

Annual Report 2026

Lucan District
CREDIT UNION

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Directors and Other Information

Directors

Austin O'Keeffe	Chair
Paul Fahy	Vice-Chair
Darmah Chirombo	Secretary
Karen Bougueroua	
Brian Kerins	
Patrick Gray	
Sean Delaney	
Bhawna Rana	
James Ryan	Co-opted Jan26
Louise Drumm	Retired Jan26

Board Oversight Committee
Sophie Awani-Gold
Mary Needham
Junior Chapwanya

CEO
Paula Maguire

Operations Manager
Tracey Thunder

Registered Office
3 The Mall, Lucan, Co. Dublin

Independent Auditors
Grant Thornton
Mill House, Henry Street, Limerick

Investment Advisors
Goodbody
2 Ballsbridge Park, Ballsbridge, Dublin 4

Solicitors
Coyne Solicitors
Liffey Bridge House, Main Street,
Lucan, Co. Dublin

Lucan District Credit Union Ltd
Notice of Annual General Meeting 2026

Notice is hereby given that the Annual General Meeting of Lucan District Credit Union Ltd will take place Monday the 7th December 2026 at 7.30pm in The Spa Hotel Lucan.

Members are invited to attend.

There will be spot prizes on the night and refreshments provided at the end of the meeting.

Election to the Board and Board Oversight Committee

Vacancies on both the Board and Board Oversight Committee, and the candidates being put forward will be announced on the night.

Grant Thornton have again put themselves forward for the position of auditor.

Nominations can no longer be accepted from the floor at the AGM. Members who would like to put themselves forward for the panel from which candidates are selected, must complete a Nominations form and hand into the office for consideration by the Nominations Committee. The committee draw on the panel during the year as vacancies arise, and to fill any vacancies at the AGM. The forms are available from the Finnstown office or online at www.lucancu.ie/about-us/downloads

We hope to see you on the 7th December.

Darmah Chirombo
Secretary

Annual General Meeting 2026

Order of Business

1. Acceptance of any Proxies
2. Ascertainment that a quorum is present
3. Adoption of Standing Orders
4. Minutes of previous AGM
5. Report of the Board of Directors
6. Report on the accounts by the board
7. Report of the Auditor
8. Declaration of Dividend
9. Declaration of loan interest rebate
10. Report of the Board Oversight Committee
11. Report of the Credit Committee
12. Report of the Credit Control Committee
13. Report of the Membership Committee
14. Report of the Nominations Committee
15. Report of the Investment Committee
16. Appointment of Tellers
17. Election of Auditor
18. Election to Board Oversight Committee
19. Election to Board of Directors
20. Any other business
21. Announcement of Election Results
22. Close of business

Board of Directors Report

The Directors of Lucan District Credit Union are pleased to present the annual report and audited accounts for the year ended 30th September 2026

The credit union surpassed €100m in total assets under management this year. These are funds that are wholly owned by you, our members and managed on your behalf.

This asset size presents new challenges for the credit union as we are required to increase our staff, particularly the management team, to ensure that each area of the business is sufficiently resourced and managed, and to ensure that duties are adequately segregated.

External and Internal Challenges

Members are aware of the ongoing global geo-political turmoil that is impacting inflation and cost of living for everyone in Ireland. Whilst we didn't see this impact on the business this year, we can expect that some members may experience financial difficulty and we need to remain vigilant around the possible future impact on the economy and the credit union.

The Board and management are managing ongoing internal pressures and increasing costs mainly related to cyber security, operational resilience, data protection, expanding digital services, risk management, compliance, anti-money laundering, asset & liability management, accessibility, and staffing.

All of this means that the Board needs to be mindful of expected future costs and the impact on our reserves when we are making decisions about the annual payment of dividend or a loan interest rebate.

Results for this year

The credit union produced a surplus this year of €972.5k. This is an increase on last year of €245.9k.

Total assets increased by €4m to €101.8m, an increase of 4.1% on last year. Shares increased this year by €1.9m (up 2.4%), and deposits increased by €1.1m (up 19.9%). The growth in deposits came from the increased take up by members of the notice and term deposit options. These accounts offer members some return on their savings and assist us in managing our liquidity requirements.

New Operating Facility

As mentioned in previous AGM reports, the credit union purchased land in Lucan as we work towards the development of a new operating facility. This is required because the current set-up is no longer sustainable and, as above, we will require more staff as we continue to grow. We are still going through the planning process for this development.

Proposed Merger

Early in 2026 we commenced discussion with Palmerstown Credit Union about a possible strategic merger of both of our credit unions. The merger project has now been initiated with a view to completing the merger by the end of 2027. We will hold member information evenings about the merger throughout 2027 with the final approval to be made by members at either the 2027 AGM or at an SGM brought for this purpose.

The merger will enable us to provide current accounts, overdraft facilities and debit cards to members, as we continue to work on expanding our product and service offerings. We will also be expanding our branch network with members able to attend both the Lucan and Palmerstown branches.

This merger will be the coming together of two strong credit unions with a long history of working together. There will be an expanded management team in the new entity to manage the challenges outlined above and to better manage increasing costs and future projects. This proposed merger will create a stronger and more sustainable credit union for the future for the communities of Lucan/Adamstown and Palmerstown/Chapelizod.

Dividend & Loan Interest Rebate

Based on the two significant projects outlined above, the Board has taken a very prudent view and decided not to pay out a dividend or loan interest rebate again this year. These funds will instead be invested back into the business to grow a sustainable credit union for our future, and a stronger member-owned business.

Although we are not paying a dividend this year, the credit union provides life savings and loan protection insurance that is automatically available to all members, without charge (subject to Terms and Conditions). We also provide notice and term deposit options for members who would like to see some return on savings.

Acknowledgements

As Chairman I would like to sincerely thank our volunteer Board members who worked diligently throughout the year and the Board Oversight Committee for attending each meeting. I would also like to thank the management team and staff who have helped the credit union to achieve another great year.

I would encourage anyone within the membership who would like to volunteer to go on the panel for the Board or Board Oversight Committee, to put their names forward.

Finally, I would like to thank all of you for your continued support over the year and I wish you and your family a peaceful Christmas and a Happy New Year.

