

2023



**CLADDAGH
CREDIT UNION**

Annual Report

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Virtual AGM.

The Annual General Meeting for 2023
will take place online.



Wednesday, 24th January 2024 at 7.30pm

To view & take part in the AGM you must register at www.claddaghcu.ie

If you require any additional supports to take part in the AGM, please contact info@claddaghcu.ie or call **091 537 200** prior to 20th January 2024 we will be happy to help.



Serving members for 60 years.



CLADDAGH
CREDIT UNION

Your Loyal Financial Partner

We are going Green.

Your Credit Union is playing its part in going Green, we:



Established a staff 'Green Team' including the CEO to establish projects and initiatives to reduce our Carbon Footprint



Installed Solarpanels in our Mainguard St. Branch (over a 6 month period, we have captured 1,000 KW of energy)



Introduced fleeces to the uniform and set a stable office temperature to reduce energy usage

Increased Insulation in back offices in our Westside Branch



Conducted an electrical audit and developed a 3 year plan to reduce energy usage



Attended various seminars and collaborated with other Credit Unions on ESG initiatives



Hosted a Greener Homes Solutions event in Knocknacarra



Hosted a Secondary Schools TY Students Workshop on Green Initiatives

Helping You Go Green.

Thank you for your help in reducing paper usage.

By the end of 2023 we had:

2,960 Members changed over to e-statements for their accounts

11,658 Members opted to receive this booklet via email*

Supporting members going green.

- Electric Car Loans
- Solar Panel Loans
- Home Insulation Loans
- Green Renovations Loans
- Special Bike Loan



What you can do...

Sign up now to get your statement electronically and opt in to get this book via email using our dedicated page:



**Due to regulation, the AGM book must be provided to every member*

Projects...

UniCash Bursary

Claddagh Credit Union have now given away over €100,000 in our Unicash giveaway to support our third level students in education over the past 9 years.

This year our 5 winners of €1,500 each were Conor Gannon, Diarmuid Daveron, Luke Dalton, Natalie Harutyunyan and Sadbh Butler.



The Pink Swim

In October 2023, six Claddagh Credit Union staff took part in the Annual “Pink Swim” in Salthill in aid of Breast Cancer Research Centre and raised €2,000 for this great cause.



Sports Sponsorship

Claddagh Credit Union continued to support the local community by sponsoring sporting jerseys, sports equipment for various sports; which included Gaelscoil Mhic Amhlaigh’s athletic team, Oughterard AFC, Cumann Rámhaíochta Choláiste na Coiribe and a local representative, Barry Loughnane at the World Championships in kayaking.



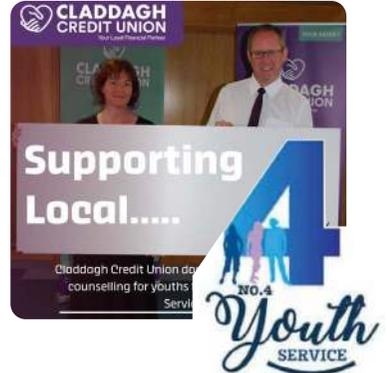
Community Partners...

In 2023, we continued to support our Community Partners.

No.4 Youth Service

No. 4 Youth Service provides a range of supports for young people aged 13 – 25 years in areas of Education, Physical & Mental Health, Homelessness Prevention and Employability.

Over the last 2 years of partnering with No. 4 youth services, this fund is an invaluable resource in the community and it has provided an extra 75 sessions.



St. Vincent De Paul

Claddagh Credit Union last year made a generous contribution to SVP to help families with the high costs associated with heating and electricity over the winter of 2022/23.



This contribution helped a total of 63 households, 230 individuals were positively impacted by the support received with their electricity or fuel expenses. All of these people live within our community from Oughterard, Moycullen, Barna and the west of Galway city, including the suburbs.



Olympic Boxing Club

In 2023, we continued supporting the clubs activities and expenses, mainly accommodation and travel expenses for amateur boxers attending tournament, they had a very successful year, with many All Ireland titles won and more importantly, were able to support the youth in our local community.



Celebrating 60 Years.



Donations & Sponsorships.





Electric Car loan.



Loan terms up to 10 years available

Borrow

€30,000

Weekly Repayment

€73.28

Current Loan Rate

5.11% APR*

Amount borrowed: €30,000

Repayment amount: €73.28

Variable Rate: 5%

No of Repayments: 521

Representative Rate: 5.11% APR*

Total Interest: €8,106.78

Repayment Period: 10 years

Total Repayment: €38,106.78

FROM THE 1ST APRIL 2024, ANY ELECTRIC CAR LOAN APPLICATION THE RATE WILL BE 6.5% (6.7% APR)

Amount borrowed: €30,000

Repayment amount: €78.42

Variable Rate: 6.5%

No of Repayments: 521

Representative Rate: 6.7% APR*

Total Interest: €10,775.62

Repayment Period: 10 years

Total Repayment: €40,775.62

*APR= Annual Percentage Rate

Minimum Borrowing €20,000. Available for plug-in hybrid electric vehicles (PHEVs) & electric vehicles (EV) only.

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.

Terms and Conditions apply. Loans subject to approval. Other loan amounts available.

8/9 Mainguard Street
Galway City Centre
091 537200

Westside Shopping Centre
Galway
091 537260

Bridge Street
Oughterard, Co. Galway
091 537280

info@claddaghcu.ie
www.claddaghcu.ie

Join us on:



Your Account Information.

Protect you and your account

- Cash Withdrawal Limits: There is a limit on cash Withdrawals of €1,500 per day and €7,500 per week*.
- An Electronic Funds Transfer or cheque can be provided for higher amounts.
- Cash Lodgement Limits: There is a limit on cash Lodgements of €7,500 per week* (*per week means a 7-day period.)
- Nomination Form: A Nomination on your account relates to the process for the release of the funds in the event of your death. All Members should consider completing an up to date nomination form. For more information go to: <https://www.claddaghcu.ie/services/nominations/>
- Maximum Savings per Junior Member: The saving limit for Junior Members is €5,000

Online Services

- Register online at www.claddaghcu.ie to access your account online.
- Mobile App: Download our app from the Google Play Store or Apple Store
- View transactions & download statements
- Secure online messaging service
- Access your account IBAN & BIC details
- Funds Transfer online: This enables you to easily transfer money to & from your credit union account. Activate funds transfers on your CUonline account at: <https://www.claddaghcu.ie/online/activate-funds-transfer>
- Online Loans: calculate, apply, upload your documents, e-sign your loan forms & have your loan paid direct to your bank account.

Keeping Your Account Active

- If you had no transaction on your Credit Union Account within 2 years, your account will be classed as "Inactive". This is a security feature to protect both you and your account.
- Your account balance remains safe, reactivation is required however in order to complete a transaction.
- To reactivate your account please call to any branch with Photo I.D., recent proof of address & proof of your PPS number or go to <https://www.claddaghcu.ie/reactivate-your-account/>
- Our message to you, our Member, is to actively use your Credit Union account.

Financial Difficulties

- If you are having difficulties keeping up with your credit union loan repayments, please speak to us. We are here to help you and will do everything we can to find a suitable solution.
- You can speak to us over the phone or in person, please contact us on 091 537223/ 537271 or creditcontrol@claddaghcu.ie Please be assured, all of our conversations are confidential.
- Do not delay in speaking to us about any financial difficulties you may have. Arrears that build up add stress to your life. The sooner you speak to us, the sooner we can assist you in resolving your difficulty.
- We also work closely with MABS (Money Advice & Budgeting Service) and other consumer groups to help our members.



At different times in our lives, we all need to make decisions. This includes important decisions about our finances, property and healthcare.

There are four different decision support arrangements for people who have challenges with their capacity and who may need support to make certain decisions regarding their credit union account.

