



Annual Accounts 2024



The Annual General Meeting of
Clonmel Credit Union Limited will take place on
Wednesday December 11th 2024 at 7:00pm at the
Hotel Minella, Clonmel, Co. Tipperary.



Chairman 2024
Mr. Eamonn O' Mara



Board Of Directors 2024

Standing L – R: C. Carroll, B. Lennon, D.O'Callaghan,
F. Bermingham, J. Courtney, W. Butler

Sitting L – R: A.Brett, F. Guida, E. O'Mara, Chairman, K. Halpin, V. Quinlan

CHAIRMAN
VICE-CHAIR
HON. SECRETARY
DIRECTORS

EAMONN O' MARA
FRANK BERMINGHAM
ANNETTE BRETT
DES O CALLAGHAN
KATHLEEN HALPIN
FIL GUIDA
JOHN COURTNEY
CHRISTY CARROLL
WILLIAM BUTLER
BERNIE LENNON
VICTOR QUINLAN

OVERSIGHT COMMITTEE	T. COLEMAN, S. ALTON B. MOFFETT, P. KELLY S. RYAN
VOLUNTEER COMMITTEE MEMBERS	C HALPIN, S FAHEY P KENRICK, L HENRYS P LONERGAN, E O DONNELL
AUDIT & RISK COMMITTEE	E. O MARA, W. BUTLER, F BERMINGHAM, V QUINLAN C CARROLL
CREDIT COMMITTEE	B LENNON, P KENRICK, D O CALLAGHAN, P LONERGAN, F BERMINGHAM, S FAHEY
CREDIT OFFICERS	G HYLAND, R O GORMAN, P HALLY, A CONWAY, S LEAHY, F BARRETT, C MORRISSEY
INVESTMENT COMMITTEE	K HALPIN, F GUIDA C CARROLL
CREDIT CONTROL COMMITTEE	C HALPIN, C CARROLL, E O DONNELL,
MEMBERSHIP COMMITTEE	P KENRICK, L HENRYS, M NOLAN
NOMINATIONS COMMITTEE	F BERMINGHAM, W BUTLER, A BRETT
PROMOTIONS COMMITTEE	J COURTNEY, K HALPIN, B LENNON
REMUNERATION COMMITTEE	A BRETT, W BUTLER, F BERMINGHAM
HEALTH & SAFETY COMMITTEE	J RYAN, J HEALY, B LENNON, M MCHUGH, P ENRIGHT, J COURTNEY, C HORGAN
STRATEGIC PLANNING COMMITTEE	E O MARA, V QUINLAN, W BUTLER, F BERMINGHAM
ESG & SPECIAL PROJECTS COMMITTEE	D O CALLAGHAN, J COURTNEY, C CARROLL, W BUTLER
I.T COMMITTEE	P ENRIGHT, T HOGAN, J HEALY M MCHUGH, C HORGAN, A CONWAY, D O KEEFFE
CHAPTER DELEGATES	K HALPIN, C CARROLL
CHAPTER ALTERNATIVES	C HALPIN, J COURTNEY
COMPLAINTS OFFICER NO 1	J HEALY
COMPLAINTS OFFICER NO 2	P ENRIGHT
COMPLAINTS OFFICER NO 3	C HORGAN
COMPLAINTS COMMITTEE	AUDIT COMMITTEE

Notice is hereby given that the 2024 Annual General Meeting of Clonmel Credit Union will be held in person on **Wednesday December 11th 2024 at 7:00pm at the Hotel Minella, Clonmel, Co. Tipperary.**

AGENDA

1. Welcome.
2. Agenda & ascertain that a quorum is present.
3. Approval of the minutes of last Annual General Meeting.
4. Chairman's Address & Report.
5. Report of the Auditor and Consideration of Accounts.
6. Declaration of Dividend and Interest Rebate
 - (a) "The Board of Directors recommend that a dividend of 0.5% be declared and sanctioned by members at the Annual General Meeting on Wednesday the 11th of December 2024, on all shares".
 - (b) The Board of Directors recommend that an interest rebate of 20% be paid to borrowing members of the standard personal loan, calculated on Gross Interest paid in the Financial Year ended 30th September 2024".
7. Appointment of Tellers.
8. Election Process (i) Election of Auditors (ii) Election to fill vacancies on the Board Oversight Committee (iii) Election to fill vacancies on the Board of Director's.
9. Committee Reports.
10. Draw for members attending.
11. Announcement of election results.
12. Any other business.
13. Close of meeting.

The members assembled at the Annual General Meeting may suspend the order of business upon a two-thirds (2/3) vote of members present at the meeting.

CONFIDENTIALITY OF MEMBERS AFFAIRS

The Directors, committee members, voluntary helpers and employees in a credit union shall hold in strictest confidence all transactions of the credit union with its members and all information respecting their personal affairs.

The importance of this rule is paramount. Every Director, committee member, voluntary helper and employee before entering upon the duties of their office, and annually thereafter execute a written undertaking to observe this rule.

Auditors For Election:	O'Gorman Brannigan Purtill & Co.
BOC eligible for election are:	Bill Moffett Seamus Alton
Directors eligible for election are:	William Butler Bernie Lennon Christy Carroll Victor Quinlan Frank Bermingham

ANNUAL REPORT OF NOMINATING COMMITTEE 2024

The Credit Union and Cooperation with Overseas Regulators Act 2012 has made many changes in law to the way the Nominating Committee must operate. The committee is now charged with carrying out Due Diligence on all members volunteering their services to the Credit Union.

Members offering their services for election to the Board of Directors and Board Oversight Committee must be proposed and seconded by two members. All applicants must complete an Individual Questionnaire to show that they comply with the Fitness & Probity requirements set out by the Central Bank.

Directors who wish to serve as Chair of the Board must be pre-approved by the Central Bank before the Nominating Committee can nominate him or her for that position.

O Gorman, Brannigan Purtill & Co. are our proposed Auditors for 2025.

This year we have 2 board oversight members seeking re-election. Each member will be elected for a 3 year term. However, if a member of the BOC has a lesser term remaining in their natural 12 year term, the shorter term will apply.

This year we also have 5 Directors that are eligible for election and re-election and have offered their services. We must elect 5 members for 3 years each. However, if a director has a lesser term remaining in their natural 12 year term, the shorter term will apply.

Instructions on how to vote will be provided on the night.

Annette Brett William Butler Frank Bermingham

20% PROPOSED INTEREST REBATE

0.5% PROPOSED SAVING DIVIDEND



TOTAL MEMBERSHIP

32,044

Community

NEW MEMBERS



1,138

36

STAFF



6,843

Facebook
Followers



1,268

Instagram
Followers



13.8K

ONLINE BANKING

61 YEARS
Serving Community

Financing Family Homes

34 MORTGAGES
GRANTED

46 MORTGAGES
APPROVED



Finance

€35.7M

ISSUED IN LOANS



€304K



ISSUED IN
MEMBER
DRAW PRIZES



€3.4M

MORTGAGE
DRAWDOWN

€76.4M

LOAN BOOK



7212

LOANS ISSUED



€281M
Total in Assets

CHAIRMAN'S INTRODUCTION TO THE ANNUAL REPORT

Clonmel Credit Union – Annual Report for the Year Ended September 30th, 2024

Dear Fellow Members,

On behalf of the Board of Directors of Clonmel Credit Union Limited, I am pleased to present our Annual Report for the financial year ended September 30th, 2024. This report reflects another year of growth, resilience, and commitment to our core mission of serving the financial needs of our members and communities across South Tipperary and beyond. As we step into our seventh decade of operation, it is important to pause and reflect on the tremendous progress we have made and the opportunities that lie ahead.

A Year of Growth and Resilience

2024 was a year of significant milestones for Clonmel Credit Union. We are proud to continue serving our extended community, which now spans a 32-kilometre radius from our headquarters on Parnell Street, Clonmel. Our Common Bond now includes members from Piltown in the east, Bansha in the west, Dungarvan in the south, and Callan in the north. This expanded footprint reflects the increasing reach and relevance of the Credit Union as we continue to grow and serve more members.

One of the key factors that ensure the Credit Union's long-term sustainability is the continuous growth of our membership base. Over the past financial year, we were delighted to welcome 1,138 new members to Clonmel Credit Union. The trust and loyalty of both new and existing members are what drive us forward and enable us to continue developing services that meet the evolving financial needs of our community.

We are committed to fostering a member-centric ethos at every level of our organisation. Our core values—community, service, and trust—remain at the forefront of our operations, ensuring that our decisions are always made with our members' best interests in mind.

Financial Strength and Stability

The Board of Directors remains focused on ensuring the prudent management of members' funds while continually strengthening the Credit Union's financial reserves. Our approach has been one of careful, forward-thinking financial stewardship, positioning Clonmel Credit Union as one of the strongest and best-capitalised credit unions in Ireland. We understand that the financial health of the Credit Union directly impacts our ability to serve our members, which is why we place such a strong emphasis on solid governance and risk management.

In 2024, we saw further strengthening of our financial position. We increased our reserves significantly, which now stand at €43.98 million, representing 15.61% of our total assets—well above the minimum requirement set by the Central Bank of Ireland. This solid foundation ensures that we are well-capitalised to meet future challenges and opportunities while continuing to provide secure, reliable financial services to our members.

The economic environment in Ireland remains resilient. Employment rates are strong, and local industries continue to thrive. However, we remain vigilant in monitoring potential risks that may arise from changing economic conditions. Our dedicated Audit & Risk function works tirelessly to assess and mitigate risks, and we are grateful for the ongoing support and insight provided by both our internal and external auditors. Their expertise ensures that we continue to operate in compliance with all regulatory standards and best practices.

Expanding Our Range of Services

Clonmel Credit Union has always been committed to offering a comprehensive suite of financial services designed to meet the diverse needs of our members. This year, we took significant steps to expand our service offerings and enhance our ability to serve our community.