Austin O'Keeffe
Chairman
On behalf of the Board

Directors' Report

For the financial year ended 30 September 2026

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2026.

Principal Activity

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

Authorisation

The credit union is authorised as follows:

- Insurance, reinsurance or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018;
- Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended);
- Service Providers holding appointments from IIA product producers, including intermediaries that may issue appointments, appearing in the register maintained under Section 31 of the investment Intermediaries Act, 1995 (as amended); and
- Entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.

Business Review

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

Dividends and Loan Interest Rebates

The directors are proposing a dividend of €Nil (2025: €Nil) and a loan interest rebate of €Nil (2025: €Nil) in respect of the financial year ended 30 September 2026.

Principal Risks and Uncertainties

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

Credit risk

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

Lack of loan demand

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

Market risk

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

Liquidity risk

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

Operational risk

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

Global macro-economic risk

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

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

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

Lack of loan demand
The credit union provides lending products to its members and promote these products through various marketing initiatives.

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

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

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

Global macro-economic risk
The board of directors and management closely monitor the disruption to global supply chains and markets and continue to take appropriate actions to mitigate any possible adverse effects on the credit union.

Accounting records
The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the credit union are maintained at the credit union's premises at 3 The Mall, Main Street, Lucan, Co. Dublin.

Internal audit function
In accordance with Section 76K of the Credit Union Act, 1997 (as amended) the board of directors have appointed an internal audit function to provide for independent internal oversight and to evaluate and improve the effectiveness of the credit union's risk management, internal controls and governance process.

Events after the end of the financial year
There have been no significant events affecting the credit union since the year end.

Auditors
In accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Grant Thornton offer themselves for re-election.

This report was approved by the board and signed on its behalf by:

Austin O'Keeffe
Member of the board of directors

Paul Fahy
Member of the board of directors

Date: 4th November 2026

Directors' Responsibilities Statement

For the financial year ended 30 September 2026

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

In preparing those financial statements the directors are required to:

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

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

On behalf of the board of directors:

Austin O'Keeffe
Member of the board of directors

Paul Fahy
Member of the board of directors

Date: 4th November 2026

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Board Oversight Committee's Responsibilities Statement

For the financial year ended 30 September 2026

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

On behalf of the board oversight committee:

Junior Chapwanya
Chairperson of the board oversight committee

Date: 4th November 2026

Report of the Board Oversight Committee

The Board Oversight Committee (BOC) has a statutory role on behalf of the members of Lucan District Credit Union Ltd. to ensure that the governance of the Credit Union is carried out in accordance with the provisions of the "Credit Union Act, 1997 (as amended)" and "Part IV / Part IV(a)", subject to specialist confirmation.

The committee can confirm that the Board operated in compliance with Section IV of the Act throughout the year.

A member of the oversight committee attended all Board meetings this year and we are happy to report that the Board continue to work efficiently and effectively to get through the agenda for each meeting.

We encourage any members who have some time to volunteer, to put yourselves forward for the panel of volunteers. The credit union draws on this panel to fill vacancies on both the Board and the BOC during the year or at the AGM. You can put your name forward by completing the Nominations form, available at the counter or in the downloads section of the credit union website, www.lucancu.ie

The Board Oversight Committee

Home Improvement loans available over 10 years for larger projects.

Interest rates from 6.25% - visit our website for more information

Independent Auditor's Report

to the members of Lucan District Credit Union Limited

Opinion

We have audited the financial statements of Lucan District Credit Union Limited for the financial year ended 30 September 2026, which comprise:

- the Income and expenditure account,
- the Statement of other comprehensive income,
- the Balance sheet,
- the Statement of changes in reserves,
- the Statement of cash flows, and
- the related notes 1 to 29, including a summary of significant accounting policies as set out in note 2.

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

In our opinion, Lucan District Credit Union Limited's financial statements:

- give a true and fair view of the state of affairs of the credit union as at 30 September 2026 and of its income and expenditure for the financial year then ended,
- have been properly prepared in accordance with the relevant accounting framework, and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. Other information comprises 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.

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

We have nothing to report in this regard.

Opinion on the matters prescribed by the Credit Union Act, 1997 (as amended)

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

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with the applicable financial reporting framework, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

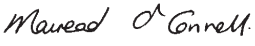
Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.
This description forms part of our auditor's report.

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



Mairead O'Connell
for and on behalf of
Grant Thornton
Chartered Accountants & Statutory Audit Firm
Limerick
Ireland

Date: 4th November 2026

Income and Expenditure Account

For the financial year ended 30 September 2026

		2026	2025
Income	**Schedule**	**€**	**€**
Interest on members' loans		2,414,613	2,295,181
Interest payable and similar charges (note 22)		(42,131)	(27,413)
Other interest income and similar income	1	965,571	825,000
Net interest income		**3,338,053**	**3,092,768**
Other income	2	209,956	125,585
Total income		**3,548,009**	**3,218,353**
Expenditure			
Employment costs		1,018,502	940,426
Other management expenses	3	1,280,704	1,121,459
Depreciation		129,717	136,497
Net impairment movement on loans to members (note 5)		146,632	293,405
Total expenditure		**2,575,555**	**2,491,787**
Surplus for the financial year		**972,454**	**726,566**

Statement of Other Comprehensive Income

For the financial year ended 30 September 2026

	2026	2025
	€	**€**
Surplus for the financial year	972,454	726,566
Other comprehensive income	-	-
Total comprehensive income for the financial year	**972,454**	**726,566**

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

Austin O'Keeffe
Member of the board of directors

Paula Maguire
CEO

Date: 4th November 2026

The notes on pages 17 to 33 form part of these financial statements.