These arrangements are based on the different levels of support that a person requires to make a specific decision at a specific time.

There are three types of support arrangements for people who currently, or may shortly, face challenges when making certain decisions:

- Decision-making assistance agreement
- Co-decision-making agreement
- Decision-making representation order

There is also an arrangement for people who wish to plan ahead for a time in the future when they might lose capacity:

- Enduring power of attorney

If you feel you or a member of your family would benefit from implementing a support arrangement please speak confidentially with a credit union staff member at any time. Alternatively, more information is available on <https://www.decisionsupportservice.ie>

Presidents Address.



This is my first AGM as President and I want to acknowledge the work of those who came before me. Recent years have been challenging but as a board we have worked hard with the management team to respond to each of these challenges, and I am pleased to say that 2023 was a time of recovery and progress. As an organisation "for People not profit" we have made progress across our sustainability agenda.

For us sustainability means to "meet the needs of the current generation without compromising the needs of the future generations". Sustainability will be achieved by developing the capacity of

- The financial resources of the Credit Union, that is our Capital.
- The confidence of all stakeholders and particularly that of you, the members, and of our regulator the Registry of Credit Unions within the Central Bank of Ireland.
- The efficiency and effectiveness of our work processes, by nurturing a culture of continuous improvement.

In 2023, we focused on the core business growing the loan book and managing costs. We actively marketed our "green loans" and introduced mortgages. We invested in our people and our processes. This included education and training and specific projects to strengthen operational resilience and cyber security. This investment meets regulatory requirements, but more importantly it ensures that the governance and operations of the Credit Union are fit for purpose in the Digital Age.

The increase in interest rates in recent months has meant a return to more normal trading and as the capital position has strengthened, I am pleased to say that the savings and lodgement caps can now be relaxed. In 2023, Investment income has increased by €951k. This increase in investment income is directly reflected in the operating surplus which rose from €945k to €1.9m.

This surplus and strengthened capital position mean that the board are now able to propose a return to members in the form of a dividend and interest rebate together with a transfer to the community fund. This is the first return directly to the members since Covid 19. I want to thank you all for your patience and to acknowledge your loyalty in recent years.

Sixty years ago, the founder members worked hard to establish the Credit Union, I assure you that we as a board will honour that legacy and ensure the sustainability of the Credit Union. This is a broad agenda and includes not only our traditional social remit of service to the member and the community but also a response to climate change. Climate change will be the defining challenge of the next generation and it is our intention to work with our members and the community to respond to this challenge. We hope you will join us on this journey.

John Lynam. President

CEO Report.

In 2023 Claddagh Credit Union celebrated 60 years. The unique place Credit Unions have in Irish Society reflects the important role of the volunteer in the Credit Union movement. I would like to acknowledge the work of all the volunteers, past and present, of Claddagh Credit Union and its predecessors.

The local knowledge and sound common sense of the volunteers built the confidence of the members. The founder volunteers had the drive and determination to convince their neighbours to invest in the Credit Union. The skills and professionalism of later volunteers gave the Credit Union the confidence to grow and develop a broader range of services.



Service is central to what we do, in recent years we have expanded our in-branch service to include an online offering through the mobile app and the website. However, we always strive to maintain a standard of excellence and as the world changes be assured that through our sustainability agenda, we will be here for you, "digital when you want it but human when you need it".

As John detailed in his report, 2023 was a time of recovery and progress, we are pleased that we have made progress across our strategic plan.

Capital: We focused on the core business of growing the loan book and managing costs to establish a stable base for the business going forward. This meant that the benefit of the increases in the general interest rate environment contributed directly to the surplus and by year end the capital ratio had grown from 13.1% to 13.8%.

Confidence & Culture: Financial Services are a business of confidence, and it is critical that we maintain the confidence of our members and of our regulators. Through active communication and engagement, we seek to build strong relationships. We appreciate and listen to all feedback both complaints and compliments. Through robust internal controls and working with the assurance activities of internal audit and risk and compliance we seek continuous improvement of our processes.

In 2023 we maintained the Customer Service Excellence Ireland standards and started our "green project" to reduce our carbon footprint and to support our members to do the same. In 2024, we will collaborate with local groups to reduce the communities carbon footprint. We will also work on other sustainable developmental goals by first educating ourselves and then by developing projects in collaboration with community groups.

As we work towards a sustainable future, I am conscious that we do so together and on a personal level I would like to thank the board and volunteers, the management, and staff and primarily you, the members, for your continued support. It is a joint effort, and I am very grateful for the support I receive on a daily basis. Go raibh mile maith agaibh.

A handwritten signature in black ink that reads "Louise".

Louise Shields. CEO

Claddagh Credit Union A.G.M. 2023

Rule Amendment

Rule 30 (1)(a)

That this Annual General Meeting amends Rule 30 of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of the following Rule 30 (1)(a)

(1) (a) Provided a share dividend has been declared in accordance with the Act, the directors may recommend to the annual general meeting for approval a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.

And by the insertion of the following Rule 30 (1)(a) to read:

(1) (a) The directors may recommend to the annual general meeting for approval a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan."

Elections

Under the Credit Union Act, the nomination to the Board of Directors is now the responsibility of the Nominations Committee. The Nomination Committee is responsible for identifying and proposing candidates for election to the Board of Directors. In identifying candidates for any vacancies, they must be mindful of the balance of skills, experience and knowledge of the current Board Members.

Directors

Patrick Commins, Aidan McDonogh & Mark Grogan are seeking re-election. The Board of Directors at their first meeting, immediately following the A.G.M., will elect officers for the year.

Auditors

DHKN are seeking re-election.

Board Oversight Committee

Tom Donnellan is seeking re-election. All candidates proposed by the Nomination Committee are required to be elected at the A.G.M. of the Credit Union.

Order of Business

- | | |
|---|--|
| 1. Acceptance of proxies (if any) by Board of Directors | 12. Report of the Community Engagement Committee |
| 2. Ascertainment that a quorum is present | 13. Report of the Credit Committee |
| 3. Adoption of Standing Orders | 14. Report of the Membership Committee |
| 4. Rule Amendments | 15. Report of the Credit Control Committee |
| 5. Balloting | 16. Report of the Compliance and Risk Committee |
| 6. AGM Minutes 2022 | 17. Report of the Audit Committee |
| 7. President's Address | 18. Questions & Answers |
| 8. C.E.O. Report | 19. Any Other Business |
| 9. Report of Board Oversight Committee | 20. Announcement of Election Result |
| 10. Independent Auditors Report | 21. Adjournment or Close of Meeting |
| 11. Report of the Nomination Committee | |

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Claddagh Credit Union DIRECTORS AND OTHER INFORMATION

Directors

John Lynam (Chairperson)
 Mark Grogan
 Pat Commins
 Aidan McDonogh
 Caroline Miney
 Nigel Hugo
 Joan Raleigh
 Oliver Moran (Appointed 13 December 2022)
 John O'Reilly (Appointed 25 January 2023)
 Peadar O'hIcá (Resigned 25 January 2023)

Board Oversight Committee Members

Seamus Robinson
 Tom Donnellan
 Kuldar Tarum

Credit Union Number

381CU

Registered Office and Business Address

8/9 Mainguard Street
 Galway
 H91 YA72

Auditors

DHKN Limited
 Galway Financial Services Centre
 Moneenageisha Road
 Galway

Bankers

Allied Irish Banks plc,
 Lynch's Castle,
 Shop Street,
 Galway

Danske Bank
 3 Harbourmaster Place
 International Financial Services
 Dublin 1
 Ireland

Solicitors

Clodagh M Gallagher
 43 Sli na Sruthan
 Clybaun Road
 Knocknacarra
 Galway

R.G. Emerson & Co
 13 Cross Street
 Galway

Claddagh Credit Union

for the financial year ended 30th September 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Credit Union Acts 1997 to 2018 requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union and of the income and expenditure of the Credit Union for that financial year. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and enable them to ensure that the financial statements are prepared in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland, including the standards issued by the Financial Reporting Council, and in particular FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". They are responsible for safeguarding the assets of the Credit Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

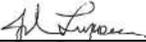
The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Directors are aware:

- there is no relevant audit information (information needed by the Credit Unions auditor in connection with preparing the auditor's report) of which the Credit Unions auditor is unaware, and
- the Directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Credit Unions auditor is aware of that information.

