



**New ways to
move forward**

The Finance (Miscellaneous Provisions) Act 2020 makes it possible for us to hold our AGM on a virtual basis again this year. Our AGM will be facilitated this year on Zoom.

In order to participate in our AGM please follow these simple instructions:

Step 1

Please register online by close of business on 11th December 2022 at <https://creditunionplus.ie/agma>

Step 2

Based on the information you provide, we will verify you as a member, and you will then be sent a formal invitation to the email address you provide in the registration process.

Step 3

In the invitation, we will include a link to a copy of the minutes of last year's AGM and the Standing Orders for this year's AGM. Please read these before the meeting.

Step 4

Please submit any questions you may have in relation to the annual report in writing by close of business on 11th December 2022 either by email to agma2022@creditunionplus.ie or by post for the attention of the Honorary Secretary, Credit Union Plus, Kennedy Road, Navan, Co. Meath.

See the Standing Orders for details of how questions will be handled at the AGM.

Step 5

Log on to the AGM, by clicking on the link provided in the invitation you will receive by email.

We suggest you log on about 10 minutes before the start time of 6.15pm on 16th December 2022.

If you're not familiar with Zoom, you will find this short tutorial helpful: https://youtu.be/wo1l6ljz_wg

Step 6

It is important to note that the invitation you receive is specific to you and can only be used on one device.

Step 7

When you log on you will be made aware that you are 'waiting'. Once the Chair starts the meeting you will be able to see and hear the meeting. Please select "Join with Computer Audio", so that you will be able to see and hear the Chair and any persons presenting. We recommend that while you are waiting, you should use the opportunity to test the sound on your computer so you can be sure it's working and at the right volume for you to follow the proceedings.

Step 8

For everyone's comfort, all non-presenting participants will be 'muted' during the meeting. Please read the Standing Orders to be clear with how questions & answers will be handled.

Step 9

There are several items on the agenda where members will be asked to vote. This will be done by electronic polling. A poll will appear on your screen, click on your answer and press submit. You will be given sufficient time to cast your vote (the length of time allowed will be advised at the meeting). The poll will close after that time and the result will be announced by the Chair.

Step 10

To assist with the minutes, our AGM will be recorded. When the matters of the meeting are concluded, the Chair will end the AGM and close the Zoom link.

Notice of Meeting

Notice is hereby given that the 59th Annual General Meeting of Credit Union Plus Ltd. will be held virtually on 16th December at 6.15pm sharp. Registration details are outlined below.

Agenda

1. Acceptance of Proxies (if any) by the Board of Directors
2. Ascertainment of Quorum
3. Adoption of Standing Orders
4. Reading and approval (or correction) of the minutes of the last Annual General Meeting
5. Report of the Board of Directors
6. Chief Executive Officer's Report
7. Report of the Auditors
8. Board Oversight Committee Report
9. Report of the Audit Committee
10. Report of the Risk Committee
11. Report of the Credit Committee
12. Report of the Credit Control Committee
13. Report of the Membership Committee
14. Report of the Nomination Committee
15. Report of the Investment Committee
16. Report of the Non-Executive Committee
17. Appointment of Tellers
18. Election of External Auditor
19. Election to fill vacancies on the Board of Directors
20. Any Other Business
21. Announcement of Election Results
22. Close of Meeting

You are earnestly requested to attend.

Signed,



Liz Gaffney, Honorary Secretary

Elections will be held to fill three vacancies on the Board of Directors and the position of External Auditor.

Method of Pre-Registration

This year the AGM will be held virtually. Members who wish to attend must register in advance through the online registration service at <https://creditunionplus.ie/agm/> by 11th December.

Please submit any questions you may have in relation to the annual report in writing by close of business on 11th December either by email to agm2022@creditunionplus.ie or by post for the attention of The Honorary Secretary, Credit Union Plus, Kennedy Road, Navan, Co Meath.

Chairperson's Address

It is my pleasure to present the Directors' Review for 2022.

Uncertain times

At the time of our last AGM we were all still dealing with the challenges of the Covid-19 pandemic with the Omicron variant having caused the reintroduction of restrictions in our communities. While everyone endeavoured to protect those around us by adhering to the advice from health experts, many were looking forward to the time when the pandemic would pass, restrictions would end, and some financial commentators were even indicating we could expect an economic boom.

To say we as a community were all both shocked and horrified by the events in Ukraine since February, as their country was torn apart by conflict, cannot fully describe the depth of feeling in all of our homes, schools and workplaces. As members you responded through your support for the Irish Red Cross Ukraine appeal which included a contribution from the Credit Union. So far over €20k has been donated to the Ukraine appeal, and donations are still being received from members.

The impacts of this brutal war of aggression on the rest of the world and our own communities are, at this stage, well known to all of us. The cost-of-living crisis caused by the ensuing rise in inflation and subsequent ECB interest rate increases have created financial challenges for many members, local businesses and indeed the Credit Union. We will continue to support you, our members by providing reasonably priced financial services in our communities through our branch network, by phone, through our significantly enhanced online and mobile banking facilities and now also through our new Current Accounts.

Challenges for the Credit Union

Credit Unions traditionally cover the costs of maintaining services to our communities by earning income from two main sources, which are Interest on loans and Investment Income on savings not lent out. The Credit Union only invests in fully secured investments such as term deposits, corporate bonds

and government bonds. Many members will be aware, that over recent years income from these types of investments has decreased significantly. While investment returns have begun to increase, as the Credit Unions portfolio is predominantly in longer dated investments, it will take some years for this improvement to have a meaningful impact. This means that it is of critical importance for you, our members to choose the Credit Union for your borrowing needs and Current Account service requirements, as the income from these loans and services allows the Credit Union to continue to provide services in our communities.

You may remember from previous communications that the Central Bank require Credit Unions to set aside, from the Credit Union's Income, 10% of the value of assets (including members' savings) in what is called a Regulatory Reserve. This income could otherwise be used for loan interest rebates, dividends, charitable donations, running costs or investing in new products and services for members. For every extra €1,000 in savings, the Credit Union must put €100 aside into the Regulatory Reserve. The Regulatory Reserve in 2022 amounted to €26 million which we cannot distribute or use for development. The increase in the Regulatory Reserve this year was €300k. This increase was funded from this year's surplus and surplus income from prior years, which is a diminishing source of funding. However, things are improving. Throughout recent years the Credit Union has worked tirelessly to meet these challenges and position the Credit Union for growth into the future.

Delivering for members

The Omicron variant of Covid-19 impacted everyone in the Winter of last year. As that lockdown eased, sales of new loans improved, thanks to the loyalty of our members in choosing the Credit Union over our for-profit competitors. Over €37.6 million in new loans were issued to members in the year which was a significant increase of over €6.6 million on last year. Several reduced lending rates remain in place including the Loan Sale for amounts over €25k and Savers Loans at 5.95% (typical APR 6.1%) and discounted loans for students and apprentices at 4.95% (typical APR 5.07%). The total loan book grew by over €11.0 million in 2022. Savings growth normalised during the year which is a welcome ease on further Regulatory Reserve requirements. A number of member enhancements and strategic

initiatives were delivered during the year. The members' Current Account with Mastercard Debit Card was launched on 30th September to deliver on member needs for this service through a globally accepted debit card. The Current Account does everything you would expect from a normal Current Account and comes with digital payment capability (Google Pay, Apple Pay, Fitbit Pay) and overdraft facilities if required.

The Current Account service comes at a time when many members are being forced to move their accounts as two national competitors leave the Irish market. The Current Account is delivered through a nationwide Credit Union collaboration initiative, with over 50 Credit Unions participating.

We also significantly upgraded the member online and mobile banking platform this year. Members can now log in to the mobile App using biometric identification (fingerprint or face recognition) and apply for a loan, manage their Current Account and Debit Card, or simply check their balance. Some of you may also have noticed our new digital signing pads at counters which significantly improves efficiency and helps reduce our environmental impact.

BizFin, is our suite of business lending options for self-employed members and SME borrowers. Members can avail of business loans for up to €100k unsecured and up to €400k secured. Business loans continued to grow throughout the year with over €805k in business lending on the Credit Union loan book by the end of the year. These loans were for a wide range of business needs including purchasing farms and additional farmland, machinery, buying an operating business and annual tax payment loans, among other purposes.