Balance sheet

As at 30 September 2026

	Notes	2026	2025
Assets		**€**	**€**
Cash and balances at bank	6	1,708,408	2,355,910
Deposits and investments – cash equivalents	7	19,258,563	15,105,479
Deposits and investments – other	7	45,719,749	47,683,244
Loans to members	8	34,934,668	32,361,323
Provision for bad debts	9	(1,397,462)	(1,373,678)
Tangible fixed assets	10	1,399,396	1,393,539
Debtors, prepayments and accrued income	11	147,110	210,967
Total assets		**101,770,432**	**97,736,784**
Liabilities			
Members' shares	12	81,234,106	79,300,897
Members' deposits	13	6,536,568	5,452,653
Other liabilities, creditors, accruals and charges	14	323,648	284,154
Other provisions	15	6,254	1,678
Total liabilities		**88,100,576**	**85,039,382**
Reserves			
Regulatory reserve	17	11,907,140	11,444,356
Operational risk reserve	17	212,000	200,000
Other reserves			
- Realised reserves	17	1,361,624	918,369
- Unrealised reserves	17	189,092	134,677
Total reserves		**13,669,856**	**12,697,402**
Total liabilities and reserves		**101,770,432**	**97,736,784**

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

Austin O'Keeffe
Member of the board of directors

Paula Maguire
CEO

Date: 4th November 2026

The notes on pages 17 to 33 form part of these financial statements.

Statement of Changes in Reserves

For the financial year ended 30 September 2026

	Regulatory reserve	Operational risk reserve	Realised reserves	Unrealised reserves	Total
	€	€	€	€	€
As at 1 October 2024	**11,444,356**	**200,000**	**280,840**	**97,029**	**12,022,225**
Surplus for the financial year	-	-	688,918	37,648	726,566
Payment of dividend and loan interest rebate	-	-	(51,389)	-	(51,389)
As at 1 October 2025	**11,444,356**	**200,000**	**918,369**	**134,677**	**12,697,402**
Surplus for the financial year	462,784	12,000	421,297	76,373	972,454
Transfers between reserves	-	-	21,958	(21,958)	-
As at 30 September 2026	**11,907,140**	**212,000**	**1,361,624**	**189,092**	**13,669,856**

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2026 was 11.70% (2025: 11.71%).

- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2026 was 0.21% (2025: 0.20%).

The credit union's regulatory reserves meet the minimum requirement set down by the Central Bank of Ireland.

The notes on pages 17 to 33 form part of these financial statements.

Statement of Cash Flows

For the financial year ended 30 September 2026

	Notes	2026 €	2025 €
Opening cash and cash equivalents		**17,461,389**	**17,717,278**
Cash flows from operating activities			
Loans repaid by members	8	12,727,446	12,197,113
Loans granted to members	8	(15,551,280)	(13,901,139)
Interest on members' loans		2,414,613	2,295,181
Interest payable and other similar charges	22	(42,131)	(27,413)
Other interest income and similar income		965,571	825,000
Other income		209,956	125,585
Dividends paid	21	-	(36,146)
Loan interest rebates paid	21	-	(15,243)
Bad debts recovered and recoveries		127,641	107,196
Operating expenses		(2,203,416)	(2,061,885)
Movement in other assets and liabilities		107,927	29,592
Net cash flows from operating activities		**(1,243,673)**	**(462,159)**
Cash flows from investing activities			
Fixed asset purchases		(231,364)	(230,015)
Net cash flow from other investing activities		1,963,495	(5,063,683)
Net cash flows from investing activities		**1,732,131**	**(5,293,698)**
Cash flows from financing activities			
Members' shares received	12	33,593,586	31,427,951
Members' deposits received	13	4,577,543	4,277,686
Members' shares withdrawn	12	(31,660,377)	(26,909,861)
Members' deposits withdrawn	13	(3,493,628)	(3,295,808)
Net cash flow from financing activities		**3,017,124**	**5,499,968**
Net increase/(decrease) in cash and cash equivalents		**3,505,582**	**(255,889)**
Closing cash and cash equivalents	6	**20,966,971**	**17,461,389**

The notes on pages 17 to 33 form part of these financial statements.

Notes to the Financial Statements

For the financial year ended 30 September 2026

1. Legal and regulatory framework

Lucan District Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at 3 The Mall, Main Street, Lucan, Co. Dublin.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable Irish accounting standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Credit Union Act, 1997 (as amended). The financial statements have been prepared on the historical cost basis.

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

The following principal accounting policies have been applied:

2.2 Statement of compliance

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

2.3 Going concern

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

2.4 Income

Interest on members' loans

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

Deposit and investment income

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

Other income

Other income is recognised on an accruals basis.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash, subject to an insignificant risk of changes in value and normally have a maturity of three months or less from the date of acquisition.

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

2.6 Deposits and investments

Held at amortised cost

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

Central Bank deposits

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

2.7 Financial assets – loans to members

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

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

2.8 Provision for bad debts

The credit union assesses at each reporting date whether there is objective evidence that any of its loans or groups of loans are impaired, with due consideration of economic factors.

Events or circumstances that may necessitate a review of a loan for potential impairment include significant financial difficulty experienced by the borrower; a breach of the loan agreement, including default or delinquency; concessions granted because of the borrower's financial difficulty; indications of insolvency or financial reorganisation; adverse changes affecting the borrower's repayment capacity; deterioration in available security; and other observable information indicating a measurable reduction in estimated future cash flows.

Loans are assessed for impairment on both an individual and collective basis. Individual assessments are performed on individually significant loans and loans for which specific indicators of impairment have been identified. Loans that are not considered individually impaired are subsequently included in the collective impairment assessment.

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

Collective impairment assessments are performed on groups of loans sharing similar credit risk characteristics. Where objective evidence indicates that a loss event has occurred and that the event has an adverse impact on the estimated future cash flows from the loan, an impairment provision is recognised.

The provision is determined in accordance with the credit union's approved provisioning methodology, having regard to relevant information, including arrears and repayment performance, historical loss and recovery experience, expected future recoveries, current economic and borrower-specific conditions, and the availability and recoverability of attached savings, collateral or other security.

Bad debt provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and the adequacy of same on a regular basis. Loans are written off when there is no reasonable expectation of recovery.

Any bad debts or impairment losses are recognised in the income and expenditure account. To provide more meaningful information about the performance of the credit union loan portfolio, the credit union presents the net impairment movement on loans to members in the income and expenditure account, which includes both:

- The movement in the provision for bad debts during the year; and
- Loans written off during the year.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income and expenditure account.

2.9 Tangible fixed assets

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

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

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

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

Depreciation is provided on the following basis:

Land	Not depreciated
Freehold buildings	2% straight line per annum
Freehold improvements	10% straight line per annum
Leasehold improvements	Over remaining term of lease
Computer equipment	20% straight line per annum
Furniture & office equipment	12.50% straight line per annum
Motor Vehicles	20% straight line per annum

Construction in progress is not depreciated.