Approved by the Board of Directors and signed on its behalf by:

Member of the Board of Directors



Member of the Board of Directors



Date

24th October 2023

STATEMENT OF BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES

The Credit Union Acts 1997 to 2018 requires the appointment of a Board Oversight Committee to assess whether the Board of Directors has operated in accordance with Part IV, Part IV (a) and any regulations made for the purposes of Part IV or Part IV(a) of the Credit Union Acts 1997 to 2018 and any other matter prescribed by the Central Bank in respect of which they are to have regard in relation to the Board.

Approved by the Board Oversight Committee and signed on its behalf by:

Member of the Board Oversight Committee



Member of the Board Oversight Committee



Date

24th October 2023

Claddagh Credit Union **REPORT OF THE BOARD OVERSIGHT COMMITTEE**

for the financial year ended 30th September 2023

Every Credit Union must elect a Board Oversight Committee consisting of 3 or 5 Members.

The Board Oversight Committee must assess whether the Board of Directors have operated in accordance with Part IV & IV(a) of the Credit Union Act 1997, as amended, and any regulation or direction of the Registrar or Central Bank. The Board Oversight Committee of the Credit Union hold at least one meeting in every month, and meet with the Board of Directors at least 4 times in every year to facilitate carrying out the oversight role.

The Board Oversight Committee submits a written report to the Board of Directors on their assessment of whether the Board of Directors has operated in accordance with the Credit Union Act 1997, as amended, and any regulation or direction of the Registrar or Central Bank. The Board Oversight Committee has access, at all times, to the books and documents of the Credit Union, to enable it to carry out its functions under the Act and Members of the Board Oversight Committee have the right to attend all meetings of the Board of Directors and all meetings of Committees of the Credit Union.

The Board Oversight Committee ensures that at least one of its Members attends every meeting of the Board of Directors. The Board Oversight Committee may notify the Central Bank of any concern it has, that the Board of Directors has not complied with any of the requirements and the Board Oversight Committee shall report to the Members at the Annual General Meeting and, if it thinks fit, at a Special General Meeting, on whether the Board of Directors has operated in accordance with Credit Union Act 1997, as amended, and any regulation or direction of the registrar or Central Bank.

For the year ended 30th September 2023, the Board Oversight Committee wish to report that no matters have come to their attention that indicates that the Directors have not complied with Part IV or IV(a) Credit Union Act 1997, as amended, and any regulation or direction of the Registrar or Central Bank.

We extend our thanks to the Board of Directors, C.E.O., Management and Staff for their courtesy, assistance and co-operation during the year.



Seamus Robinson, Chairperson
For and on behalf of the Board Oversight Committee
Tom Donnellan and Kuldar Tarum
Date: 24th October 2023

INDEPENDENT AUDITOR'S REPORT to the Members of Claddagh Credit Union

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Claddagh Credit Union for the financial year ended 30th September 2023 which comprise the Revenue Account, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council and the Credit Union Acts 1997 to 2018.

In our opinion the financial statements:

- give a true and fair view of the state of the assets, liabilities, and financial position of the Credit Union as at 30th September 2023 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Credit Union Acts 1997 to 2018.

Basis for Opinion

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

Conclusion relating to going concern

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

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

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

Other Information

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

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

INDEPENDENT AUDITOR'S REPORT to the Members of Claddagh Credit Union

Opinions on other matters prescribed by the Credit Union Acts 1997 to 2018

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper accounting records have been kept by the Credit Union.
- Properly audited financial statements are in agreement with the accounting records.

Respective Responsibilities

Responsibilities of Directors for the Financial Statements

As explained more fully in the Statement of Directors' Responsibilities as set out on page 16, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

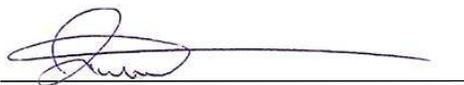
Auditor's responsibilities for the audit of the financial Statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: <[www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description of auditors responsibilities for audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)> The description forms part of our Auditor's Report.

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

Our report is made solely to the Credit Unions Members, as a body, in accordance with section 120 of the Credit Union Acts 1997 to 2018. Our audit work has been undertaken so that we might state to the Credit Unions 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 Unions Members, as a body, for our audit work, for this report, or for the opinions we have formed.



DHKN LIMITED

Registered Auditors

Galway Financial Services Centre

Moneenageisha Road

Galway

Date: 24th October 2023

Claddagh Credit Union REVENUE ACCOUNT

for the financial year ended 30th September 2023

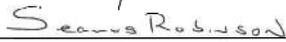
	Sch/Note	2023 €	2022 €
Revenue			
Interest on Members Loans	Note 5	5,071,168	4,867,329
Other interest income and similar income	Note 6	1,780,687	983,542
		<hr/>	<hr/>
Net interest income		6,851,855	5,850,871
Fees and commissions receivable	Sch 3	123,859	153,488
Savings protection scheme funding	Note 4	-	897,691
		<hr/>	<hr/>
Total Revenue		6,975,714	6,902,050
		<hr/> <hr/>	<hr/> <hr/>
Expenditure			
Employment costs	Note 9	2,097,142	2,252,610
Defined benefit pension scheme funding	Note 4	-	3,530,080
Other Management expenses (Schedule 5)	Sch 5	1,800,964	1,784,974
Regulatory costs and interest charges	Sch 4	881,651	946,846
Depreciation		214,063	246,667
Net (recoveries) or losses on Loans to Members	Note 13.4	59,669	(193,466)
		<hr/>	<hr/>
Total Expenditure		5,053,489	8,567,711
		<hr/> <hr/>	<hr/> <hr/>
Surplus / (Deficit) of Revenue over Expenditure		1,922,225	(1,665,661)
Other comprehensive income		-	-
		<hr/>	<hr/>
Total Comprehensive Income		1,922,225	(1,665,661)
		<hr/> <hr/>	<hr/> <hr/>

The Financial Statements were approved and authorised for issue by the Board of Directors on 24th October 2023 and signed on its behalf by;

Chairperson



Member of the Board Oversight Committee



CEO



Date

24th October 2023

Claddagh Credit Union

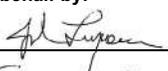
STATEMENT OF FINANCIAL POSITION

for the financial year ended 30th September 2023

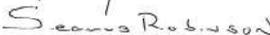
	Notes	2023 €	2022 €
Assets			
Cash and cash equivalents	11	24,030,774	37,618,490
Property, plant and equipment	12	2,633,496	2,772,134
Loans to Members	13	71,054,726	65,912,612
Provision for bad debts	13	(2,406,795)	(2,359,607)
Fiontarlann Teoranta CLG	27	-	54,472
Other receivables	14	211,539	188,877
Accrued income	14	711,591	611,306
Deposits and investments	15	117,202,514	104,911,720
Total Assets		213,437,845	209,710,004
Liabilities			
Members' shares	16	165,140,853	165,741,358
Members' deposits	17	14,293,118	12,857,093
Member personal current accounts	18	3,287,268	2,492,231
Accruals and other provisions	19	849,733	658,508
Trade and other payables	19	331,869	322,328
Total Liabilities		183,902,841	182,071,518
Net Assets		29,535,004	27,638,486
Members' Resources			
Regulatory reserve	20	23,506,427	23,506,427
Distribution reserve	20	1,946,991	1,726,991
Operational risk reserve	20	1,075,000	1,000,000
Other reserves		3,006,586	1,405,068
Total Members' Resources		29,535,004	27,638,486

