



ENNISTYMON
& DISTRICT
CREDIT UNION

Annual Report 2025



www.ennistymoncu.ie



Main Office: Ennistymon

T 065 707 1126

E info@ennistymoncu.ie

A Church Street,
Ennistymon, Co. Clare

Branch Office: Miltown Malbay

T 065 708 4920

A Flag Road,
Miltown Malbay, Co. Clare

Branch Office: Lisdoonvarna

T 065 707 4763

A Tivoli Terrace,
Lisdoonvarna, Co. Clare



Ennistymon
& District Credit
Union Ltd. is
regulated by
the Central Bank
of Ireland



ENNISTYMON
& DISTRICT
CREDIT UNION

ANNUAL REPORT 2025

Notice is formally given of the **Annual General Meeting**

which will take place

Date: Friday 30th January 2026

Location: Falls Hotel

Time: 7.30pm

PRIZE DRAW FOR ATTENDEES ON THE NIGHT

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Standing Orders for Annual General Meeting 2025

I. Voting

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with section 82(2) of the Credit Union Act, 1997 (as amended).

2 – 3 Election Procedure

2. Elections to the board of directors, to the board oversight committee and the position of auditor shall be by majority vote and by secret ballot.

3. When nominations are announced tellers shall be appointed by the chair and ballot papers shall be distributed. Nominations shall be in the following order:

- (a) nominations for auditor;
- (b) nominations for members of the board oversight committee;
- (c) nominations for directors.

When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot and by majority vote. When the votes have been counted by the tellers, the results shall be announced by the chair. In the event that all vacancies are not filled by the first ballot further ballots shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure one further ballot shall be taken and should that ballot fail to determine the issue, the vacancies shall be filled by lot from among such candidates having an equality of votes.

4 – 9 Motions

4. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.

5. A proposer of a motion may speak for such period as shall be at the discretion of the chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.

6. In exercising his/her right of reply, a proposer may not introduce new material.

7. The seconder of a motion shall have such time as shall be allowed by the chair to second the motion.

8. Members are entitled to speak on any such motion and must do so through the chair. All speakers to any motion shall have such time as shall be at the discretion of the chair.

9. The chair shall have the absolute right to decide at any time when a motion has been sufficiently

discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

10 – 15 Miscellaneous

10. The chair of the board of directors shall be the chair of any general meeting, except where he/she is not available, in which case it shall be the vice-chair, except where he/she is not available, in which case the board shall decide amongst themselves who shall act as chair of any general meeting.

11. The chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.

12. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the chair.

13. The chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.

14. No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors.

15. Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

16. Suspension of Standing Orders

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

17. Alteration of Standing Orders

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

18. Adjournments

Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act, 1997 (as amended).

Order of Business

Rule 96(4) of the Standard Rules for Credit Unions (Republic of Ireland) (2019).

The business at general meeting of the credit union must contain the following items on the agenda:

- (a) The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons;
- (b) Ascertainment that a quorum is present;
- (c) Adoption of Standing Orders;
- (d) Reading and approval (or correction) of the minutes of the last Annual General Meeting; and any intervening Special General Meeting;
- (e) Report of the Board of Directors;
- (f) Consideration of accounts;
- (g) Report of the Auditor;
- (h) Report of the Board Oversight Committee;
- (i) Declaration of dividend & rebate of interest (if any);
- (j) Report of the Credit Committee;
- (k) Report of the Credit Control Committee;
- (l) Report of Membership Committee;
- (m) Report of any Sub-Committee;
- (n) Report of Nominating Committee;
- (o) Appointment of Tellers;
- (p) Election of Auditor;
- (q) Election to fill vacancies on the Board Oversight Committee;
- (r) Election to fill vacancies on the Board of Directors;
- (s) Any other business;
- (t) Announcement of election results;
- (u) Adjournment or close of meeting.

The members assembled at any annual general meeting may suspend the order of business upon a two-thirds vote of the members present at the meeting.