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

2.10 Impairment of assets

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

2.11 Other receivables

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

2.12 Interest on members' deposits

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

2.13 Financial liabilities – members' shares and members' deposits

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

2.14 Other payables

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

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

2.15 Pension costs

The credit union operates a defined contribution pension scheme. The assets of this scheme are held separately from those of the credit union in independently administered funds. Employer contributions to the scheme are charged to the income and expenditure account in the period to which they relate. The amount payable at the year end in respect of same was €15,326 (2025: €12,421).

2.16 Holiday pay

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

2.17 Operating leases

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

2.18 Finance leases and hire purchase

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the credit union. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the income and expenditure account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.19 Derecognition of financial liabilities

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

2.20 Regulatory reserve

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

2.21 Operational risk reserve

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

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

The directors have considered the requirements of the Act and have calculated the operational risk reserve requirement by reference to the predicted impact of operational risk events that may have a material impact on the credit union's business.

2.22 Other reserves

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are subdivided into realised and unrealised. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as unrealised and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that interest on loans receivable at the balance sheet date be classified as unrealised and therefore not distributable. All other income is classified as realised.

2.23 Distribution policy

Dividends and loan interest rebates are made from the current year's surplus or reserves set aside for that purpose. The board's proposed dividends and loan interest rebates to members each year is based on the distribution policy of the credit union.

The rate of dividends and loan interest rebates recommended by the board will reflect:

- the risk profile of the credit union, particularly in its loan and investments portfolios;
- the board's desire to maintain a stable rather than a volatile rate of dividend each year; and
- members' legitimate dividend and loan interest rebate expectations;

all dominated by prudence and the need to sustain the long-term welfare of the credit union.

For this reason, the board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements.

The credit union accounts for dividends and loan interest rebates when members ratify such payments at the Annual General Meeting.

2.24 Taxation

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

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

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

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the year end was €241,810 (2025: €320,058).

Provision for bad debts

The credit union's accounting policy for impairment of loans is set out in note 2.8. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and other external factors such as legal and regulatory requirements. The provision for bad debts in the financial statements at the year end was €1,397,462 (2025: €1,373,678) representing 4.00% (2025: 4.24%) of the total gross loan book.

Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and 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. The amount held in the operational risk reserve is the estimated impact of operational risk events that may have a material impact on the credit union's business. The operational risk reserve of the credit union at the year end was €212,000 (2025: €200,000).

Adoption of going concern basis for financial statements preparation

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

4. Key management personnel compensation

The directors of the credit union serve on a voluntary basis and do not receive any remuneration for services performed in that capacity. The compensation for key management personnel is as follows:

	2026	2025
	€	€
Short term employee benefits paid to key management	463,717	449,889
Payments to pension schemes	46,952	56,921
Total key management personnel compensation	**510,669**	**506,810**

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

4a. Total employment costs (inclusive of key management personnel compensation)

	2026	2025
	€	€
Wages and salaries	927,496	852,011
Payments to pension schemes	91,006	88,415
Total employment costs	**1,018,502**	**940,426**

4b. Number of employees

The average monthly number of employees during the year was:

	2026	2025
Key management personnel	5	6
Other staff	12	11
Total number of employees	**17**	**17**

5. Net impairment movement on loans to members

	2026	2025
	€	€
Bad debts recovered	(113,810)	(91,561)
Impairment of loan interest reclassed as bad debt recoveries	(13,831)	(15,635)
Movement in bad debts provision during the year	23,784	123,567
Loans written off during the year	250,489	277,034
Net impairment movement on loans to members	**146,632**	**293,405**

6. Cash and cash equivalents

	2026	2025
	€	€
Cash and balances at bank	1,708,408	2,355,910
Deposits and investments – cash equivalents (note 7)	19,258,563	15,105,479
Total cash and cash equivalents	**20,966,971**	**17,461,389**

The rating category of institutions with whom the Cash and cash equivalents were held is as follows:

	2026	2025
	€	€
A+	1,149,543	1,887,634
BBB+	458,991	378,175
NR	99,874	90,101
	1,708,408	**2,355,910**

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

7. Deposits and investments

	2026	2025
	€	€
Deposits and investments – cash equivalents		
Accounts in credit institutions	17,250,344	15,105,479
Bank bonds	2,008,219	-
Total deposits and investments – cash equivalents	**19,258,563**	**15,105,479**
Deposits and investments – other		
Accounts in credit institutions	27,947,804	34,186,474
Bank bonds	8,551,504	8,376,840
Irish and EEA state securities	8,518,678	4,455,515
Central Bank deposits	701,763	664,415
Total deposits and investments – other	**45,719,749**	**47,683,244**
Total deposits and investments	**64,978,312**	**62,788,723**

The rating category of counterparties with whom the investments were held is as follows:

	2026	2025
	€	€
AAA	2,466,750	1,434,449
AA+	3,034,606	506,778
AA	-	996,533
AA-	494,484	1,517,756
A+	27,284,943	29,055,377
A	14,354,327	15,356,781
BBB+	4,513,690	5,021,034
BBB	502,618	-
NR	11,625,131	8,235,600
Central Bank	701,763	664,415
Total	**64,978,312**	**62,788,723**

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

8. Financial assets – loans to members

	2026	2025
	€	€
As at 1 October	32,361,323	30,934,331
Loans granted during the year	15,551,280	13,901,139
Loans repaid during the year	(12,727,446)	(12,197,113)
Gross loans and advances	**35,185,157**	**32,638,357**
Bad debts		
Loans written off during the year	(250,489)	(277,034)
As at 30 September	**34,934,668**	**32,361,323**

9. Provision for bad debts

	2026	2025
	€	€
As at 1 October	1,373,678	1,250,111
Movement in bad debts provision during the year	23,784	123,567
As at 30 September	**1,397,462**	**1,373,678**

The provision for bad debts is analysed as follows:

	2026	2025
	€	€
Grouped assessed loans	1,397,462	1,373,678
Provision for bad debts	**1,397,462**	**1,373,678**

