although approximately half of this surplus is attributable to the sale of our Donnybrook premises. We have also benefited from an upturn in investment returns and with our total reserves now exceeding 15%, the Board are proposing the payment of a .25% dividend.

We proudly serve 12,754 members, an increase of 262 on the previous year, and they can now too enjoy the many benefits of SDCU membership including savings accounts with no transaction or maintenance fees, life savings and loan protection insurance (exclusive to Credit Unions), the option of in branch personal service and/or free online banking through our website and mobile app, competitive loan interest rates.

The Credit Union is 100% owned by you, our members and exists to serve you. We are not-for-profit and the interest earned on loans is used amongst other purposes, to fund sponsorships for local clubs & societies and charity donations. Your savings are safe and secure with member savings guaranteed under the Government Deposit Guarantee Scheme (Up to a max of €100,000). We continue to provide Life Savings insurance cover up to a maximum of €5,000, under which the majority of our members are eligible.

Thank you to our borrowing members who have contributed to our loan book growing by over one million euro in the financial year, with a total loans balance on 30th September 2024 of €14,985,326.

A special thanks to our Head of Lending Eugene McDonough and his team for their efforts in making this happen, and they're always on hand to personally assist you with your loan application.

Our lending team is available in branch, over the phone and via our online loan platform to assist you. We have seen a significant shift to online loan applications and drawdowns which can significantly reduce the processing time, but we know that online isn't for everyone so please don't be afraid to turn up or ring up if you need personal assistance.

We continue to experience low levels of default on our loans but for those members who fall into difficulty along the way, please contact us as early as possible so that we can find a solution and minimise the impact on you, and your ability to borrow again in the future. Challenges addressed quickly are the easiest to resolve.



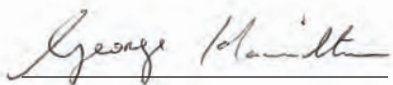
Legal action will be taken as a last resort but generally that only occurs where members fail to proactively engage with us and all other avenues have been exhausted.

SDCU continues to sponsor and support many local organisations and events in our community and being a voluntary led organisation ourselves, we commend the work that is carried out by all of those involved.

Last year Credit Unions were voted number 1 in the Customer Experience Awards for the 10th consecutive year and we in South Dublin Credit Union strive to reach and maintain those high standards that you as members expect and deserve. We acknowledge that we are accountable to you, our members, so please let us know if we fall short of those expectations so that we can improve our service to you. A special thanks to our staff for their commitment to you our members but also for their commitment to embrace all the new regulatory requirements and the additional training that goes with it.

A special thanks to the volunteers of SDCU who give their free time and expertise so willingly to serve on the Board of Directors and Board Oversight Committee, I've been extremely impressed with how committed they have been in the few months I've been Interim CEO and wish those who are stepping down a very happy retirement.

Finally, as I near the end of my term here I want to wish my successor the very best as they take charge and assure them of my support, for as long as they need it.



George Hamilton  
Interim CEO

## **NOTICE OF ELECTIONS**

Due to the enactment of the provision relating to composition of Board of Directors and Oversight Committee in the 2012 Act, election of at least 3 directors and 1 Board Oversight Committee member will be held. Nominations for these elections will be presented to the meeting by the nomination committee.

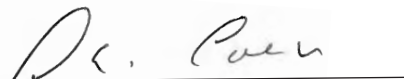
## **BOARD OVERSIGHT COMMITTEE REPORT 2024**

It is my pleasure to present the report of the Board Oversight Committee for the year ended 30th September 2024 to the members of South Dublin Credit Union. The role and responsibilities of the Board Oversight Committee are laid down in the Credit Union Act, 1997, as amended by the Credit Union and Co-operation with Overseas Regulators Act, 2012. The Board Oversight Committee is responsible to the members of the Credit Union and acts at all times in good faith to safeguard their interests. The Act stipulates that the committee shall report to the members at the annual general meeting on whether the Board of Directors has operated in compliance with its legislative requirements as set out in Part IV and Part IVa of the Act, and regulations made thereunder, as well as any other matters prescribed by the Central Bank.

The committee is pleased to report that, in its view and based on the specific reviews carried out by the committee, there is no material deviation by the board in the discharge of their legal and regulatory obligations. This finding is based on a systematic, evidence-based methodology whereby each of the legal requirements of the board is individually assessed over the course of the year. The Board Oversight Committee has also discharged all of its own legal obligations, including:

- meet at least monthly throughout the year;
- attend all board meetings;
- meet the board once a quarter;
- fulfil all reporting requirements;
- assess the performance of the board and the conduct of board meetings; and
- assess the Board's implementation of the strategy for the Credit Union.