Our results

The Total Income of Credit Union Plus for 2022 amounted to €6,972,055 which was an increase of €150,133 on 2021 primarily driven by the increase in loan interest income. Interest on members' loans was €5,841,878, an increase of 2.74% over last year, the highest it has been since 2010. Income from investments amounted to €1,042,499 which was a reduction of 6.10% from last year mainly due to the decline in investment returns. Bad Debts Written Off at €274,654 were €134,119 more than 2021 while Bad Debts Recovered amounted to €499,308 an increase of €57,452 on last year. We continue to operate a strong underwriting and credit control regime.

Turning to the Balance Sheet, Total Assets amount to €259,244,076, an increase of €4.9 million over last year driven by an increase in Member Shares. Total Reserves stand at €32,200,631 or 12.42% of Total Assets (12.59% in 2021). Regulatory Reserves account for 80.76% of the Total Reserves compared to 80.26% in 2021. Our Loan Book increased by €11,032,919 or 15.25% to €83,381,333. The Provision for Doubtful Debts at €4,834,959 or 5.80% of the loan portfolio is €131,056 higher than in 2021 (6.50% in 2021) and includes additional provisioning for the impact of the cost-of-living increases for members on fixed incomes. Investments are down by €7,497,005 from 2021, as a result of the loan book growing more quickly than new savings. This is a welcome change, and the Credit Union sold a low-income investment position of approximately €6 million during the year to meet loan demand which earns interest at a higher rate. Investments at the year end were at €167,454,355.

Some members may remember the Credit Union created a Strategy Reserve of €2 million in 2018 to fund the delivery of strategic objectives, including the introduction of the Current Account Service with Debit Cards, modernising IT, and creating and launching business lending, among others. As development costs were incurred in these areas they were classed as Intangible Assets with the intention of amortising them (gradually writing down the value) over multiple years, with a corresponding reduction in the Strategy Reserve to offset the amortisation cost.

Since the creation of the Strategy Reserve in 2018, guidance from accountancy bodies and industry practitioners has evolved in the areas of the appropriate accounting treatment of cloud-based systems or Software as a Service (SaaS) related expenditure.

In order to align with the latest guidance on the appropriate treatment of cloud-based systems or Software as a Service (SaaS), Credit Union Plus believe that development expenditure should be expensed rather than capitalised. By changing this accounting policy Credit Union Plus believe that this more prudent approach will result in the financial statements providing more relevant information about the effects of transactions on the entities financial position. This is consistent with Section 10.8(b) of FRS 102. Development expenditure incurred to date will now be expensed and the offsetting of the Strategy Reserve, originally created

for this purpose will be accelerated to cover these costs. This will result in a prior year adjustment which has been included in the financial statements. The Strategy Reserve will cover the development expenditure incurred in prior years and 2021 in full.

This year, due to the low Surplus and the Central Bank's recommendations, the Board of Directors are not proposing any distribution by way of Dividend or Loan Interest Rebate. While we understand that this may be disappointing to some members, the Board of Directors believe that a conservative and prudent approach is necessary to ensure the long-term viability of the Credit Union. The Board of Directors remain confident that by continuing the Credit Union's strategy of modernisation, coupled with an emphasis on cost management, a return to a growing Surplus, an increase in Reserves and Return on Assets is achievable.

Positive Developments

In recent months we have introduced mortgages and several members have now purchased their homes through this new product offering. Members can now borrow up to €300k to buy their home at a variable rate of 3.5% (typical APR 3.56%). The Peopl. Insurance offering is provided at a national level through a collaboration of many Credit Unions and continues to expand. Members can expect to hear more about new insurance offerings from Peopl. Insurance in the coming months.

As we move forward the focus for the Credit Union will be on reaching out to members to ensure they are aware of the full range of benefits and services available to them and utilising all those that meet their needs. We were delighted to see that members continue to have significant trust in the Credit Union, which was reflected in the national 2022 CXi Ireland Customer Experience Report.

We continue to seek member's feedback, and we will continue to respond to your needs both now and in the future.

Appreciation

On behalf of everyone involved in Credit Union Plus I would like to extend my sincere thanks to you, our members. Credit Union Plus exists to provide financial services in our communities on a not-for-profit basis.

It is your continued support by choosing Credit Union Plus for your Current Accounts, personal lending needs, business loans, and mortgages, that allows the Credit Union to continue its operations. During the last year members have borrowed over €37.6 million in new loans. These funds would primarily have been spent within our communities, helping to keep local businesses going and local people in employment.

I would also like to thank my fellow Board of Directors, Board Oversight Committee, Management Team and all Credit Union Plus employees for their continuing hard work and dedication to members.

It has been my privilege to act as Chair of Credit Union Plus and I would ask you to continue to support your local Credit Union into the future. Many thanks.



James Murphy
Chairperson of the Board of Directors

Statement of Directors' Responsibilities

The Credit Union Acts 1997 (as amended) require 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 Account 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.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

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 to 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.

On behalf of the Board of Directors:



James Murphy
Chairperson of the Board of Directors



Liz Gaffney
Member of the Board of Directors

Statement of the 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 have 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 to in relation to the Board.

On behalf of the Board Oversight Committee.



Paul McGlynn
Chairperson of the Board Oversight Committee

Board Oversight Committee Report

The function of the Board Oversight Committee is to assess whether the Board of Directors has operated in accordance with the governance requirements set out in legislation, regulations and guidance.

To date the Board Oversight Committee of Credit Union Plus Ltd. has in furtherance of its role:

- had a presence at Board meetings.
- met monthly as required by legislation.
- formally met with the Board once a quarter and provided a performance report to the Board as required by legislation.
- met with the external auditor of Credit Union Plus Ltd., FLD Chartered Accountants Ltd;
- attended at various committee meetings throughout the year;
- organised and attended specialised Board Oversight Committee training.

The Board Oversight Committee is satisfied to report that the actions and decisions of the Directors of the Board of Credit Union Plus Ltd. as reviewed have been found to be compliant with current rules and legislation. The Board Oversight Committee is satisfied that the method employed by the Board of continual reviews of the Credit Union's processes and procedures ensures that the Credit Union meets all of the requirements laid down from a legal and regulatory perspective.

We would like to extend our thanks to the Board of Directors, Chief Executive Officer and the employees of Credit Union Plus Ltd. for their assistance and support throughout the year as we fulfilled our function.



Paul McGlynn
Chairperson of the Board Oversight Committee

Auditor's Report

Independent Auditor's Report to the Members of Credit Union Plus Limited.

We have audited the financial statements of Credit Union Plus Limited for the year ended 30 September 2022, which comprise the Income and Expenditure Account, Balance Sheet, Statement of Changes in Reserves, Cash Flow Statement 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 the Credit Union Act, 1997 (as amended) and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Credit Union's affairs as at 30 September 2022 and its income and expenditure and cash flows for the 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard 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

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you if:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate: or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Credit Union's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 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)

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 considered were necessary for the purposes of our audit.
- in our opinion proper accounting records have been kept by the Credit Union, and
- the financial statements are in agreement with the accounting records.

Respective responsibilities

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 management either intends to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

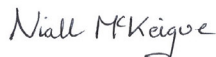
Auditor's responsibilities for the audit of the financial statements

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 details relating to our work as auditor is set out in the Scope of Responsibilities Statement contained in the appendix of this report, which is to be read as an integral part of our report.

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 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.



Niall McKeigue FCA
For and on behalf of
FLD Chartered Accountants Limited
Chartered Accountants and Statutory Audit Firm
Newbridge House, Athlumney, Navan, County Meath
11 November 2022

Appendix to the Independent Auditor's Report

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.

Directors' Report

For the Financial Year Ended 30 September 2022

The Directors present their annual report and the audited financial statements for the financial year ended 30 September 2022.

Principal Activities

The principal activities of the Credit Union are the provision of financial services to its members, the acceptance of members' shares and lending to members in accordance with legislation, regulations and policies determined by the Credit Union.

