



Annual Report & AGM Notice

HYBRID AGM, 7th DECEMBER 2023

Registration open at 7.00pm for a 7.15pm start



SLIGO PARK HOTEL AND ZOOM WEBINAR

Where **U** come first



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FOR THE AGM 2023

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YOUR AGM 2023

Notice is hereby given that Sligo Credit Union will be holding its Annual General Meeting both in-person at the Sligo Park Hotel and virtually via Zoom on Thursday 7th of December 2023. For both forms of attendance, registration is open @ 7.00pm, with the meeting commencing @ 7.15pm.

Signed: Hugh Sheridan, Secretary



NOTICE OF ELECTIONS

Elections will be held to fill the position of the Auditor, five vacancies on the Board of Directors, four directors for re-election, one Director for election and one election on the Board Oversight Committee.

Signed: Hugh Sheridan, Secretary



HYBRID AGM ORDER OF BUSINESS

Thursday 7th December 2023 at 7.15pm | Sligo Park Hotel and Zoom Webinar

ORDER OF BUSINESS AT ANNUAL GENERAL MEETING

Standard Rule 96 (4): The business at annual general meetings of the members shall be:

- 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) Rule amendment Rule 30 (1)(a);
- j) Report of the Credit Committee;
- k) Report of the Credit Control Committee;
- l) Report of the Membership Committee;
- m) Report of any Sub-Committee;
- n) Report of the Nomination 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.

Members wishing to attend the Virtual AGM need to request an invitation to join and apply via www.sligocu.ie/AGM. Details that we will look for include:

- Name
- Member Number
- Member email

Rule 30 (1)(a)

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

To read Rule 30(1)(a) in full, please see www.sligocu.ie/AGM.

FRONT COVER: *Some members of the Sligo Credit Union team, September 2023.*

CHAIRPERSON'S REPORT

SHONA HEFFERNAN, CHAIRPERSON



In another turbulent year across the world which has had an economic impact closer to home, Sligo Credit Union has maintained a steady course resulting in a surplus of €471k.

In this year, our loans to members grew by 13% with €28.2 million lent to our community bringing our overall lending to €44.5 million. Our savings cap was reinstated to a higher level of €35,000 per member.

It is with a great degree of pride that we have many achievements from this year to mark and share:

- Our new management team: Orla Lee (CEO), Carmel Mullaney (Deputy CEO) and Angela Doohan (Operations Manager).
- A seamless transition to a new current account debit card in March.
- The ACE Current Account for 12-16-year-olds launched this summer. This gives teenagers more financial independence with a globally accepted Debit Mastercard. One of the biggest advantages of an ACE Current Account is the ability to make instant payments for free between all Sligo Credit Union accounts (shares & current accounts).
- Our largest ever Community Loan to CIC Summerhill to develop their astroturf pitch.
- Our new Community Fund launched in early January 2023 with a fund pot of €20,000. We were delighted to award 14 community groups for their projects in 2023.
- Sligo Credit Union appointed their first ever Brand Ambassador, Olympian boxer, Dean Clancy. This is in line with the Credit Union's new Sports Bursary programme, which aims to inspire young people in the field of sports in Sligo and Leitrim.

- Credit Unions, including Sligo Credit Union, topped the Customer Experience League table for the 9th consecutive year. This unprecedented ninth win is recognition of the dedication and hard work of Credit Union staff, Volunteers and Directors across Ireland.
- An overwhelming response to our volunteer drive in summer.

None of these achievements happen without the immense dedication of the Credit Union's Volunteer committee members and Volunteer Directors who give freely and generously of their time to represent you in governing the Credit Union.

This year, in particular, I would like to acknowledge the hard work, collegiality and dedication to Sligo Credit Union of our fantastic staff. On behalf of my fellow Directors and you, our members, I would like to express gratitude and extend my sincere thanks to all of them.

Ní neart go cur le Chéile.