I would like to express my heartfelt gratitude and appreciation to each of my fellow volunteers on the Board Oversight Committee, Donough O'Reilly and Paul Cooney. Their diligence, commitment and teamwork have assured the committee's effectiveness throughout the past year. I also extend my thanks to the staff of the Credit Union whose unfailing help and support have been indispensable in carrying out our duties on behalf of the members, and to the Board of Directors for their continued openness and co-operation. We further recognise the extraordinary effort that the Board of Directors, Volunteers and Staff have put into the Credit Union during the past year.



*Bill Colman, Chair  
Board Oversight Committee*

## Help us Go-Green

### E-AGM Notice Consent

As a credit union, by law, we are obligated to send each of our eligible members a notice of our Annual General Meeting (AGM) and access to a copy of the relevant Financial Statements.

We can send a notice of our AGM by post or email but if you haven't already done so, please help us Go Green by agreeing to receive this notice by email.

**Please tick one box only.**

I consent to receiving my AGM notice and booklet by email

I wish to receive my AGM notice and booklet by post

**Member Name:** \_\_\_\_\_ **Member Number:** \_\_\_\_\_

### Online Statements and Electronic Statements Consent

If you are already registered for our Online Banking, you have the option to download statements on demand.

You can register for Online Banking using this link; [www.southdublincu.ie/register](http://www.southdublincu.ie/register)

Yes, I would like to opt out of receiving paper statements.

No, I prefer to continue receiving paper statements.

**Member Name:** \_\_\_\_\_ **Member Number:** \_\_\_\_\_

Member Signature: \_\_\_\_\_ Date:     /     /

#### **Return options:**

1. Email a photo or copy of this form to [info@southdublincu.ie](mailto:info@southdublincu.ie)
2. Drop this form into our Stillorgan branch.
3. Post this form to Stillorgan Credit Union, 63 – 65 Lower Kilmacud Road, Stillorgan, Co. Dublin A94 AX71

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 financial year. In preparing these financial statements the directors are required to:

- select suitable accounting policies and 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and enable them to ensure that the financial statements are prepared in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland, including the standards issued by the Financial Reporting Council, and in particular FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". They are 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.

## **STATEMENT OF BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES**

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 Acts 1997 (as amended) and any other matter prescribed by the Central Bank in respect of which they are to have regard in relation to the board.

### **Directors**

Brendan O'Sullivan (Chairperson)  
Jerry Crowley (Secretary)  
Niamh O'Doherty  
Mairead Hennessy,  
Maura Quill  
Gerry Mitchell  
Fergal Morris  
Paul O'Donoghue  
Ciaran Kane  
Mark Asple,  
Bill Quinn  
Noreen Roberts (resigned 31.08.2024)

### **Board Oversight Committee Members**

Bill Colman  
Donough O'Reilly  
Paul Cooney

### **Credit Union Number**

78CU

### **Registered Office and Business Address**

63-65 Lower Kilmacud Road  
Stillorgan, Co. Dublin,  
Ireland

### **Auditors**

Colligan O Cearbhaill & Co.  
Chartered Accountants  
& Statutory Audit Firm  
Bri Chualann Court  
Adelaide Road  
Bray  
Co. Wicklow  
Ireland

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH DUBLIN CREDIT UNION LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

## **Opinion**

We have audited the financial statements of South Dublin Credit Union Limited (the "Credit Union") for the financial year ended 30 September 2024 which comprise the Income & Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council and the Credit Union Acts 1997 (as amended).

In our opinion the financial statements:

- give a true and fair view of the state of the assets, liabilities, and financial position of the Credit Union as at 30 September 2024 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance 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 described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

## **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. 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 course of 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, 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.

### **Opinions on other matters prescribed by the Credit Union Act, 1997 (as amended)**

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider 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.
- 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.

### **Respective responsibilities**

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

As explained more fully in the Statement of Directors' Responsibilities as set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is 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 intend to liquidate the Credit Union or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our 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 our 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.

#### **Further information regarding the scope of our responsibilities as auditor**

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.

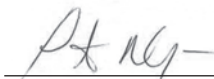
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate 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 we identify during our audit.

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

Our report is made solely to the Credit Union's members, as a body, in accordance with section 120 of the Credit Union Acts 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.