Expanding Our Range of Services CONTINUED

In response to member feedback, we launched a number of new and revised loan products in 2024. These included Green Loans, Car Loans, SME Loans, and a new Secured Loan offering. These products have proven to be popular and have helped attract new members to Clonmel Credit Union, allowing us to support a broader range of financial needs.

We previously introduced the Clonmel Credit Union Current Account in 2022. We have opened over 2,000 current accounts and this service has proven to be a key development for the Credit Union. It allows us to offer a full suite of banking services to our members, enabling them to manage their finances with ease and convenience. Our current account offering is a vital step forward in positioning Clonmel Credit Union as a fully integrated, member-focused financial institution.

Supporting Homeownership: Mortgages at Clonmel Credit Union

One of the most significant achievements of 2024 has been the continued growth of our mortgage portfolio. Housing remains one of the greatest social challenges of our time, and Clonmel Credit Union is proud to offer our members a fair and accessible alternative to traditional banks. We are committed to providing reasonably priced mortgages with unique benefits tailored to the needs of our community.

By the end of 2024, we had successfully issued 44 mortgages, totalling €5.8 million. Furthermore, we had an additional €6 million in approved mortgages that were in the process of being finalised, with most of these expected to convert to lending in the first quarter of 2025. These figures highlight the success of our mortgage offering and the growing demand for affordable home loans through the Credit Union.

We are also aware of the broader societal need for affordable housing, and we remain committed to providing accessible mortgage solutions to our members. This is an area of strategic focus for the Credit Union, and we will continue to refine and enhance our mortgage products to meet the needs of the community.

Investing in Sustainability and Digital Services

As part of our long-term vision for the Credit Union, we are committed to creating a sustainable and energy-efficient operation. In 2023, we made significant investments in our physical infrastructure, upgrading our branch premises to meet modern energy efficiency standards. This has already led to a reduction in running costs, with solar panels helping us save around €3,500 annually in energy costs. These green initiatives are part of our broader Environmental, Social, and Governance (ESG) strategy, which is designed to reduce our carbon footprint and contribute positively to the environment.

We are also fully aware that the future of banking is digital. To ensure that we remain relevant and accessible to all members, we have continued to invest in modern digital banking services. This includes enhancing our online and mobile banking platforms to meet the needs of younger generations, who increasingly expect to manage their finances remotely. Digital solutions are vital to ensuring the sustainability of the Credit Union, and we are committed to continuously improving these services to meet the needs of our members.

Strong Financial Performance in 2024

We are pleased to report a highly successful year from a financial perspective. Loan growth was excellent, with an increase of €8.5 million (or 12.5%) on our loan book. Investment income also saw a strong rise, reflecting the favourable interest rate environment. At year-end, our total assets had grown to €281.77 million, an increase of €7.79 million.

Strong Financial Performance in 2024 CONTINUED

Our investment book stood at nearly €197 million, which is a clear indication of our financial strength and prudent management of our funds. We also maintained an exceptionally strong regulatory reserve of €43.98 million, which exceeds the Central Bank's required threshold. Members can be confident that Clonmel Credit Union remains in a strong financial position, with sufficient resources to fund future loan growth and investment.

Governance and Leadership

The strong governance of Clonmel Credit Union is a key component of our success. I would like to acknowledge the leadership and vision of the board of Directors. Their collective expertise and dedication ensure that the Credit Union operates with the highest standards of governance.

The work of our Board Oversight Committee, under the chairmanship of Tommy Coleman, continues to provide valuable support and oversight to the Board, ensuring the Credit Union's operations remain robust and compliant.

We are also deeply grateful for the work of our volunteers, who play a vital role in the success of Clonmel Credit Union. Their dedication and selfless contribution are essential to the Credit Union's continued growth and service to the community.

Sympathies and Acknowledgements

We extend our sincere sympathies to the families and friends of our members passed away during the year. They were all prayed for, along with all members past and present at our special annual mass on the 19th of October in St Peter and Paul's.

Our management and staff are tasked with running what is an increasingly complex organisation, and we extend a thank you and well-deserved recognition for a job very well done across the year. As we look ahead to 2025 and beyond, we are excited about the opportunities for continued growth, innovation, and service to our members. We remain dedicated to providing the highest quality financial services while maintaining the values of community, trust, and member-focused service that have been the hallmark of Clonmel Credit Union for over six decades.

Thank you for your continued support and trust in Clonmel Credit Union.

Sincerely,



EAMONN O'MARA
Chairman, Board of Directors
Clonmel Credit Union

During the financial year of 2024 we welcomed 1138 new members bringing our current membership to 32,044 members.

Common Bond

Our common bond extends to a radius of 32km from the Clonmel office. All new applicants must be living and / or working within this area.

Ease of joining

Joining the credit union has never been easier. You can now apply online, through the Clonmel CU phone app or by calling into any of our three offices where our friendly and dedicated staff are happy to assist you.

What you need to open an account/reactivate a dormant account

1. **Confirmation of your identity–**
 - Valid Passport
 - Valid Driving licence
 - Please Note that only valid passport and card form driving licence can be used when joining online.
2. **Confirmation of your address–**
(dated within the last six months), typical forms of address proof:
 - Utility bill i.e., telephone, gas, electricity, broadband, etc in your own name
 - Bank statement or statement from regulated financial institution
 - Motor/ household insurance statement
 - Dated document from a government department.
3. **Confirmation of your PPS number–**
 - Revenue Letter
 - P60
 - Payslip
 - European Health Insurance card

NOTE: The green Public Services Card cannot be used as ID or as proof of PPS number.

For a Joint Account you need all these documents for both people.

Current Accounts

Our current accounts have increased by 494 this year. Our current account is extremely competitive with concessions made for students, youths and members aged 66 and over. Members aged 12–15 years can apply a current account with parental consent. Members aged 16 years and over can apply independently. You will find a breakdown of the fees on our website clonmelcu.com

Dormant Accounts

Under the Standard rules for Credit Unions (ROI), and in line with Government Legislation, an account is classified as dormant if there hasn't been any member-initiated transaction in the last 3 years. Clonmel Credit Union will issue a letter to the last known address 30 days before the account goes dormant to notify members of this.

A. QUIRKE, P. KENRICK, L. HENRYS

The past year has been very satisfactory with a strong performance across all credit metrics, from member service to loan book quality.

During the financial Year to 30th September 2024, the Credit function assessed and underwrote 8,771 loan applications. Loans issued amounted to €35,726,908, with a resultant €8.54 million growth on the loan book, or a 12.58% increase on 2023. The loan book at year end was €76.438 million. This was an excellent outcome.

This growth was generated following the launch of a new range of loan propositions in June 2023, Green Loan, larger Car Loan, SME Loan and a new Secured Loan. These new loan types have generated excellent levels of activity. For example, the car loan saw increased volumes of €2.34 million on the previous year. The Strategic Plan sets out clear growth objectives in each of these loan segments.

Mortgages have also proven to be very successful for us and we generated incremental volumes of €3.5 million in the year from 34 new mortgages. Our average mortgage stands at €132,000, and all are provided to finance family homes. We do not finance holiday or second homes or buy to let properties. Having launched our Mortgage in December 2021, we have had very positive member feedback. We offer excellent value to members, and we are now a very real alternative to retail banks. Members enjoy the benefit of knowing that their loan is insured by the Credit Union and cleared automatically if the member passes during the life of the mortgage.

Green and Eco Loans is an area where we see potential for loan growth in coming years. The SBCL, under the auspices of the Minister for Enterprise and Employment, approved 5 Credit Unions in the country to provide finance under the newly launched Home Energy Upgrade Scheme and Clonmel is proud to be one of those selected. This scheme will enable us to provide subsidised finance to current members and indeed new members introduced by other Credit Unions who do not provide the scheme, at very attractive rates of circa 3.5%. We will receive a 2% subsidy from government as well as a guarantee covering 80% of the amount of a loan, in the event of default.

SME is an area of opportunity where we see excellent growth potential to prudently deploy member savings and generate good returns for Clonmel Credit Union. Our experience in this segment has been very positive and we are supporting local employment while lending to small businesses. We can provide a timely and professional service to business owners that is better than that provided by retail banks.

Our stated risk appetite as a credit union is medium to low and all loan applications are rigorously assessed in line with our stated credit policies. Larger volume loans are subject to heightened and detailed underwriting and approval processes, utilising technology and external expertise, as appropriate, to support the credit process. This in turn is reflected in the very acceptable quality of our loan book.

The Credit Union's Credit Policy is reviewed annually in the context of the changing economic environment, regulatory and factors. Policies are updated in conjunction with our auditors, to ensure that we are compliant with legislative and regulatory frameworks. We have specific credit policies for Personal, SME, Agri and Mortgage lending. We iterate and implement processes, procedures and governance structures to ensure we prudently manage more complex credit segments. We have a strong team of experienced lenders, some of whom have a background in SME, Mortgage and Agri lending. All lending staff undergo ongoing professional development training and are either APA or QFA qualified.

Investing in digital platforms to support the underwriting and management of lending is critical. These solutions enable us to provide a better quality of service to members while also ensuring more consistent and compliant underwriting standards. We continue to use the Central Credit Register, a national database under the auspices of the CBOI: effectively a detailed database of an individuals' previous credit history.

Delivering an excellent Member Experience is at the core of what we do. Feedback on our Loans Line service on free phone **1800 94 59 87** where members speak directly with a lending officer, is consistently strong. We currently process circa 75% of applications through this channel. The uplift in online applications over the past 2 years continues in line with consumer behaviour across all sectors. We also provide both DocuSign and Adobe Sign services to members which enable loan funds to be transferred to any IBAN enabled account. However, the member chooses whether they wish to transfer the funds electronically or call to collect.