Approved by the Board of Directors and signed on its behalf by:

Chairperson



Member of the Board Oversight Committee



CEO



Date

24th October 2023

Claddagh Credit Union
STATEMENT OF CHANGES IN EQUITY

for the financial year ended 30th September 2023

	Regulatory Reserve	Distribution Reserve	Operational Risk Reserve	Unrealised Income Reserve	General Reserve	Community Reserve	Total
	€	€	€	€	€	€	€
At 1 October 2021	23,506,427	1,726,991	1,000,000	-	2,961,063	164,447	29,358,928
Surplus allocation in financial year	-	-	-	-	(1,665,661)	-	(1,665,661)
Other movement in reserves	-	-	-	89,769	(89,769)	(54,781)	(54,781)
At 30 September 2022	23,506,427	1,726,991	1,000,000	89,769	1,205,633	109,666	27,638,486
At 1 October 2022	23,506,427	1,726,991	1,000,000	89,769	1,205,633	109,666	27,638,486
Surplus allocation in financial year	-	220,000	75,000	-	1,527,225	100,000	1,922,225
Other movement in reserves	-	-	-	-	-	(25,707)	(25,707)
At 30 September 2023	23,506,427	1,946,991	1,075,000	89,769	2,732,858	183,959	29,535,004

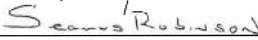
The Regulatory Reserve of the Credit Union as a % of the total assets as at 30th September 2023 was 11.01% which is in excess of the Credit Union's Regulatory Reserve requirement of 10%.

Approved by the Board of Directors and signed on its behalf by:

Chairperson



Member of the Board Oversight Committee



CEO



Date

24th October 2023

Claddagh Credit Union

STATEMENT OF CASH FLOWS

for the financial year ended 30th September 2023

	Sch/Note	2023 €	2022 €
Opening cash and cash equivalents		37,618,490	37,035,333
Cash flows from operating activities			
Loans repaid		29,095,834	29,868,778
Loans granted		(34,418,598)	(31,028,435)
Loan interest income		5,039,813	4,890,923
Investment income		1,780,687	983,542
Other revenue received		123,859	153,488
Savings protection scheme funding received		-	807,920
Bad debts recovered		168,169	193,466
Community reserve distribution		(25,707)	(54,781)
Operating expenses		(4,779,757)	(4,984,430)
Defined benefit pension scheme funding		-	(3,530,082)
Movement in other assets		(37,120)	371,633
Movement in other liabilities		200,766	140,362
Net cash used in operating activities		(2,852,054)	(2,187,614)
Cash flows from investing activities			
Purchase of property, plant and equipment		(75,425)	(37,527)
Net cash flow from other investing activities		(12,290,794)	5,027,298
Net cash (used in)/generated from investing activities		(12,366,219)	4,989,771
Cash flows from financing activities			
Members' shares received		50,912,276	50,390,502
Members' deposits received		19,332,839	17,891,848
Members' shares withdrawn		(51,512,781)	(53,937,229)
Members' deposits withdrawn		(17,101,777)	(16,564,121)
Net cash generated from/(used in) financing activities		1,630,557	(2,219,000)
Net (decrease)/increase in cash and cash equivalents		(13,587,716)	583,157
Cash and cash equivalents at end of financial year	11	24,030,774	37,618,490

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30th September 2023

1. LEGAL AND REGULATORY FRAMEWORK

Claddagh Credit Union is established under the Credit Union Acts 1997 to 2018. The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is 8/9 Mainguard Street, Galway, H91 YA72.

2. ACCOUNTING POLICIES

The following principal accounting policies have been applied;

Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with applicable Irish accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and Irish statute comprising of the Credit Union Acts 1997 to 2018. The financial statements have been prepared on the historical cost basis.

Currency

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

Going Concern

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

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Credit Union and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following criteria must also be met before revenue is recognised:

(i) Interest on Members' Loans

The Credit Union Act 1997 (as amended) requires that Interest on Members' Loans is recognised when payment is received (i.e. on a cash basis). This is not in accordance with accounting practice generally, but is consistent with normal practice for Irish Credit Unions. FRS 102 and accounting practice generally would require that interest be recognised using the effective interest method accrued on a daily basis. Claddagh Credit Union Limited accounts for interest on Members' Loans using the effective interest method and is accrued on a daily basis. Interest on Members' Loans is included in the financial statements in the period in which it is earned.

(ii) Investment income

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

DIVIDEND AND LOAN INTEREST REBATE

Dividends are made from current year's surplus 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 each year; and
- Members' legitimate dividend and loan interest rebate expectations;

all dominated by prudence and the need to sustain the long-term welfare of the Credit Union.

For this reason the Board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements. The Credit Union accounts for dividends and rebates of loan interest when members ratify such payments at the Annual General Meeting.

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

INVESTMENTS

Investment income is recognised on an accrual basis.

Deposit with banks

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

Debt securities

With profit bonds with capital guaranteed are valued at cost. Declared bonuses are recognised in the income statement when irrevocably receivable or earlier if the bond becomes realisable in the form of cash or cash equivalents in a secondary market. Terminal bonuses are recognised in the income statement when the Credit Union becomes irrevocably entitled to receive them.

Commodities and other bonds

Income is recognised once it is "locked in" and irrevocably receivable. The capital value of the bond is tested annually for impairment and impairment losses are taken to the income statement.

Impairment gains which reverse a previous impairment loss are taken to the income statement with any gains in excess of the cost of the product ignored until the bond matures.

Held at amortised cost

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

Central Bank deposits

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

Investments at fair value

Investments held for trading and investment in stock market shares (i.e. non-convertible preference shares and non-puttable ordinary shares or preference shares) are included in this category.

Financial assets at fair value are classified as held for trading if they are acquired for sale in the short term. They are valued at fair value (market value) at the financial year end date and all gains and losses are taken to the income and expenditure account. The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date.

Where there is no active market these assets will be carried at cost less impairment.

Property, plant and equipment and depreciation

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

Land and buildings	2% Straight line
Fixtures and fittings	10% Straight line
Computer equipment	25% Straight line

Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition.

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

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. Basic financial instruments include the following:

Loans 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.

Other Receivables

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

De-recognition on 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. The Credit Union does not transfer loans to third parties.

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 loans are assessed collectively in groups that share similar credit risk characteristics except for individually significant loans which are assessed on a loan by loan basis for impairment.

Any 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.

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

Investments held at amortised cost

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

Other Financial instruments

Other financial assets are initially measured at fair value and are subsequently carried at fair value with changes to fair value recognised in the income & expenditure annually.

Bad Debt Provision

Bad debts written off and bad debts recovered are included in the Income Statement. Claddagh Credit Union Limited assesses, at each balance sheet date, if there is objective evidence that any of its loans to Members are impaired. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis.

Bad debts in the Credit Union are recognised when there is a reasonable doubt that the full amount of principle will not be collected, or the financial capacity of the borrower has deteriorated such that the recovery of the whole, or part of an outstanding loan advanced is in doubt. In all cases where it is impractical to estimate the recoverable amount, the carrying amount is reduced to zero.

Basic Financial Liabilities

Members' shares

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

Holiday pay

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

Pensions

The Credit Union operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Credit Union. Annual contributions payable to the Credit Unions pension scheme are charged to the Revenue Account in the period to which they relate.