Rule Amendments

Motion 1 – Proposed Rule Amendment - Rule 14(1)

That this Annual General Meeting agrees to amend Rule 14(1) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of the word "natural" to read as follows:

Rule 14. Person under age 16

(1) A natural person under the age of sixteen:

a) may be a member of the credit union, and

b) subject to paragraph (2), may enjoy all the rights of membership, other than voting rights, and can give all necessary receipts.

Motion 2 – Proposed Rule Amendment - Rule 109

That this Annual General Meeting agrees to amend Rule 109 of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of Rule 109(3) (a) to (f) inclusive and replacing it with the following:

(3) All complaints under this rule shall be decided in the following manner:

(a) For the purposes of this rule the complaining party or parties described under paragraph (1) shall be referred to as the complainant.

(b) The board of directors shall appoint a complaints officer who is suitably qualified and authorised to investigate, and wherever possible resolve complaints, received from complainants.

(c) In the event that a complaint is not resolved to the satisfaction of the complainant, the complainant may refer the complaint to the Financial Services & Pensions Ombudsman, or other adjudication body as appropriate.

(d) Nothing in this rule shall prevent the Financial Services & Pensions Ombudsman from investigating and adjudicating a complaint made against a credit union about the provision of, or failure to provide, a financial service, so long as the complaint:

(a) falls within the jurisdiction of that Ombudsman, and

(b) does not relate to a matter that involves only the governance of the credit union.

CEO Report

As CEO of Ennistymon & District Credit Union my areas of responsibility include day-to-day management of the operational side of our credit union as well as staffing and ensuring that risk and compliance meet and exceed minimum regulatory standards. In addition, I advise the Board of Directors on strategy development and implementation of the credit union strategy, once decided upon by the Board.

2025 was a significant year for our credit union with several notable achievements as follows:

- Annual loan book growth of 19.3% which ranked EDCU no. 7 in the Irish League of Credit Unions;
- 7.1% growth in new loan amounts approved (€6.49m) in 2025;
- 10.6% growth in members borrowing with 1,175 loans active at end-September 2025;
- €1,693,866 lent for green proposals under our Greenify Loan offering;
- €521,000 lent to our local farmers under the Cultivate Loan product;
- Surplus generation of €76,749 during the year;
- €16,040 in non-repayable grants issued to 4 community organisations under the Community Investment Fund which was set up to commemorate our 50th anniversary.

In 2025 we also took the opportunity to improve our product & service offerings for our members –

- Continuing upgrades to our I.T. systems which will provide for future growth as well as improved cybersecurity;
- ability to apply for loans via our mobile app (and online) and sign loan documents remotely with straight-through loan drawdown to your selected bank account;
- online membership applications are now available via our mobile app;
- the ability to accept and originate direct debits and credit transfers which allows for a quicker, more seamless transmission of funds to your destination accounts;
- the ability to transact fund transfers immediately under the SEPA Instant scheme which became available in January 2025.

We have taken these steps to improve our offerings to our membership and more and more members are using these new services at a time and method suitable for the member. However, we will also ensure that transactions at the counter continue to be carried out as efficiently as possible for our members and we will continue to offer and improve both our online offering and our counter service to meet our members' needs.

We are working continuously on enhancing these services and we will have further exciting announcements in this regard in 2026.

I hope that this report gives an insight into the work that is going on behind the scenes to meet your financial needs. I believe that you will begin to experience the benefits over the coming year and for many years to come.

Paul Morgan, CEO



Directors Report

for the year ended 30th September 2025

I am pleased to present the report of the Board of Directors for the year ending September 30th, 2025. This year's outcome is very positive and we have seen continuing growth in loans and savings and the credit union now has assets of over €39 million.

2025 was a hugely positive year for our credit union with several notable achievements as follows:

- Annual loan book growth of 19.2% which ranked our credit union no. 7 in the Irish League of Credit Unions;
- Over €6.4m lent in 2025 representing a 7% increase on 2024;
- Surplus generation of €76,749 during the year.