14/11/2024



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Kevin O Cearbhaill ACA  
For and on behalf of  
COLLIGAN O CEARBHAILL & CO.  
Statutory Audit Firm  
Bri Chualann Court, Adelaide Road, Bray, Co. Wicklow, Ireland

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED  
30TH SEPTEMBER 2024**

	Notes	2024 €	2023 €
<b>INCOME</b>			
Interest on members' loans	4	1,054,030	920,794
Other interest income and similar income	5	791,905	598,787
Interest payable on members' deposits	6	-	-
<b>NET INTEREST INCOME</b>		1,845,935	1,519,581
Other income	8	5,148	5,892
<b>Total income</b>		<b>1,851,083</b>	<b>1,525,473</b>
<b>EXPENDITURE</b>			
Employment costs	9	621,273	564,594
Other management expenses (Schedule 4)		769,770	655,497
Depreciation	13	82,030	80,461
Unrealised (gain)/loss on investment	10	(243,639)	(74,976)
Realised loss on sale of investments	10.1	-	65,938
Net impairment losses/(gains) on loans to members	14.4	28,143	(206,106)
<b>TOTAL EXPENDITURE</b>		<b>1,257,577</b>	<b>1,085,408</b>
<b>SURPLUS</b>		<b>593,506</b>	<b>440,065</b>
Deferred tax charge		158,514	-
<b>SURPLUS AFTER TAXATION</b>		<b>434,992</b>	<b>440,065</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Investment property revaluation		787,438	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>1,222,430</b>	<b>440,065</b>



## BALANCE SHEET AS AT 30TH SEPTEMBER 2024

	Notes	2024	2023
		€	€
<b>ASSETS</b>			
Cash & bank balances	12	1,508,246	2,070,228
Deposits and investments receivable within 3 months	12	15,289,628	11,100,025
Tangible fixed assets	13	1,701,630	935,107
Loans to members	14.1	14,985,326	13,803,631
Provision for bad debts	14.3	(643,636)	(608,786)
Prepayments and other debtors	15	104,050	73,767
Deposits and investments receivable after 3 month	16	38,869,244	41,318,670
<b>TOTAL ASSETS</b>		<b>71,814,488</b>	<b>68,692,642</b>
<b>LIABILITIES</b>			
Members' shares	17	59,521,321	57,782,631
Members' deposits	18	672,004	706,366
Savings Club Accounts	19	250,931	259,112
Trade creditors and accruals	20	362,782	156,042
Other creditors	20	16,900	20,371
		<b>60,823,938</b>	<b>58,924,522</b>
<b>Members' Resources</b>			
Regulatory reserve	21	9,160,000	8,750,000
Other reserves - realised	21	1,410,343	515,671
Operational risk reserve	21	350,000	335,000
Unrealised income reserve	21	70,207	167,449
		<b>10,990,550</b>	<b>9,768,120</b>
<b>TOTAL LIABILITIES</b>		<b>71,814,488</b>	<b>68,692,642</b>

**STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED  
30TH SEPTEMBER 2024**

	<b>Regulatory reserve</b>	<b>Realised reserve</b>	<b>Operational risk reserve</b>	<b>Unrealised Income reserve</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
At 1 October 2022	7,500,000	1,328,757	325,000	174,298	9,328,055
Surplus for the current year	-	440,065	-	-	440,065
Transfers between reserves	1,250,000	(1,253,151)	10,000	(6,849)	-
<b>At 30 September 2023</b>	<b>8,750,000</b>	<b>515,671</b>	<b>335,000</b>	<b>167,449</b>	<b>9,768,120</b>
At 1 October 2023	8,750,000	515,671	335,000	167,449	9,768,120
Surplus for the current year	-	1,222,430	-	-	1,222,430
Transfers between reserves	410,000	(327,758)	15,000	(97,242)	-
<b>At 30 September 2024</b>	<b>9,160,000</b>	<b>1,410,343</b>	<b>350,000</b>	<b>70,207</b>	<b>10,990,550</b>

In accordance with S45 of the Credit Union Act 1997 (as amended), South Dublin Credit Union Ltd. maintained an Operational Risk reserve during the current period. Based on the Board's assessment it was deemed appropriate to hold an operational risk reserve of 0.487% of total assets (2023 - 0.487%)

The Regulatory reserve of the Credit Union as a percentage of total assets as at 30th September 2024 was 12.76%. (2023:12.73%). This meets legal and regulatory requirements and is in excess of the required limit.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH SEPT 2024