Business Review

The Omicron variant of Covid-19 negatively impacted new loan demand in the earlier part of the year, however new loans grew substantially from February onwards with over €37.6 million in loans issued for the year. Business loans also began growing in the year with over €805k of business loans in the Credit Union loan book by year end. Several long-term strategic objectives were also delivered this year including the launch of the current account with debit card and overdraft facilities, the introduction of home mortgages and the roll out of a significantly enhanced mobile app and online banking. This more rounded and modern product set will assist the Credit Union in fulfilling our mandate to deliver the full range of financial products and services to our community while ensuring the relevance and long-term sustainability of the Credit Union into the future.

As you will see in note 4 to the accounts the Board of Directors have voluntarily adopted a change to the accounting policy in relation to the categorisation of development expenditure. In order to align with the latest guidance on the appropriate treatment of cloud-based systems or Software as a Service (SaaS) Directors believe that development expenditure should be expensed rather than capitalised. This does not in any way increase costs to the Credit Union and the Strategy Reserve was set aside during the financial year ended 2018 to cover this expenditure. The change merely relates to the presentation of development costs in the accounts.

The Directors are confident of the Credit Union's ability to continue to operate successfully in the future.

Results and Dividends

The surplus of income over expenditure for the year is €169,880 (2021 Restated: Deficit (€1,102,662)). This is set out in the Income and Expenditure Account on page 13.

In line with Central Bank guidance the Credit Union is not proposing the payment of a dividend or a loan interest rebate for the current year.

Principal Risks and Uncertainties

The Credit Union is fully aware of its principal risks and it monitors these constantly and does everything in its power to minimise all risks and to manage prudently those residual risks over which it has little control. The principal areas currently requiring risk management include:

- loan book growth and the ongoing effects of Covid-19/cost of living crisis.
- prudent investment selection to maximise investment income.
- liquidity management and control of costs.
- continuous monitoring of compliance with regulatory and legislative requirements.

Statement on Relevant Audit Information

There is no relevant audit information of which the statutory auditors are unaware. The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

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 financial function. The books of account of the Credit Union are maintained at its registered office at Kennedy Road, Navan, Co. Meath.

Events since the end of year

There are no material events after the Balance Sheet date to disclose.

Auditors

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

On behalf of the Board of Directors:



James Murphy
Chairperson of Board of Directors



Aidan Curtis
Member of the Board of Directors

07 November 2022

Income and Expenditure Account

For the Financial Year Ended 30 September 2022

	Note	2022 €	2021 € Restated (see note 4)
Interest on members' loans	5	5,841,878	5,686,360
Other interest income and similar income	6	1,042,499	1,110,270
Net interest income		6,884,377	6,796,630
Other Income	8	87,678	25,292
Total Income		6,972,055	6,821,922
Expenditure			
Employment costs		2,502,937	2,231,457
Depreciation	11	224,194	231,667
Amortisation	12	–	–
Other management expenses (Schedule 1)		4,572,016	4,887,465
Movement on provision for doubtful debts	13d	131,056	444,070
Bad debts recovered	13d	(499,308)	(441,856)
Gain on revaluation of property	11	(128,720)	(178,737)
Exceptional item - Voluntary Redundancy Programme		–	750,518
Total Expenditure		6,802,175	7,924,584
Surplus/(Deficit as restated) for the financial year		169,880	(1,102,662)
Deficit (Restated) for the financial year before exceptional item		–	(352,144)
Exceptional item – Voluntary Redundancy Programme		–	(750,518)
Deficit for the financial year after exceptional item		–	(1,102,662)

The financial statements were approved and authorised for issue by the Board of Directors on 7 November 2022 and signed on its behalf by:



Phil Hegarty,
Chief Executive Officer



James Murphy,
Member of the Board of Directors



Paul McGlynn
Member of the Board Oversight
Committee

Balance Sheet

As at 30 September 2022

	Note	2022 €	2021 € Restated (see note 4)
Assets			
Cash at bank and on hand	10	9,010,403	7,976,258
Tangible fixed assets	11	3,476,106	3,380,911
Intangible fixed assets	12	–	–
Loans to members	13a	83,381,333	72,348,414
Less: provision for doubtful debts	13a	(4,834,959)	(4,703,903)
Debtors, prepayments and accrued income	14	756,838	373,937
Deposits and Investments – Cash Equivalents	15	46,385,746	37,249,896
Deposits and Investments – Other	15	121,068,609	137,701,464
Total Assets		259,244,076	254,326,977
Liabilities			
Members' shares	16	226,072,872	221,402,922
Members' current accounts	17	40,903	–
Creditors and accrued expenses	18	929,670	893,304
Total Liabilities		227,043,445	222,296,226
Reserves			
Regulatory reserve		26,006,664	25,706,664
Operational risk reserve		1,028,664	812,711
Revenue reserves		4,981,505	5,343,192
Strategy reserve – realised		–	9,406
Non-distributable reserves		183,798	158,778
Total Reserves		32,200,631	32,030,751
Total Liabilities And Reserves		259,244,076	254,326,977

The financial statements were approved and authorised for issue by the Board of Directors on 7 November 2022 and signed on its behalf by:



Phil Hegarty,
Chief Executive Officer



James Murphy,
Member of the Board of Directors



Paul McGlynn
Member of the Board Oversight
Committee

Statement of Changes in Reserves

For the Financial Year Ended 30 September 2022

	Regulatory Reserve	Operational Risk Reserve	Revenue Reserve	Dividend Reserve	Strategy Reserve	Non-Distributable Reserve	Total Reserves
	€	€	€	€	€	€	€
Opening balance at 1 October 2020 as previously reported	24,011,664	787,668	5,100,968	2,080,000	1,936,431	219,592	34,136,323
Prior year adjustment-change in accounting policy (see note 4)	–	–	–	–	(1,002,910)	–	(1,002,910)
Opening balance at 1 October 2020 as restated	24,011,664	787,668	5,100,968	2,080,000	933,521	219,592	33,133,413
Deficit for the year as previously reported	–	–	(178,547)	–	–	–	(178,547)
Prior year adjustment – change in accounting policy (see note 4)	–	–	(924,115)	–	–	–	(924,115)
Transfer between reserves	1,695,000	25,043	1,344,886	(2,080,000)	(924,115)	(60,814)	–
Closing balance at 30 September 2021 as restated	25,706,664	812,711	5,343,192	–	9,406	158,778	32,030,751
Opening balance at 1 October 2021 as restated	25,706,664	812,711	5,343,192	–	9,406	158,778	32,030,751
Total surplus for the year	–	–	169,880	–	–	–	169,880
Transfer between reserves	300,000	215,953	(531,567)	–	(9,406)	25,020	–
Closing balance at 30 September 2022	26,006,664	1,028,664	4,981,505	–	–	183,798	32,200,631

- (1) The Regulatory Reserve of the Credit Union as a percentage of total assets as at 30 September 2022 was 10.03% (2021: 10.03%). During the year this reserve has increased by €300,000 following a transfer from the Revenue Reserve.
- (2) As required under S45 of the Credit Union Act, 1997 (as amended) Credit Union Plus Limited have an Operational Risk Reserve. The Board approved an additional transfer of €215,953 (€200,000 relating to the launch of the new current accounts) from the Realised Reserve to the Operational Risk Reserve, following the completion of an internal process of assessing the level of the reserve required to cover the operational risk within the Credit Union. The Operational Risk Reserve at 30 September 2022 represents 0.40% (2021 0.32%) of total assets at that date.
- (3) As part of their management of reserves in the prior year, the Board approved the transfer of the Dividend Reserve of €2,080,000 to the Revenue Reserves.
- (4) The Board approved the creation of a €2,000,000 Strategy Reserve in 2018 for future projects contained in the Strategic Plan. In 2019, €63,569 of this reserve was used for research expenditure. As a result of the change in accounting policy for development expenditure the balance in the strategy reserve is now fully utilised (see note 4).
- (5) The increase in the Non-Distributable Reserve of €25,020 as at 30 September 2022 relates to an increase in the accrued loan interest receivable.