We work hard to ensure we are well positioned to serve the evolving needs of our diverse membership and the broader community. Lending money for the betterment of individuals, families, businesses and local organisations, enriches and supports the community and is at the core of what a progressive and vibrant the credit union is all about.

B. Lennon F. Bermingham D O' Callaghan M. Nolan P. Kenrick S. Fahy P. Lonergan

CREDIT CONTROL COMMITTEE 2024 REPORT

The function of Credit Control is to monitor and make targeted interventions where accounts are in arrears.

Credit Unions typically use a ratio known as the Pearls Ratio for measuring loans more than 9 weeks in arrears and anything under 4% is considered very satisfactory. The ratio at year end was 3.26% which had reduced from 3.72% the previous year.

Many factors can influence a member's financial situation at a given time. Our approach is simple; we endeavour to support members experiencing financial difficulty and will do so by putting temporary arrangements in place where a borrower needs to reduce outgoings for a period. We always start from a place of support and understanding and will work with the member in doing so. Clonmel Credit Union actively encourages all members to make contact at an early stage if they are encountering financial difficulties impacting on their ability to meet the loan repayments. Our credit control partners, Cabot Financial, operate to clearly defined standards that we have set for them to ensure that their agents live up to our expectations.

The rules of the Credit Union require us to make provision for loans on an increasing scale depending on the extent of arrears in the loan book at a given time. Changes in the accounting policy have altered the level of provisioning that can be maintained to what is specifically needed only. The amount required changes in line with loan book trends and the provision at year end was **€4,932,316**, a decrease on the previous year which stood at **€4,950,041**.

All the money we lend is generated from members savings; loans issued to members are from funds lodged by other members in their savings share accounts. When a loan is written off, this is a loss of members funds, and we vigorously pursue these debts to ensure we recover as much as we possibly can.

Loans written off in the year amounted to €803,264 compared to €893,729 the previous year. However, we recovered €840,422 from our debt collection and recovery activities, down from €944k the previous year. This demonstrates the level of commitment and the success we have in pursuing this. Recoveries will fluctuate each year depending on factors such as insurance claims and the overall level of bad debts on the books.

Recent investments in digital lending solutions, including Open Banking, enhance decision making process and management of credit and we consistently review our performance against the credit union sector in terms of the Pearls ratio another metrics.

Clonmel Credit Union now provides mortgages in response to feedback from our members who wanted good value rates and professional advice. This is an excellent example of a Credit Union looking after the needs of a community, providing finance for family homes.

The really good news is that members benefit from free loan protection insurance on their mortgages, subject to terms and conditions. This is a very valuable feature that no other lender provides and, when combined with our rate of 4%, Clonmel Credit Union's mortgage package is one of the best.

We have issued €3.5M in mortgages over the last 12 months and have helped our members save thousands of euros by switching their mortgages to us.

GREAT VALUE WITH PROFESSIONAL, FRIENDLY MORTGAGE ADVICE;

That's the **Credit Union**
Difference!

Contact our professional Mortgage Adviser,
at mortgages@clonmelcu.com



LOOKING AFTER SMALL BUSINESS OWNERS

At Clonmel Credit Union we understand that local small businesses are the backbone of the economy, creating employment and fuelling growth. Every €10 spent locally can generate up to €40 in additional economic value so as your local lender, it makes sense for us to support your business. After all, we are locally owned, by our members.

We lend to sole traders, partnerships or limited companies, providing good value, flexible finance for businesses. Whatever stage an enterprise is at and regardless of what sector, be it retail, manufacturing, hospitality, construction, IT, trades, professional practices or transport, to name but a few, we provide professional friendly and professional SME lending.

Our promise:

- Decision is made locally (and quickly!).
- Our process is straightforward.
- Our lenders are very experienced, professional and qualified.
- We offer competitive rates and flexible repayment terms of up to 10 years.
- You will benefit from free loan protection insurance; this is valuable.
- There are no arrangement fees or penalties for early repayments.

Business loans with your Credit Union are not just about the balance sheet and profit & loss. We look at the member, the track record, their experience, qualifications and so much more.

SUPPORTING SMALL BUSINESS

That's the **Credit Union**
Difference!

The Credit Union & Co-operation with oversea regulators Act 2012 requires the appointment of an Oversight Committee which will oversee the Directors in the performance of their functions. The committee will consist of 3 or 5 members elected by the membership.

The Oversight committee is elected by and responsible to the members of Clonmel Credit Union. Like many organisations, Credit Unions have a separation between those who own the organisation i.e. the members and those who run it, thus an overview element that represents the best interests of the members and the Credit Union are needed.

Under the Credit Union Acts 2012 & 1997 the main functions and duties carried out by the Oversight committee during the year are outlined as follows.

Under section 76 O of the Act

- 1) Meet with the Board at least 4 times in every year to facilitate it carrying out its assessment of the board Performance. Will attend meetings of the various committees
- 2) Attend all Board meetings on a monthly basis
- 3) The committee will itself meet on a monthly basis
- 4) To submit a report as to its assessment as to the board of Directors being in compliance with Part 1V of the Act.

In review of its findings the Oversight committee is happy to report that the Board of Clonmel Credit Union has materially adhered to the laws, policies and procedures of the Irish League of Credit Unions (ILCU) and The Central Bank being the Regulatory Authority.

The role of the committee did change following the 2012 Credit Union Act with its primary function being Board oversight. The name of the committee will reflect this change. The previous function of verification and auditing aspect of the current role will be taken up by the newly introduced Internal Audit function.

T. Coleman

B. Moffett

S. Alton

S. Ryan

P. Kelly



Board Oversight Committee 2024

L-R: S. Alton, T. Coleman, B. Moffett,
Missing from Photo: S. Ryan & P. Kelly

A Nomination is a unique facility available to credit union members that you will find nowhere else. Simply put, a Nomination is a legally binding, written instruction that tells the Credit Union what to do with your money after your death.

If you are over 16 years of age, you can nominate a family member or loved one to receive proceeds of your credit union account upon your death to a maximum of €27,000 (any excess of this amount will fall to your estate.). Nominated funds can be distributed without delay to the person(s) you have named on your Nomination Form.

This is another unique feature of being a member of your credit union and, as you would expect, it is a service provided to all members free of charge

NOMINATIONS

That's the **Credit Union**
Difference!



LOOKING AFTER YOU – FREE INSURANCES

At Clonmel Credit Union, we provide a range of valuable insurance benefits to members absolutely free of charge, subject to terms and conditions. In fact, we pay over €1.2 million annually in insurance premia to ensure our members are protected and these benefits are available to you whether you are a borrower or a saver.

1. When you save with Clonmel Credit Union, you immediately qualify for Life Savings Insurance. The insurance benefit payable is in proportion to the amount of savings a member has accumulated during the term of their membership and the member's age. Your dependents could get a sum of up to €10,200 when you pass away. In this past year, Clonmel Credit Union paid out €457,351 on this insurance alone.
2. To protect our members and their families, Clonmel Credit Union provides loan protection insurance free of charge. When you borrow, the insurance is put in place immediately by the lender. This means that if you pass away, your loan is cleared in full and not left to your family as an additional burden they need to deal with. In the past year, Clonmel Credit Union paid out €326,329 on this insurance alone. This is a very valuable and unique free benefit; one that is not provided by any other lender.
3. We also provide Death Benefit insurance to our members. All eligible members of Clonmel Credit Union can apply for insurance covered under our Death Benefit Insurance Policy. This means in the event of your death, a sum of €2,600 will be paid to your family to help with the cost of funeral expenses, thereby easing the financial burden of bereavement. In this past year, Clonmel Credit Union paid out €535,600 directly towards funeral expenses to provide financial support to our member's families.

Please visit our website:

www.clonmelcu.com

or ask in branch about eligibility and terms and conditions of the benefits listed above.

FREE INSURANCE

That's the **Credit Union**
Difference!

LOOKING AFTER YOU – THE MEMBER’S DRAW

Another unique feature of your Credit Union membership is the monthly Member's Draw. You can join for €33 per annum and in the last year our Member Draw paid out €304,000 in prizes to members.

That's the Credit Union *Difference!*

Clonmel Credit Union Members Draw 2023 – 2024 68 winners with €304,000 paid out

12 Winners of the €15,000 Monthly Draw from October 2023 to September 2024

C Whelan E O Donnell A Cronin C Hickey	C Lambert J Brennan M O Dwyer R Walsh	A Butler P Lonergan N Carroll & P McCarthy J O Gorman
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Winners of the 12 days of Christmas draws worth €1,000 each

W Alders N Gibbons J Fitzgerald B Poyntz	L Kirby D Treacy J Walsh M Lee	S Fee M O Brien N O Brien T Nugent
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Winners in the 3-2-1 Special draws

Winners of € 3k	Winners of € 2k	Winners of € 1k
C Blanche L & H Barlaz N Wall A Gormley L & M Brennan B Acheson J Lyttle N Willoughby A Falvey P Moore T O Sullivan C Hallahan	M Ormonde M Prendergast A Rice A & S Rush J Walsh M O Mahony S & C Moore G Morrissey D & R Lutz S Olney N & A Hogan I Gerety	F Laurence A Ryan A Coffey A Lonergan N Grogan G Trehy J Larkin M Leydon A Butler T & T Needham G Callcut W & J Weymouth

Winners of Special Easter Draw worth €1000 each

M Mullally M O Donnell	O Hickey C Quigley	
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Special Credit Union Day Draw worth €5,000 each:

P Hickey
B Kelleher

Special Draw Winner worth €25,000

B Ryan

MEMBERS DRAW for the 12 Months ENDED 30TH SEPTEMBER 2024

	12 Months to 30/09/2024	12 Months to 30/09/2023
INCOME		
Deductions	€306,108	€303,813
Savings Dividend	€611	€ -
	<u>€306,719</u>	<u>€303,813</u>
EXPENDITURE		
Cost of Draws	€335,000	€289,318
Advertising/Auditing	€ -	€ -
	<u>€ 335,000</u>	<u>€289,318</u>
(Deficit) / Surplus	-€28,281	€14,495
Balance Brought Forward	€34,552	€ 20,057
Balance Carried Forward	€6,271	€34,552

Clonmel Credit Union Limited

MEMBERS MONTHLY DRAW

Monthly Draw - First week of each month
(€33.00 per Annum)

Twelve 15k WINNERS this year + 68 prizes of €1k to €25k,
(1 Payment pending €1000) (Draw Expenses €1,845)



Draw winner M Ryan with C Horgan representing Clonmel Credit Union.