	Notes	2024 €	2024 €	2023 €	2023 €
<b>Reconciliation of operating surplus to net cash inflow from operating activities</b>					
Operating surplus/ (deficit)			434,992		440,065
Depreciation	13		82,030		80,461
Provision for bad and doubtful debts	14.4		34,850		(175,569)
Loans written off	14.4		55,584		44,400
			<hr/>		<hr/>
<b>Net cash inflow from trading activities</b>			607,456		389,357
New loans to granted members		(7,619,082)		(7,256,855)	
Repayment of members' loans		6,381,803		6,169,736	
		<hr/>		<hr/>	
Net movement in members' loans	14.1		(1,237,279)		(1,087,119)
Members shares and deposits received		23,784,587		20,245,179	
Members shares and deposits withdrawn		(22,088,440)		(19,964,497)	
		<hr/>		<hr/>	
Net movement in members' shares and deposits			1,696,147		280,682
Net movement in other assets			(30,283)		(300)
Net movement in other creditors			203,270		72,958
			<hr/>		<hr/>
Net cash generated from operating activities			1,239,311		(344,422)
<b>Cash flows from investing activities</b>					
Capital expenditure	13		(61,115)		(2,938)
Net movement in investments			2,449,425		3,252,775
			<hr/>		<hr/>
Net cash generated from investing activities			2,388,310		3,249,837
<b>Cash flows from financing activities</b>					
Dividends and interest rebate paid			-		-
			<hr/>		<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>			3,627,621		2,905,415
<b>Cash and cash equivalents at 1st October 2023</b>			13,170,253		10,264,838
			<hr/>		<hr/>
<b>Cash and cash equivalents at 30th September 2024</b>	12		<b>16,797,874</b>		<b>13,170,253</b>
			<hr/> <hr/>		<hr/> <hr/>

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024**

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

South Dublin 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 63-65 Lower Kilmacud Road, Stillorgan, Co. Dublin.

### **2. ACCOUNTING POLICIES**

The following principal accounting policies have been applied;

#### **Statement of compliance and Basis of preparation**

These financial statements have been prepared in accordance with FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland). The financial statements are prepared on the historical cost basis.

#### **Currency**

The financial statements are prepared in Euro (€), which is the functional currency of the Credit Union. Monetary amounts in these financial statements are rounded to the nearest Euro.

#### **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.

#### **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Credit Union and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received.

##### **(i) Interest on members' loans**

Interest on loans to members is calculated and accrued on a daily basis.

##### **(ii) Deposit and investment income**

Investment income is recognised when received or irrevocably receivable. Investments are recognised at cost less any permanent diminution in capital value but ignoring any increase in capital value or encashment value until realised in the form of cash or cash equivalents.

#### **Investments**

Investment income is recognised on an accruals basis.

#### **Cash and short-term deposits**

These are valued at the deposit amount plus any accrued interest and interest income is recognised in the income statement on an accruals (time) basis.

#### **Deposits and investments**

Term deposits and fixed interest investment bonds with fixed maturity dates are valued at the lower of cost or encashment value and interest is recognised in the income statement when it is received or irrevocably receivable.

#### **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 un-collectability.

### **Central Bank deposits**

Credit Unions are obliged to maintain certain deposits with the Central Bank. These deposits are technically assets of the credit union but to which the Credit Union has restricted access. The funds on deposit with the Central Bank attract nominal interest and will not ordinarily be returned to the credit union while it is a going concern and is separately identified in note 16. The amounts are stated at the amount deposited plus accrued income and are not subject to impairment reviews.

### **Investments at fair value**

Investments held for trading and investment in stock market shares (i.e. non-convertible preference shares and non-puttable ordinary shares or preference shares) are included in this category. Financial assets at fair value are classified as held for trading if they are acquired for sale in the short term. They are valued at fair value (market value) at the year end date and all gains and losses are taken to the income and expenditure account. The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no active market these assets will be carried at cost less impairment.

### **Investment properties**

Investment properties are held at fair value. All other fluctuations in value are recognised through the income and expenditure account.

### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	2% Straight line
Fixtures, fittings and equipment	20% Straight line
Computer equipment	33% Straight line
Improvements to premises	10% Straight line

### **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.

### **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.

### **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.

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

#### **Bad debt provision**

Allowances for impaired loans represent reserves and/or provisions made during the year less amounts utilised or realised and charged against the surplus for the year. Allowances are created after a detailed review of individual loans and groups of loans. Allowances are established by reviewing the credit worthiness of individual borrowers and the value of collateral underlying the loan. General allowances are measured based on Resolution 49 of the Irish League of Credit Unions. Bad debts in the Credit Union are recognised when there is a reasonable doubt that the full amount of principal will not be collected, or the financial capacity of the borrower has deteriorated such that the recovery of the whole or part of an outstanding loan advanced is in doubt. In all cases where it is impractical to estimate the recoverable amount the carrying amount is reduced to zero.

### **Basic financial liabilities**

#### **Members' shares**

Members' shares in South Dublin Credit Union Limited are redeemable and therefore are classified as financial liabilities. They are recognised at the amount of cash deposited.

#### **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.

#### **Pensions**

The Credit Union operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Credit Union in an independently administered fund. Contributions to the scheme are charged to the income and expenditure account in the period to which they relate. The pension cost charge represents contributions payable by the Credit Union to the fund.