Shona Heffernan, Chairperson

SLIGO CREDIT UNION DIRECTORS/VOLUNTEERS/STAFF

CHAIRPERSON Shona Heffernan

SECRETARY Hugh Sheridan

DIRECTORS

Charlotte McLoughlin, Conor Conway, Frank Mahon, Noelle Cawley, Robert Kelly, Seamus Kilgannon, Síle Uí Ghallachoir

BOARD OVERSIGHT COMMITTEE

Chairperson Bernadette Crilly

Secretary

Marian Hargadon

VOLUNTEERS

Barbara Dobson, Marie Mulligan, Christina Duignan, Seamus Duignan

STAFF

CEO

Orla Lee

DEPUTY CEO & HEAD OF REGULATION OPERATIONS MANAGER

Carmel Mullaney

Angela Doohan

Alanah Watters, Anna Galligan, Aveen Kelly, Breda McElroy, Brenda Brennan, Collette Hamilton, Donna McCabe, Farnan Kilgannon, Fidelma Cassidy, Fiona Kelly, Gareth McCaughey, Gary Gilgan, Gearóid Sweeney, Grace White, Gráinne Mitchell Finan, Joanne Chambers, John Farrell, Laura McNasser, Lisa Gallagher, Louise Downes, Niall Brennan, Olive Teape, Paul Guilfoyle, Rian Gorman, Ronnie Mullaney, Sabrina Kelly, Sarah Dennison, Sarah Shivan, Sharon Mullen



SCAN ME

WINTER HEATING LOAN

SLIGO CREDIT UNION IS HERE TO HELP U,
OUR MEMBERS, THIS WINTER

A Winter Heating Loan with Sligo Credit Union is available to all Members at an interest rate of 8% (8.3% APR). Spread the cost of your heating oil over the full year while availing of savings from oil companies for buying a full tank of oil.

Terms, conditions, and eligibility criteria apply. Sligo Credit Union Ltd. Is regulated by the Central Bank of Ireland.

DIRECTOR'S REPORT

The Directors present their annual report and the Audited Financial Statements for the financial year ended 30 September 2023.

PRINCIPAL ACTIVITY

The principal activity of the business continues to be the operation of a Credit Union.

OBJECTS

The Objects of a Credit Union are the acceptance of members savings and lending to members in accordance with legislation.

BUSINESS REVIEW

The Directors are satisfied with the financial performance outlined in the Audited Financial Statements for the year ended 30 September 2023. The Directors continue to plan to develop and expand the services to members and are confident of its ability to continue to operate successfully into the future.

PRINCIPAL RISKS & UNCERTAINTIES

Credit Risk is the risk that a borrower will default on their contractual obligations relating to repayments to the Credit Union resulting in financial loss. Loan income accounts for almost 82% of total income.

LIQUIDITY RISK

Liquidity Risk is the risk that the Credit Union will not have sufficient cash resources to meet the day to day running costs and repay Member savings when demanded.

CAPITAL RISK

Capital Risk is the risk of a change in the quality or quantity of capital available, the Credit Union's exposure to external shocks and noticeable changes in the level of capital planning and in the capital management process.

OPERATIONAL RISK

Operational Risk is the risk of loss resulting from inadequate or failed processes or systems of the Credit Union or any failure by persons connected with the Credit Union or from external events.

MARKET RISK

The risk that the value of investments will decrease. The risk can arise from fluctuations in values of our income from assets or changes in interest rates.

MANAGEMENT OF RISKS

CREDIT RISK

The Board of Directors regularly reviews the Credit Union's Credit Policy. All loan applications are assessed in line with this policy and loans issued are subsequently reviewed to ensure that repayments are made in line with the contractual obligations of the member.

LIQUIDITY RISK

The Credit Union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall.

CAPITAL RISK

The Board regularly reviews projected against actual income and utilises a Risk Report that requires action to be taken if there is any mismatch in financial performance that would have a material effect on our capital position.

OPERATIONAL RISK

This risk is managed through employment and training of suitable qualified staff to ensure that



appropriate processes, procedures and systems are implemented and supported by a robust reporting structure.

MARKET RISK

The board regularly reviews and approves our investment policy and funds are invested in compliance with policy and regulatory guidance.