**25th
Anniversary
Draw Winner
of €25,000**

- * The €33 deduction occurs in October of each year. If you haven't adequate funds in your account for the deduction, you will no longer be included in the draw. If you want to be included again at some future date, you will need to re-enter the draw by signing our member draw form.

Clonmel Credit Union is very mindful of the significant environmental challenges that are emerging and topical right across the globe. It is incumbent on all organisations to actively work to address these issues and take whatever steps they can in doing so. We continue to develop strategies for helping our community mitigate exposures to changing economy and society.

We are clear on our obligations to take action to support climate initiatives. There are many things we can do at a very practical level in making the environment a better place for current and future generations.

We formed an Environmental, Social and Governance Committee, comprised of members of the board of directors along with staff, and this committee is charged with actively seeking and implementing climate positive initiatives. The committee is charged with understanding potential financial implications of climate risk and opportunity for our Credit Union.

The premises refurbishment which concluded in 2023 is now contributing to a positive impact in terms of our carbon footprint. Some elements of this are:

- Solar panels installed on the roof which have generated approx. 9000KW to date, resulting in a saving of circa €3500, in addition to carbon reduction benefits also accruing.
- A modern gas boiler system that is 30% more efficient than the previous boiler.
- LED lighting throughout the building is contributing to a reduced power requirement.
- Installation of New Building Management System enables better energy.

Initiatives launched to support our ESG Agenda Leveraging Digital Solutions to reduce the use of paper and printing

We have invested in digital solutions across our operation that reduce our dependence on paper. For example, we use the Visualyse straight through Credit Management system, which negates the need to print countless documents during the loan underwriting process. In addition, we now fulfil many loans through DocuSign, a system the member can use to digitally sign and return documents to us. This saves on the printing and posting of hundreds of documents on a weekly basis.

In line with provisions in the recent updated Credit Union Act, this year's annual report is being circulated electronically and on that basis the use of paper for the year end has been radically reduced. This is in line with a decision taken by virtually all our peer credit unions. Prior to this, we would have printed in excess of 30,000 copies of the annual booklet; a major use of paper and indeed of member funds. Delivery of the booklets had a broader environmental impact in terms of transport. It is important to note that we have printed a small supply of the booklets for people who don't have access electronic communications online. These are available in the branches to our members on request.

Leveraging our Investment Book to support ESG

The credit union holds almost €197 million in investments on behalf of members. These are actively managed on a very prudent basis, in line with very strict policies and regulation. We introduced new criteria in how we manage our investments in 2024 with ESG Risk Ratings applied to each of the credit union's counterparties. This enables us to rate these firms by way of ESG Credit Impact score; essentially on how well they score under Environmental, Social and Governance criteria. We will factor that into decision making on which investments we select. In that way we support those investment houses who support the planet and are proactive in how they contribute to the climate positive agenda.

The role of Green Finance in easing transition risks and capitalising on opportunities.

We are delighted to be one of only 5 Credit Unions in Ireland that has been approved by government to provide HEUL (Home Energy Upgrade Loan Scheme) finance. This funding is subsidised by

government and in addition, 80% of the loan amounts are guaranteed within the scheme. That means in the event of a default, we receive 80% of the outstanding balance of the loan. The scheme is launching in late 2024 and the rate offered to our members is incredibly attractive at 3.5%, nett of a subsidy of 2%.

We are also actively supporting the farming community in our common bond with financing for farm improvements and investment in climate friendly development.

Transparency & Reporting

It is planned to issue regular ESG updates with specific measurable output in the new financial year. This will enable us to report progress against goals and also bring ESG more front and centre in the management and governance of our business.

LOOKING AFTER THE COMMUNITY

The aim of our promotions committee is to be pro-active in the community while building membership within Clonmel Credit Union. The committee met regularly during the past year. We have continued existing sponsorships supporting various sporting teams and organisations in the locality. We have contributed to new causes and events this year as we actively support the community.

We have visited Boston Scientific, Abbott Vascular, various schools in the locality and if you have a Business or school and would like us to visit you, please get in touch. Clonmel Credit union is one of the largest and most successful in Ireland and is very dedicated to looking after the community. That's the Credit Union difference!

C Scully K Halpin B Lennon J Courtney

That's the **Credit Union**
Difference!

LOOKING AFTER YOU – SERVICE & TRUST

When you call Clonmel Credit Union, we answer the phone and you get through to one of our friendly, professional team members.

This year, we answered 94% of all calls that came through in under 30 seconds; that's over 26,000 calls where our members got served immediately!

There is always a staff member available to meet you and look after you! We serve around 3,000 members per week through our branches and our average queueing time when a member visits the branch is less than 5 minutes. That level of service is better than any other financial services outlet and we also open late on Thursdays and also open on Saturdays.

For a record-breaking 10th consecutive year, credit unions have topped the league table for best customer experience in Ireland, according to the 2024 Customer Experience Insight (CXi) Report. We were also voted as the most reputable brand; an organisation that is truly focussed on looking after the needs of its members.

However, we are not complacent and we are always seeking to improve on how we deliver for our members; whether it is new and better products or the quality of member service and experience we deliver every day.

WE PUT THE MEMBER AT THE CENTRE OF EVERYTHING WE DO

That's the **Credit Union**
Difference!



**Credit Union CXi Survey
Overall Customer Experience
Champion 2015–2024
10 YEARS IN A ROW**

LOOKING AFTER YOU – DIGITAL & ONLINE

We have invested in online and digital services in response to member demand. Research is clear; emerging generations live life on their mobile devices and if we are to be sustainable, we need to deliver a really good online experience.

Members use our digital services to carry out over 6,000 transactions every single week and this is growing. 2,100 members have opened our full – service current account and feedback has been excellent in terms of service, functionality and value.

In addition, 40% of our members now apply for loans online, with many applying through their mobile phone.

We have also launched Open Banking as a service to our members. This means members can complete the loan application journey fast without the need to provide bank statements as this information will now be captured digitally. This has significantly improved turnaround times for borrowing members.

Opening an account with Clonmel Credit Union has never been easier. You can download our Mobile App and open an account securely from your phone. In fact, about a quarter of our new accounts are now opened through our App.

LOOKING AFTER THE COMMUNITY



CLONMEL OG



CLONMEL SHOW



CLONMEL TOWN GIRLS



AISÉIRI



HYGIENE HUB



CLERIHAN NS



THANK YOU

AOK DANCE



CBS HIGHSCHOOL



ST. MARYS CBS

€14,000

IN 7 BURSARY AWARDS

Clonmel Credit Union Launches Student Bursary Award to Support Higher Education

7 Bursary Awards, each totalling €2,000, were awarded to assist the recipient within our common bond in pursuing their academic goals.

CLONMEL CREDIT UNION – BURSARY AWARDS



The directors present their report and the audited financial statements for the financial year ended 30 September 2024.

Principal Risks and Uncertainties

The principal risks and challenges facing the credit union include loan default, not lending a sufficient proportion of funds so that too much of the credit unions resources are tied up in investment products, poor performance of investments, liquidity management, control of costs and continuous monitoring of compliance with regulatory and legislative requirements.

Business Review

Both the level of business and the year-end financial position were satisfactory. The directors expect to develop and expand the credit unions current activities, and they are confident of its ability to operate successfully in the future.

Directors and Board Oversight Committee Members

The current directors and board oversight committee members are as set out on page 3.

Accounting Records

The directors believe that they comply with the requirements of section 108 of the Credit Union Acts 1997 (as amended) regarding books of accounts by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the Credit Union are maintained at the Credit Union's premises at Parnell St, Clonmel, Co. Tipperary.

Post Balance Sheet Events

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

Auditors

The auditors, O'Gorman Brannigan Purtill & Co. Limited, have indicated their willingness to continue in office in accordance with Section 115 of the Credit Union Acts 1997(as amended).

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

ANNETTE BRETT

Member of the Board of Directors

CHRISTY CARROLL

Member of the Board of Directors

Date: 7th November 2024

Statement of directors' responsibilities

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

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

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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

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

ANNETTE BRETT

Member of the Board of Directors

CHRISTY CARROLL

Member of the Board of Directors

Date: 7th November 2024

Statement of Board Oversight Committee's Responsibilities

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

Approved on behalf of the Board Oversight Committee

SEAMUS ALTON

Chairperson of the Board Oversight Committee

Date: 7th November 2024

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Clonmel Credit Union Limited for the financial year ended 30 September 2024 which comprise the Income & Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Irish law including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council and the Credit Union Acts 1997 (as amended).

In our opinion the financial statements:

- give a true and fair view of the state of the assets, liabilities, and financial position of the Credit Union as at 30 September 2024 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Credit Union Acts 1997(as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

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

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

Opinions on other matters prescribed by the Credit Union Acts 1997 (as amended)

In our opinion, based on the work undertaken during the audit, we report that:

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

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities as set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: <www.iaasa.ie/wp-content/uploads/2022/10/Description_of_auditors_responsibilities_for_audit.pdf> The description forms part of our Auditor's Report.

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

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

O'GORMAN BRANNIGAN PURTILL & CO.