10. Tangible fixed assets

	Land & Freehold buildings €	Freehold improvements €	Construction in progress €	Leasehold improvements €	Computer equipment €	Furniture & office equipment €	Motor Vehicle €	Total €
Cost								
As at 1 October 2025	1,216,203	364,502	218,721	70,847	399,447	78,351	-	2,348,071
Additions	-	-	179,895	-	9,669	-	41,800	231,364
Disposals	-	-	(95,790)	-	(17,304)	(1,535)	-	(114,629)
As at 30 September 2026	**1,216,203**	**364,502**	**302,826**	**70,847**	**391,812**	**76,816**	**41,800**	**2,464,806**
Depreciation								
As at 1 October 2025	222,904	290,642	-	70,847	310,321	59,818	-	954,532
Charge for year	7,229	73,860	-	-	36,223	4,045	8,360	129,717
Disposals	-	-	-	-	(17,304)	(1,535)	-	(18,839)
As at 30 September 2026	**230,133**	**364,502**	**-**	**70,847**	**329,240**	**62,328**	**8,360**	**1,065,410**
Net book value								
As at 30 September 2026	**986,070**	**-**	**302,826**	**-**	**62,572**	**14,488**	**33,440**	**1,399,396**
As at 30 September 2025	993,299	73,860	218,721	-	89,126	18,533	-	1,393,539

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

11. Debtors, prepayments and accrued income

	2026	2025
	€	€
Loan interest receivable	71,891	69,975
Prepayments	75,219	72,813
Other debtors and associated interest amounts	-	68,179
As at 30 September	**147,110**	**210,967**

12. Members' shares

	2026	2025
	€	€
As at 1 October	79,300,897	74,782,807
Received during the year	33,593,586	31,427,951
Withdrawn during the year	(31,660,377)	(26,909,861)
As at 30 September	**81,234,106**	**79,300,897**

13. Members' deposits

	2026	2025
	€	€
As at 1 October	5,452,653	4,470,775
Received during the year	4,577,543	4,277,686
Withdrawn during the year	(3,493,628)	(3,295,808)
As at 30 September	**6,536,568**	**5,452,653**

14. Other liabilities, creditors, accruals and charges

	2026	2025
	€	€
Prize draw	41,353	44,421
PAYE/PRSI	21,542	19,572
Accruals and other creditors	260,753	220,161
As at 30 September	**323,648**	**284,154**

15. Other provisions

Holiday pay accrual	2026	2025
	€	€
At 1 October	1,678	2,249
Charged/(credited) to the income and expenditure account	4,576	(571)
As at 30 September	**6,254**	**1,678**

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

16. Financial instruments – measured at amortised cost

	2026	2025
Financial assets	**€**	**€**
Financial assets measured at amortised cost	100,223,926	96,200,457

	2026	2025
Financial liabilities	**€**	**€**
Financial liabilities measured at amortised cost	88,100,576	85,039,382

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans and other debtors and associated interest amounts.

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

17. Reserves

	Balance 01/10/25	Appropriation of current year surplus	Transfers between reserves	Balance 30/09/26
	€	€	€	€
Regulatory reserve	**11,444,356**	**462,784**	**-**	**11,907,140**
Operational risk reserve	**200,000**	**12,000**	**-**	**212,000**
Other reserves				
Realised				
General reserve	918,369	421,297	21,958	1,361,624
Total realised reserves	**918,369**	**421,297**	**21,958**	**1,361,624**
Unrealised				
Interest on loans reserve	69,975	1,916	-	71,891
Investment income reserve	64,702	74,457	(21,958)	117,201
Total unrealised reserves	**134,677**	**76,373**	**(21,958)**	**189,092**
Total reserves	**12,697,402**	**972,454**	**-**	**13,669,856**

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

18. Credit risk disclosures

In line with regulatory requirements, the credit union:

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

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

	2026		2025	
	€	%	€	%
Loans not impaired				
Total loans not impaired, not past due	30,179,537	86.39%	28,241,377	87.27%
Impaired loans:				
Not past due	2,107,577	6.03%	2,034,911	6.29%
Up to 9 weeks past due	2,215,306	6.34%	1,502,410	4.64%
Between 10 and 18 weeks past due	140,968	0.40%	207,854	0.64%
Between 19 and 26 weeks past due	91,149	0.26%	116,635	0.36%
Between 27 and 39 weeks past due	128,164	0.37%	81,213	0.25%
Between 40 and 52 weeks past due	6,921	0.02%	34,480	0.11%
53 or more weeks past due	65,046	0.19%	142,443	0.44%
Total impaired loans	4,755,131	13.61%	4,119,946	12.73%
Loans to members	**34,934,668**	**100.00%**	**32,361,323**	**100.00%**

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

19. Related party transactions

19a. Loans

	2026		2025	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	7	36,500	8	78,995
Total loans outstanding to related parties at the year end	14	277,493	13	312,626
Total provisions for loans outstanding to related parties		5,199		7,815
Total interest collected for loans outstanding to related parties		21,523		23,005

The related party loans stated above comprise of loans outstanding to directors and the management team (to include their family members or any business in which the directors or management team had a significant shareholding). Total loans outstanding to related parties represents 0.79% of the total loans outstanding at 30 September 2026 (2025: 0.97%). These loans were approved in accordance with the credit union's lending policy and the Credit Union Act 1997 (as amended).

19b. Savings

The total amount of savings held by related parties at the year end was €321,606 (2025: €274,221).

20. Additional financial instruments disclosures

20a. Financial risk management

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

Credit risk: Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss. In order to manage this risk, the board of directors regularly reviews and approves the credit union's credit policy. Credit risk mitigation may include the requirement to obtain collateral as set out in the credit union's credit policy. Where collateral or guarantees are required, they are usually taken as a secondary source of repayment in the event of the borrower's default. The credit union maintains policies which detail the acceptability of specific classes of collateral. The principal collateral types for loans are an attachment over members' pledged shares and personal guarantees. The nature and level of collateral required depends on a number of factors such as the term of the loan and the amount of exposure. All loan applications are assessed with reference to the credit policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit union is also exposed to counterparty credit risk pertaining to its deposit and investment portfolio. In order to manage this risk, the board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

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

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

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

20b. Liquidity risk disclosures

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The credit union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in regulatory requirements. All of the financial liabilities of the credit union are repayable on demand except for some members' shares attached to loans.