In terms of lending we are now offering Cultivate Secured loans of up to €200,000 for our farming members to purchase assets on a secured basis. This is in addition to our current Cultivate Loan offering which can provide up to €100,000 unsecured for farm finance.

We have also taken steps to improve our digital offerings to our membership and more and more members are using these new services at a time and method suitable for the member. However, we will also ensure that transactions at the counter continue to be carried out as efficiently as possible for our members and we will continue to offer and improve both our online offering and our counter service to meet our members' needs. We are working continuously on enhancing these services and we will have further exciting announcements in this regard in 2026.

As has been the case for the last few years, we will not be recommending a dividend this year. This decision is based on our desire to manage our reserves on a prudent basis pending a significant capital expenditure programme over the next few years as we seek to modernise our operations and locations.

I want to thank our Management and Staff for their efforts in the past year. In addition, I want to pay tribute to my fellow Board Directors, the Board Oversight Committee and Volunteers of Ennistymon & District Credit Union for their dedication and support. The responsibility of managing a credit union of our size is immense and involves great dedication and commitment.

I would like to wish every Ennistymon & District Credit Union member best wishes for 2026. Please remember that Ennistymon & District Credit Union is your Credit Union and I encourage all members to make full use of our services.

Eileen Hegarty, Chairperson

A handwritten signature in cursive script, reading 'Eileen Hegarty'.

Statement of Directors Responsibilities for the year ended 30th September 2025

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 period. In preparing those financial statements, the directors are required to:-

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at anytime the financial position of the Credit Union and which enables 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 also responsible for safeguarding the assets of the Credit Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:

Eileen Hegarty, Chairperson

Gerard Morrissey, Secretary

Date: December 18th 2025

Statement of Board Oversight Committee Responsibilities for the year ended 30th September 2025

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

On behalf of the Oversight Committee:

Patrick Garrihy, Chairperson

Date: December 18th 2025

Independent Auditor's Report

to the Members of Ennistymon and District Credit Union Limited

Opinion

We have audited the financial statements of Ennistymon & District Credit Union Ltd., for the year ended 30th September 2025 which comprise of the Income and Expenditure account, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and the notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the Financial Statements:

- give a true and fair view of the state of the Credit Union's affairs as at 30th September 2025 and of its income and expenditure and cash flows for the year then ended;
- have been 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material



misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- We have obtained all the information and explanations which we considered were necessary for the purposes of our audit.
- In our opinion proper accounting records have been kept by the Credit Union.
- The financial statements are in agreement with the accounting records.
- The financial statements contain all primary statements notes and significant accounting policies required to be included in accordance with section 111(1)(c) of the Act.

Respective responsibilities

Responsibilities of directors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Our report is made solely to the Credit Union's members, as a body, in accordance with Section 120 of the Credit Union 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 auditors' 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.

F.D.C. & Associates Ltd Registered Auditors and Accountants, 8 Carmody St. Business Park, Ennis, Co. Clare.

Date: 18th December, 2025

Appendix to the Independent Auditors Report

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Income & Expenditure Account

for year ended 30th September 2025

	Schedule	2025 €	2024 €
Income			
Interest on Members' Loans	1	852,841	720,920
Other Interest Income and Similar Income	2	355,168	450,120
Net Interest Income		1,208,009	1,171,040
Other Income	3	5,638	15,460
Movement in fair value of 'other' investments to realised and unrealised reserves		30,070	73,830
Total Income:		1,243,717	1,260,330
Expenditure			
Employment Costs		348,256	318,059
Other Management Expenses	4	684,260	697,312
Depreciation		58,078	40,943
Bad Debts Recovered		(24,735)	(22,972)
Bad Debts Provision		38,688	45,822
Bad Debts written off		62,421	27,327
Total Expenditure:		1,166,968	1,106,491
Excess of Income over Expenditure for the year		76,749	153,839

On behalf of Ennistymon & District Credit Union Ltd.