## **Distribution**

South Dublin Credit Union Limited's policy is to pay a reasonable rate of dividend and loan interest rebate subject to covering operating expenses and meeting reserve requirements as set out in the Credit Union's Reserve Management Policy.

## **Reserves**

### **Regulatory reserve**

The Credit Union Act, 1997 (Regulatory Requirements) Regulations 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.

### **Operational risk reserve**

Section 45(5)(a) of the Credit Union Acts 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.

### **Other Reserves**

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are sub divided into realised and unrealised.

Investment and other income that has been recognised in the financial statements but will not be received within 12 months of the Balance Sheet date is classified as "non-distributable" and is not distributable as a dividend in accordance with Section 31 of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2023. A reclassification between non-distributable and distributable is made as investments and other income come to within 12 months of maturity date.

### **Basic financial liabilities**

Basic financial liabilities are initially recognised at the transaction price, including transaction costs, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities are subsequently carried at amortised cost using the effective interest method.

### **Financial liabilities members' shares and deposits**

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

### **Other payables**

Other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Other payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### **Taxation**

The Credit Union is not subject to income tax or corporation tax on its activities.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or

events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 3. CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES

The directors are required to make significant judgements and estimates when preparing the financial statements. The items in the financial statements where these judgments and estimates have been made include;

#### Provision for bad debts

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. Credit risk is identified, assessed and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics. The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is doubt about their recoverability. Loan loss provisioning is monitored by the Credit Union, and the Credit Union assesses and approves its provisions and provision adequacy on a quarterly basis. Key assumptions underpinning the Credit Union's estimates of collective provisions for loans with similar credit risk characteristics, and, Incurred But Not Reported provisions ("IBNR") are based on the historical experiences of the Credit Unions allied to the Credit Union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the Credit Union operates. If a loan is impaired, the impairment loss is the difference between the carrying amount of the loan and the present value of the expected cash flows discounted at the asset's original effective interest rate taking account of pledged shares and other security as appropriate. Assumptions are back tested with the benefit of experience. After a period of time, when it is concluded that there is no real prospect of recovery of loans/part of loans which have been subjected to a specific provision, the Credit Union writes off that amount of the loan deemed irrecoverable against the specific provision held against the loan.

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

The annual depreciation charge depends primarily on the estimate useful 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.

### 4. INTEREST ON MEMBERS' LOANS

	2024	2023
	€	€
Loan interest received in financial year	<u>1,054,030</u>	<u>920,794</u>



## 5. OTHER INTEREST INCOME AND SIMILAR INCOME

	2024	2023
	€	€
Investment income received	586,055	451,395
Investment income receivable within 12 months	194,257	132,235
Investment income receivable after 12 months	11,593	15,157
	<u>791,905</u>	<u>598,787</u>

## 6. INTEREST PAYABLE AND DIVIDENDS

The interest expense for the Credit Union comprises of interest payable on deposits, and was as follows for the current and prior financial year:

	2024	2023
	€	€
<b>Interest payable for the financial year</b>	-	-

## 7. DIVIDENDS

The following distributions were made during the year:

	2024	2024	2023	2023
	%	€	%	€
Dividends on shares	-	<u>-</u>	-	<u>-</u>

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

	2024	2024	2023	2023
	%	€	%	€
Dividends on shares	0.25	<u>148,900</u>	-	<u>-</u>

The above dividends refer to those paid out in those years from the surplus earned in previous years.

At the financial year-end the directors have allocated the amount of €1,410,343 to the Distribution Reserve which may be returned to the members by way of dividend by way of resolution by a majority of the members at the annual general meeting.

## 8. OTHER INCOME

	2024	2023
	€	€
Entrance fees	388	269
Cash over	366	3,288
Members DD reversal charges	-	2,335
Rates rebate	4,394	-
	<u>5,148</u>	<u>5,892</u>

## 9. EMPLOYEES AND REMUNERATION

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Management	3	3
General staff	13	14
	<b>16</b>	<b>17</b>
	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
The staff costs comprise:		
Wages and salaries	572,020	527,069
Pension costs	49,253	37,525
	<b>621,273</b>	<b>564,594</b>

## 10. UNREALISED GAIN ON INVESTMENTS

During the financial year the credit union incurred an unrealised investment gain of €243,639 (2023 gain €74,976) due to the increase in value of its holding in a corporate bond fund (a UCITS holding).

Under accounting rules, the change in the market value of this fund needs to be recognised in the financial accounts.

This year the value of the fund increased and therefore an unrealised gain has been recorded within the accounts.

Both our investment advisor and the fund manager remain confident in the robustness of the fund's strategy, while the Central Bank is also fully aware of this fund.

As with all its investments the credit union continues to monitor this holding.

