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DIRECTORS AND OTHER INFORMATION

Directors

Austin O'Keefe	Chair
Paul Fahy	Vice-Chair
Louise Drumm	Secretary
Darmah Chirombo	
Junior Chapwanya	
Karen Bougueroua	
Brian Kerins	
Patrick Gray	Co-opted Jul25
Dwayne Keogh	Co-opted Sep25
Chris Gallagher	Chair (Resigned Mar25)
Thomas Bradley	Retired Jul25

Board Oversight Committee

Sophie Awani-Gold
Mary Needham
Saskia Vandeweert

CEO

Paula Maguire

Operations Manager

Tracey Thunder

Registered Office

3 The Mall, Main Street, Lucan, Co Dublin

Independent Auditors

Grant Thornton
Mill House, Henry Street, Limerick

Investment Advisors

Goodbody
2 Ballsbridge Park, Ballsbridge, Dublin 4

Solicitors

Dermot P Coyne
Liffey Bridge House, Main Street,
Lucan, Co Dublin

LUCAN DISTRICT CREDIT UNION LIMITED NOTICE OF ANNUAL GENERAL MEETING 2025

Notice is hereby given that the Annual General Meeting of Lucan District Credit Union Ltd will take place Monday the 8th December 2025 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 8th December.

Louise Drumm

Secretary

ANNUAL GENERAL MEETING 2025

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 FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

The Directors of Lucan District Credit Union are pleased to present the annual report and audited accounts for year ended 30th September 2025

The credit union experienced significant growth this year, growing by €6m in the year. This increased our asset size to €97.7m. Of this growth, €5.5m came from additional savings. This posed a challenge for the credit union because we are required to set aside a percentage of this asset growth into our reserves to protect the credit union.

This means that all our surplus this year is required for our reserves, and it is not possible to pay a dividend or loan interest rebate to members this year.

Building our reserves and reinvesting in our business is positive and reflective of the ongoing success and growth of the credit union. The Board are looking to the future of the credit union and are working to position the credit union as a strong and sustainable business.

Ongoing challenges and opportunities

Less mortgages were issued this year than last year due to the limitations on funds available under the regulations. However, from the 30th September this year the regulations have changed. This will give the credit union an opportunity to expand both our mortgage and business loan books over the coming years.

We are fast approaching an asset size of €100m. We will likely hit this size in late 2025 or early 2026. This means that the credit union will be subject to enhanced regulation. This is something the credit union has been preparing for over the last five plus years. This will bring additional requirements and cost, but equally, additional opportunities.

The credit union has grown substantially over the last decade, and we are now at the point where we are close to outgrowing our existing operating facilities. As mentioned in the report last year, the credit union purchased a 0.5-acre site in Lucan, and we are hoping to develop a new operating facility for the future of the credit union. We are currently going through the planning process.

There remain external pressures and influences that will, no doubt, impact on our business. These are outside of the control of the credit union. Ongoing geo-political turmoil and conflict, and global market uncertainties, due to the conflict and the current US administration policies. These will likely impact on the Irish economy and ultimately on our members. The Board is aware that this may affect our members, and we need to be mindful of that in our expectations and plans for the coming years.

The Board will always take a prudent approach to our decision-making, to protect our members and the credit union.

Based on the above, it is vital that we reinvest in our business to prepare ourselves for these changes, and the future expected growth of the credit union.

Results for this year

The credit union produced a surplus this year of €726.6k. This is an increase on last year of €35.6k. As above, we were limited with the mortgages we could issue this year due to funding restrictions.

Total assets increased by €6m to €97.7m, an increase of 6.75% on last year. Shares increased this year by €4.5m (up 6%), and deposits increased by €982k (up 22%). The increase in deposits was due mainly to the uptake of the term deposit account options during the year. The term deposits assist us in managing our liquidity because they are not available to members on-demand, as the shares are.

Transfers to provisions and reserves

Based on the continued challenges and opportunities that will impact on the business over the coming years, and the fact that our asset size increased so significantly this year, the credit union is not in a position to make either a dividend payment to members, or a loan interest rebate.