At 30 September 2026, the credit union held cash and cash equivalents of €20,966,971 (2025: €17,461,389). Cash and cash equivalents represented approximately 23.9% of members' savings and current accounts at 30 September 2026 (2025: 20.6%). Total deposits and investments amounted to €64,978,312 (2025: €62,788,723), of which 29.6% was classified as cash equivalents (2025: 24.1%).

The following table presents the remaining contractual maturities of the credit union's financial liabilities at 30 September 2026. The amounts presented are undiscounted contractual amounts.

2026	Less than 1 year	1-3 years	3-5 years	5-10 years	More than 10 years	Total
	€	€	€	€	€	€
Members' savings	78,215,976	4,383,018	4,132,886	1,034,001	4,793	87,770,674
Members' draw accounts	41,353	-	-	-	-	41,353
Trade creditors and accruals	260,753	-	-	-	-	260,753
	78,518,082	**4,383,018**	**4,132,886**	**1,034,001**	**4,793**	**88,072,780**

2025	Less than 1 year	1-3 years	3-5 years	5-10 years	More than 10 years	Total
Members' savings	82,041,013	1,270,416	1,227,742	207,455	6,925	84,753,551
Members' draw accounts	44,421	-	-	-	-	44,421
Trade creditors and accruals	220,161	-	-	-	-	220,161
	82,305,595	**1,270,416**	**1,227,742**	**207,455**	**6,925**	**85,018,133**

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

20c. Interest rate risk disclosures

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

	2026		2025	
	€	Average interest rate %	€	Average interest rate %
Loans to members	34,934,668	7.57%	32,361,323	7.78%

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

Set out below is a sensitivity analysis for the credit union's interest rate risk, illustrating the effect of a 10% increase and a 10% decrease on investment income, surplus for the financial year and total reserves. The interest income on members' loans has not been adjusted on the basis that interest rates do not tend to vary.

	2026 €	Effect of 10% increase €	Effect of 10% decrease €
Investment income	965,571	1,062,128	869,014
Surplus for the financial year	972,454	1,069,011	875,897
Total reserves	13,669,856	13,766,413	13,573,299

21. Dividends and loan interest rebates

The following distributions were paid during the year:

	2026		2025	
	%	€	%	€
Dividend on shares	-%	Nil	0.05%	36,146
Loan interest rebate	-%	Nil	1.00%	15,243

The directors are proposing a dividend of €Nil (2025: €Nil) and a loan interest rebate of €Nil (2025: €Nil) in respect of the financial year ended 30 September 2026.

Notes to the Financial Statements (contd.)

For the financial year ended 30 September 2026

22. Interest payable and similar charges

Deposit interest payable for the year	2026		2025	
	%	€	%	€
On-demand deposit accounts	0.10	4,234	0.10	3,899
90-day notice deposit accounts	0.80	723	0.80	544
1-year term deposit accounts	1.75	7,070	1.75	4,362
3-year term deposit accounts	2.25	13,004	2.25	7,435
5-year term deposit accounts	3.00	14,845	3.00	9,069
10-year term deposit accounts	3.25	2,255	3.25	2,104
Total		**42,131**		**27,413**

23. Events after the end of the financial year

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

24. Insurance against fraud

The credit union has Insurance against fraud in the amount of €1,500,000 (2025: €1,500,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

25. Contingent Liabilities

The credit union had no contingent liabilities at the current or prior balance sheet date.

26. Capital commitments

There were no capital commitments at 30 September 2026.

27. Leasing commitments

The credit union had future minimum lease payments under non-cancellable operating leases as follows:

	2026	2025
	€	€
Less than 1 year	42,540	36,674
1 to 5 years	187,402	27,542
As at 30 September	**229,942**	**64,216**

28. Comparative information

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

29. Approval of financial statements

The board of directors approved these financial statements for issue on the 4th November 2026.

Schedules to the income and expenditure account

For the financial year ended 30 September 2026

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 10 to 12.

Schedule 1 – Other interest income and similar income

	2026	2025
	€	€
Investment income received/receivable within 1 year	891,114	849,004
Investment income receivable outside of 1 year	74,457	34,762
Realised loss on investments	-	(58,766)
Total per income and expenditure account	**965,571**	**825,000**

Schedule 2 – Other income

	2026	2025
	€	€
Insurance commission	255	(126)
Foreign exchange commission	5,963	6,110
Life & pensions commission	203,738	119,601
Total per income and expenditure account	**209,956**	**125,585**

Schedules to the income and expenditure account (contd.)

For the financial year ended 30 September 2026

Schedule 3 – Other management expenses

	2026	2025
	€	€
Loans and savings insurance costs	241,444	233,717
Printing, postage and stationery	32,364	60,820
Computer costs	233,250	187,047
AGM and other meeting costs	18,247	18,158
Bank charges	44,386	40,875
Sundry expenses	32,330	36,865
Telephone	21,496	15,388
Cash security	9,430	10,345
Advertising and marketing	72,780	75,394
Donations and sponsorship	26,380	27,905
Legal and professional fees	287,243	211,367
Debt collection	32,613	-
Audit fees	29,965	28,078
Regulatory levies	36,884	31,189
Rent and rates	48,946	47,826
Repairs and maintenance	25,365	20,136
General insurance	57,715	50,766
Light and heat	12,634	11,607
Staff training	11,825	9,570
Travel and subsistence	5,407	4,406
Total per income and expenditure account	**1,280,704**	**1,121,459**

Report of the Credit Committee as at 30th September 2026

The Credit Committee is appointed annually by the Board of Directors of the Credit Union.

The loan book increased by €2.6m this year to €34.9m.

The regulations relating to mortgages changed at the end of September last year. As we had fully used up available funds at that point, it has taken most of this year to rebuild the mortgage pipeline. These mortgages began to be issued in the latter part of this business year. It is a much longer process from application to drawdown than personal loans.