### 10.1 LOSS ON INVESTMENTS

There was no loss incurred in 2024 (2023: €65,938). The Central Bank requires credit unions to maintain specific liquidity levels throughout the year to enable the credit union to meet its liabilities as they arise.

The Credit Union did not breach its minimum liquidity requirements during the year, however in 2023 the board made the decision to sell the bank bonds early in order to ensure liquidity levels were maintained at all times.

The funds released from the early sale of these bonds were invested in shorter term higher return deposit accounts which will, in time, provide a greater return than the original investment.

## 11. KEY MANAGEMENT PERSONNEL

The directors of South Dublin Credit Union Limited are all unpaid volunteers. The management personnel compensation is as follows:

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Short term employee benefits	270,371	264,559
Payments to defined contribution pension scheme	12,243	20,958
Total key management personnel compensation	<b>282,614</b>	<b>285,517</b>

Short-term employee benefits include wages, salaries, social security contributions and paid annual leave.

## 12. CASH AND CASH EQUIVALENTS

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

	<b>2024</b>	<b>2023</b>
	€	€
Cash and bank balances	1,508,246	2,070,228
Deposits and investments	15,289,628	11,100,025
	<b>16,797,874</b>	<b>13,170,253</b>

## 13. TANGIBLE FIXED ASSETS

	Land and buildings freehold	Investment Property	Fixtures, fittings and equipment	Computer equipment	Improvements to premises	Total
<b>Cost</b>	€	€	€	€	€	€
At 1 October 2023	1,425,523	-	363,262	186,546	33,840	2,009,171
Additions	-	-	-	38,329	22,786	61,115
Reclassification	(534,143)	257,571	-	-	-	(276,572)
Revaluation	-	787,438	-	-	-	787,438
At 30 September 2024	891,380	1,045,009	363,262	224,875	56,626	2,581,152
<b>Depreciation</b>						
At 1 October 2023	549,328	-	359,547	135,787	29,402	1,074,064
Charge for the financial year	27,623	-	1,232	49,601	3,574	82,030
Elimination on reclassification	(276,572)	-	-	-	-	(276,572)
At 30 September 2024	300,379	-	360,779	185,388	32,976	879,522
<b>Net book value</b>						
<b>At 30 September 2024</b>	<b>591,001</b>	<b>1,045,009</b>	<b>2,483</b>	<b>39,487</b>	<b>23,650</b>	<b>1,701,630</b>
At 30 September 2023	876,195	-	3,715	50,759	4,438	935,107

On 20th March 2023 FH Estates carried out valuations on the land and buildings held by South Dublin Credit Union. The land and buildings were valued at €2,420,000.

In 2024 the board took the decision to sell the Donnybrook property and as such the property has been reclassified as an investment property at the 30 September 2024. The Donnybrook investment property is valued in the financial statements at market value less estimated costs of selling.

## 14. LOANS TO MEMBERS - FINANCIAL ASSETS

### 14.1 LOANS TO MEMBERS

	<b>2024</b>	<b>2023</b>
	€	€
As at 1 October	13,803,631	12,760,912
Cash movement in the financial year	1,237,279	1,087,119
Loans written off	(55,584)	(44,400)
<b>Gross loans to members</b>	<b>14,985,326</b>	<b>13,803,631</b>

## 14.2 CREDIT RISK DISCLOSURES

South Dublin Credit Union Ltd. does not offer mortgages and as a result all loans to members are unsecured, except that there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding. There are maximum amounts set down by the Central Bank in terms of what amount a member can borrow from the Credit Union.

The carrying amount of the loans to members represents South Dublin Credit Union Ltd.'s maximum exposure to credit risk.

The following table 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.

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	€	%	€	%
<b>Gross loans not impaired</b>				
Not past due	13,609,970	90.82	12,502,596	90.57
<b>Gross loans individually impaired</b>				
Up to 9 weeks past due	1,046,680	6.99	1,058,011	7.66
Between 10 and 18 weeks past due	152,099	1.02	37,324	0.27
Between 19 and 26 weeks past due	43,931	0.29	14,263	0.10
Between 27 and 39 weeks past due	73,484	0.49	52,390	0.39
Between 40 and 52 weeks past due	15,060	0.10	35,725	0.26
53 or more weeks past due	44,102	0.29	103,322	0.75
Total	1,375,356	9.18	1,301,035	9.43
<b>Total gross loans</b>	14,985,326	100.00	13,803,631	100.00
<b>Impairment allowance</b>				
Individually significant loans	(137,293)		(36,492)	
Collectively assessed loans	(506,343)		(572,294)	
<b>Total carrying value</b>	<b>14,341,690</b>		<b>13,194,845</b>	