We would remind members that the credit union expends significant funds annually on life savings and loan protection insurance that is automatically available to all members, without charge (subject to t&cs).

The Board accept that our members would like to see a dividend being paid and there are plans in place to return to a regular annual dividend, as we reach our reserves goals. This year, we prioritised the reserves to prepare us for our ongoing growth and development, as mentioned above.

Acknowledgements

As Chairman I would like to sincerely thank our Board members who stepped down this year after many years of service, Chris Gallagher and Tom Bradley, and long serving staff who retired this year, Adrienne Gough, Joan Lacey, and Maria Maher. I would encourage anyone within the membership who would like to volunteer to go on the panel for the Board or Oversight Committee, to put their names forward.

I would also like to thank the staff, management team, Board and Oversight Committee for their tireless work, and without whom the credit union would not be as successful as it is.

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.

On behalf of the Board

Austin O'Keeffe
CHAIRMAN

DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2025.

PRINCIPAL ACTIVITY

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

AUTHORISATION

The credit union is authorised as follows:

- 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 REBATE

The directors are proposing a dividend of €Nil (2024: €36,465 (0.05%)) and a loan interest rebate of €Nil (2024: €15,409 (1.00% - on standard variable loans)) in respect of the financial year ended 30 September 2025.

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

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

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

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

Global macro-economic risk - The board of directors and management closely monitor the 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.

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

Louise Drumm
MEMBER OF THE BOARD OF DIRECTORS

Date: 31st October 2025

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Louise Drumm
MEMBER OF THE BOARD OF DIRECTORS

Date: 31st October 2025

BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT

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:

Saskia Vandeweert
MEMBER OF THE BOARD OVERSIGHT COMMITTEE

Date: 31st October 2025

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 1997-2012.

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

The BOC have access to all Board documents, and one member of the committee attended each Board meeting.

The BOC were also included in the Board training programme through the year.

Vacancies that arose during the year were filled promptly by the Nominations committee by co-opting two new directors to the board.

As a committee, we are pleased to report that the Board work well together and steadily get through very busy meeting agendas.

We actively 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

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 2025, 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 28, 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 (as amended) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

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

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the '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

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

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE CREDIT UNION ACT, 1997 (AS AMENDED)

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, the directors are responsible for assessing the credit union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless the directors either intends to liquidate the credit union or to cease operations, or has no realistic alternative but to do so.

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. 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

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

Date: 31st October 2025

Cash Back CAR LOAN*

The Cash Back Car Loan is coming to an end

Get cash back on your credit union car loan towards your tax or insurance.

For more information

www.lucancu.ie/CashBackCarLoan



**Ends
31st
January
2026**



Lucan District Credit Union is regulated by the Central Bank of Ireland

INCOME & EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

		2025	2024
	Schedule	€	€
INCOME			
Interest on members' loans		2,295,181	2,145,043
Interest payable and similar charges (note 22)		(27,413)	(11,549)
Other interest income and similar income	1	825,000	872,752
Net interest income		3,092,768	3,006,246
Other income	2	125,585	107,323
Total income		3,218,353	3,113,569
EXPENDITURE			
Employment costs		940,426	849,764
Other management expenses	3	1,121,459	1,212,845
Depreciation		136,497	114,588
Net impairment movement on loans to members (note 5)		293,405	245,356
Total expenditure		2,491,787	2,422,553
Surplus for the financial year		726,566	691,016

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

	2025	2024
	€	€
Surplus for the financial year	726,566	691,016
Other comprehensive income	-	-
Total comprehensive income for the financial year	726,566	691,016