Cash Flow Statement

For the Financial Year Ended 30 September 2022

	Note	2022 €	2021 € Restated (see note 4)
Opening cash and cash equivalents		45,226,154	45,598,973
Cash flows from operating activities			
Loans repaid by members	13a	26,298,549	26,873,698
Loans granted to members	13a	(37,606,122)	(31,024,086)
Loan interest received	5	5,816,858	5,687,489
Investment income received	6	1,042,499	1,110,270
Other income received	8	87,678	25,292
Bad debts recovered	13d	499,308	441,856
Member current account lodgements	17	79,466	–
Member current account withdrawals	17	(38,563)	–
Operating expenses		(6,800,302)	(7,722,842)
Tax Paid		–	(6,063)
Increase in accrued expenses	18	36,365	238,100
(Increase) /Decrease in prepaid expenses	14	(357,877)	218,593
Net cash flows from operating activities		(10,942,141)	(4,157,693)
Cash flows from investing activities			
Purchase of property, plant and equipment	11	(190,669)	(231,060)
Disposal of property		–	160,000
Purchase of intangible fixed assets	12	–	–
Net cash flow from other investing activities	15	16,632,855	(13,200,121)
Net cash flows from investing activities		16,442,186	(13,271,181)
Cash flow from financing activities			
Members' shares received	16	182,600,493	172,568,633
Members' shares withdrawn	16	(177,930,543)	(155,512,578)
Net cash flows from financing activities		4,669,950	17,056,055
Net increase in cash and cash equivalents	10	10,169,995	(372,819)
Cash and cash equivalents at end of year	10	55,396,149	45,226,154

Notes to the Financial Statements

For the Financial Year Ended 30 September 2022

1. Legal and regulatory framework

Credit Union Plus Limited (The Credit Union) is established under the Credit Union Act, 1997 (as amended). The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the Credit Union is Kennedy Road, Navan, Co Meath.

2. Accounting policies

2.1. 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 the Republic of Ireland" ("FRS 102").

The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain fixed assets and financial instruments as specified in the accounting policies below.

2.2. 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.

2.3. Going concern

The financial statements are prepared on the going concern basis. The Directors of Credit Union Plus Ltd. believe this is appropriate as the Credit Union:

- is generating annual surpluses from normal business operations;
- maintains an appropriate level of liquidity; and
- has reserves that are currently above the minimum requirements of the Central Bank.

2.4. Income

Interest on members' loans

Interest on loans to members is recognised using the effective interest method and is calculated and accrued on a daily basis. An adjustment is made to the year-end amount receivable for any irrecoverable amounts. The Directors have made a decision to transfer accrued interest receivable on loans at the year-end to an unrealised reserve.

Investment income

The Credit Union uses the effective interest method to recognise investment income.

Other income

Other income such as commission receivable on insurance products and foreign exchange services arise in connection to specific transactions. Income relating to individual transactions is recognised when the transaction is completed.

2.5. Dividends and loan interest rebate to members

Dividends on shares and loan interest rebate

Dividends and loan interest rebates are made from current year surpluses or the dividend reserves set aside for that purpose. The Board's proposed distribution to members each year is based on the dividend and loan interest rebate policy of the Credit Union.

The rate of dividend and loan interest rebate recommended by the Board will reflect:

- the risk profile of the Credit Union particularly in its loan and investment portfolios;
- the Board's desire to maintain a stable rather than a volatile rate of dividend and loan interest rebate each year; and
- members legitimate dividend and loan interest rebate expectation.

These are all dominated by prudence and the need to sustain the long-term welfare of the Credit Union. For this reason, the Board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements. The Credit Union accounts for dividends and rebates of loan interest when members ratify such payments at the Annual General Meeting.

2.6. Taxation

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

2.7. Cash and cash equivalents

Cash and cash equivalents comprise of operating cash on hand and cash deposited with banks with original maturity of less than or equal to three months.

2.8. Financial instruments

The Credit Union has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Credit Union becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial assets

Basic financial assets are initially measured at the transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

The specific investment products held by the Credit Union are accounted for as follows:

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. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.

Investments at Fair Value

Investments held which are considered non-basic financial instruments under Section 11 of FRS 102 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. 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.

2.8. Financial instruments (continued)

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 deposits will not ordinarily be returned to the Credit Union while it is a going concern. 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 included with other on demand cash deposits with banks. The amounts held on deposit with the Central Bank are not subject to impairment reviews.

2.9. Financial assets – loans and advances to members

Loans to members 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.

2.10. Other receivables

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

2.11. Impairment of financial assets

Financial assets, other than those held at fair value, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the expected cash flows discounted at the asset's original effective interest rate.

In the case of impairment of loans to members, 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 quarterly 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.

2.12. Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Credit Union transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. In the case of loans to members, loans are derecognised when the right to receive cash flows from the loans have expired, usually when all amounts outstanding have been repaid by the member. Credit Union Plus Limited does not transfer loans to third parties.

2.13. 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 current account balances

Members' shares and current account balances are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently members' shares 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.

2.14. Derecognition of financial liabilities

Financial liabilities are derecognised when the obligations of the Credit Union specified in the contract are discharged, cancelled or expire.

2.15. Tangible fixed assets

Tangible fixed assets comprise items of freehold land and buildings, fixtures & fittings, office & computer equipment and leasehold improvements. All assets, are stated at cost/revaluation less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The Credit Union adopt a policy of revaluing freehold premises. Freehold premises are included in the balance sheet at their fair value on the basis of a periodic professional valuation less accumulated depreciation. The difference between depreciation based on the revalued amount is charged in the Income and Expenditure Account and the asset's original cost is transferred from revaluation reserve to retained earnings (if applicable). Any changes in the value of freehold properties are reflected as a movement on the revaluation reserve except where the revaluation is below original cost or reverses a revaluation decrease of the same asset previously recognised, in which case the balance is recognised in the Income and Expenditure Account.

Depreciation is provided to write off the cost/revalued amount of each item of freehold property, fixtures & fittings, office & computer equipment and leasehold improvements, less its estimated residual value over its estimated useful life. The categories of freehold property, fixtures & fittings, office & computer equipment and leasehold improvements are depreciated as follows:

Freehold property	25 years on revalued amount
Fixtures & fittings	10 years straight line
Office & computer equipment	5 years straight line
Leasehold improvements	10 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the Income and Expenditure Account.

2.16. Impairment of tangible fixed assets

At each reporting end date, the Credit Union reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Credit Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income and Expenditure Account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying 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.

2.17. Research and Development

As detailed in note 4 the Credit Union voluntarily changed their accounting policy for development expenditure. Previously, costs incurred on development projects were capitalised as Intangible Assets and costs were amortised on a straight-line basis in line with their useful life. As a large portion of development expenditure relates to cloud-based systems, the Credit Union believe it is prudent to expense development costs as incurred. Research expenditure is recognised immediately in the Income and Expenditure Account.

2.18. Employee benefits

Pension Scheme

The Credit Union operates a defined contribution pension scheme for permanent employees. These assets are held separately from those of the Credit Union in an independently administered fund. Pension contributions are charged to the Income & Expenditure account as they become payable in accordance with the rules of the scheme. Amounts not paid are reflected in accruals as a liability on the Balance Sheet.

Other Employee Benefits

The costs of short-term employee benefits, including holiday pay, are recognised as a liability and as an expense over the period they are earned.

2.19. Exceptional item

Exceptional items are those that the Directors' view are required to be separately disclosed by virtue of their size or incidence to enable a full understanding of the Credit Union's financial performance. The Credit Union believe that this presentation provides a more informative analysis as it highlights one off items. Such items may include restructuring events like a voluntary redundancy programme, impairment of assets, litigation settlements and legislative changes. The Credit Union has adopted an income statement format that seeks to highlight significant items within the Credit Union results for the year.

2.20. Government grants

Government grants are recognised at their fair value in the Income and Expenditure Account where there is a reasonable assurance that the grant will be received and the Credit Union has complied with all attached conditions.

Capital Grants received where the Credit Union has yet to comply with all attached conditions are recognised as a liability (and included in deferred income within creditors and accruals) and released to income when all attached conditions have been complied with.