Claddagh Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees. The ILCU is the principal employer of the Scheme, and Claddagh Credit Union Limited is a participating employer

The scheme is a multi-employer defined benefit Scheme and there is insufficient information for Claddagh Credit Union Limited to separately identify its share of the Scheme's underlying assets and liabilities. Consequently, the Scheme is currently accounted for as a defined contribution plan.

If an agreement is entered into with the Scheme that determines how Claddagh Credit Union Limited will fund a past service deficit, Claddagh Credit Union Limited shall recognise a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit).

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

Employee benefits

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

The scheme is a multi-employer defined benefit Scheme and there is insufficient information for Claddagh Credit Union Limited to separately identify its share of the Scheme's underlying assets and liabilities. Consequently, the Scheme is currently accounted for as a defined contribution plan.

If an agreement is entered into with the Scheme that determines how Claddagh Credit Union Limited will fund a past service deficit, Claddagh Credit Union Limited shall recognise a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit).

Distribution

Claddagh Credit Unions policy is to pay a reasonable rate of dividend and loan interest rebate subject to covering operating expenses and meeting reserve requirements as set out in the Credit Unions Reserve Management Policy.

RESERVES

Regulatory reserve

The Credit Union Act, (Regulatory Requirements)(Amendment) Regulations 2018 requires Credit Unions to establish and maintain a minimum Regulatory Reserve requirement of at least 10 per cent of the assets of the Credit Union. This Reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

Operational risk reserve

Section 45(5)(a) of the Credit Union Acts 1997 to 2018 requires each Credit Union to maintain an additional reserve that it has assessed is required for operational risk having regard to the nature, scale and complexity of the Credit Union. Credit Unions are required to maintain a minimum operational risk reserve having due regard for the sophistication of the business model.

Other reserves

Other Reserves are the accumulated surpluses to date and Reserves arising on the Transfer of Engagements that have not been declared as dividends returnable to Members. The Other Reserves are subdivided into realised and unrealised. In accordance with the Central Bank Guidance Note for Credit Unions on Matters Relating to Accounting for Investments and Distribution Policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as "unrealised" and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. Interest on Loans receivable at the balance sheet date is also classified as "unrealised" and is not distributable. All other income is classified as "realised".

Community reserve

Community reserves are set aside in accordance with the provisions of S44 of the Credit Union Act 1997, as amended, funds are utilised for social, cultural and charitable purposes, allocations are approved at Annual General Meetings.

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

3. CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES

The Credit Union makes estimates and judgements that affect the reported amounts of Assets and Liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These are described below:

Impairment Losses on Loans and Advances to Members

The Credit Union reviews its Loan Book at least on a quarterly basis to assess impairment. In determining whether an impairment loss should be recorded, the Credit Union is required to exercise a degree of judgement. Impairment provisions are calculated using historical arrears experience, modelled credit risk characteristics and expected cash flows.

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

The annual depreciation charge depends primarily on the estimated useful economic life of each type of asset and also, estimates of residual values. The Directors review the useful lives and residual values on an annual basis and change them if necessary, to reflect current conditions. In determining these useful lives, Management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year.

Interest on Member Loans

Interest on Members Loans is accrued regularly, loans are considered impaired when past due, the Credit Union uses judgement to determine the impairment amount on loan interest.

Pensions

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

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

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

4. EXCEPTIONAL ITEMS

Claddagh Credit Union Limited is a Member of the Irish League of Credit Unions (ILCU) Multi-Employer Defined Benefit Pension Scheme. During the year ended 30 September 2022, a deficit existing in this pension scheme has been communicated to all participating Credit Unions. Based on calculations provided by the Trustees of the scheme, the portion of the funding requirement required to meet this deficit applicable to Claddagh Credit Union presently amounts to €3,530,080. This amount has been paid by Claddagh Credit Union to the Scheme Trustees during 2022.

Following the ILCU AGM held in April of 2022, a motion was passed whereby it was agreed that ILCU affiliated Credit Unions would receive compensation from the ILCU Savings Protection Scheme to help fund this liability. The portion of this funding applicable to Claddagh Credit Union amounted to €897,691, of which 90% was paid prior to 30th September 2022, with the balance due to be received after twelve months following the balance sheet date. As this 10% balance is not expected to be received within twelve months of the balance sheet date, the amount of €89,769 has been transferred to the Unrealised Income Reserve as it is not yet distributable.

5. INTEREST ON MEMBERS' LOANS

	2023 €	2022 €
Closing accrued interest receivable	175,224	143,869
Loan interest received in financial year	5,039,813	4,890,923
Opening accrued loan interest receivable	<u>(143,869)</u>	<u>(167,463)</u>
	<u>5,071,168</u>	<u>4,867,329</u>

6. OTHER INTEREST INCOME AND SIMILAR INCOME

	2023 €	2022 €
Investment income received	1,243,610	515,366
Investment income receivable within 12 months	<u>537,077</u>	<u>468,176</u>
	<u>1,780,687</u>	<u>983,542</u>

7. INTEREST PAYABLE AND DIVIDENDS

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

Proposed dividends and loan interest rebate

The Credit Union determines its Distributions to Members annually based on its Policy Statement which reflects that Distributions are made from Current year's Surplus or Reserves set aside for that purpose. The Board in determining the level of Distribution considers its ongoing capital requirements, budgetary needs, financial risks and Members expectations of prevailing economic conditions. It is the Policy of the Board to then propose a return to Members. The Credit Union accounts for Dividends and Rebates of Loan Interest when Members ratify such payments at the A.G.M. No liability to pay a Distribution exists until the majority of Members vote at the A.G.M.

The following dividend and loan interest rebates have been proposed in respect of 2023

	2023 %	2023 €	2022 %	2022 €
Dividends on shares	0.10	166,054	-	-
Loan interest rebate	2.50	47,822	-	-
(on standard rate loans only)		<u>213,876</u>		<u>-</u>

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

8. OTHER REVENUE

	2023	2022
	€	€
Cash over	3,481	4,132
Fees and commissions receivable	39,754	28,591
Current account income	80,624	29,283
E.C.C.U. claims experience refund fees	-	91,482
	<u>123,859</u>	<u>153,488</u>

9. EMPLOYEES AND REMUNERATION

The average monthly number of employees during the financial year was:

	2023	2022
	Number	Number
Full Time	25	25
Part Time	16	14
	<u>41</u>	<u>39</u>

The staff costs comprise:

	2023	2022
	€	€
Wages and salaries	1,981,074	2,064,024
Pension costs	116,068	188,586
	<u>2,097,142</u>	<u>2,252,610</u>

10. KEY MANAGEMENT PERSONNEL

Key Management includes the Officers (Directors and those Staff Members) with responsibility for specific aspects of the Credit Unions business on an individual or Committee basis. Under Section 68 (1) of the Credit Union Acts, Directors are prohibited from earning any compensation directly or indirectly in the performance of their function as a Director or Member of a Principal Committee. The section also prohibits payments to Members of the Board Oversight Committee. The compensation paid or payable to Key Management for employee services is as follows;

	2023	2022
	€	€
Salaries & other benefits	663,731	721,960
Pension costs	40,237	68,406
Total key management personnel compensation	<u>703,968</u>	<u>790,366</u>

11. CASH AND CASH EQUIVALENTS

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

	2023	2022
	€	€
Cash and bank balances	24,030,774	37,618,490
	<u>24,030,774</u>	<u>37,618,490</u>

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition.