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: 31st October 2025

The notes on pages 18 - 32 form part of these financial statements

BALANCE SHEET FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

		2025	2024
	Notes	€	€
ASSETS			
Cash and balances at bank	6	2,355,910	1,642,319
Deposits and investments – cash equivalents	7	15,105,479	16,074,959
Deposits and investments – other	7	47,683,244	42,619,561
Loans to members	8	32,361,323	30,934,331
Provision for bad debts	9	(1,373,678)	(1,250,111)
Tangible fixed assets	10	1,393,539	1,300,021
Debtors, prepayments and accrued income	11	210,967	233,770
Total Assets		97,736,784	91,554,850
LIABILITIES			
Members' shares	12	79,300,897	74,782,807
Members' deposits	13	5,452,653	4,470,775
Other liabilities, creditors, accruals and charges	14	284,154	276,794
Other provisions	15	1,678	2,249
Total liabilities		85,039,382	79,532,625
RESERVES			
Regulatory reserve	17	11,444,356	11,444,356
Operational risk reserve	17	200,000	200,000
Other reserves			
- Realised reserves	17	918,369	280,840
- Unrealised reserves	17	134,677	97,029
Total reserves		12,697,402	12,022,225
Total liabilities and reserves		97,736,784	91,554,850

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: 31st October 2025

The notes on pages 18 - 32 form part of these financial statements

STATEMENT OF CHANGES IN RESERVES FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

Movements on Reserves

	Regulatory Reserve	Operational Risk Reserve	Realised reserves	Unrealised reserves	Total
	€	€	€	€	€
As at 1 October 2023	9,967,306	200,000	1,072,893	124,768	11,364,967
Surplus for the financial year	-	-	657,614	33,402	691,016
Payment of dividend and loan interest rebate	-	-	(33,758)	-	(33,758)
Transfer between reserves	1,477,050	-	(1,415,909)	(61,141)	-
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 30 September 2025	11,444,356	200,000	918,369	134,677	12,697,402

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2025 was 11.71% (2024: 12.50%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2025 was 0.20% (2024: 0.22%).

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

	Notes	2025 €	2024 €
Opening cash and cash equivalents		17,717,278	10,637,861
Cash flows from operating activities			
Loans repaid by members	8	12,197,113	11,410,788
Loans granted to members	8	(13,901,139)	(17,791,669)
Interest on members' loans		2,295,181	2,145,043
Interest payable and other similar charges	22	(27,413)	(11,549)
Other interest income and similar income		825,000	872,752
Other income		125,585	107,323
Dividends paid	21	(36,146)	(18,011)
Loan interest rebates paid	21	(15,243)	(15,747)
Bad debts recovered and recoveries		107,196	109,772
Operating expenses		(2,061,885)	(2,062,609)
Movement in other assets and liabilities		29,592	(76,760)
Net cash flows from operating activities		(462,159)	(5,330,667)
Cash flows from investing activities			
Fixed asset purchases		(230,015)	(985,707)
Net cash flow from other investing activities		(5,063,683)	11,508,908
Net cash flows from investing activities		(5,293,698)	10,523,201
Cash flows from financing activities			
Members' shares received	12	31,427,951	27,459,106
Members' deposits received	13	4,277,686	3,481,409
Members' shares withdrawn	12	(26,909,861)	(26,229,349)
Members' deposits withdrawn	13	(3,295,808)	(2,824,283)
Net cash flow from financing activities		5,499,968	1,886,883
Net increase in cash and cash equivalents		(255,889)	7,079,417
Closing cash and cash equivalents	6	17,461,389	17,717,278

NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

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 and deposits and investments with a maturity of less than or equal to three months.

2.6 Deposits and investments

Held at amortised cost - Investments designated on initial recognition as held at amortised cost are measured at amortised cost using the effective interest method less impairment. This means

that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount, minus, in the case of a financial asset, any reduction for impairment or uncollectability.

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

2.7 Financial assets - loans to members

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

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

2.8 Provision for bad debts

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and the adequacy of same on a regular basis. Loans are written off when there is no reasonable expectation of recovery.

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

- the movement in bad debts provision during the year, and
- the loans written off during the year.

This presentation is considered to offer more transparent insight into the credit quality of the portfolio and the effectiveness of credit risk management.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the income and expenditure account.

2.9 Tangible fixed assets

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

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

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

Depreciation is provided on the following basis:

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

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.

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 €12,421 (2024: €10,375).

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.