There are plenty of funds available now for mortgages should members wish to switch from your current provider over the coming year. You will find more information about the mortgage product on our website www.lucancu.ie

The following is a breakdown of the loans issued over the past year by amount and purpose:

By Amount	Number	Amount €
€1 - €500	281	€118,525
€500 - €2,000	1,063	€1,385,164
€2,000 - €5,000	720	€2,647,880
€5,000 - €10,000	372	€2,912,172
€10,000 - €15,000	125	€1,660,035
€15,000 - €25,000	140	€2,796,815
€25,000 - €50,000	46	€1,760,690
€50,000 - €100,000	13	€1,069,000
€100,000+	6	€1,201,000
Total	**2,766**	**€15,551,280**

Loan Purpose	Number	Amount €
Car Purchase	282	€2,840,177
Bills/Debt consolidation	111	€418,450
Go Green	19	€301,250
Christmas	150	€216,950
Education	42	€314,894
Dental/Medical	111	€338,663
Holidays	306	€756,350
Home Improvements - €25k	369	€1,810,170
Home Improvements - €25k - €40k	55	€775,640
Home Improvements - €40k - €75k	50	€1,205,850
Home Improvements - €75k - €100k	11	€717,777
Home Improvements - €101k - €125k	5	€246,000
Wedding	36	€209,650
Within Shares (fully secured)	696	€2,221,175
Car repairs	152	€267,350
Members Flexible Mortgage	6	€1,174,000
My First Loan	220	€1,600,335
Other purpose	145	€136,599
Total	**2,766**	**€15,551,280**

In 2026 we introduced open banking for members to link bank accounts (for statements only) to loan applications. This has eliminated the requirement for the provision of bank statements and payslips where member use this. This speeds up the underwriting process and enables us to issue loans very quickly. Our loans process is now fully digital. However, members can continue to apply at the counter, if you wish to do so.

The Credit Committee

Report of the Credit Control Committee

The Credit Control Committee is appointed annually by the Board of Directors to oversee Credit Control within Lucan District Credit Union.

Throughout this business year the arrears in the loan book remained quite low, although we did note a small increase in the number of members coming to us to reschedule their loans, to make them more affordable.

The ideal scenario for both the credit union and our members is where the member comes to us for assistance before they miss several payments and run up arrears on their loan. The credit union is legally obliged to report our loans and any arrears on them to the Central Credit Register each month. Arrears reported could damage your credit rating and could impact on any future credit applications you make.

The best advice that we can give members is to come to us as quickly as possible if you are experiencing a change in financial circumstances or are getting into financial difficulties. An early intervention could prevent arrears building on your loan and damage to your credit rating.

We have a range of options available to us to assist members who may get into financial difficulty. This includes:

- Temporary payment arrangement – for short-term difficulties
- Limited Interest suspension – only to assist members to get back on track
- Full loan reschedules for a more affordable repayment
- Debt consolidation – to group all your debts into one loan for one lower repayment

Where the member does not contact us or will not work with us, the credit union will utilise our collections partner, Cabot Financial Services, and our legal team to recover our members' funds.

In some cases, we will write-off the loan. **This does not mean that you no longer owe this money**, this simply means that we stop accounting for the loan. We will continue to pursue this loan legally. The loan will be classified as a bad debt, and this will be reflected in your credit rating. A 'written-off' loan will remain on your credit rating for five years **after** it has been fully repaid or settled and cleared.

Our first preference is always to work with our members and use the tools at our disposal to assist them in getting through a tough period. Where members have built up arrears or are a bad debt, we are still happy to talk to you and work out a plan to get you back on track.

We have had members who have been a bad debt in the past but have come back and cleared the loan and have borrowed again. Unlike the banks, the credit union is willing to overlook past arrears where the member has cleared them in full and can demonstrate that they can afford to make the repayments. If you would like to speak with credit control at any stage, please call 0818 297 007 and press 3.

The Credit Control Committee

Report of the Membership Committee as at 30th September 2026

The role of the membership committee is to consider applications for membership of the credit union.

This year we were delighted to welcome 648 fully approved new members.

Of these new members 42.3% are under the age of 25. These will be the borrowers of the future. We would encourage all young people to open an account and begin to save for your future. We are happy to welcome new members of any age into the credit union.

We would remind you that our members can continue to borrow up to the age of 90. Our loans are covered (subject to Terms and Conditions) by our loan protection insurance, but they must be repaid by the age of 90 to be covered.

Lucan District Credit Union is open to membership from anyone who lives or works in the Lucan and Adamstown area and members of the household of anyone who works in Lucan or Adamstown.

Joining is easy, either complete an application form in the banking hall and provide photo ID, a current utility bill or bank statement, and proof of your PPSN. Or you can join through our app Lucan Credit union, that is available for download in the App Store or Google Play.

Under the Criminal Justice Act 2013 S33 (8a) we are legally required to maintain current documentation on all member accounts. Please ensure that you regularly update your photo ID and proof of address (current utility bill/bank statement) on your account to assist us in meeting our obligations or provide these in a timely manner when requested by a member of staff.

Dormant Accounts

There are several accounts marked as dormant each year. This is for security reasons to protect your funds. We will write to you before this occurs. This is an automatic process that happens where there has been no member-initiated transaction on your account for 36 months. The easiest way to prevent this from happening is to set up a DD or standing order to your savings account every week or month, even for a small amount of money. If you believe that you have a dormant account with the credit union, you can come into the counter, bring photo ID and a current utility bill or bank statement as proof of address and they will assist you at the counter.

We would remind members that a credit union account is for your use only and you should not permit others to access the account to lodge and withdraw money. It is also your responsibility to update the address and contact details on the account should you be moving home.

The Membership Committee

Nominations Committee Report for year ended 30th September 2026

It is the role of the Nominations Committee to ensure that the Board of Directors and all committees have the necessary resources and skills to carry out their duties effectively, overseeing the credit union on behalf of our members.

A Fitness & Probity regime was introduced for Credit Unions in 2013 by the Central Bank of Ireland. The Nominations committee must ensure that candidates put forward for the Board meet the fitness and probity requirements. This means that we are required to do due diligence on candidates to ensure they are fit and proper to take on a Board role before we put them forward for co-option or election. Taking nominations from the floor at the AGM is no longer permitted.

We also need to consider the composition of the Board, including the range of skills, level of education, and work experience that our volunteer members can bring to the Board to enhance the overall governance of our credit union.