Certified Public Accountants & Registered Auditors
Anglesea House
Anglesea Street
Clonmel
Co. Tipperary
Ireland

Date: 7th November 2024

INCOME AND EXPENDITURE ACCOUNT

Year ended 30 September 2024

	Notes	2024 €	2023 €
Income			
Interest on members' loans	5	6,675,124	6,544,083
Deposit Interest and investment income	6	3,421,090	2,424,820
Net interest income		10,096,214	8,968,903
Other income	7	200,644	148,627
Total income		10,296,858	9,117,530
Expenditure			
Employment costs	8	2,120,198	2,103,538
Other management expenses	Schedule 1	2,224,402	2,079,860
Share and loan insurance		746,335	783,647
Death benefit insurance	9	462,968	452,609
Depreciation	13	258,556	280,921
Net recoveries on loans to members	11(d)	(54,883)	(797,697)
Total expenditure		5,757,576	4,902,877
Surplus of income over expenditure		4,539,282	4,214,653
Other comprehensive income		-	-
Total comprehensive income		4,539,282	4,214,653

STATEMENT OF OTHER COMPREHENSIVE INCOME

The credit union has no gains or losses in the financial year or the proceeding financial year other than those dealt with in the Income and Expenditure account. Accordingly, no Statement of Other Comprehensive Income is presented.

On behalf of the Credit Union

Manager: PADRAIG ENRIGHT

Member of Board Oversight Committee: SEAMUS ALTON

Member of the Board of Directors: ANNETTE BRETT

Date: 7th November 2024

BALANCE SHEET

30 September 2024

	Notes	2024 €	2023 €
Assets			
Cash at bank and on hand		6,352,539	6,717,913
Investments and deposits	10	196,995,144	197,130,951
Loans to members	11	71,505,374	62,947,235
Tangible fixed assets	13	3,559,514	3,752,567
Debtors and prepaid expenses	12	3,366,670	3,435,452
Total Assets		281,779,241	273,984,118
Liabilities			
Members' shares		219,623,544	214,664,781
Members' current accounts	17	2,889,479	2,442,074
Accrued expenses	14	928,597	974,082
Total Liabilities		223,441,620	218,080,937
Assets less liabilities		58,337,620	55,903,181
Members' Resources			
Statutory reserve		43,977,573	41,823,645
Other reserves		14,360,047	14,079,536
Total Members' Resources		58,337,620	55,903,181

On behalf of the Credit Union

Manager: PADRAIG ENRIGHT

Member of Board Oversight Committee: SEAMUS ALTON

Member of the Board of Directors: ANNETTE BRETT

Date: 7th November 2024

STATEMENT OF CHANGES IN RESERVES

Year Ended 30 September 2024

	Surplus	Statutory reserve	Operational risk reserve	Dividend and other reserve	Distributable reserve	Undistributable reserve	Total
	€	€	€	€	€	€	€
At 1 October 2022		39,827,180	7,955,042	3,900,000	1,372,206		53,054,428
Surplus for the year	4,214,653	-	-	-	-		4,214,653
Dividends paid					(19,871)		(19,871)
Interest Rebate paid					(1,346,029)		(1,346,029)
Transfer to statutory reserve	(1,996,465)	1,996,465					
Transfer to operational risk	(100,000)		100,000				
Transfer to distributable reserve	(2,118,188)				2,118,188		
30 September 2023	-	41,823,645	8,055,042	3,900,000	2,124,494	-	55,903,181
At 1 October 2023		41,823,645	8,055,042	3,900,000	2,124,494	-	55,903,181
Surplus for the year	4,539,282	-	-	-	-	-	4,539,282
Dividends paid					(839,564)		(839,564)
Interest Rebate paid					(1,265,279)	-	(1,265,279)
Transfer to statutory reserve	(2,153,928)	2,153,928					-
Transfer to operational risk	(25,000)		25,000				-
Transfer to distributable reserve	(2,360,354)				2,360,354		-
At 30 September 2024	-	43,977,573	8,080,042	3,900,000	2,380,005	-	58,337,620

The statutory reserve of the credit union as % of total assets as at 30 September 2024 was 15.61% (2023:15.26%)

STATEMENT OF CASH FLOWS

Year Ended 30 September 2024

	2024 €	2023 €
Operating surplus	4,539,282	4,214,653
Depreciation charge	258,556	280,921
Increase/(decrease) in bad debt provision	(17,725)	(747,009)
Increase/(decrease) in debtors and prepaid expenses	68,782	(2,415,394)
(Decrease)/increase in accrued expenses	(45,485)	(49,689)
Dividends paid	(839,564)	(19,871)
Interest rebate paid	(1,265,279)	(1,346,029)
(Increase)/decrease in loans to members	(8,540,414)	(855,811)
Net cash flows generated from operating activities	(5,841,845)	(938,228)
Cash flows from investing activities		
Purchase of tangible fixed assets	(65,506)	(159,894)
Net cash flow from investing activities	135,809	(8,672,540)
Net cash flows generated from investing activities	70,303	(8,832,434)
Cash flows from financing activities		
Increase in members' shares and current accounts	5,406,168	11,664,670
Net cash flows generated from financing activities	5,406,168	11,664,670
Net increase/(decrease) in cash and cash equivalents	(365,374)	1,894,008
Cash and cash equivalents at start of year	6,717,913	4,823,905
Cash and cash equivalents at end of year	6,352,539	6,717,913
Cash and cash equivalents consist of:		
Cash at bank and in hand	6,352,539	6,717,913
Cash and cash equivalents at end of financial year	6,352,539	6,717,913

1. LEGAL AND REGULATORY FRAMEWORK

Clonmel Credit Union Limited is established under the Credit Union Acts 1997 (as amended). The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is Parnell Street, Clonmel, Co. Tipperary.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable Irish accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

3. ACCOUNTING POLICIES

The following principal accounting policies have been applied;

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value through profit and loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial period. It also requires the directors to exercise its judgement in the process of applying the group's accounting policies. The areas involving higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

(b) Going concern

The financial statements are prepared on a going concern basis. The directors of Clonmel Credit Union Limited believe this is appropriate as the Credit Union:

- Is generating annual surpluses;
- maintains the appropriate level of liquidity; and
- has reserves that are currently above the minimum requirements of the Central Bank.

The directors are satisfied that the credit union has adequate resources to meet obligations for the foreseeable future, from the date of approval of these financial statements.

(c) Income recognition

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

(i) Interest on members' loans

Interest on members' loans is recognised using the effective interest rate method and is calculated and accrued daily.

(ii) Investment income

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

(iii) Other income

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

(d) **Tangible fixed assets**

Tangible fixed assets are carried at cost (or deemed cost) less accumulated depreciation and accumulated losses. Costs include the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal, and restoration costs and borrowing costs capitalised.

- (i) Premises

Premises are carried at cost less accumulated depreciation and accumulated impairment losses.
- (ii) Fixtures, Computer fittings and computer equipment

Fixtures and fittings and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.
- (iii) Depreciation

Depreciation on other assets is calculated, using the straight-line method over their estimated useful lives, as follows:

Premises	2% Straight line
Fixtures, fittings, and equipment	20% Straight line
Computer equipment	20% Straight line
- (iv) Derecognition

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit and loss.

(e) **Taxation**

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

(f) **Dividend and loan interest rebates to members**

The Board's proposed distribution to members each year is based on the dividend and loan interest rebate policy of the Credit Union.

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

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

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

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

The Credit Union's accounts for dividends and rebates of loan interest when members ratify such payments at the Annual General Meeting.

(g) **Cash and cash equivalents**

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

(h) Employee Benefits

The credit union provides a range of benefits to employees, including short term employee benefits such as annual bonus arrangements and paid holiday arrangements and post-employment benefits (in the form of defined contribution pension plans).

(i) Short term benefits

Short term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

(ii) Post-employment benefits

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

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

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

Clonmel Credit Union Limited also operates individual defined contribution pension schemes for employees. The assets are held separately from those of the credit union in independently administered funds. Employer contributions to the pension scheme are charged to the income and expenditure account in the period to which they relate

(i) Financial Instruments

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

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

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

(i) Basic financial assets

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

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 rate method.

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

(ii) Investments held at fair value

The credit union initially recognises its non-basic investments at fair value. At the end of each reporting period, the credit union measures these investments at fair value and recognises changes in fair value in the Income & Expenditure account. The credit union uses the following hierarchy to estimate fair value of these investments:

Level 1 fair values

The best evidence of fair value is a quoted price for an identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted price is usually the current bid price.

Level 2 fair values

When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value if there has not been a significant change in economic circumstances or a significant lapse in times since the transaction took place. If the entity can demonstrate that the transaction price is not a good estimate of fair value (e.g., because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation, or distress sale), that price is adjusted.

Level 3 fair values

If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

If the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, an entity is precluded from measuring the asset at fair value. If a reliable measure of fair value is no longer available for an asset measured at fair value, its carrying amount at the last date the asset was reliably measured becomes its new cost. The entity shall measure the asset at this cost amount less impairment, if any, until a reliable measure of fair value becomes available.

(iii) Basic financial instruments

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

Financial liabilities members' shares & current accounts

Members' shares and current account balances are redeemable and therefore classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently members' deposits are measured at amortised cost. Members' shares and current account balances are repayable on demand except for any shares attached to loans.

Other payables

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

De-recognition of financial liabilities

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

(j) **Other receivables**

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

(k) **Impairment of financial assets**

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

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

In the case of impairment of loans to members, the loans are assessed collectively in groups that share similar credit risk characteristics except for individually significant loans which are assessed on a loan-by-loan basis for impairment.

Any impairment losses are recognised in the Income and Expenditure account. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The impairment reversal is recognised in the Income and Expenditure account.