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 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 €320,058 (2024: €445,261).

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 €1,373,678 (2024: €1,250,111) representing 4.24% (2024: 4.04%) 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 €200,000 (2024: €200,000).

Adoption of going concern basis for financial statements preparation

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

4. KEY MANAGEMENT PERSONNEL COMPENSATION

The directors of the credit union service 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.

	2025	2024
	€	€
Short term employee benefits paid to key management	449,889	436,220
Payments to pension schemes	56,921	45,203
Total key management personnel compensation	506,810	481,423

5. NET IMPAIRMENT MOVEMENT ON LOANS TO MEMBERS

	2025	2024
	€	€
Bad debts recovered	(91,561)	(94,709)
Impairment of loan interest reclassified as bad debt recoveries	(15,635)	(15,063)
Movement in bad debts provision during the year	123,567	73,189
Loans written off during the year	277,034	281,939
Net impairment movement on loans to members	293,405	245,356

6. CASH AND CASH EQUIVALENTS

	2025	2024
	€	€
Cash and balances at bank	2,355,910	1,642,319
Deposits & investments - cash equivalents (note 7)	15,105,479	16,074,959
Total cash and cash equivalents	17,461,389	17,717,278

7. DEPOSITS AND INVESTMENTS

	2025	2024
	€	€
Deposits and investments – cash equivalents		
Accounts in authorised credit institutions (Irish and non-Irish based)	15,105,479	16,072,161
Central Bank deposits	-	2,798
Total deposits and investments – cash equivalents	15,105,479	16,074,959
Deposits and investments – other		
Accounts in authorised credit institutions (Irish and non-Irish based)	34,186,474	32,683,303
Bank bonds	8,376,840	8,414,804
Irish and EEA state securities	4,455,515	898,686
Central Bank deposits	664,415	622,768
Total deposits and investments – other	47,683,244	42,619,561
Total deposits and investments	62,788,723	58,694,520

The rating category of counterparties with whom the investments were held at 30 September 2025 and 30 September 2024 is as follows:

	2025	2024
	€	€
AAA	1,434,449	898,686
AA+	506,778	-
AA-	1,517,756	-
AA	996,533	-
A+	29,055,377	28,153,318
A	15,356,781	17,362,017
BBB+	5,021,034	4,627,145
BBB	-	5,021,062
NR	8,235,600	2,006,726
Central Bank	664,415	625,566
Total	62,788,723	58,694,520

8. FINANCIAL ASSETS – LOANS TO MEMBERS

	2025	2024
	€	€
As at 1 October	30,934,331	24,835,389
Loans granted during the year	13,901,139	17,791,669
Loans repaid during the year	(12,197,113)	(11,410,788)
Gross loans and advances	32,638,357	31,216,270
Bad debts		
Loans written off during the year	(277,034)	(281,939)
As at 30 September	32,361,323	30,934,331

9. PROVISION FOR BAD DEBTS

	2025	2024
	€	€
As at 1 October	1,250,111	1,176,922
Movement in bad debts provision during the year	123,567	73,189
As at 30 September	1,373,678	1,250,111

The provision for bad debts is analysed as follows:

	2025	2024
	€	€
Grouped assessed loans	1,373,678	1,250,111
Provision for bad debts	1,373,678	1,250,111

10. TANGIBLE FIXED ASSETS

	Land & Freehold buildings	Freehold Improv.	Construction in progress	Leasehold Improv.	Computer Equipment	Furniture & Office Equipment	Total
	€	€	€	€	€	€	€
Cost							
1 October 2024	1,216,203	364,502	-	70,847	398,719	71,838	2,122,109
Additions	-	-	218,721	-	4,781	6,513	230,015
Disposals	-	-	-	-	(4,053)	-	(4,053)
At 30 September 2025	1,216,203	364,502	218,721	70,847	399,447	78,351	2,348,071
Depreciation							
1 October 2024	215,675	216,783	-	70,847	263,092	55,691	822,088
Charge for year	7,229	73,859	-	-	51,282	4,127	136,497
Disposals	-	-	-	-	(4,053)	-	(4,053)
At 30 September 2025	222,904	290,642	-	70,847	310,321	59,818	954,532
Net book value							
At 30th September 2025	993,299	73,860	218,721	-	89,126	18,533	1,393,539
At 30th September 2024	1,000,528	147,719	-	-	135,627	16,147	1,300,021

11. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2025	2024
	€	€
Loan interest receivable	69,975	67,089
Prepayments	72,813	85,194
Other debtors and associated interest amounts	68,179	81,487
As at 30 September	210,967	233,770

12. MEMBERS' SHARES

	2025	2024
	€	€
As at 1 October	74,782,807	73,553,050
Received during the year	31,427,951	27,459,106
Withdrawn during the year	(26,909,861)	(26,229,349)
As at 30 September	79,300,897	74,782,807

13. MEMBERS' DEPOSITS

	2025	2024
	€	€
As at 1 October	4,470,775	3,813,649
Received during the year	4,277,686	3,481,409
Withdrawn during the year	(3,295,808)	(2,824,283)
As at 30 September	5,452,653	4,470,775

14. OTHER LIABILITIES, CREDITORS, ACCRUALS AND CHARGES

	2025	2024
	€	€
Prize draw	44,421	46,503
PAYE/PRSI	19,572	15,616
Accruals and other creditors	220,161	214,675
As at 30 September	284,154	276,794

15. OTHER PROVISIONS

	2025	2024
Holiday pay accrual	€	€
At 1 October	2,249	1,624
(Credited)/charged to the income and expenditure account	(571)	625
At 30 September	1,678	2,249

16. FINANCIAL INSTRUMENTS**16a. Financial instruments – measured at amortised cost**

	2025	2024
Financial assets	€	€
Financial assets measured at amortised cost	96,200,457	90,102,546
Financial liabilities	2025	2024
	€	€
Financial liabilities measured at amortised cost	85,039,382	79,532,625

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 01/10/24	Payment of dividend and interest loan rebate	Appropriation of current year surplus	Balance 30/09/25
	€	€	€	€
Regulatory reserve	11,444,356	-	-	11,444,356
Operational risk reserve	200,000	-	-	200,000

Other reserves**Realised**

Undistributed surplus	280,840	(51,389)	688,918	918,369
Total realised reserves	280,840	(51,389)	688,918	918,369

Unrealised

Interest on loans reserve	67,089	-	2,886	69,975
Investment income reserve	29,940	-	34,762	64,702
Total unrealised reserves	97,029	-	37,648	134,677
Total reserves	12,022,225	(51,389)	726,566	12,697,402

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.

	2025		2024	
	€	%	€	%
LOANS NOT IMPAIRED				
Total loans not impaired, not past due	28,241,377	87.27%	27,392,938	88.55%
IMPAIRED LOANS:				
Not past due	2,034,911	6.29%	1,915,667	6.20%
Up to 9 weeks past due	1,502,410	4.64%	1,225,557	3.96%
Between 10 and 18 weeks past due	207,854	0.64%	171,694	0.56%
Between 19 and 26 weeks past due	116,635	0.36%	73,561	0.24%
Between 27 and 39 weeks past due	81,213	0.25%	53,452	0.17%
Between 40 and 52 weeks past due	34,480	0.11%	35,564	0.11%
53 or more weeks past due	142,443	0.44%	65,898	0.21%
Total impaired loans	4,119,946	12.73%	3,541,393	11.45%
TOTAL LOANS	32,361,323	100.00%	30,934,331	100.00%

19. RELATED PARTY TRANSACTIONS**19a. Loans**

	2025		2024	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	8	78,995	16	67,250
Total loans outstanding to related parties at the year end	13	312,626	25	353,383
Total provisions for loans outstanding to related parties		7,815		7,082
Total interest collected for loans outstanding to related parties		23,005		28,623

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 0.97% of the total loans outstanding at 30 September 2025 (2024: 1.14%).

19b. Savings

The total amount of savings held by related parties at the year end was €274,221 (2024: €491,243).

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.