Revenue Grants are credited to income so as to match them with the expenditure to which they relate. Government grants received/repaid are included in 'other income' in the Income and Expenditure Account.

2.21. Reserves

Regulatory Reserve

The Credit Union is required to maintain and establish a minimum Regulatory Reserve of at least 10% of the assets of the Credit Union in accordance with the Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

Operational Risk Reserve

The Credit Union has established an Operational Risk Reserve which is separate, distinct and in addition to the reserves the Credit Union is required to hold in its Regulatory Reserve. 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 amount held in the Operational Risk Reserve is the predicted impact of operational risk events that may have a material impact on the Credit Union's business.

Dividend Reserve

Dividend Reserves are the accumulated surpluses to date that have not been declared as dividends to members or set aside to the regulatory reserve, operational risk reserves, strategy reserve or the non-distributable reserve. As part of their management of reserves in the prior year, the Board approved the transfer of the Dividend Reserve to the Revenue Reserves.

Strategy Reserve

The Strategy Reserve has been established in the financial statements for projects included in the strategic plan. The voluntary change in accounting policy during the year has meant that the strategy reserve is fully utilised as at 30th September 2022.

Non-Distributable Reserve

Investment 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 2016. A reclassification between non-distributable and distributable is made as investments come to within 12 months of maturity date. Interest on loans receivable at the balance sheet date is also classified as "unrealised" and is not distributable.

Revenue Reserve

Revenue Reserves are the accumulated surpluses to date and reserves arising on the transfer of engagements that have not been declared as dividends returnable to members or set aside to the regulatory reserve, operational risk reserves, strategy reserve or the non-distributable reserve.

2.22. Prior year comparatives

Prior year comparatives have been re-analysed where necessary to conform to the current year presentation.

3. Use of estimates and judgements

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying the Credit Union's accounting policies. The areas requiring a higher degree of judgement or complexity and areas where assumptions or estimates are most significant to the financial statements are disclosed below:

Revaluation of land and buildings

The Credit Union adopt a revaluation policy on freehold land and buildings held by the Credit Union. The Credit Union carries out periodic valuations to ensure that the carrying amount of the land and buildings is equal to the fair value of the land and buildings at each year end date. The fair value placed on the land and buildings is based on advice from independent expert valuers. See note 11 for details of the valuation performed in the current year.

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/residual values 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 or residual values can have a significant impact on the depreciation charge for the financial year.

Bad debt provision

The Credit Union's accounting policy for impairment of loans is set out in the accounting policy in Note 2.11. The estimation of loan losses is inherently uncertain and depends upon many factors. These include loan loss trends, credit risk characteristics in loan classes including the impact of Covid-19, 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 current provision for bad debts in the financial statements is €4,834,959 (2021: €4,703,903) representing 5.80% (2021: 6.50%) of the total gross loan book.

Operational risk reserve

The Board of Directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have considered an approach to the calculation of the Operational Risk Reserve. The amount held in the Operational Risk Reserve is the predicted impact of operational risk events that may have a material impact on the Credit Union's business. This amount transferred to the Operational Risk Reserve has been influenced by the business mix and risk profile of the activities being undertaken in the Credit Union. The Board of Directors have determined that the amount transferred to the Operational Risk Reserve is appropriate having taken account of the overall level of reserves of the Credit Union and taking prudent account of the scale and complexity of the Credit Union's business, its risk profile and prevailing market conditions.

4. Prior year adjustment – Voluntary Change in Accounting Policy

During the year the Credit Union changed its accounting policy for development expenditure which met the conditions for capitalisation under Section 18.8H FRS 102 as intangible assets. The Credit Union previously adopted a policy of capitalisation of these development costs but now instead have voluntarily elected to apply a policy of expensing these costs as is permitted by Section 18.8H of FRS 102. Section 10 of FRS 102 requires this change in accounting policy to be applied retrospectively so as a result the comparative figures have been restated. The decision to change this accounting policy arose as:

- it reflects the changing interpretation of standard setters with regard to the accounting for cloud-based platforms, which has evolved over the last year and continues to evolve, so as a result, the Directors believe it prudent to apply an expense policy; and
- this change aligns more fully with other Credit Union's policies thereby allowing for greater comparability of results, resulting in the reader of the financial statements having a clearer picture of the Credit Union's results and more easily allow the reader to identify the development expenditure that is incurred in a year.

Had the capitalisation policy continued in the current year, intangible assets on the balance sheet would have increased by €558,408 to €2,485,433, and the expenses would have increased by €20,706 for the amortisation charge for the financial year end 30th September 2022. The impact of this change in accounting policy on the comparative results has been summarised below. Had the expense policy applied in the financial year 2021 the deficit in the income statement would have increased by €924,115 and the balance sheet net asset position reduced by €1,927,025. (€924,115 in 2021 and adjustment to opening reserves at 1.10.2020 €1,002,910).

Analysis of Prior Year Adjustments

Intangible Assets for year ended 30 September 2021

	2021 €
Net book value as previously stated	1,927,025
Adjustment for change in accounting policy pre-1 October 2020	(1,002,910)
Adjustment for change in accounting policy 2021	(924,115)
Net book value as at 30 September 2021 as restated	–

Income and Expenditure for year ended 30 September 2021

	2021 €
Deficit for the year ended 30 September 2021 as previously stated	(178,547)
Adjustment for change in accounting policy	(924,115)
Deficit for the year ended 30 September 2021 as restated	(1,102,662)

Strategy Reserves as at 30 September 2021

2021
€

Strategy reserves as at 30 September 2021 as previously stated	1,936,431
Adjustment for prior year adjustment pre-1 October 2020	(1,002,910)
Adjustment for prior year adjustment 2021	(924,115)
Strategy reserves as at 30 September 2021 as restated	9,406

Please note in the cash flow statement development expenditure will now be reflected through “operating expenses” rather than “purchase of intangibles”.

5. Interest on members' loans

	2022 €	2021 €
Closing accrued loan interest receivable	183,799	158,778
Loan interest received in the year	5,816,858	5,687,489
Opening accrued loan interest receivable	(158,778)	(159,907)
Total interest on members' loans	5,841,878	5,686,360

6. Other interest income and similar income

	2022 €	2021 €
Investment income received/receivable within 1 year	1,040,579	1,110,270
Gain on sale of investment	1,920	–
Total other interest income and similar income	1,042,499	1,110,270

7. Dividends and loan interest rebate

In compliance with Central Bank guidance the Credit Union is not proposing the payment of a dividend or an interest rebate for the current year. Given the current level of risk and uncertainty regarding the economic outlook the Credit Union is taking a prudent approach to reserve management.

8. Other income

	2022 €	2021 €
Commissions	87,678	28,818
Grant refund	–	(3,526)
Total other income	87,678	25,292

9. Key management personnel

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

	2022 €	2021 €
Short term employee benefits	982,855	678,633
Payments to defined contribution pension schemes	100,765	89,026
Total key management personnel compensation	1,083,620	767,659

10. Cash and cash equivalents

	2022 €	2021 €
Cash at bank and on hand	9,010,403	7,976,258
Short term deposits with banks	46,385,746	37,249,896
Total cash and cash equivalents	55,396,149	45,226,154

Short term deposits with banks are deposits with original maturity of less than or equal to three months.

All other deposits with banks are included under Investments in the Balance Sheet and disclosed in Note 15.

11. Tangible fixed assets

Tangible fixed assets are comprised of the following freehold land & buildings, fixtures & fittings, office & computer equipment and leasehold improvements:

	Freehold land & buildings €	Fixtures & Fittings €	Office & computer equipment €	Leasehold Improvements €	Total €
Cost/revalued amount					
As at 1 October 2021	3,030,876	754,227	973,079	118,750	4,876,932
Additions	79,303	46,117	65,249	–	190,669
Revaluation	128,720	–	–	–	128,720
As at 30 September 2022	3,238,899	800,344	1,038,328	118,750	5,196,321
Depreciation					
As at 1 October 2021	210,874	401,047	866,320	17,781	1,496,021
Charge for the year	81,115	43,905	87,295	11,879	224,194
As at 30 September 2022	291,989	444,952	953,615	29,660	1,720,216
Net book value					
As at 30 September 2022	2,946,910	355,392	84,713	89,090	3,476,106
As at 30 September 2021	2,820,002	353,180	106,759	100,969	3,380,911

The land and buildings in Navan which are used as part of the Credit Union's core operation were revalued by Raymond Potterton, I.P.A.V., to an open market value basis reflecting existing use on 30th September 2022. These valuations have been incorporated into the financial statements and have resulted in a gain on revaluation of property of €128,720 being recognised in the Income and Expenditure Account to reflect the fact that the market value has now increased above its existing carrying amount but not above the original carrying amount that it would have been carried at had no revaluation policy been adopted.