(l) **De-recognition of financial assets**

Financial assets are derecognised only when contractual rights to the cash flows from the asset expire or are settled, or when the credit union transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or if some significant risk and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

(m) **Reserves**

Statutory reserve

The credit union is required to maintain and establish a minimum Statutory reserve of at least 10% of the assets of the credit union in accordance with the Credit Union Act (as amended) Regulations 2018.

Operational risk reserve

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

Dividend and other reserves and distributable reserves

Dividend and other reserves and the distributable reserve are the accumulated surpluses to date that have not been declared as dividends or loan interest rebate returnable to members or set aside to the Statutory or Operational Risk reserves.

Undistributable reserves

Unrealised gains and losses on financial instruments held under fair value are transferred into an undistributable reserve.

4. CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATION UNCERTAINTY

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation, and the physical condition of the asset. See note 13 for the carrying amount of tangible fixed assets and note 3d (iii) for the useful economic lives for each class of tangible fixed assets.

(ii) Impairment losses on loans to members

The credit union's accounting policy for impairment of financial assets is set out in accounting policy in Note 3(k). The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and other external factors such as legal and regulatory requirements. Credit risk is identified, assessed, and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics. The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is a doubt about their recoverability. Loan loss provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and provision adequacy on a quarterly basis. Key assumptions underpinning the credit union's estimate of collective provisions for loans with similar credit risk characteristics and Incurred but Not Reported provisions ("IBNR") are based on historical experiences of the credit union allied to the credit union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the credit union operates. If a loan is impaired, the impairment loss is the difference between the carrying amount of the loan and expected cash flows, considering pledged shares and other security as appropriate.

(iii) Pensions

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

(b) Critical accounting judgements

Under the requirements for FRS 102 non basic financial instruments are required to be carried at fair value. Judgement is applied by the directors in determining best evidence of fair value of the credit union's non basic financial assets (investments), and these judgements are set out in note 10.

5. INTEREST ON MEMBERS' LOANS

	2024 €	2023 €
Closing accrued interest receivable	106,630	113,318
Loan interest received in financial year	6,681,812	6,547,621
Opening accrued loan interest receivable	(113,318)	(116,856)
	<u>6,675,124</u>	<u>6,544,083</u>

6. OTHER INTEREST INCOME AND SIMILAR INCOME

	2024 €	2023 €
Investment income received	2,463,211	1,393,785
Investment income receivable within 12 months	957,879	1,031,036
	<u>3,421,090</u>	<u>2,424,820</u>

7. OTHER INCOME

	2024 €	2023 €
Foreign exchange	16,918	15,310
Insurance commission	2,421	37,119
Investment commission	–	4,000
Profit on maturity of investment	105,888	20,135
MPCAS current account fee income	74,263	70,290
Miscellaneous income	1,154	1,772
	<u>200,644</u>	<u>148,627</u>

8. EMPLOYEES AND EMPLOYMENT COSTS

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

	2024 Number	2023 Number
Manager	1	1
Other Staff	35	38
	<u>36</u>	<u>39</u>

8. EMPLOYEES AND EMPLOYMENT COSTS (continued)

(ii) Employment costs:	2024 €	2023 €
Wages and salaries	1,727,117	1,722,206
Social security costs	185,189	179,607
Payments to pension schemes	207,892	201,725
	<u>2,120,198</u>	<u>2,103,538</u>

(iii) Key management personnel

The remuneration of the 6 (2023:6) key management personnel compensation is as follows:

	2024 €	2023 €
Short term employee benefits	548,907	573,125
Payments to pension scheme	39,497	35,973
Total key management personnel compensation	<u>588,404</u>	<u>609,098</u>

Short-term employee benefits include wages, salaries, social security contributions and paid annual leave. The Board of Directors act on a voluntary basis.

9. DEATH BENEFIT INSURANCE

	2024 €	2023 €
Death benefit insurance expense	462,968	452,609
	<u>462,968</u>	<u>452,609</u>

10. INVESTMENTS AND DEPOSITS

	2024 €	2023 €
Basic Financial Instruments		
Fixed Term Deposits with banks	75,109,009	78,767,341
Bank and Government Bonds	82,961,328	78,473,802
Central Bank minimum deposits	2,124,807	2,089,808
Total investment at amortised cost	160,195,144	159,330,951
Other Financial Instruments		
Other structured bonds and deposits	36,800,000	37,800,000
Total investment at fair value	36,800,000	37,800,000
Total investments (basic and other)	196,995,144	197,130,951
Other financial instruments – fair value		
Cost	36,800,000	37,800,000
Capital Guaranteed	36,800,000	37,800,000
Fair Value	36,800,000	37,800,000

Estimation of fair values

The principal methods and assumptions used in estimating the fair values of ‘other investments’ are explained below.

Level 3

The level 3 fair value for investment products classified as ‘other investments’ is based on valuations received from a professional valuer using valuation techniques, for example discounted cashflow models. In this instance, it has not been possible for a professional valuer to provide an accurate valuation due to the nature of these products. As these are non-traded capital guaranteed investments, the fair values are deemed to be their nominal values (cost), with no unrealised gain/loss in the financial statements for the year ending 30th September 2024.

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

Rank of tiers	2024 €	2023 €
1 Aaa	–	–
2 Aa2	7,932,426	7,074,608
3 Aa3	52,066,304	50,688,818
4 A1	109,120,301	108,609,106
5 A2	11,911,239	11,885,388
6 A3	9,844,581	12,796,370
7 Baa1	4,000,000	4,000,000
Non-Rated (Central Bank Minimum Reserve)	2,120,293	2,076,661
	196,995,144	197,130,951

Prior Year Comparative

Prior year comparatives have been amended where appropriate to assist comparability.

11 LOANS TO MEMBERS

	2024 €	2023 €
(a) Loans to members		
Gross Loans to members	76,437,690	67,897,276
Impairment Allowances		
Individual Loans	2,989,341	3,141,528
Groups of Loans	1,942,975	1,808,513
Loan Provision	4,932,316	4,950,041
Net Loan 30 September	71,505,374	62,947,235

(b) Credit risk disclosures

Clonmel Credit Union Limited offers mortgages to its members. All mortgages issued by Clonmel Credit Union Limited are secured by first legal charge as outlined in the terms and conditions of the mortgage product. At the 30 September 2024 there were 44 mortgages outstanding amounting to €5,829,444 (2023: €2,450,161). Clonmel Credit Union Limited also holds first legal charge over 3 business loans with outstanding amounts of €405,721 at the 30 September 2024 (2023: €404,734).

The carrying amount of the loans to members represents Clonmel Credit Union Limited's maximum exposure to credit risk. The following table provides information on the credit quality of loan repayments.

	2024 €	2023 €
Gross Loan less Provision		
Not passed Due	67,931,852	60,210,345
Up to 9 Weeks passed due	6,021,389	5,196,591
Between 10 and 18 weeks passed due	637,882	754,763
Between 19 and 26 weeks passed due	413,362	382,273
Between 27 and 39 weeks passed due	420,434	448,502
Between 40 and 52 weeks passed due	341,924	179,702
53 or more weeks due	670,847	725,100
Total Gross Loans	76,437,690	67,897,276
Loan Provision	(4,932,316)	(4,950,041)
Total Carrying Value	71,505,374	62,947,235

Factors that are considered in determining whether loans are impaired are discussed in Note 4, dealing with estimates.

	2024 €	2023 €
(c) Loan provision account for impairment losses		
As at 1 October	4,950,041	5,697,050
Increase/(Decrease) in loan provision in the year	(17,725)	(747,009)
At 30 September	4,932,316	4,950,041
(d) Net recoveries or losses recognised for the year		
Bad Debt Recovered	840,422	944,418
(Increase)/Decrease in loan provision during the year	17,725	747,009
Loans written off	(803,264)	(893,730)
Net Recoveries on loans to members recognised in the year	54,883	797,697

12 DEBTORS AND PREPAID EXPENSES

	2024 €	2023 €
Prepayments and other debtors	198,399	187,336
Blackbee Investments Limited	2,000,000	2,000,000
Accrued income investments	957,879	1,031,036
ILCU rebate receivable	103,762	103,762
Accrued loan interest income	106,630	113,318
	<u>3,366,670</u>	<u>3,435,452</u>

13 TANGIBLE FIXED ASSETS

	Premises €	Fixtures & fittings €	Computer equipment €	Total €
Cost				
At 1 October 2023	4,304,530	1,720,908	745,023	6,770,462
Additions	32,566	7,399	25,541	65,506
At 30 September 2024	<u>4,337,096</u>	<u>1,728,307</u>	<u>770,564</u>	<u>6,835,968</u>
Depreciation				
At 1 October 2023	1,070,082	1,413,923	533,892	3,017,898
Charge for the financial year	85,122	84,393	89,041	258,556
At 30 September 2024	<u>1,155,204</u>	<u>1,498,316</u>	<u>622,933</u>	<u>3,276,454</u>
Net book value				
At 30 September 2024	<u>3,181,892</u>	<u>229,991</u>	<u>147,631</u>	<u>3,559,514</u>
At 30 September 2023	<u>3,234,448</u>	<u>306,985</u>	<u>211,131</u>	<u>3,752,567</u>

14 ACCRUED EXPENSES

	2024 €	2023 €
PAYE/PRSI	46,068	42,116
Creditors and other accruals	882,529	931,966
	<u>928,597</u>	<u>974,082</u>

15 FINANCIAL RISK MANAGEMENT

Clonmel Credit Union Limited is a provider of personal, business loans and mortgages and provides savings products to its members. The credit union invests excess funds with a view to ensuring that the return from members' loans and investments is adequate to meet the overheads of the credit union and provide a reasonable return to members on shares and deposits. The credit union has a risk register in place to help the directors manage the various risks arising from its activities to include the issuing of loans to members and investing the excess funds of the credit union.