Chief Executive Officer: *Paul Mag*

Date: December 18th 2025

Member of the Board of Directors: *Alan Ryder*

Date: December 18th 2025



Balance Sheet

as at 30 September 2025

	Notes	2025 €	2024 €
Assets			
Cash and Balances at Bank		578,439	818,101
Deposits and Investments	6	25,488,314	25,930,662
Loans to Members	7	12,848,169	10,771,174
Less: Provision for Bad and Doubtful Loans	8	(386,139)	(347,451)
Tangible Fixed Assets	9	440,423	374,530
Prepayments & Accrued Income	10	298,126	317,564
Total Assets:		39,267,332	37,864,580
Liabilities			
Member's Shares	11	32,978,645	31,669,319
Other Liabilities and Charges	12	126,193	109,516
Total Liabilities		33,104,838	31,778,835
Reserves			
Regulatory Reserves		4,319,500	3,974,030
Operational Risk Reserve		215,000	215,000
Other Reserves			
- Realised Reserves		1,424,421	1,732,948
- Unrealised Reserves		203,573	163,767
Total Reserves:	13	6,162,494	6,085,745
Total Liabilities and Reserves:		39,267,332	37,864,580

On behalf of Ennistymon & District Credit Union Ltd.

Chief Executive Officer: *Paul Mag*

Date: December 18th 2025

Member of the Board of Directors: *Alan Ryder*

Date: December 18th 2025



Statement of Changes in Reserves

	Regulatory Reserve €	Operational Risk Reserve €	Other Reserves		Total Reserves €
			Realised Reserve €	Unrealised Reserve €	
As at 1st October 2023	3,931,377	215,000	1,702,162	83,367	5,931,906
Surplus for the year	-	-	73,439	80,400	153,839
Transfer between reserves	42,653	-	(42,653)	-	-
As at 30th September 2024	3,974,030	215,000	1,732,948	163,767	6,085,745
As at 1st October 2024	3,974,030	215,000	1,732,948	163,767	6,085,745
Surplus for the year	-	-	23,130	53,619	76,749
Transfer between reserves	345,470	-	(331,657)	(13,813)	-
As at 30th September 2025	4,319,500	215,000	1,424,421	203,573	6,162,494



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Cash Flow Statement

	Notes	2025 €	2024 €
Cash flows from operating activities			
Loans repaid by members		4,347,948	3,545,111
Loans granted to members		(6,487,364)	(6,058,948)
Loan interest received		846,123	715,232
Investment income received		389,497	430,371
Other income received		5,638	15,460
Bad debts recovered		24,735	22,972
Operating expenses including employment costs		(1,025,178)	(1,020,958)
Movement in other assets and liabilities		1,166	14,788
Net cash flows from operating activities		(1,897,435)	(2,335,972)
Cash flows from investing activities			
Purchase of fixed assets		(123,971)	(6,478)
Net Cash flow from investment activities		143,163	604,983
Net cash flows from investing activities		19,192	598,505
Cash flows from financing activities			
Members' shares received		12,422,989	11,924,617
Members' shares withdrawn		(11,113,663)	(10,299,781)
Net cash flows from financing activities		1,309,326	1,624,836
Net Decrease in cash and cash equivalents		(568,917)	(112,631)
Cash and cash equivalents at beginning of year		8,059,551	8,172,182
Cash and cash equivalents at end of year	5	7,490,634	8,059,551

Notes to the Financial Statements

for year ended 30th September 2025

1. Legal and regulatory framework

Ennistymon & District Credit Union Ltd is established under the Credit Union Act 1997 (as amended). Ennistymon & District Credit Union Ltd is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is Church Street, Ennistymon, Co. Clare.

2. Accounting policies

2.1. Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and Irish Statute comprising of the Credit Union Act, 1997 (as amended). The financial statements are prepared on the historical cost basis.