The historical cost and accumulated depreciation on the freehold premises had a revaluation policy not been applied is as follows;

	2022 €	2021 €
Original Cost	13,289,603	13,459,603
Less Property Disposed	–	(170,000)
Less Accumulated Depreciation	(5,743,220)	(5,288,557)
Net book Value	7,546,383	8,001,046

12. Intangible Fixed Assets

	Note	2022 €	2021 € as restated
Cost			
As at 1 October		–	1,019,809
Additions – Development costs		–	943,917
Prior Year Adjustment (see note 4)	4	–	(1,963,726)
As at 30 September		–	–
Amortisation:			
As at 1 October		–	(16,899)
Amortisation for the year		–	(19,802)
Prior Year Adjustment (see note 4)	4	–	36,701
As at 30 September		–	–
Net Book value as at 30 September		–	–

See note 4 for change in accounting policy in relation to development expenditure.

13. Loans to members – financial assets

13a. Loans to members

	Note	2022 €	2021 €
As at 1 October		72,348,414	68,338,561
Advanced during the year		37,606,122	31,024,086
Repaid during the year		(26,298,549)	(26,873,698)
Loans written off		(274,654)	(140,535)
Gross loans to members	13b	83,381,333	72,348,414
Impairment allowances			
Individual loans		(267,722)	(336,753)
Group of loans		(2,407,063)	(2,050,204)
Other impaired loans		(2,160,174)	(2,316,946)
Loan provision	13c	(4,834,959)	(4,703,903)
Net loans to members as at 30 September		78,546,374	67,644,511

13b. Credit risk disclosures

The majority of loans to members are unsecured. However, there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding.

The Credit Union complies with Section 12 of the Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016. This Regulation:

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

The carrying amount of the loans to members represents Credit Union Plus Limited's minimum 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.

	2022		2021	
	Amount €	Proportion %	Amount €	Proportion %
Loans not Impaired:				
Total loans not impaired	70,312,580	84.33	61,988,645	85.68
Impaired loans:				
Up to 9 weeks past due	9,773,816	11.73	8,001,588	11.06
Between 10 and 18 weeks past due	879,095	1.05	437,774	0.61
Between 19 and 26 weeks past due	381,383	0.46	282,478	0.39
Between 27 and 39 weeks past due	454,182	0.54	327,404	0.45
Between 40 and 52 weeks past due	317,451	0.38	254,271	0.35
53 or more weeks due	1,262,826	1.51	1,056,254	1.46
Gross loans impaired	13,068,753	15.67	10,359,769	14.32
Total gross loans	83,381,333	100.00	72,348,414	100.00

Factors that are considered in determining whether loans are impaired are discussed in Note 2.11 and Note 3.

13c. Loan provision account for impairment losses

	2022 €	2021 €
As at 1 October	(4,703,903)	(4,259,833)
Allowance for loan losses written off during the year previously provided for	274,654	140,535
Movement in bad debt provision	(405,710)	(584,605)
As at 30 September	(4,834,959)	(4,703,903)

The current provision for bad debts in the financial statements is €4,834,959 (2021: €4,703,903) representing 5.80% (2021: 6.50%) of the total loan book.

13d. Net recoveries or losses recognised for the year

	2022 €	2021 €
Bad debts recovered	499,308	441,856
Increase in loan provisions during the year	(131,056)	(444,070)
	368,252	(2,214)
Loans written off previously provided for	(274,654)	(140,535)
Net recoveries/(losses) on loans to members recognised for the year	93,598	(142,749)

13e. Analysis of gross loans outstanding

	2022 Number of Loans	€	2021 Number of Loans	€
Less than one year	1,797	3,415,261	1,675	3,097,405
Greater than 1 year and less than 3 years	2,762	16,974,681	2,848	17,269,862
Greater than 3 and less than 5 years	1,796	24,542,702	1,698	21,949,603
Greater than 5 years and less than 10 years	1,202	37,504,914	984	28,754,245
Greater than 10 years and less than 25 years	22	943,775	29	1,277,299
	7,579	83,381,333	7,234	72,348,414

14. Debtors, prepayments and accrued income

	2022 €	2021 €
Prepayments	573,039	215,159
Accrued loan interest income	183,799	158,778
	756,838	373,937

15. Deposits and Investments

The Credit Union has the following investments:

	2022 €	2021 €
Fixed term deposits with banks	132,690,664	130,499,081
Corporate bonds	18,046,056	21,608,909
Government bonds	16,717,635	22,843,370
Total deposits and investments	167,454,355	174,951,360

	2022 €	2021 €
Deposits and investments – cash equivalents	46,385,746	37,249,896
Deposits and investments – other	121,068,609	137,701,464
Total deposits and investments	167,454,355	174,951,360

The category of counterparties with whom the deposits and investments were held was as follows:

	2022 €	2021 €
Aa3	25,013,793	5,011,126
A1	63,021,334	35,856,916
A2	18,282,809	35,537,488
A3	1,999,459	17,779,675
A	–	8,524,900
Baa1	35,532,566	52,145,195
Baa2	23,604,394	20,096,060
Total deposits and investments	167,454,355	174,951,360

16. Members' Shares – financial liabilities

	2022 €	2021 €
As at 1 October	221,402,922	204,346,867
Received during the year	182,600,493	172,568,633
Withdrawn during the year	(177,930,543)	(155,512,578)
As at 30 September	226,072,872	221,402,922

Members' shares are repayable on demand except for shares attached to loans. The breakdown of the shares between attached and unattached is as follows:

	2022 €	2021 €
Unattached shares	216,386,689	210,116,910
Attached shares	9,686,183	11,286,012
Total members' shares	226,072,872	221,402,922

17. Members' Current Accounts – financial liabilities

	2022 €	2021 €
As at 1 October	–	–
Received during the year	79,466	–
Withdrawn during the year	(38,563)	–
As at 30 September	40,903	–

	No. of Accounts	Balance of Accounts €
Debit Balances	–	–
Credit Balances	51	40,903
Permitted Overdrafts	1	(600)

18. Creditors and accrued expenses

	2022 €	2021 €
Pension and short-term payroll accruals	86,681	92,362
Other creditors and accruals	842,989	800,942
	929,670	893,304

19. Financial instruments

	2022	2021
Financial Assets	€	€
Financial assets measured at amortised cost	255,194,931	250,730,907
	255,194,931	250,730,907

Financial Assets measured at amortised cost are comprised of cash and balances at bank, deposits and investments, loans to members net of provision and debtors.

	2022	2021
Financial Liabilities	€	€
Financial liabilities measured at amortised cost	227,043,445	222,296,226
	227,043,445	222,296,226

Financial Liabilities measured at amortised cost are comprised of member shares, member current accounts, creditors and accruals.

Additional financial instruments disclosures

19a. Financial risk management

Credit Union Plus Limited invests excess funds with a view to ensuring that the return from members' loans and investments is adequate to meet the overheads of the Credit Union and provide a reasonable return to members on shares. The Credit Union has a risk register in place to help the Directors manage the various risks arising from its activities to include the issuing of loans to members and investing the excess funds of the Credit Union.

The main financial risks arising from Credit Union Plus Limited's activities are credit risk, liquidity risk, market 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 Credit Union Plus Limited resulting in financial loss to the Credit Union. In order to manage this risk, the Board approves the Credit Union's credit policy and all changes to it. All loan applications are assessed with reference to the credit policy in force at the time. Subsequently, loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit risk on members' loans is disclosed in Note 13b.