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

12. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings €	Fixtures and fittings €	Computer equipment €	Total €
Cost				
At 1 October 2022	3,044,982	810,623	1,177,995	5,033,600
Additions	-	1,740	73,685	75,425
At 30 September 2023	3,044,982	812,363	1,251,680	5,109,025
Depreciation				
At 1 October 2022	669,891	550,444	1,041,131	2,261,466
Charge for the financial year	60,905	70,474	82,684	214,063
At 30 September 2023	730,796	620,918	1,123,815	2,475,529
Net book value				
At 30 September 2023	2,314,186	191,445	127,865	2,633,496
At 30 September 2022	2,375,091	260,179	136,864	2,772,134

Computer Fixed Assets comprise purchased software and licenses that are an integral part of a related hardware.

The Directors obtained an independent market valuation of its offices at Mainguard Street, Oughterard, and Westside Shopping Centre in October 2021, carried out by independent auctioneers and valuers "Power Property".

Having considered valuations the Board conclude there is no change in the carrying value of the premises at Balance Sheet date.

13. LOANS TO MEMBERS - FINANCIAL ASSETS

13.1 LOANS TO MEMBERS

	Sch/Note	2023 €	2022 €
As at 1 October 2022		65,912,612	64,919,796
Advanced during the financial year		34,418,598	31,028,435
Repaid during the financial year		(29,095,834)	(29,868,778)
Loans written off		(180,650)	(166,841)
Gross Loans to Members	13.2	71,054,726	65,912,612
Impairment allowances			
The provision for bad debts is analysed as follows:			
Collective provision		(1,549,747)	(1,557,174)
Individual provision		(857,048)	(802,433)
Loan provision	13.3	(2,406,795)	(2,359,607)
As at 30 September 2023	13.2	68,647,931	63,553,005

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30th September 2023

Continued

13.2 CREDIT RISK DISCLOSURES

	2023 €	2023 %	2022 €	2022 %
Gross loans individually impaired				
Not past due	61,331,419	86.31	57,216,513	86.81
Up to 9 weeks past due	8,306,235	11.69	7,420,241	11.26
Between 10 and 18 weeks past due	438,821	0.62	342,452	0.52
Between 19 and 26 weeks past due	161,288	0.23	107,930	0.16
Between 27 and 39 weeks past due	173,903	0.24	122,101	0.19
Between 40 and 52 weeks past due	104,901	0.15	127,923	0.19
53 or more weeks past due	538,159	0.76	575,452	0.87
	<hr/>		<hr/>	
Total	71,054,726	100.00	65,912,612	100.00
	<hr/>		<hr/>	
Total gross loans	71,054,726	100.00	65,912,612	100.00
	<hr/>		<hr/>	
Impairment allowance				
Individually significant loans	(857,048)		(802,433)	
Collectively assessed loans	(1,549,747)		(1,557,174)	
	<hr/>		<hr/>	
Total carrying value	68,647,931		63,553,005	
	<hr/> <hr/>		<hr/> <hr/>	

13.3 LOAN PROVISION ACCOUNT FOR IMPAIRMENT LOSSES

	2023 €	2022 €
As at 1 October 2022	2,359,607	2,526,448
Allowance for loan losses made during the financial year	(180,650)	(166,841)
Allowances reversed during the financial year	227,838	-
	<hr/>	<hr/>
Increase / (Decrease) in loan provision during the financial year	47,188	(166,841)
	<hr/>	<hr/>
As at 30 September 2023	2,406,795	2,359,607
	<hr/> <hr/>	<hr/> <hr/>

13.4 NET RECOVERIES OR LOSSES RECOGNISED FOR THE FINANCIAL YEAR

	2023 €	2022 €
Bad debts recovered	(168,169)	(193,466)
Increase / (Decrease) in provision for doubtful debts	47,188	(166,841)
	<hr/>	<hr/>
Loans written off	(120,981)	(360,307)
	180,650	166,841
	<hr/>	<hr/>
Net (recoveries)/losses on loans to Members recognised for the financial year	59,669	(193,466)
	<hr/> <hr/>	<hr/> <hr/>

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30th September 2023

Continued

13.5 ANALYSIS OF GROSS LOANS OUTSTANDING

	2023 Number of Loans	2023 €	2022 Number of Loans	2022 €
Less than one year	2,143	2,922,116	2,136	2,853,728
Greater than 1 year and less than 3 years	3,782	17,416,415	3,709	15,354,563
Greater than 3 years and less than 5 years	2,526	25,103,192	2,610	23,312,587
Greater than 5 years and less than 10 years	999	23,545,911	1,021	21,539,771
Greater than 10 years and less than 25 years	42	2,067,092	64	2,851,963
	9,492	71,054,726	9,540	65,912,612

14. RECEIVABLES, PREPAYMENTS AND ACCRUED INCOME

	2023 €	2022 €
Prepayments	211,539	188,877
Accrued income	711,591	611,306
	923,130	800,183

15. DEPOSITS AND INVESTMENTS

	2023 €	2022 €
Deposits with Banks	97,793,812	85,594,052
Debt Securities	17,439,066	17,389,781
	115,232,878	102,983,833
Central Bank minimum reserve	1,969,636	1,927,887
	117,202,514	104,911,720

Deposits and investments - Continued

The table below sets out information about the exposure the Credit Union has to Counterparties for Debt Securities, and Other Investments /Liquid Cash Deposits with Credit Institutions. Amounts held with Financial Institutions are analysed by their Moody's Credit rating at the year end.

	2023 €	2022 €
Deposits and investments		
A	8,750,000	2,000,000
A1	58,338,172	34,692,158
A2	5,567,604	12,468,833
A3	-	26,000,000
Aa2	1,608,575	-
Aa3	36,011,740	11,611,146
Baa1	4,956,787	4,950,261
Baa2	-	11,261,435
Total deposits and investments	115,232,878	102,983,833

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30th September 2023

Continued

16. MEMBERS' SHARES - FINANCIAL LIABILITIES

	2023 €	2022 €
As at 1 October 2022	165,741,358	169,288,085
Received during the financial year	50,912,276	50,390,502
Repaid during the financial year	(51,512,781)	(53,937,229)
	<u>165,140,853</u>	<u>165,741,358</u>

Members Savings (i.e. Shares and Deposits) are distinguished between those which are unconditionally repayable on demand and those which are committed or otherwise pledged to the Credit Union by virtue of loans or guarantees. The Credit Union retains rights to exercise liens over savings where a Member has an outstanding liability to the Credit Union in accordance with Section 20 of the Credit Union Act 1997, as amended.

	2023 €	2022 €
On Demand	159,473,846	155,164,551
Committed	19,960,125	23,433,900
Total	<u>179,433,971</u>	<u>178,598,451</u>

17. MEMBERS' DEPOSITS - FINANCIAL LIABILITIES

	2023 €	2022 €
As at 1 October 2022	12,857,093	13,052,094
Received during the financial year	18,537,802	16,369,120
Repaid during the financial year	(17,101,777)	(16,564,121)
	<u>14,293,118</u>	<u>12,857,093</u>

Interest on Deposits is declared annually by the Board, creditors contain interest payable of €0, (2022: €0).

18. MEMBER PERSONAL CURRENT ACCOUNTS

	No of Accounts	2023 €	2022 €
Debit balances	102	(3,661)	(7,270)
Credit balances	1,615	3,290,929	2,499,501
		<u>3,287,268</u>	<u>2,492,231</u>

19. OTHER PAYABLES & ACCRUALS

	2023 €	2022 €
PAYE/PRSI	50,863	50,270
Accruals	849,733	661,984
Other payables	281,006	268,582
	<u>1,181,602</u>	<u>980,836</u>

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

20. CREDIT UNION RESERVES

	Regulatory Reserve €	Distribution Reserve €	Operational Risk Reserve €	Other Reserves €	Total €
At 1 October 2022	23,506,427	1,726,991	1,000,000	1,405,068	27,638,486
Allocation in financial year	-	220,000	75,000	1,627,225	1,922,225
Other movement in reserves	-	-	-	(25,707)	(25,707)
As at 30 September 2023	23,506,427	1,946,991	1,075,000	3,006,586	29,535,004

The Regulatory Reserve of the Credit Union as a % of the total assets as at 30th September 2023 was 11.01% (30th September 2022: 11.21%) which is in excess of the Credit Union's Regulatory Reserve requirement of 10%.