## 14.3 LOAN PROVISION ACCOUNT FOR IMPAIRMENT LOSSES

	<b>2024</b>	<b>2023</b>
	€	€
As at 1 October	608,786	784,355
Provisions charged/(reversed) during the financial year	(55,584)	(44,400)
Increase/(Decrease) in loan provision during the financial year	90,434	(131,169)
<b>As at 30 September</b>	<b>643,636</b>	<b>608,786</b>

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

	2024	2023
	€	€
Bad debts recovered	(62,291)	(74,937)
Increase/reduction in provision	34,850	(175,569)
	(27,441)	(250,506)
Loans written off	55,584	44,400
Net (recoveries)/losses on loans to members recognised for the financial year	<b>28,143</b>	<b>(206,106)</b>

#### 15. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2024	2023
	€	€
Prepayments	74,996	44,713
ILCU SPS refund receivable	29,054	29,054
	<b>104,050</b>	<b>73,767</b>

#### 16. DEPOSITS AND INVESTMENTS

Investments by counterparty;

	2024	2023
	€	€
Irish Life & Permanent	1,548,731	1,548,731
Societe Generale	400,000	400,000
BNP Paribas	2,025,463	2,011,061
Natwest	504,247	504,219
Barclays	2,615,705	4,111,745
Goldman Sachs Group	6,450,215	6,447,939
Deutsche Bank	2,304,826	2,284,878
Lloyds Banking Group	3,301,069	4,218,377
Irish and EEA State Securities	5,429,842	5,424,420
Intesa Sanpaolo	3,224,810	3,229,762
Collective Investment Scheme	2,950,587	2,716,182
Sabadell Bank	2,011,655	2,021,942
Mediobanco	1,000,301	1,000,301
Central Bank Minimum Reserve	580,590	878,123
Commerzbank	4,521,203	4,520,990
<b>Total deposits and investments</b>	<b>38,869,244</b>	<b>41,318,670</b>

#### 17. MEMBERS' SHARES - FINANCIAL LIABILITIES

	2024	2023
	€	€
As at 1 October	57,782,631	57,454,601
Received during the financial year	23,653,197	20,099,435
Repaid during the financial year	(21,914,507)	(19,771,405)
<b>As at 30 September</b>	<b>59,521,321</b>	<b>57,782,631</b>

## 18. MEMBERS' DEPOSITS - FINANCIAL LIABILITIES

	2024	2023
	€	€
As at 1st October	706,366	729,501
Received during the financial year	-	-
Repaid during the financial year	(34,362)	(23,135)
<b>As at 30 September</b>	<b>672,004</b>	<b>706,366</b>

## 19. SAVINGS CLUB ACCOUNTS

	2024	2023
	€	€
As at 1 October	259,112	283,325
Received during the financial year	131,390	145,744
Repaid during the financial year	(139,571)	(169,957)
<b>As at 30 September</b>	<b>259,931</b>	<b>259,112</b>

## 20. TRADE CREDITORS AND ACCRUALS

	2024	2023
	€	€
Accruals	144,696	129,190
PAYE/PRSI	37,827	9,725
Holiday pay accrual	21,745	17,127
Deferred tax liability	158,514	-
Other creditors	16,900	20,371
	<b>379,682</b>	<b>176,413</b>

## 21. CREDIT UNION RESERVES

	Balance 01/10/2023	Appropriation of current	Transfer between deficit	Balance 30/09/2024 reserves
	€	€	€	€
Regulatory reserve	8,750,000	-	410,000	9,160,000
Operational risk reserve	335,000	-	15,000	350,000
<b>Other reserves</b>				
<b>Realised</b>				
General reserve	515,671	1,222,430	(327,758)	1,410,343
<b>Unrealised reserves</b>				
Investment income reserve	138,395	-	(97,242)	41,153
SPS reserve	29,054	-	-	29,054
<b>Total unrealised reserves</b>	167,449	-	(97,242)	70,207
<b>Total reserves</b>	<b>9,768,120</b>	<b>1,222,430</b>	<b>-</b>	<b>10,990,550</b>

## 22. LIQUIDITY RISK DISCLOSURE

All of the financial liabilities of the Credit Union are repayable on demand except for some members' shares attached to loans.

## 23. PENSION SCHEME

Staff pension costs under a defined contribution plan are charged to the Income and Expenditure account in the period to which they relate.