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.

20c. Interest rate risk disclosures

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

	2025		2024	
	Amount	Av. Interest	Amount	Av. Interest
	€	Rate %	€	Rate %
Gross loans to members	32,361,323	7.78%	30,934,331	7.98%

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.

21. DIVIDENDS AND LOAN INTEREST REBATES

The following distributions were paid during the year:

	2025		2024	
	%	€	%	€
Dividend on shares	0.05%	36,146	0.025%	18,011
Loan interest rebate (on standard rate loans)	1.00%	15,243	1.00%	15,747

The directors are proposing a dividend of €Nil (2024: €36,465 (0.05%)) and a loan interest rebate of €Nil (2024: €15,409 (1.00% - on standard variable loans)) in respect of the financial year ended 30 September 2025.

22. INTEREST PAYABLE AND SIMILAR CHARGES

	2025		2024	
	%	€	%	€
Deposit interest payable for the year				
On-demand deposit accounts	0.10	3,899	0.10	3,712
90 day notice deposit accounts	0.80	544	0.80	362
1-year term deposit accounts	1.75	4,362	1.75	1,105
3-year term deposit accounts	2.25	7,435	2.25	2,168
5-year term deposit accounts	3.00	9,069	3.00	3,275
10-year term deposit accounts	3.25	2,104	3.25	927
TOTAL		27,413		11,549

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 (2024: €1,500,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

25. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2025.

26. LEASING COMMITMENTS

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

	2025	2024
	€	€
Less than 1 year	36,674	34,498
1 to 5 years	27,542	29,333
At 30 September	64,216	63,831

27. COMPARATIVE INFORMATION

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

28. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 31st October 2025.

**SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT
FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025**

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

	2025	2024
	€	€
Investment income received/receivable within 1 year	849,004	903,325
Investment income receivable outside of 1 year	34,762	20,617
Realised loss on investments	(58,766)	(51,190)
Total per income and expenditure account	825,000	872,752

SCHEDULE 2 - OTHER INCOME

	2025	2024
	€	€
Insurance commission	(126)	2,675
Foreign exchange commission	6,110	6,733
Life & pensions commission	119,601	97,915
Total per income and expenditure account	125,585	107,323

SCHEDULE 3 - OTHER MANAGEMENT EXPENSES

	2025	2024
	€	€
Loans and savings insurance costs	233,717	220,145
Printing, postage and stationery	60,820	47,319
Computer costs	187,047	151,625
AGM and other meeting costs	18,158	17,067
Bank charges	40,875	36,707
Sundry expenses	36,865	28,554
Telephone	15,388	15,934
Cash security	10,345	6,812
Advertising and marketing	75,394	64,151
Donations and sponsorship	27,905	29,320
Legal and professional fees	211,367	250,432
Debt collection	-	6,976
Audit fees	28,078	19,680
Regulatory levies	31,189	155,982
Rent and rates	47,826	47,465
Repairs and maintenance	20,136	31,180
General insurance	50,766	51,177
Light and heat	11,607	17,072
Staff training	9,570	11,997
Travel and subsistence	4,406	3,250
Total per income and expenditure account	1,121,459	1,212,845



FINANCIAL ADVICE AVAILABLE NOW

Avail of a complimentary review of your current financial arrangements with our in-house Financial Advisor, John Miller.

John can provide advice in the following areas:

- Life assurance
- Serious illness cover
- Income protection
- Mortgage protection insurance
- Retirement planning/Pensions
- Self-employed pensions
- Post retirement advice
- Savings & Investments
- Business protection/employee benefits

Lucan District Credit Union has agencies with Irish Life, Zurich, Aviva Life & Pensions, Royal London, Standard Life, and New Ireland.

For more information or to make an appointment visit www.lucancu.ie Financial Advice or contact John at 0818 297 007 or John.Miller@lucancu.ie

REPORT OF THE CREDIT COMMITTEE

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

The loan book increased by €1.4m this year to €32.4m. We issued significantly less mortgages this year as we maxed out the funds available under the old regulations. The good news is that lending regulations have changed from the 30th September 2025 which will give us more scope to grow the loan book, including mortgages and business loans, over the coming years.