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

2.2 Going Concern

The Directors have carefully considered current economic risks and uncertainties for businesses and the extent to which they might affect the preparation of the financial statements on a going concern basis. In making an assessment as whether the Credit Union will continue as going concern for a period of 12 months from the date of approval of the financial statements, the directors have reviewed the strategic plan, prepared forecast, considered levels of liquidity sufficient to meet the normal demands of the business and the requirements which might arise in stressed circumstances. They have also considered the availability and quality of liquid assets is such that it ensures funds are available to repay exceptional demand from its members. Regular assessment of the recoverability of all loans is undertaken and provision made where appropriate.

The Directors are satisfied that the Credit Union has adequate resources to continue in business for the foreseeable future. For this reason, the accounts are prepared on a going concern basis.

2.3 Interest on Loans

Interest on Members' Loans is recognised on an accruals basis over time irrespective of when the interest is physically received by the credit union. Accrued interest receivable on loans at the year end is transferred to an Unrealised Reserve.

2.4 Investment Income

Investment Income is recognised on an accruals basis.

The specific investments products held by the Credit Union are accounted for as follows.

Held at amortised cost

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

investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount; minus, in the case of a financial asset, any reduction for impairment or uncollectability. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.

Central Bank Deposits

Credit Unions are obliged to maintain certain deposits with the Central Bank. These deposits are technically assets of the credit union but to which the credit union has restricted access. The funds on deposit with the Central Bank attract nominal interest and will not ordinarily be returned to the credit union while it is a going concern. In accordance with the direction of the Central Bank the amounts are shown as current assets and are not subject to impairment reviews.

Investments at fair value

Investments held for trading and investment in stock market shares are included in this category. Financial assets at fair value are classified as held for trading if they are acquired for sale in the short term. They are valued at fair value (market value) at the year end date and all gains and losses are taken to the income and expenditure account.

The credit union uses the following hierarchy to estimate the 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 as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the entity can demonstrate that the last transaction price is not a good estimate of fair value (eg 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.

2.5 Other Income

Other Income such as commissions receivable on foreign exchange services arise in connection to specific transactions. Income is recognised on an accruals basis.

2.6 Tangible fixed assets

Tangible fixed assets comprises items of property, equipment, fixtures & fittings and

computers which are stated at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is charged so as to allocate the cost of the assets less their residual over their estimated useful lives using the straight line method.

Depreciation is provided on the following basis.

Premises	50 years
Office equipment	5 years
Fixtures and fittings	5 years
Computers	5 years
Leased Premises	period of lease

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income and Expenditure Account.

2.7 Cash and Cash Equivalents

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

2.8 Financial Assets – loans to members

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

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

2.9 Impairment of bad debts

Ennistymon & District Credit Union assesses, at each balance sheet date, if there is objective evidence that any of its loans to members are impaired. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the Credit Union and the Credit Union assesses and approves its provisions and adequacy of same on a bi monthly basis.

Any bad debts/impairment losses are recognised in the Income and Expenditure account.

2.10 Financial liabilities - members' shares

Members' shares in Ennistymon & District Credit Union Ltd are redeemable and therefore are classified as financial liabilities. They are recognised at the amount of cash deposited.

2.11 Holiday Pay

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

2.12 Pension Costs

The credit union also operates a defined contributions pension scheme for employees. The assets of the scheme are held separately from those of the credit union. The credit union makes no contributions to this scheme.

2.13 Creditors

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

2.14 Distribution Policy

Ennistymon & District Credit Union Limited's policy is to pay a reasonable rate of dividend and loan interest rebate subject to covering operating costs and meeting reserve requirement.

2.15 Regulatory Reserve

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

2.16 Operational Risk Reserve

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

The definition of operational risk is the risk of losses stemming from inadequate or failed internal processes, people and systems or from external events. The directors have considered the requirements of the Act and have calculated the operational risk reserve requirement by reference to the predicted impact of operational risks events that may have a material impact on the credit union's business.