The main financial risks arising from Clonmel Credit Union Limited's activities are credit risk, liquidity risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk: Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to Clonmel Credit Union Limited, resulting in financial loss to the credit union. To manage this risk, the Board approves the credit union's credit policy, and all changes to it. All loan applications are assessed with reference to the credit policy in force at the time. Subsequently, loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit risk on members' loans is disclosed in Note 11.

The credit union's investments are also exposed to credit risk and the credit union mitigates the risk by only placing investments products with financial institutions authorised by the Central Bank. The investments held are disclosed in Note 10 including the various counterparties to help alleviate this risk.

Liquidity risk: The credit union's policy is always to maintain sufficient funds in liquid form 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 the Credit Union Act 1997 (as amended) Regulations 2020.

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

Interest rate risk: The credit union's main interest rate risk arises from adverse movements in interest rates receivable which would affect investment income. Clonmel Credit Union Limited reviews any potential new investment product carefully to ensure that minimum funds are locked in low yielding long term investments while at the same time maximising investment income receivable and the capital security of investments.

15 FINANCIAL RISK MANAGEMENT CONTINUED

Interest rate risk disclosures

The following table shows the average interest rates applicable to relevant financial assets:

	2024		2023	
	Amount €	Interest rate %	Amount €	Interest rate %
Financial assets				
Gross loans to members	56,464,749	10.49%	58,079,829	10.49%
Gross Agri Loan	536,873	5.99%	354,499	5.99%
Gross Green Loan B+	142,432	5.80%	192,646	5.80%
Gross Business Loan	1,363,545	5.25%	1,272,209	5.25%
Gross SBCI special Covid Loan	49,148	5.00%	77,695	5.00%
Gross Loan sale loan	1,253,346	4.99%	2,513,130	4.99%
Gross green loan A	33,443	4.79%	73,529	4.79%
Gross Home Loan	5,742,725	4.00%	2,450,161	4.00%
Gross Green Loan	351,478	5.25%	113,844	5.25%
Gross Green Loan	79,842	7.70%	75,397	7.70%
Gross Secured Loan	2,476,704	5.25%	956,207	5.25%
Gross Home Improvements	4,155,382	5.25%	828,229	5.25%
Gross Car Loan	3,293,138	6.50%	909,901	6.50%
Gross Community Loan	408,648	5.25%	-	-
Gross Mortgage Non-Standard	86,236	5.25%	-	-

16 PENSION SCHEME

The Irish League of Credit Unions Republic of Ireland Pension Scheme

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

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

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

If credit unions exit the Scheme, they are required to pay to the trustees the exit amount which the trustees determine is required to fund benefits in respect of their active, deferred and pensioner members on a "no risk" basis. The exiting credit union thereby settles any liability they must contribute to the Scheme in the future without increasing the risk for remaining credit unions. During the year ending 30 September 2024, there were no contributions in respect of a past service deficit payable and hence no charge to the Income and Expenditure account.

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

17. MEMBERS’ CURRENT ACCOUNTS

	2024 €	2023 €
Member’s current accounts	2,889,479	2,442,074
	No. of accounts	Balance of Accounts €
Debit	185	(14,339)
Credit	1552	2,903,818
		2,889,479
Permitted overdrafts	61	47,900

18. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Blackbee Investments Limited

Included in the debtors is an amount of €2m which relates to an investment that matured in June 2023. The investment was made in 2018 in the amount of €2m in a product called ‘Protected Note 8’. The Protected Note 8 was a 5 year and 1 month investment with Banca IMI S.p.A. an Italian bank that has since merged with Intesa Sanpaolo S.p.A., also an Italian bank. The investment was capital protected. The investment was made with an Irish firm called Blackbee Investments Limited. Blackbee Investments Limited is a MiFID investment firm. MiFID refers to the European Union (Markets in Financial Instruments) Regulations 2017.

Following an application by the Central Bank of Ireland, the High Court appointed liquidators to Blackbee Investments Limited in May 2023. Subsequent to this, in June 2023, the credit union investment with Banca IMI S.p.A. matured, and the funds were returned by Intesa Sanpaolo S.p.A. to Blackbee Investments Limited (at this point, in liquidation).

At the year end, the funds had not yet been returned to the credit union by the liquidators of Blackbee Investments Limited. Regulation 49 of the Investment Firms Regulations sets out the requirements as regards segregation of client assets and sets out that an investment firm shall not use client assets for any purpose other than for the sole account for that client. On 3 July 2024, the liquidators of BlackBee Investments Limited wrote to the credit union and confirmed that funds received in relation to matured investments continue to be ring-fenced in a client bank account and will remain held to the Liquidators approval, and, made specific reference to the credit union investment as being a designated matured investment. While the Board is satisfied that the investment has matured and the funds will be returned to the credit union, and is taking active steps to pursue the funds, the timing of the return of the funds is uncertain. Furthermore, under MiFiD regulations, liquidators can, in certain circumstances, seek to deduct reasonable costs from investment funds in the fulfilment of their function. At the year-end date, there is no indication that the liquidators will seek to deduct costs, however this remains a possibility. Consequently, it is impracticable at this time to estimate the impact, financial or otherwise, of the delayed timing of the receipt of funds if any, and the financial impact of the liquidation costs, if any.

Other contingent liabilities

There is a contingent liability with Bank of Ireland in the sum of €50,000, taken out on 19 May 2014, in respect of payment by means of EFT.

Capital commitments

Clonmel Credit Union Limited has no capital commitments at 30th September 2024.

19. DIVIDEND AND INTEREST REBATE

The dividend and interest rebate paid and accounted for during the year ended 30 September 2024 was proposed at the 2023 Annual General Meeting in respect of the year ended 30th September 2023.

Please see the Statement of Changes in Reserves for details of amounts paid.

No dividend or interest rebate in respect of the year ended 30 September 2024 is recognised in these financial statements, in line with FRS 102. The proposed final dividend of 0.5% (€1,087,761) and proposed interest rebate of 20% (€1,216,687) for the year end 30 September 2024 will, if it is approved at the Annual General Meeting, be recognised in the year ending 30 September 2025.

20. RELATED PARTY TRANSACTIONS

During the year loans were advanced to directors and key management team of Clonmel Credit Union Limited (to include their family members or any business in which the directors or management team had a significant shareholding) in the amount of €449,600 (2023: €145,900). These loans were approved in accordance with the Standard Credit Union rules and the Credit Union Act, 1997(as amended) (Regulatory Requirements) Regulations 2016. The loans outstanding from these parties at 30 September 2024 were €773,607 (2023: €482,385). These loans amounted to 1.01% of total gross loans due at 30 September 2024 (2023: 0.71%).

The directors and management team (and their family members or any business in which the directors or management team had a significant shareholding) shares and deposits balances stood at €1,006,678 at 30 September 2024 (2023: €1,128,865).

21. INSURANCE AGAINST FRAUD

The Credit Union has insurance against fraud in the amount of €2,600,000 (2023: €2,600,000) in compliance with Section 47 of the Credit Union Acts 1997 (as amended).

22. POST-BALANCE SHEET EVENTS

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

23. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board of Directors on 7th November 2024.

SCHEDULE TO THE FINANCIAL STATEMENTS

SCHEDULE 1- OTHER MANAGEMENT EXPENSES

	2024 €	2023 €
Rates	5,508	11,859
Lighting, heating, and cleaning	76,976	96,163
Repairs and renewals	23,159	20,929
Computer maintenance	414,689	296,625
Security	38,934	42,534
Printing and stationery	32,904	35,027
Postage and telephone	48,809	19,054
Promotion and advertising	151,018	100,397
Training costs	20,425	17,881
Subscriptions and levies	210,278	246,104
Convention expenses	3,384	2,646
Credit control collection	210,774	209,538
Central credit register	31,002	30,128
AGM expenses	26,647	34,218
Travelling and subsistence	2,105	3,365
ATM card cost	4,124	4,594
Bank charges/interest	111,103	115,431
Audit fees – external	34,418	42,371
Audit fees – internal	31,119	30,677
Legal and professional fees	109,343	139,122
General insurance	117,872	111,140
MPCAS current account costs	109,883	76,735
Charge on deposit protection account	193,127	221,053
Broadband and telephone	72,491	70,624
Staff recruitment	2,025	2,606
Miscellaneous expenses	117,287	99,040
CUSO Investments costs	25,000	–
	2,224,402	2,079,860

This page does not form part of the audited financial statements.

Date and Time: AGM Meeting Minutes 13th December 2023 Venue: Talbot Hotel Clonmel

MEETING ATTENDEES

Board

- John Courtney
- Terry Stafford
- Des O' Callaghan
- Kathleen Halpin
- Fil Gudia
- Frank Bermingham
- Bernie Lennon
- Billy Butler
- Christy Carroll
- Annette Brett
- Eamon O Mara

Snr Management

- Pdraig Enright- CEO

Auditor

- T O Gorman

BOC

- S Alton

Other staff members and members of the BOC were also in attendance

- Isobel Moore- Board Administrator

Quorum Established

The Chairman opened the meeting and called it to order, he welcomed all and thanked everyone for their attendance, He noted this was the first in person AGM since the pandemic. He welcomed TOG as the internal Auditor and established a Quorum. He addressed the minutes of the last AGM, which were on the AGM booklet that had been circulated prior to the meeting. They were taken as read.

The Chairman asked if there were any matters arising, There were no matters arising.

Minutes of last AGM Proposed by C Halpin Seconded By D Fahey

The Chairman read the Directors report, He extended a warm welcome to all new members, addressed the strategic plan 2023-2026, took the members through the 2023 financial performance and governance structures and finished by extending the sympathies of all at CCU to the families and friend of those members that had passed away during the year.

Election of Tellers- JH & EC both for election

This vote was passed unanimous decision

Report of the Auditor- OGBP

TOG read aloud the report of the auditor that was circulated in the AGM booklet in advance of the meeting. TOG gave their opinion on the financial statements he stated that they have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Credit unions ability to continue as a going concern for a period of at least 12 months from the date when the financial statements are authorised for issue. He Finished by stating that the CCU had fulfilled their Ethical Responsibility.