The Operational Risk Reserve of the Credit Union as a % of the total assets as at 30th September 2023 was 0.50% (30th September 2022: 0.48%)

Operational Risk Reserve

The Board determines from ongoing Risk Assessments the amount held as an Operational Risk Reserve, based on the likely cost of risk events. This must be expressed as a percentage of Assets. The Credit Union must also hold funds in Operational Risk for the purposes of its Member Personal Current Account Services (MPCAS). This amount shall be determined from time based on the present value of obligations to the Members based on percentages as advised by the Central Bank of Ireland. The current MPCAS risk reserve amount is €325,000.

Other Reserves

Other Reserves are comprised of the Credit Unions' general reserve, undistributed accumulated surpluses and the community reserve.

Community Reserves are set aside in accordance with the provisions of S44 of the Credit Union Act 1997, as amended, funds are utilised for social, cultural and charitable purposes, allocations are approved at Annual General Meetings.

Unrealised income reserve represents income earned, but which will not be received for greater than twelve months after the balance sheet date.

21. FINANCIAL INSTRUMENTS

The Credit Union is a retailer of Financial Instruments in the form of Personal loans and Savings products, and also uses Financial Instruments to invest in Liquid Assets and manage its Surplus Funds. The Credit Union does not raise funds from wholesale money markets in support of its retail operations. The Credit Union has a formal structure for managing risk, including formal risk policies, risk limits, reporting structures, mandates and other control procedures. This structure is reviewed regularly by the Board. The Credit Union does not use any Derivative Financial Instruments, nor enter into any Financial Instruments for trading or speculative purposes. The Credit Unions Assets and Liabilities are measured on an ongoing basis at amortised cost.

The main financial risks arising from the Credit Unions activities are credit risk, liquidity risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks, which are summarised on the following page.

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

Credit Risk:

The Credit Unions Credit Risk arises from its portfolio of Loans to Members and from potential losses on Investments with other Financial Institutions that could result from the failure of Treasury Counterparties to observe the terms of the contract entered into. The Credit Union has no risk appetite for material credit losses, this is controlled through observations of Legislation and Regulations, the appointment of Committees, Credit quality rules, Underwriting standards and Counterparty limits. All loan applications are assessed with reference to the Credit Unions Lending Policy.

Changes to policy are approved by the Board and the approval of loan applications is mandated. Appropriate credit limits have been established by the Board for individual exposures and together with Central Bank Guidelines on credit exposures. Policies are continually monitored by the Board, Board Oversight Committee and Internal Audit. Credit Risk in respect of Treasury Counterparties is assessed using a number of methodologies to include rating agencies and Central Bank Regulations. For Treasury Related Counterparties, the Credit Union is limited to a maximum 20% exposure to any one Counterparty of Investments made.

Liquidity Risk:

Liquidity Risk is the risk that the Credit Union will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering Cash or another Financial Asset. The Credit Union monitors liquidity requirements on a daily basis in line with specific policies in this area, approved by the Board and in line with Central Bank Requirements. The Liquidity Risk appetite is supported by qualitative and quantitative measures that are monitored by the Board on a monthly basis.

The Credit Unions policy is to maintain sufficient funds in a liquid form at all times, to ensure that the Credit Union can cover all fluctuations in funding, retain public confidence in the solvency of the Credit Union and to enable the Credit Union to meet its financial obligations and regulatory ratios. In practice, the contractual maturities are not always reflected in actual experience. For example, Loans to Members may be repaid ahead of contractual maturity or fall into arrears beyond that date. Members Savings accounts which are typically on demand can also be repaid later than on the earliest date on which repayment can be requested.

Market Risk:

Market Risk is the risk that the Fair Value of future cash flows of a Financial Instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency risk, interest rate risk and other price risk. Of these, only interest rate risk is significant for the Credit Union. The Credit Union is not directly exposed to currency risk as it deals only with products in Euro, and its products are only interest orientated so are not exposed to other pricing risks.

The Credit Union is exposed to movements in interest rates reflecting the mismatch between the dates on which interest receivable on Assets and interest payable on Liabilities are next reset to market rates or if earlier, the dates on which the instruments mature. The Credit Union manages this exposure on a regular basis, within the limits set by the Board, however, as the Credit Union only declares its Dividends at the Year End based on such market rates, the Board considers its sensitivity to such rates as marginal.

Interest Rate Risk:

The Credit Unions 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 Unions 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.

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

21.1 INTEREST RATE RISK DISCLOSURE

	2023	Average Interest Rate	2022	Average Interest Rate
	€	%	€	%
Financial Assets				
Gross Loans to Members	71,054,726	7.40	65,912,612	7.44
Financial Liabilities				
Members' Shares	165,140,853	-	165,741,358	-
Members' Deposits	14,293,118	-	12,857,093	-
	179,433,971	-	178,598,451	-

21.2 LIQUIDITY RISK DISCLOSURE

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

22. PENSION SCHEME

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

On 31 March 2022, the defined benefit scheme ceased to accrual and although staff retained all the benefits that they had earned in the scheme to that date, Claddagh Credit Union Limited and the employees ceased making regular contributions to the scheme and ceased earning any additional benefits from the scheme.

At the date of closure of the scheme, there was a past service deficit which was allocated to each individual Credit Union based on the total benefits earned by staff in each Credit Union. Claddagh Credit Union Limited's allocation of that past service deficit is €3,530,080. This total cost is included in the profit and loss account for the year ended 30 September 2022. The deficit amount was paid to the trustees of the scheme during the year ended 30 September 2022.

As this is a pooled pension scheme, Claddagh Credit Union Limited remains liable to cover the cost of their share of any future increase in the total cost of providing the pension benefits to Credit Union employees who were part of the scheme. Claddagh Credit Union Limited could exit the scheme and therefore never have to make a potential additional payment requirement however exiting the scheme may incur a substantial additional cost.

If Credit Unions exit the Scheme, they are required to pay to the trustees the exit amount which the trustees determine is required to fund benefits in respect of their active, deferred and pensioner members on a "no risk" basis. The exiting Credit Union thereby settles any liability they have to contribute to the Scheme in the future without increasing the risk for remaining Credit Unions.

The Scheme is a multi-employer scheme and there is pooling of the assets, and the sharing of risks associated with the liabilities for all participating employers. Judgement is required to assess whether Claddagh Credit Union Limited has sufficient information to provide an appropriate allocation of pension assets and liabilities. An assessment has been performed of the information available and Claddagh Credit Union Limited has determined that there is currently insufficient information available. Consequently, Claddagh Credit Union Limited continues to account for the plan as a defined contribution plan.

An actuarial review of the Scheme is normally carried out every three years by the Scheme's independent, professionally qualified actuary. The actuarial review considers the past and future service liabilities of the Scheme. The last completed triennial actuarial review was carried out with an effective date of 29 February 2020, using the Attained Age valuation method.