2.17 Other Reserves

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

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

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying Ennistymon & District Credit Union's accounting policies. The items in the financial statements where these judgements and estimates have been made include

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

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

Impairment of Buildings

The carrying value of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. In the event, an impairment loss is recognised as the difference between the carrying amount and assets market value. The impairment charge, if applicable is charged to the Income and Expenditure Account in the period in which the related events or changes in circumstances occur.

Bad Debts provision

Ennistymon & District Credit Union Ltd account policy for impairment of loans is set out in the accounting policy in Note 2.9. 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 doubt about their recoverability. Loan loss provisioning is monitored by the Credit Union and the Credit Union assesses and approves its provisions and adequacy of same on a bi monthly 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 the historic experiences of the Credit Union's 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.

Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have considered an approach to the calculation of the operational risk reserve.

4. Key Management Remuneration

The Directors of Ennistymon & District Credit Union Ltd are all unpaid volunteers. The remuneration of key management personnel is as follows.

	2025 €	2024 €
Gross Salaries paid to key management	<u>147,520</u>	<u>105,799</u>

5. Cash and cash equivalents

Cash and balances at bank	578,439	818,101
Deposits and Investments (Note 6)	25,488,314	25,930,662
Less: Deposits and Investments maturing after three months	<u>(18,576,119)</u>	<u>(18,689,212)</u>
Total cash and cash equivalents	<u>7,490,634</u>	<u>8,059,551</u>

6. Deposits and investments

Deposits & Investments at the current and prior balance sheet date have been classified as either basic or other financial instruments and are measured at amortised cost or fair value as appropriate and comprise of the following.

Basic Financial Instruments

Accounts in Authorised Credit Institutions	13,505,044	16,585,047
Irish and EMU State Securities	5,959,621	1,508,245
Bank Bonds	4,832,842	6,676,633
Central Bank Deposits	<u>235,217</u>	<u>235,217</u>
Total Basic	<u>24,532,724</u>	<u>25,005,142</u>

Other Financial Instruments

Collective Investment in Transferable Securities (Corporate Bonds)	<u>955,590</u>	<u>925,520</u>
Total Investments at fair Value (Level 1)	<u>955,590</u>	<u>925,520</u>
Total Investments (Basic & Others)	<u>25,488,314</u>	<u>25,930,662</u>

7. Financial Assets – Loans

As at 1st October	10,771,174	8,284,664
Advanced during the year	6,487,364	6,058,948
Repaid during the year	<u>(4,347,948)</u>	<u>(3,545,111)</u>
Gross loans and advances to members	12,910,590	10,798,501
Loans written off during the year	<u>(62,421)</u>	<u>(27,327)</u>
As at 30th September	<u>12,848,169</u>	<u>10,771,174</u>



	2025 €	2024 €
8. Provision for bad debts		
As at 1st October	347,451	301,629
Decrease in bad debt provision as a result of loans written off previously provided for	(52,008)	(25,111)
Increase in bad debts provision	90,696	70,933
As at 30th September	<u>386,139</u>	<u>347,451</u>

9. Fixed Assets

	Premises €	Leasehold Property €	Fixtures/ Fittings €	Office Equip. €	Computers €	Total Reserves €
Cost as at 01/10/2024	541,378	-	30,733	24,673	232,076	828,860
Additions	-	20,972	-	-	102,999	123,971
As at 30/09/2025	541,378	20,972	30,733	24,673	335,075	952,831
Depreciation						
At 01/10/2024	213,045	-	30,733	19,248	191,304	454,330
Charge for year	11,744	5,243	-	1,980	39,111	58,078
As at 30/09/2025	224,789	5,243	30,733	21,228	230,415	512,408
Net book value:						
30/09/2025	316,589	15,729	-	3,445	104,660	440,423
30/09/2024	328,333	-	-	5,425	40,772	374,530