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

By Amount	Number	Amount €	Loan Purpose	Number	Amount
€1 - €500	333	€133,439	Car Purchase	328	€3,055,442
€500 - €2,000	984	€1,265,046	Bills/Debt consolidation	86	€415,732
€2,000 - €5,000	615	€2,245,693	Go Green	18	€338,376
€5,000 - €10,000	367	€2,860,968	Christmas	142	€192,970
€10,000 - €15,000	137	€1,785,327	Education	95	€315,770
€15,000 - €25,000	98	€2,026,690	Dental/Medical	88	€253,170
€25,000 - €50,000	42	€1,381,700	Holidays	298	€693,800
€50,000 - €100,000	11	€769,276	Home Improvements - €25k	330	€1,811,428
€100,00+	9	€1,433,000	Home Improvements - €25k-€40k	60	€828,500
Total	2,596	€13,901,139	Home Improvements - €40k-€75k	37	€908,600
			Home Improvements - €75k-€100k	7	€303,500
			Wedding	37	€219,595
			Within Shares (fully secured)	807	€2,526,563
			Car repairs	121	€202,000
			Members Flexible Mortgage	12	€1,655,000
			Other purpose	130	€180,693
			Total	2,596	€13,901,139

We are now end-to-end fully digital for loan applications. Members can now apply for a loan through the mobile app or PC and link your bank accounts through the app (new) for statements. Once approved you can sign for and drawdown the loan via Docusign. No need to come into the office.

For more information on our loans visit our website www.lucancu.ie, call us on 0818 297 007 or ask at the counter. Check out the loan calculator on our website for estimated costs and repayments.

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. You will be deemed 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 option 3, you will be put straight through.

The Credit Control Committee

REPORT OF THE MEMBERSHIP COMMITTEE

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

This year we were delighted to welcome 635 fully approved new members.

Out of the fully approved members, 43% are under the age of 25, 46% are in the key borrowing demographic of 25-55, and 11% of new members are over 55.

We are always happy to welcome new members of any age. We would remind you that our members can continue to borrow up to the age of 90. Our loans are covered (subject to t&cs) 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.

Members can now join the credit union through our mobile app. The app Lucan Credit Union is available from the Playstore or from the Apple store. Simply download and follow the onscreen instructions to join. Or complete a membership application using a single or joint account form available over the counter in the Finnstown office or on our website www.lucancu.ie/about-us/downloads

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.

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

REPORT OF THE NOMINATIONS COMMITTEE

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.

This year the committee had a very busy year as our Chair resigned in March to take up new employment, and a long-serving director, Tom Bradley, retired at the end of July. The vice-Chair, Austin O'Keeffe, received pre-approval from the Central Bank and was elected Chair. The committee filled the vacancies from the panel of volunteers. Both candidates are up for election at this AGM, Patrick Gray and Dwayne Keogh.

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. This is why we are no longer permitted to take nominations from the floor at the AGM.

Another role of the committee is to ensure that we conduct regular assessments of the range of work experience and qualifications of the Board to identify any gaps. Candidates are sometimes selected because they have the identified experience or qualification.

The committee is also responsible for ensuring that Board members receive training annually. This involves both mandatory training and training in other areas relevant to the governance roles. This includes induction training, AML/CTF, data protection, risk management, ethics, etc. This training is delivered through both onsite and virtual training sessions.

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.

The Nominations Committee

REPORT OF THE INVESTMENT COMMITTEE

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).

This year the ECB cut interest rates on several occasions. This had an impact on our short-term funds because the rate was decreasing, but we had to continue holding this cash as liquid (available within 3 months). The interest rates have now stabilised. The committee is of the view that we may not see any further reductions for the next few months.

The committee enhanced the strength of the portfolio by purchasing more AAA-rated, and AA-rated government bonds at attractive yields. This improved the overall credit rating of the portfolio. During the year the maturity profile of the portfolio shortened as more funds were held in short-term deposits as they matured, for liquidity management purposes. This means that there is plenty of scope to avail of longer-term deposits with better interest rates over the coming year.