The roles on the Board and the Board Oversight Committee are voluntary (unpaid), however if you have some time to volunteer, we encourage you to put your name forward to go on the panel at any time of the year. Simply complete a nominations form and hand in. The forms are available at the counter or on our website www.lucancu.ie/About-us/Downloads.

As a volunteer serving on the board or board oversight committee, you may avail of our education programme to take external, relevant exams and gain a fully transferable qualification while you serve. You will also gain experience in corporate governance of a large, member-based organisation. The role will help you to raise your profile when included on your CV and LinkedIn profile.

The committee is happy to chat to anyone who may be considering putting their name forward, without obligation, to answer any questions you may have. If you wish for one of us to contact you for a discussion about the roles, email your contact details to help@lucancu.ie

The Nominations Committee

Report of the Investment Committee 2026

The committee works during the year to manage the investment portfolio for the credit union and to try to get the best return possible, within the existing regulatory framework (what we are allowed to invest in).

Due to increases in interest rates and European government bond yields throughout this year, the committee has been able to avail of better rates on the investments as deposits matured or as surplus funds became available.

This year the portfolio produced income of €965,571. This is an average return on investment of 1.51%. This is an improvement on last year and is a direct result of the better rates and yields available.

There continues to be significant headwinds and economic uncertainty in markets globally due to ongoing geopolitical turmoil. This will continue to impact on interest rates, and inflation over the coming year.

The committee will continue working over the coming year to get the best return possible from the portfolio.

The Investment Committee

Standing Order

1. Voting

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with Section 82(2).

2 - 4 Election Procedure

2. Nominations for election must be in accordance with Section 56B.
3. Elections to the Board of Directors, to the Board Oversight Committee and the position of Auditor shall be by majority vote and by secret ballot.
4. A Ballot Paper for the election of the Board and Board Oversight Committee, where applicable, will be distributed to each member at the AGM.

5 - 10 Motions

5. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.
6. A proposer of a motion may speak for such period as shall be at the discretion of the Chairman of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
7. In exercising his/her right of reply, a proposer may not introduce new material.
8. The seconder of a motion shall have such time as shall be allowed by the Chairman to second the motion.
9. Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chairman.

10. The Chairman shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

11 - 16 Miscellaneous

11. The Chairman of the Board of Directors shall be the Chairman of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chairman, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chairman of any general meeting.
12. The Chairman may at his/her discretion, extend the privilege of the floor to any person who is not a member.
13. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chairman.
14. The Chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
15. In accordance with Section 82(2) no member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the Board of Directors. Acceptance of proxies is in accordance with Section 82(4).
16. Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

17. Suspension of Standing Orders

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

18. Alteration of Standing Orders

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

19. Adjournments

Adjournments of the AGM shall take place only in accordance with Section 81.

Members Prize Draw Income and Expenditure

For the financial year ended 30 September 2026

Income	**€**
Opening Balance 01/10/2025	44,421.19
Cash Draw Member Entry fees for Jan to Dec 2026	146,952.00
Total Entry Fees and Opening Balance	**191,373.19**

Expenditure	
Prizes paid out	150,000.00
Bank Charges related to the Prize Draw Account	20.40
Total Expenditure	**150,020.40**
Total Audited Remaining Funds	**41,352.79**

Our prize draw winners this year

Prizes Oct25 – Sep26 1st €8,000 – 2nd €2,500 – 3rd €1,000 – 4th €500 – 5th €500

October 2025
1st Alan Slaughter
2nd Ellen Kinsella
3rd Derek Grogan
4th Tom Crowley
5th Gerard Burke

November 2025
1st Clayton Cuffe McDermott
2nd Helen Dennis
3rd Philomena McCormack
4th Mary Brady
5th Karen Muldowney & Conor Joyce

December 2025
1st Anne Stallings
2nd Ann Dillon
3rd Carmel Sunderland
4th Carl Marten
5th Orla McCord

January 2026
1st Akbar Hossain
2nd Elizabeth Allen
3rd Mandy Aherne
4th Orla Doyle
5th Beryl Carroll

February 2026
1st Paul Cunningham
2nd Martina Banks
3rd Joel Stevens
4th Deborah Ford
5th Darrin Parrish

March 2026
1st D. McGarry
2nd Philip Lennon
3rd Carmel Gallagher
4th Teresa Carabini
5th Luke Cocup

April 2026
1st David Marten
2nd Clare Gregg
3rd Jim Gallagher
4th Caroline Corcoran
5th Kerri Toft

May 2026
1st Sharon Smyth
2nd Nuala Reidy
3rd Hannah McStay
4th Margaret McCarthy
5th Ciara Kilbane

June 2026
1st Gillian May
2nd Darren Sharkey
3rd Keith Scully
4th Marie King
5th Mary Cloherty

July 2026
1st Sanjib Barik
2nd Anne Armstrong
3rd Marian Kinsella
4th Pamela Tang
5th Karl Brabazon

August 2026
1st Darragh Bacon
2nd Michael Ancheta
3rd Gillian May
4th Claire Hannigan
5th Al Jan Tinoy

September 2026
1st Roberta Grogan
2nd Anita Brophy
3rd QuangDao Vu
4th James Sheehan
5th Maria O'Toole

Donations and Sponsorship

Your credit union gives back to our community in many ways, including through sponsorship of local groups and events, and we make some charitable donations on behalf of our members.

Below are the main contributions made throughout this year.

Charities

- Unicef
- Focus Ireland
- Our Lady's Hospice
- Dublin Simon Community
- Barnardos
- Women's Aid
- Merchants Quay Ireland
- Alone
- Alzheimers Society
- Irish Cancer Society

Groups/clubs/schools/athletes

- Society for old Lucan
- St Josephs College
- Lucan Drama Society
- Lucan Pitch & Putt
- St Thomas Junior School
- Beechpark FC
- Lucan Community College
- Dublin Ladies Football Team
- Academy Twirlers
- Wade Family and other local Kickboxers
- Women's Collective Ireland
- Esker Celtic
- Laraghcon Residents Assoc.
- Aontas Choir
- Scoil Mhuire
- Ballyowen Celtic
- St Mary's BNS
- St Andrews NS
- Lucan Harriers
- Lucan Festival



Lucan District
CREDIT UNION

Phone: 0818 297 007
Email: help@lucancu.ie
webchat: 9.30am - 4.30pm Monday - Friday