10. Prepayments and accrued income

	2025 €	2024 €
Prepayments	122,062	113,889
Accrued investment income	143,185	177,514
Accrued loan interest income	32,879	26,161
Total cash and cash equivalents	298,126	317,564

11. Members shares

Member share accounts	32,978,645	31,669,319
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12. Other Liabilities

Creditors and other accruals	126,193	109,516
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13. Reserves

	Balance 01/10/24 €	Appropriation of current year Surplus €	Transfer Between Reserves €	Balance 30/09/25 €
Regulatory Reserve	3,974,030	-	345,470	4,319,500
Operational Risk Reserve	215,000	-	-	215,000
Other Reserves Realised				
Community Reserve	14,503	(14,503)	-	-
Computer/IT Reserve	20,000	(20,000)	-	-
Reorganisation Reserve	1,165,307	-	(345,470)	819,837
General Reserve	533,138	57,633	13,813	604,584
Total Realised Reserves	1,732,948	23,130	(331,657)	1,424,421
Unrealised				
Interest on Loans Reserve	26,161	6,718	-	32,879
Investment Income Reserve	27,243	16,831	-	44,074
Investment Fair Value Reserve	96,550	30,070	-	126,620
Savings Protection Scheme	13,813	-	(13,813)	-
Total Unrealised Reserves	163,767	53,619	(13,813)	203,573
Total Reserves	6,085,745	76,749	-	6,162,494

The Regulatory Reserve at 30th September 2025 represents 11% of total assets at that date (2024 – 10.5%).

The Operational Risk Reserve at 30th September 2025 represents 0.5475% of total assets at that date.
(2024 – 0.5678%).

14. Credit Risk Disclosures

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

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

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

	2025		2024	
	Amount €	Proportion %	Amount €	Proportion %
Loans not impaired				
Total loans not impaired	<u>12,115,797</u>	94.3	<u>10,201,859</u>	94.71
Impaired Loan:				
Not Past Due	51,705	0.40	22,569	0.21
Up to 9 Weeks Past Due	512,606	3.99	425,125	3.95
Between 10 and 18 Weeks past due	38,828	0.30	29,845	0.28
Between 19 and 26 Weeks past due	16,622	0.13	28,955	0.27
Between 27 and 39 Weeks past due	55,466	0.43	8,352	0.08
Between 40 and 52 Weeks past due	35,426	0.28	45,772	0.42
53 or More Weeks Past Due	21,719	0.17	8,697	0.08
Total Impaired Loans	<u>732,372</u>		<u>569,315</u>	
Total Loans	12,848,169		10,771,174	

15. Related Party Transactions

	No. of loans	€
Loans advanced to Related Parties during the year	2	27,000
Total Loans Outstanding to Related Parties at the year end	5	52,509
Total Provisions for Loans Outstanding to Related Parties	-	-
Total Provision charge during the year for Loans		
Outstanding to Related Parties	-	-

The Related Party Loans stated above comprise of loans to members of the Board of Directors, the Management Team and members of the family of a member of the Board of Directors and the Management Team of Ennistymon & District Credit Union Ltd. Related parties have been identified in line with the definition in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

Total Loans Outstanding to Related Parties represent 0.41% of the total loans outstanding at 30th September, 2025.

16. Additional financial instruments disclosures

16a. Financial risk management

Ennistymon & District Credit Union manages its members' shares and loans to members so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from Ennistymon & District Credit Union'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 Ennistymon & District Credit Union, resulting in financial loss to the Credit Union. In order to manage this risk the Board approves Ennistymon & District Credit Union's lending policy, and all changes to it. All loan applications are assessed with reference to the lending 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 Unions investments are also exposed to credit risk and the credit union mitigates the risk by only placing investments with financial institutions where the counter parties have strong credit ratings and using investment products authorised by the Central Bank.

Liquidity risk: Ennistymon & District Credit Union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The objective of the Credit Union's liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise.