There remains significant uncertainty in markets globally due to ongoing conflicts and the current policies of the US administration. This will, no doubt, have an impact over the coming year on markets and interest rates.

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

The Investment Committee

STANDING ORDERS

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 ACCOUNT FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2025

INCOME		€
Opening Balance 01/10/2024		46,502.87
Cash Draw Member Entry fees for calendar year 2025		147,940.00
Total Entry Fees and Opening Balance		194,442.87
EXPENDITURE		
Prizes paid out		150,000.00
Bank Charges related to the Prize Draw Account		21.68
Total Expenditure		150,021.68
Total Audited Remaining Funds		44,421.19

PRIZE DRAW WINNERS 2025

Prizes Oct24 – Sep25 1st €8,000 – 2nd €2,500 – 3rd €1,000 – 4th €500 – 5th €500

October 2024

1st Lorraine Curtis
2nd Maeve McGuire
3rd Thomas Gough
4th Anita McCarthy
5th Siobhan Kelly

November 2024

1st Therese Buckley
2nd Kathleen Coakley
3rd Maura Moran
4th Helen Murphy
5th Mary Wallace

December 2024

1st Mary Pentony
2nd Bridie Nestor
3rd David Walsh
4th Michael Duffy
5th Ian O'Flynn

January 2025

1st David Carroll
2nd Anne Fitzsimons
3rd Angarad Williams & Justin
Jamie Smith
4th Patricia Kelleher
5th Georgina Simion

February 2025

1st Brendan O'Daly
2nd Michelle Monahan
3rd Philomena Bradshaw
4th Valerie Abbey
5th Larry Fitzharris

March 2025

1st Mary Tormey
2nd Geraldine O'Connor
3rd Carol McLaughlin
4th James Murphy
5th Laura Ann Linton

April 2025

1st Veronica Cunningham
2nd Jacinta Griffin
3rd Margaret Murphy
4th Orla Dunleavy
5th Sylvia McDonagh

May 2025

1st Eamonn Ryan
2nd Rita Dillon
3rd Eileen Larkin
4th Kenneth O'Toole
5th Rachel O'Doherty

June 2025

1st Fionnuala Devereaux
2nd Fiona Dalton
3rd Martin Gunn
4th Marie Gannon
5th Colette Grant

July 2025

1st John Kenny
2nd Evelyn O'Gorman
3rd Michael Madigan
4th Angela Coogan
5th Michael May

August 2025

1st Amanda McGarry
2nd Anthony Jennings
3rd Anne Saul
4th Rozana Moriarty
5th Cieran Vaughan

September 2025

1st Anne Malone
2nd Margaret Cleary
3rd Mary Smith
4th Sandie Casserly
5th Jim Gallagher

DONATIONS AND SPONSORSHIP

We are delighted to assist local groups, clubs, schools and athletes with sponsorship where we can through the year. This sponsorship and the donations we make to charities, on behalf of our members, helps to improve our local community.

Below is some of the main sponsorship and donations made during the year. There are several more smaller contributions made to other athletes, groups, clubs, schools and charities.

Charities

- Unicef
- Focus Ireland
- The Irish Heart Foundation
- Our Lady's Hospice
- Irish Cancer Society
- Barnardos
- Alone
- Concern
- Safe Ireland
- Aslam.ie
- Irish Red Cross
- Medicins Sans Frontiers

Groups/clubs/schools/athletes

- Adamstown Community College
- St Josephs College
- ICA arts and crafts fair
- Women's Collective Lucan
- Aontas Youth Choir
- Na Gaeil Oga GAA club
- St Andrews National School
- Lucan Pitch n Putt
- St Thomas Junior School
- Lucan Active Retirement Assoc.
- Lucan St Patricks Day Parade
- Lucan Festival
- McKinley School of Dance
- Beechpark FC
- The Wade Family
- Lucan Harriers
- Irish Red Cross Lucan (OAP Christmas party)