## 24. RELATED PARTY TRANSACTIONS

Directors and staff (and their family members) of the Credit Union during the financial year ended 30 September 2024 operated share and loan accounts with the Credit Union. All loans advanced to directors, staff and their family members are approved in accordance with Section 36(4) Credit Union Acts 1997 (as amended). The following transactions and balances existed with members who were officers (and their family members) during the financial year ended 30 September 2024:

	<b>No. of loans</b>	<b>2024 €</b>
Loans advanced to Related Parties during the year	<b>5</b>	<b>72,000</b>
Total loans outstanding to Related Parties at the financial year end	<b>13</b>	<b>139,065</b>
Total provisions for loans outstanding to Related Parties		<b>-</b>

The total amount of savings held by related parties at the year end was €282,960.

## 25. INSURANCE AGAINST FRAUD

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

## 26. CAPITAL COMMITMENTS

The Credit Union had no material capital commitments at the financial year-ended 30 September 2024.

## 27. POST-BALANCE SHEET EVENTS

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

## 28. RATES OF INTEREST CHARGED ON MEMBERS' LOANS

Interest was charged at rates of 11.39%, 10.04%, 8.50%, 7.99%, 7.67%, 7.50%, 6.90%, 6.33%, 6.31% and 5.37%.

The equivalent APR rates were 12.00%, 10.50%, 8.80%, 7.99%, 7.95%, 7.80%, 7.10%, 6.5%, 6.50% and 5.50%.

## 29. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

### Financial risk management

South Dublin Credit Union manages its members shares and loans to members so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from South Dublin Credit Union's activities are credit risk, liquidity risk and interest rate risk. The Board 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 South Dublin Credit Union, resulting in financial loss to the Credit Union. In order to manage this risk the Board approves South Dublin Credit Union’s lending policy, and all changes to it. All loan applications are assessed with reference to the lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. Credit risk mitigation may include the requirement to obtain collateral as set out in the Credit Union’s policies. The main types of collateral for loans are; shares pledged to loans, personal guarantees and charges over assets. The type of collateral required depends on the term of the loan and the amount of exposure.

**Liquidity risk:** South Dublin 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 objective of the Credit Union’s liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise.

**Market risk:** Market risk is generally comprised of interest rate risk, currency risk and other price risk. South Dublin Credit Union conducts all its transactions in Euro and does not deal in derivatives or commodity markets. Therefore South Dublin Credit Union is not exposed to any form of currency risk or other price risk.

**Interest rate risk:** South Dublin Credit Union’s main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a Credit Union’s operations. The Credit Union considers rates of interest receivable when deciding on the dividend rate payable on members’ shares. South Dublin Credit Union does not use interest rate options to hedge its own positions.

### 30. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board of Directors on 14/11/2024.

## SCHEDULES TO THE INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30th SEPTEMBER 2024

### SCHEDULE 1 - INTEREST ON LOANS

	2024	2023
	€	€
Interest on members’ loans	1,054,030	920,794
	<u>1,054,030</u>	<u>920,794</u>

### SCHEDULE 2 - INVESTMENT INCOME

	2024	2023
	€	€
Investment income received	791,905	598,787
	<u>791,905</u>	<u>598,787</u>



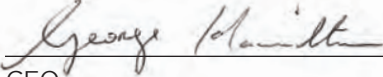
### SCHEDULE 3 - OTHER INCOME

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Entrance fees	388	269
Cash over	366	3,288
Member DD reversal charges	-	2,335
Rates rebate	4,394	-
	<b>5,148</b>	<b>5,892</b>

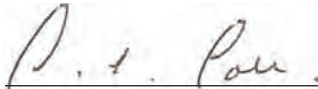
### SCHEDULE 4 - OTHER MANAGEMENT EXPENSES

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Training and seminars	6,927	8,989
Rent and rates payable	13,332	15,197
General insurance	31,202	28,977
Share and loan insurance	111,522	87,106
Risk and compliance	34,840	29,643
Security and cash transit	11,639	6,971
Light and heat	15,886	16,048
Cleaning and hygiene	2,257	4,653
Repairs and renewals	5,665	11,684
Computer and equipment maintenance	114,514	108,636
Printing and stationery	13,645	14,239
Promotion and education	24,158	6,927
Telephone and postage	5,006	5,592
AGM expenses	22,690	22,396
Convention expenses	630	888
Legal and debt recovery fees	696	32,024
Professional and internal audit fees	96,505	54,094
Audit fees	14,750	14,750
Credit agency fees	3,591	4,123
Bank interest and charges	43,144	22,875
Cash short	250	3,118
Affiliation fees	13,844	9,400
Saving protection scheme	5,504	3,628
Regulation levy	157,499	135,194
General expenses	20,074	8,345
	<b>769,770</b>	<b>655,497</b>

On behalf of the Credit Union:-

  
\_\_\_\_\_  
CEO

Date 14/11/2024

  
\_\_\_\_\_  
Member of Oversight Committee

Date 14/11/2024

  
\_\_\_\_\_  
Member of the Board of Directors

Date 14/11/2024

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