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



Interest rate risk: Ennistymon & District Credit Union's main interest rate risk arises from adverse movements in interest rates receivable which would affect investment income. Ennistymon and District Credit Union Ltd reviews any potential new investment product carefully to ensure that minimum funds are locked in low yielding long term investments yet at the same time maximising investment income receivable. The Credit Union considers rates of interest receivable when deciding on the dividend rate payable on members' shares and on any loan interest rebate.

16b. Interest rate risk disclosures

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

	Amount €	2025 Av. Interest Rate	Amount €	2024 Av. Interest Rate
Financial Assets				
Loans to members	12,848,169	7.24%	10,771,174	7.53%

The dividend payable is at the discretion of the Directors and is therefore not a financial liability of the Credit Union until declared and approved at the AGM.

16c. Liquidity risk disclosures

All Ennistymon & District Credit Union's financial liabilities are repayable on demand. The Credit Union retains, at all times, liquid assets amounting to a minimum of 20% of unattached savings.

17. Dividends and Loan Interest Rebate

The directors are proposing not to pay a dividend in respect of the year ended 30th September 2025 subject to agreement by membership at the AGM.

18. Post balance sheet events

There are no material events after the balance sheet date to disclose.

19. Insurance against Fraud

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

20. Commitments and Contingencies

Capital Commitments

As at 30th September the Credit Union had signed a contract for €269,815 in respect of work to be carried out on the new Credit Union leased premises.

Contingencies

There were no material contingencies existing at 30th September, 2025.



Schedules to Income and Expenditure Account

The following schedule do not form part of the statutory statements which are the subject of the Independent Auditors Report on pages 9-11.

	2025 €	2024 €
SCHEDULE 1 - Interest on Loans		
Loan Interest Income Received	819,962	694,759
Loan Interest Income Receivable	32,879	26,161
Total per Income and Expenditure Account	852,841	720,920
SCHEDULE 2 - Other Interest Income and Similar Income		
Investment Income Received/Receivable within 1 year	339,481	435,889
Investment Income Receivable outside of 1 year	15,687	14,231
Total per Income and Expenditure Account	355,168	450,120
SCHEDULE 3 - Other Income:		
Fees and Commission	4,967	5,466
Other Income	671	9,994
	5,638	15,460
SCHEDULE 4 - Other Management Expenses:		
Rent and Rates	30,948	31,675
Lighting & Heating	12,216	11,597
Repairs and Renewals	3,554	7,365
Affiliation Fee	11,698	10,474
Printing and Stationery	5,654	6,060
Postage and Telephone	11,710	11,426
Donations, Sponsorship, Promotion & Advertising	57,807	54,385
Training & Education Costs	8,467	7,908
AGM Expenses	11,079	13,865
Travel	12,951	11,764
Social	937	1,138
Bank Charges & Interest	13,855	12,556
Audit Fee	11,500	11,500
General Insurance	20,882	20,485
Share and Loan Insurance	113,521	94,726
Legal & Professional Fees	132,700	98,246
Computer Maintenance	127,165	124,230
Miscellaneous Expenses	11,200	11,963
Central Bank Funding Fees	12,177	11,702
Regulatory Levies	6,203	49,855
Irish Credit Bureau	(93)	1,947
Security, Health & Safety	16,997	12,498
Membership Fees	2,616	2,790
50th Anniversary	4,459	15,225
Community Investment Fund	16,040	35,497
PAYAC Fees	28,017	26,435
Total:	684,260	697,312



**ENNISTYMON
& DISTRICT**
CREDIT UNION

WHERE EVERY MEMBER COUNTS.

Tel: 065 707 1126 | **Email:** info@ennistymoncu.ie | **Web:** www.ennistymoncu.ie

Ennistymon & District Credit Union Ltd. Is regulated by the Central Bank of Ireland.
Loans are subject to approval. Terms & Conditions apply.