The Chairman asked if there were any questions for the auditor, there were none

Proposed By M Hickey and Seconded By A Bowe

Declaration of Dividend and Interest Rebate

The Board of directors recommend that a dividend of 0.4% be declared and sanctioned by members at the AGM on all shares

Proposed D O' Brien Seconded H Ahearne

The Board of directors recommend that an interest rebate of 20% be paid to members calculated on Gross Interest paid in the financial year ended 30th September on all loans at 10.49% interest
Proposed J Walsh Seconded L Leahy

Elections

The Chairman announced those for election– Members in attendance were asked to use their ballot papers to vote.

3 Directors for 3 years each

- Terry Stafford – 67 Votes
- John Courtney – 56 Votes
- Des O' Callaghan – 58 Votes

3 BOC Members– 1 for 3 years, 1 for 2 years and 1 for 1 year term

- Paul Kelly – Elected for 2 Years 62 Votes
- Seamus Alton – Elected for 1 Year 60 Votes
- Seamus Ryan – Elected for 3 years 63 Votes

O' Gorman Brannigan Purtill & Co– Auditors

Elected with 69 Votes

Committee Reports

F Bermingham on behalf of the Nominations committee read aloud the Nominations Report from the AGM Booklet

Proposed by A Bowe Seconded By R Meagher

Board Oversight Committee Report

S Alton read aloud the Board oversight committee report

Proposed by S Fleming Seconded By M O' Brien

Promotions Committee Report

Bernard Lennon read aloud the Promotions Committee Report

Proposed by R Meagher Seconded By M Maher

C Scully Completed the members draw, members received a raffle ticket on entry and tickets were drawn by the members present.

Winners of €100 All for One Vouchers

A Walsh

M O' Brien

P Maher

R Stafford

B Moffett

Winners €50 Gourmet Butcher Vouchers

D Fahy

M Allen

G Cavey

M Hickey

H Ahearne

Amendments to Standard Rules Arising from League AGM 2023

Amendment to Rule 30 (1) (a)

Proposed By R Meagher Seconded By M Hickey

AOB

The Chairman welcomed Questions from the floor.

M Hickey

Q: Was there any advancement to the limits on Mortgage lending in relation to Jennifer Carroll McNeills involvement with Credit Unions.

A: PE stated there was no plans to change the limits that the CU can lend for mortgages, CCU still have 40m available for lending.

R Meagher

Q: Home Insurance- Is CCU going to have a home insurance policy option again

A: PE Stated that as the provider Allianz have withdrawn from the CU market CCU is now looking at other available options of value are on offer, he expects that we should know more in 3-4 months.

N Buckley

Q: Proposed that CCU promote students accounts at 2nd level, he stated that once you have them as CU members you have them as members for life.

He also wished to note that as Chair of the town team, He wished to extend his gratitude and thanks for CCU's support with the Christmas Lights and described CCU as a trail blazer in their fundraising efforts.

He also addressed Climate Change and referenced schemes such as the bike to work and suggested a loan in relation to same may be beneficial.

A: TS stated that CCU have a very competitive green loan rate and noted that the promotions committee hugely support the schools, He also noted that there are no charges on student accounts.

PE Stated that as part of a new Initiative CCU will with with transition year students in a bid to help students understand how to manage their finances.

J Walsh

Q: Why is the number of loans issued much less than before the pandemic.

A: TS stated that CCU have listened to our members and have a wider selection of loan products on offer, he said it is constantly a work in progress and CCU is continuing to improve.

J Walsh also Asked: Why there is no walk in service available for loan applications, he asked if the loan application office for walk ins would be returning.

PE stated that there is always a walk in service available and some people make appointments and as such they will be seen at their appointment time, he said this may delay the person who has walked in from seeing an officer but that they will be seen once it is their turn., he stated that 70% of loan applications come in via the phone with more coming in online and also from members who walk in. During the discussion PE stated that CCUs loan book had dropped by 7m in a matter of months as members paid down their loans quicker than expected but that CCUs loan book was resilient and he also stated that to date CCU have growth this year of 1.3m.

D Fahey

Mr Fahey wished to compliment CCU and the CEO and team on the work they are doing.

TS, thanked Mr Fahey and said it was a joy to be sitting in front of members with an open forum for questions.

R Meagher

Q: RM asked if there were any discussions being had in a relation to a merger with CCU and other CU's

A: PE stated CCU would remain a standalone CU and there were no talks of any mergers.

R Molloy

RM thanked the directors and volunteers for their work, he said that CCU was very approachable and much easier than a bank to deal with.

TS Thanks RM & the CoCo for their Civic reception for CCU earlier in the year.

B Carey

Q: BC stated that the reward to borrowers was generous and asked about a divided to savers.

A: TS stated that CCU had looked at a fair rate for savers and noted that borrowers are those that generate the surplus and that CCU tries to give back the best value it can.

PE stated that CCU is looking at developing a term deposit product over the coming months which would be attractive to savers.

M Allen

Q: M asked a question in relation to Black Bee Investments, she stated there was no guarantee that CCU's money would come through she also asked who are the investment advisors who make these deals.

A: TS stated that CCU funds are 100% Secure & guaranteed, He said Cygnus investment providers were our advisors and also CCU will have received prior approval from the CB on where they can invest.

TOG (Auditor) Stated that in liquidation the investor loses some control over the money, however we know that CCU's money is in a client account and said it was referenced in the financial statement as a note of caution not an indication of a loss.

Referencing the decision on investments TS stated that there is an investment committee which hosts an advisor, the CFO, and the CEO and he said CCU always look to investments with no risk attached, he noted that sometimes external forces cause problems and these are out of our hands.

N Buckley

Q: NB asked if CCU would be investing in fossil fuels and stated that it should be policy to avoid these investments.

A: TS stated that CCU will have a new ESG committee and that will look at all of these aspects

With no further questions, The Chairman closed the meeting thanking all and stating that CCU's doors are always open and members are welcome to submit questions anytime.

Meeting Ended

Isobel Moore– Recording Secretary

DEPOSIT GUARANTEE SCHEME

DEPOSITOR INFORMATION SHEET

Basic information about the protection of your eligible deposits.

Eligible deposits in Clonmel Credit Union Limited are protected by:	the Deposit Guarantee Scheme ("DGS"). ⁽¹⁾
Limit of protection:	Eligible deposits up to €100,000 per depositor per institution. ⁽²⁾
If you have more eligible deposits at Clonmel Credit Union Limited	All your eligible deposits at Clonmel Credit Union Limited: are 'aggregated' and the total is subject to the limit of €100,000. ⁽²⁾
If you have a joint account with other person(s):	The limit of €100,000 applies to each depositor separately. ⁽³⁾
Reimbursement period in case of Clonmel Credit Union Limited's failure:	7 working days ⁽⁴⁾
Currency of reimbursement:	Euro
To contact Clonmel Credit Union Limited for enquiries relating to your account:	Parnell Street, Clonmel, Co.Tipperary Tel. (052) 612 5292 Email: admin@clonmelcu.com
To contact the DGS for further information on compensation:	Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1. Tel: 0818 681 681 Email: info@depositguarantee.ie
More information:	www.depositguarantee.ie

Additional information

(1) Scheme responsible for the protection of your deposit
Your deposit is covered by a statutory deposit guarantee scheme. If insolvency should occur, your eligible deposits would be repaid up to €100,000.

(2) General limit of protection

If a covered deposit is unavailable because a credit institution is unable to meet its financial obligations, depositors are repaid by the DGS. This repayment covers at maximum €100,000 per person per credit institution. This means that all eligible deposits at the same credit institution are added up in order to determine the coverage level. If, for instance, a depositor holds a savings account with €90,000 and a current account with €20,000, he or she will only be repaid €100,000.

(3) Limit of protection for joint accounts

In case of joint accounts, the limit of €100,000 applies to each depositor. However, eligible deposits in an account to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor for the purpose of calculating the limit of €100,000.

In some cases eligible deposits which are categorised as "temporary high balances" are protected above €100,000 for six months after the amount has been credited or from the moment when such eligible deposits become legally transferable. These are eligible deposits relating to certain events which include:

- (a) certain transactions relating to the purchase, sale or equity release by the depositor in relation to a private residential property;
- (b) sums paid to the depositor in respect of insurance benefits, personal injuries, disability and incapacity benefits, wrongful conviction, unfair dismissal, redundancy, and retirement benefits;
- (c) the depositor's marriage, judicial separation, dissolution of civil partnership, and divorce;
- (d) sums paid to the depositor in respect of benefits payable on death; claims for compensation in respect of a person's death or a legacy or distribution from the estate of a deceased person.

More information can be obtained at www.depositguarantee.ie

(4) Reimbursement

The responsible deposit guarantee scheme is:

Deposit Guarantee Scheme, Central Bank of Ireland,
New Wapping Street, North Wall Quay, Dublin 1.
Tel: 0818 681 681. Email: info@depositguarantee.ie.
Website: www.depositguarantee.ie.

It will repay your eligible deposits (up to €100,000); within 7 days from 1 January 2024 onwards, save where specific exceptions apply.

Where the repayable amount cannot be made available within seven working days depositors will be given access to an appropriate amount of their covered deposits to cover the cost of living within five working days of a request. Access to the appropriate amount will only be made on the basis of data provided by the credit institution. If you have not been repaid within these deadlines, you should contact the deposit guarantee scheme.

Other important information

In general, all retail depositors and businesses are covered by the Deposit Guarantee Scheme. Exceptions for certain deposits are stated on the website of the Deposit Guarantee Scheme. Your credit institution will also inform you on request whether certain products are covered or not. If deposits are eligible, the credit institution shall also confirm this on the statement of account.

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