The Credit Union's investments are also exposed to credit risk and the Credit Union mitigates the risk by only placing investments with financial institutions where the counterparties have strong credit ratings and using investment products authorised by the Central Bank. Credit Union Plus Limited have engaged independent investment advisors to assist them in managing this credit risk.

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. The Credit Union adheres on an ongoing basis to the minimum liquidity ratio and the minimum short-term liquidity ratio as set out in the Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016 as amended.

Market risk

Market risk is generally comprised of currency risk and other price risk. Credit Union Plus Limited conducts all its transactions in euro and does not deal in derivatives or commodity markets. Therefore, the Credit Union is not exposed to any form of currency risk or other price risk.

Interest rate risk

The 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 on investments and members' loans when deciding on the dividend rate payable on shares and on any loan interest rebate.

19b. Interest rate risk disclosures

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

	2022		2021	
	Amount €	Average interest rate	Amount €	Average interest rate
Financial assets				
Gross loans to members	83,381,333	7.4%	72,348,414	8.5%

The dividend and loan interest rebate when proposed are at the discretion of the Directors and are therefore not a financial liability of the Credit Union until declared and approved at the AGM.

19c. Liquidity risk disclosures

All of the financial liabilities of the Credit Union are repayable on demand except for members' shares attaching to loans. The Credit Union continuously retains liquid assets amounting to a minimum of 30% of unattached shares.

19d. Capital

The Credit Union maintains sufficient reserves to buffer the Credit Union against any losses on its members' loans and also its investments. The current regulatory reserves are in excess of the minimum requirement set down by the Central Bank and stand at 10.03% of the total assets of the Credit Union at the Balance Sheet date.

20. Post Balance Sheet events

There are no material events after the Balance Sheet date to disclose.

21. Update on Contingent Liability note included in 30 September 2021 Financial Statements

In September 2018 all Credit Unions received correspondence from the Central Bank on a potential matter relating to accrued interest outstanding on members' top-up loans, which may have led to a potential over-collection of interest. Following correspondence received from the Central Bank in mid-September 2022, a further review was performed by the credit union which confirmed that the liability for redress to members was minimal, less than €3,500 in total. There are approximately 350 members (under 1% of total members) impacted. Refunds to members will be issued in the 2022/2023 financial year.

22. Capital commitments and other disclosable commitments

There were no capital commitments as at 30th September 2022.

23. Insurance against fraud

The Credit Union has insurance against fraud in the amount of €2,500,000 (2021: €2,500,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

24. Related party transactions

Related parties include the Directors and management team of the Credit Union and their family members or any business in which the Directors or the management team have a significant shareholding. During the year ended 30 September 2022, loans in the amount of €442,380 (2021: €265,861) were advanced to related parties. The loans outstanding from related parties as at 30 September 2022 were €997,176 (2021: €755,282) while the respective share balances were €216,747 (2021: €253,055). These loans amounted to 1.20% of total gross loans due at 30 September 2022 (2021: 1.04%). There were €40,850 provisions against the loans due from related parties as at 30 September 2022 (2021: €72,141).

25. Approval of Financial Statements

The financial statements were approved and authorised for issue by the Board of Directors on 7 November 2022.

Schedule to the Financial Statements

For the Financial Year ended 30 September 2022

Schedule 1 – Other management expenses

	2022 €	2021 €
Employee Pension Scheme	205,041	238,942
Stationery & Office Consumables	71,347	73,246
Postage & Telephone	102,106	88,456
Information Technology	688,885	703,208
Light & Heat	98,302	76,196
Repairs & Maintenance	87,817	63,582
Rent & Rates	50,194	34,154
General Insurance	150,322	128,896
Savings & Loan Insurance	644,212	618,569
Marketing	115,580	173,309
Training	47,170	81,493
Donations & Sponsorship	21,301	28,995
AGM	31,004	39,165
Convention & Conferences	33,453	–
Member Current Accounts	10,013	–
External Audit	45,984	46,740
Internal Audit & Compliance	23,325	53,849
Legal & Professional	318,391	371,120
Regulatory Levies & Charges	471,996	331,462
Affiliation Fees	24,689	52,818
Bank Charges	122,100	269,115
Security	97,557	111,557
Travel and Officers Expenses	12,261	7,228
Credit Related Costs	59,422	77,448
Call Centre	185,776	127,402
Capital Gains Tax	–	6,063
Research and Development	579,114	943,917
Bad Debts Written Off	274,654	140,535
Total Other Management Expenses	4,572,016	4,887,465

Credit Committee Report

The Credit Committee is an Operational Management Committee reporting to the Board of Directors. The committee is responsible for ensuring that loans are made in line with the lending policies, procedures, and regulatory requirements of the Credit Union. During the year the committee met regularly to consider loan applications within its lending authority and to perform quality checks.

A full suite of business lending products was introduced in 2021 through a collaboration with two other Credit Unions and CUDA (Credit Union Development Association) under the brand of BizFin. BizFin allows the Credit Union to offer unsecured business loans of up to €100k and secured loans of up to €400k. Feedback from members who have availed of these loans has been overwhelmingly positive with several participating in testimonial videos. The BizFin service continues to gain in popularity with members, with over €805k of business loans on the loan book by year end.

Credit Union Plus is also happy to inform members that our new home mortgage product is now available for up to €300k at a competitive rate of just 3.5% (typical APR 3.56%). This was also delivered in collaboration with CUDA.

During the first four months of the financial year loan demand was negatively impacted by the Omicron variant of Covid-19. Since February 2022, loan demand has been strong with almost €27.3 million in loans issued from February to September. New Loans Issued amounted to over €37.6 million as depicted in the chart below which is over €6.6 million more than last year. The number of New Loans Issued was 5,389 which is over 13% higher than 2021. Despite the earlier challenges the Loan Book increased by over €11 million to over €83 million which was an increase of 15% on last year.

While we welcome the increase in the Loan Book, we are mindful of the need to maintain its quality. In this respect each loan application is assessed on the member's ability to repay based on information available and verified. Notwithstanding this requirement most loans are approved quite quickly.

We continue to encourage all existing and new members to use Credit Union Plus as your first stop when seeking personal, business finance and home mortgages. Applications for Loans can be taken at any of our branches, over the phone or through our App and you should expect to see and hear more of our competitive offerings in the coming year.

My thanks to my Credit Committee colleagues Stephen Doyle and Helen Kearns for their support during the year.

Michele Gorman, Chairperson

New Loans Issued 2022

	Number	% of Total No.	Value €	% of Value
Agriculture	5	0.09	58,000	0.15
Bills/Consolidation of Debts	203	3.77	1,053,581	2.80
Community	1	0.02	28,280	0.08
Commercial	8	0.15	390,000	1.04
Education	75	1.39	410,535	1.09
Holidays/Leisure	272	5.05	641,120	1.70
Home Improvement	814	15.10	4,032,805	10.72
Misc./Personal/Occasional	1842	34.18	20,517,457	54.51
Own Guarantee/Euro for Euro	1340	24.87	4,318,347	11.47
Transport	829	15.38	6,186,615	16.44
Total	5389	100	37,636,740	100

Audit Committee Report

The Audit Committee is a formally constituted committee of the Board of Credit Union Plus Ltd. The purpose of the committee is to oversee on behalf of the Board, and of the members, the financial reporting process, the system of internal control, and all audit related matters of the Credit Union.

The purpose of the Internal Audit function is to evaluate and improve the effectiveness of risk management, control, and governance processes in the Credit Union. Internal Audit has completed the audit work programme detailed in the 2022 audit plan and met with the Audit Committee during the year to review and discuss the findings and recommendations of these audits.

The role of internal audit continues to act independently to ensure the continued strength of your Credit Union by adherence to regulation and ensures continuous improvement of policies, procedures, and processes.

Although operating independently of each other, the Audit Committee also facilitated meetings between the Audit, Compliance, and Risk functions ensuring that a more focused and cohesive approach to risk management and governance is operating within the Credit Union.

The committee would like to thank the Chief Executive Officer, Senior Team and all employees for their assistance and co-operation during the year. I would also like to thank my fellow Audit Committee members, Caragh Beggy, Paula McCarthy and Aidan Curtis for their help and support during the year.