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

22. PENSION SCHEME (CONTINUED)

There was a review of the Scheme in conjunction with advisors independent of the trustees. The conclusion of this review was that the Scheme should close to future accrual and this occurred with effect from 31 March 2022 with an associated Funding Plan. The assets and liabilities of the Scheme and the key assumptions are included in the table below at the respective dates of the Funding Plan and the last triennial valuation date in the table below:

	31 March 2022 €'m	29 February 2020 €'m
Assets	€283.4M	€250.0M
Liabilities	€377.1M	€291.8M
Deficit	€93.7M	€41.8M

Assumptions used	31 March 2022	29 February 2020
Investment Return in the period	3.35%	3.50%
Investment return while in receipt of pension	0.25%	0.40%
Annual indexation of accrued pensions up to retirement	2.05%	1.25%
Annual increases to pensions in payment	3% / 0%	3% / 0%
Life expectancy:		
- 65 year old male lives to	87	86
- 65 year old female lives to	89	88
Amount of pension exchanged for tax-free cash at retirement	0%	25%

* Based on 58% of ILT15 (Males), 62% of ILT15 (Females) and annual improvement to annuity rates post retirement of: Males: 0.30%, Females: 0.25% (improvements from 2014).

Claddagh Credit Union Limited's liability in the Balance Sheet in respect of the funding plan based on outstanding contributions payable under the funding plan is set out in the table below:

	30 September 2023	30 September 2022
Retirement Benefit Liability	€-	€-

There is an ongoing process to sign-off on the 28 February 2023 valuation. Under the Pensions Act, there is a 9 month period allowed to sign off an actuarial valuation. The formal process is on track to conclude within the required timescales - there is a deadline for finalisation of the report of 30 November 2023.

Given the progress to date in respect of the actuarial valuation, it is the clear understanding at this point that there will be no additional contributions recommended, over and above those contributions payable per the table above.

23. RELATED PARTY TRANSACTIONS

The Credit Union is prohibited from making a loan to a related party which would provide that party with more favourable terms than a loan by the Credit Union to non-related parties (including, without limitation, terms as to credit assessment, duration, interest rates, amortisation schedules, collateral requirements).

Officers of the Credit Union under arm's length transactions and in the normal course of business in their capacity as Members of the Credit Union, had the following balances at the year end.

Claddagh Credit Union

NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

23. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with Related Parties

S.I. No. 1 of 2016, PART 8, requires the Disclosure of the total amount of Loans outstanding to Related Parties and the Loans to such persons as a percentage of the Total Loans Outstanding.

According to the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016 Related Parties are (a) a Member of the Board of Directors or the Management Team of a Credit Union;

(b) a Member of the family of a Member of the Board of Directors or the Management Team of a Credit Union;

or (c) a Business in which a Member of the Board of Directors or the Management Team of a Credit Union has a significant shareholding (10%).

A family member means in relation to any person, that person's father, mother, spouse or civil partner, cohabitant, son, daughter, brother, or sister.

	No. of A/c's	2023 €
Share Accounts	45	167,357
Loan Accounts	10	163,062
Current Accounts		20,017
Deposit Accounts		34,897

Loans outstanding as a percentage of total loans at the balance sheet date amounted to 0.23% (2022: 0.29%).

Board and committee members recouped expenditure in respect of out of pocket travel expenses incurred of €3,958 (2022: €2,046).

24. INSURANCE AGAINST FRAUD

The Credit Union has insurance against fraud in the amount of €5,200,000 (2022: €5,200,000) in compliance with Section 47 of the Credit Union Act 1997, as amended.

25. CAPITAL COMMITMENTS

The Credit Union had no material capital commitments at the financial year ended 30 September 2023.

26. POST-BALANCE SHEET EVENTS

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

Claddagh Credit Union NOTES TO THE FINANCIAL STATEMENTS

Continued

for the financial year ended 30th September 2023

27. COMMUNITY LOAN - FIONTARLANN TEORANTA

Claddagh Credit Union had the authority to appoint the majority of the Board of Directors to the Company.

In 2000/2001, the Credit Union advanced at arm's length a loan to the sum of €949,898 at an interest rate of 2% per annum on a reducing balance basis.

At the current balance sheet date, Claddagh Credit Union no longer has nominees to the Board of Fiontarlann Teoranta, and as such Claddagh Credit Union is now independent to Fiontarlann Teoranta

The transactions between the Company and the Credit Union for the year are as follows:

	2023 €	2022 €
At 1 October 2022	54,472	77,147
Interest Charge	770	1,325
Repaid in year	(55,242)	(24,000)
As at 30 September 2023	-	54,472

28. COMPARATIVE INFORMATION

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

29. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board of Directors on 24th October 2023.

Claddagh Credit Union SCHEDULES TO REVENUE ACCOUNT

for the financial year ended 30th September 2023

Schedule 1 - Interest on Loans

	2023 €	2022 €
Interest on Loans		
Interest on Members' Loans	4,895,944	4,723,460
Interest on Members' Loans receivable	175,224	143,869
	<u>5,071,168</u>	<u>4,867,329</u>

Schedule 2 - Investment Income

	2023 €	2022 €
Investment Income		
Investment income received	1,243,610	515,366
Investment income receivable within 12 months	537,077	468,176
	<u>1,780,687</u>	<u>983,542</u>

Schedule 3 - Other Revenue

	2023 €	2022 €
Other Revenue		
Cash over	3,481	4,132
Fees and commissions receivable	39,754	28,591
Current account income	80,624	29,283
E.C.C.U. claims experience refund fees	-	91,482
	<u>123,859</u>	<u>153,488</u>

Schedule 4 - Regulatory Costs and Interest Charges

	2023 €	2022 €
Banking fees and charges	70,295	256,249
Regulatory fees and levies	443,386	430,676
ILCU, CUDA and other affiliation costs	143,350	93,681
Current account costs	136,304	93,092
Other commissions	88,316	73,148
	<u>881,651</u>	<u>946,846</u>

Claddagh Credit Union

SCHEDULES TO REVENUE ACCOUNT

for the financial year ended 30th September 2023

Schedule 5 - Other Management Expenses

	2023 €	2022 €
Other Management Expenses		
Training costs	12,603	11,172
Service charges	31,550	27,645
Rent and rates payable	23,341	25,122
General insurance	80,846	78,830
Share and loan insurance	340,600	444,339
Security expenses	46,272	43,795
Light, heat and cleaning	95,827	85,423
Repairs and renewals	26,734	16,947
Equipment maintenance	154,019	161,586
Computer equipment and licences	468,741	345,498
Printing and stationery	15,382	5,260
Promotion and advertising	155,853	143,136
Telephone and postage	68,414	80,978
AGM expenses	39,000	82,546
Chapter and convention expenses	23,226	13,970
Travelling and subsistence	9,620	8,961
Legal and professional fees	124,518	126,895
Audit fees	33,825	33,825
Miscellaneous expenses	45,888	43,225
Cash short	3,653	4,495
Donations and Sponsorship	1,052	1,326
	<u>1,800,964</u>	<u>1,784,974</u>

CONNECT



**CLADDAGH
CREDIT UNION**

Your Loyal Financial Partner

Support Local.



**Get your
Connect Card
online or in
branch.**

Our loyalty card, **THE CONNECT CARD**, will help you save as you shop & dine with over 120 businesses in Galway offering our members a discount or special offer.

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091 537200

Westside Shopping Centre
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091 537260

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091 537280

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You must hold an account with Claddagh Credit Union to avail of The Connect Card. Terms and conditions apply. Claddagh Credit Union is regulated by the Central Bank of Ireland.

LOANS



**CLADDAGH
CREDIT UNION**

Your Loyal Financial Partner



Solar Panel loan.

Borrow

€8,000

Weekly Repayment

€34.78

New Loan Rate

5.11% APR*

Amount borrowed: €8,000

Repayment amount: €34.78

Variable Rate: 5%

No of Repayments: 260

Representative Rate: 5.11% APR*

Total Interest: €1,041.65

Repayment Period: 5 years

Total Repayment: €9,041.65

*APR= Annual Percentage Rate

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.

Terms and Conditions apply. Loans subject to approval. Other loan amounts available.

8/9 Mainguard Street
Galway City Centre
091 537200

Westside Shopping Centre
Galway
091 537260

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091 537280

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