Fergus Lynch, Chairperson

Membership Committee Report

The Membership Committee is an Operational Management Committee reporting to the Board of Directors. The primary objective of the Membership Committee is to oversee and make recommendations on activities that will improve the membership process.

This year Credit Union Plus Ltd. welcomed over 1,700 new members.

The Membership Committee encourage all members to introduce new members to Credit Union Plus Ltd. Activities to encourage new members to join the Credit Union recommenced as Covid-19 lockdown measures eased.

Membership Applications can now be completed digitally on our website www.creditunionplus.ie/membership/

Laura Rogers, Chairperson

Nomination Committee Report

The Nomination Committee is a mandatory committee of the Credit Union. The duties and responsibilities of the Committee are set out in the Credit Union Act 1997 and the Credit Union & Co-Operation with Overseas Regulators Act 2012 and can be summarised as follows:

- identify and propose candidates with the necessary skills and expertise for appointment to the Board of Directors;
- ensure that there is an appropriate Succession Plan in place for the Board of Directors;
- assist the Credit Union in fulfilling its obligations under the Central Banks Fitness & Probity Standards;
- ensure that each Director receives necessary mandatory training;
- arrange induction training for new Directors.

Committee members are:

- [Jim White – Chairperson](#)
- [Liz Gaffney – Secretary](#)
- [Brendan Kiernan](#)
- [Aidan Curtis](#)
- [Simon MacMahon](#)

Elections

Board of Directors

There are three vacancies on the Board of Directors. In accordance with legislation the following outgoing Directors must stand down.

- [James Murphy](#)
- [Fergus Lynch](#)
- [Simon MacMahon](#)

All are eligible and are seeking re-election to the Board.

Elections will be held at the AGM to fill these vacancies by secret ballot on the recommendation of the Nomination Committee.

Auditors

External Auditors FLD Chartered Accountants Ltd. have expressed their willingness to continue in office in accordance with Section 115 of the Credit Union Act, 1997 (as amended).

Potential New Directors

The Nomination Committee is continually seeking new Volunteers with the necessary skills and expertise to support the Board and its Committees as volunteers either on the Board of Directors or on the Board Oversight Committee.

The committee will meet with any member who is interested in volunteering to discuss what is involved and evaluate their suitability for the role.

A Volunteer Expression of Interest Form can be provided on request.

Jim White, Chairperson

Risk Management Committee Report

The Risk Management Committee of Credit Union Plus is appointed annually by the Board of Directors to oversee and advise on the current and future risk exposures of the Credit Union. The role of the committee is to promote a strong risk management awareness and culture within the Credit Union. Understanding the risks the Credit Union is exposed to enables the Board of Directors to make more informed decisions and ultimately improve the level of service and security for our members.

In 2022, the Risk Management Committee members were:

- Brian Meegan (Chair)
- Liz Gaffney, Secretary
- James Murphy
- John Grennan

Risk management is at the core of the strategic objectives of the Credit Union.

Protection of members' shares is the key objective of the Board of Directors, Management Team and all employees. The Risk Management committee are satisfied that the risk management function is working effectively. The committee continue to work closely with the Management Team to ensure that the systems and controls which currently are in place and continue to be developed, are maintained to mitigate all current and future risks.

Brian Meegan, Chairperson

Credit Control Committee Report

The Credit Control Committee is an operational committee whose role is to ensure the repayment of loans by members in accordance with their Credit Agreements. The committee ensures the Credit Control department is compliant with Credit Union policies and regulatory requirements. The Committee reports to the Board of Directors.

Summary

The Loan Book has grown in value by approximately €11 million this year.

We are aware that some of our members had financial difficulties this year. We encourage any member experiencing difficulties to contact us as early as possible. All members are treated respectfully and correspondence is held in strict confidence. Every effort is made to try and reach a solution that is suitable for both the member and the Credit Union.

Review of Activities

Recoveries on charged off loans this year were €499,308 with €274,654 being charged-off. Charging off a loan means that the members' shares are transferred to the loan balance, and they can no longer access Credit Union services. It can also affect their credit rating. Members should be aware that even though a loan has been charged off, the debt remains outstanding to the Credit Union and is actively pursued.

Bad Debt Provisioning

Credit Union Plus continually reviews the adequacy of provisions for doubtful debts. Reviews are performed to verify the adequacy of the bad debt provision and to detect possible doubtful debts. Accordingly, the bad debt provision was increased to just over €4.8 million.

The Credit Control Committee wishes to extend its gratitude to the members who are adhering to their loan repayment agreements.

We would like to thank the Directors, Management, and employees for their help throughout the year.

Jason Murray, Chairperson



Our Members' Monthly Car Draw, now in its 14th year has been a tremendous success with 9,741 members participating in our latest draw. It costs €1 per week (€13 per quarter) to take part in the draw and this is deducted from members' shares on a quarterly basis.

Members are entitled to join the Car Draw at any time and application forms together with the rules of the draw are available in the office. All of the funds entered into the draw less some small expenses are paid out in prizes. Details of the car draw fund for the year to 30 September 2022 are shown above.

At 30 September 2022, there was €87,044 in the car draw fund. Prizes of €35,000 were paid out in the special draw held annually to celebrate International Credit Union day on 20 October 2022, while prizes of 5 x €2,000 and 1 x €1,000 and a Car will be distributed in our Christmas Draw on 3 December. A further €72,000 of extra bonus draws will take place in the run up to Christmas.

Car Draw Fund

Balance at 1 st October 2021	€92,064
Entry Fees	€499,152
Less Prizes given out	(€504,172)
Balance at 30 th September 2022	€87,044

Car Draw Winners

October Brian Stapleton	November Tracey & Keith Brady
December Ellen Mitchell	January Sean Clarke
February Lisa McCarthy	March Rachel Nolan
April Irene O'Connell	May Denis Darcy
June Noel B Murray	July Edel Murray
August Laura Dunne	September Josephine Ashton

Giving back to members for just €1 a week.

Navan
Kennedy Road,
Navan,
Co. Meath

Ballivor
Main St,
Ballivor,
Co. Meath

Ballyjamesduff
Main St,
Ballyjamesduff,
Co. Cavan

Clonmellon-Delvin
Main St,
Clonmellon, Navan,
Co. Meath

Dunshaughlin
Main St,
Dunshaughlin,
Co. Meath

Trust us to keep it simple

With no hidden administration or transaction fees and repayment options to suit you (weekly, fortnightly or monthly) we're with you every step of the way.



Autumn/Winter Loan Sale

Loan Amount	Weekly Repayments	Term	Total Interest	Total Repayments
€25,000	€111.17	5 Years	€3,902.90	€28,902.90
€30,000	€100.75	7 Years	€6,672.38	€36,672.38
€35,000	€105.71	8 Years	€8,974.81	€43,974.81
€50,000	€128.30	10 Years	€16,160.95	€66,160.95
€75,000	€192.45	10 Years	€24,241.47	€99,241.47
€100,000	€256.60	10 Years	€32,322.04	€132,322.04

E&OE. All loans are subject to application & approval, creditworthiness and repayment ability will be assessed. Lending Terms & Conditions apply. No lump sum repayments allowed for the first two years after the loan drawdown on our Autumn/Winter Loan Sale. Credit Union Plus Ltd. is regulated by the Central Bank of Ireland. 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.

Autumn/Winter Loan Sale: Variable interest rate of 5.95%. Typical APR is (6.10%). Minimum borrowing of €25,000 – maximum is dependent on repayment capacity. Minimum duration is 2 years and maximum is dependent on the purpose of the loan. For existing members that have loans with us, there is a minimum top up of €5,000 allowed to enable member to avail of the Autumn/Winter Loan Sale interest rate, the overall balance must be €25,000 or above.

Student/Apprenticeship Loan: Variable interest rate of 4.95% Typical APR is (5.07%). Minimum borrowing of €100 on new loans – maximum is dependent on repayment capacity. Minimum duration is 1 month and maximum is dependent on the purpose of the loan.

Call **046 90 21395**
or apply online today!

Apply for a loan over the phone today,
without the need to call into your local branch.
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