DIRECTORS AND BOARD OVERSIGHT COMMITTEE MEMBERS

In accordance with section 53(6) of the Credit Union Act, 1997 (as amended), the following Directors retire from the Board, and being eligible, offer themselves for re-election: **Seamus Kilgannon, Shona Heffernan, Robert Kelly and Conor Conway**. The following member of the Board resigns: **Síle Uí Ghallachoir**. The following election to the Board: **Michael Barrett**.

In accordance with Section 58 of the Credit Union Act, 1997 (as amended), the following member of the Board Oversight Committee resigns: **David Dillon**. The following election to the Board Oversight Committee: **Catherine O'Reilly**.

Elections will be held as normal a part of our hybrid AGM this year. On registration for AGM, members will be sent further information detailing the structure of the meeting.

DIVIDEND

Due to the financial environment and in particular, a negative return on investments to quarter 3, 2023, the Directors do not propose a dividend on shares or a loan interest rebate.

ACCOUNTING RECORDS

The Directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regards to books of account 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 Wine Street, Sligo.

POST BALANCE SHEET EVENTS

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

AUDITORS

The auditors, Gilroy Gannon Chartered Accountants and Statutory Audit Firm, have indicated their willingness to continue in office in accordance with Section 115 of the Credit Union Act, 1997 (as amended).

A handwritten signature in black ink, appearing to read 'S. Heffernan'.

Shona Heffernan,
Chairperson

A handwritten signature in black ink, appearing to read 'Hugh Sheridan'.

Hugh Sheridan,
Secretary

CREDIT COMMITTEE REPORT

BARBARA DOBSON & MARIE MULLIGAN



We are pleased to report a positive performance in lending again this year with €23.8 million lent to almost 6K members, this is a 13% increase on 2022 bringing the total value of loans to €44.3 million.

The provision of loans at a fair and reasonable rate of interest to members is an essential function of our Credit Union. We are proud that the loans we issue to our members have a positive impact on their lives, whether it's for home improvements, education, holidays, wedding or to change the car.

As mentioned in our chairperson's report, we were delighted to issue our largest community loan to Summerhill College which will enhance the mental and physical health of the young men in their care and may become available for community groups and users within the greater Sligo area.

Our car lending continues at pace, and we feel that this is because members have ownership of the car from start, no balloon repayments, no hidden fees and charges and no penalties for early repayment. We encourage members to talk to us before considering PCP finance to see what options we have available.

There has been significant media reports around Credit Union Mortgages in recent months and we wish to advise members that the board of this Credit Union has passed a resolution to

invest in the "Mortgage CUSO" but it will take up to 3 years for the business processes to be developed and for the Credit Union to be in a position to update members on the product offering.

The introduction of "open banking" at the latter end of 2023 will improve the processing of loan applications from members and this coupled with "DocuSign" for the issue of loans adds more options for members who feel this is the way they wish to do business with the Credit Union. As always, we welcome members to apply for loans with us in person at any of our offices, by phone, through our website or mobile APP.

Once again, a sincere thank you to our Credit Committee volunteers, Barbara Dobson and Marie Mulligan for the vital role they fulfil on behalf of members within the Credit Union Structure.

Also, thank you to Niall Brennan, Senior Lending Manager, and his team of committed Lending Officers for all their hard work, support, and professionalism through the year.

SCU Credit Committee

RISK & COMPLIANCE COMMITTEE REPORT

FRANK MAHON (CHAIR), SHONA HEFFERNAN, AND HUGH SHERIDAN



The role of this committee is to assist the Board of Directors to fulfil its governance and oversight responsibilities in order to safeguard the assets of the Credit Union on behalf of our membership and to ensure compliance with legal and regulatory requirements.

Our committee meets frequently and regularly with support from the Risk and Compliance Team. This ensures independence, ongoing effectiveness and transparency of the functions which serve as defence models in the business framework. Staff in these roles also independently report to the Board.

The Risk, Compliance & Internal Audit Committee reviews ongoing risks, discusses new and emerging risks, and provides assurance that our Risk Management Framework is embedded throughout the business with tone coming from top down. We annually review, amend, and approve a substantial volume of policies and procedures. We examine quarterly Internal Audit Reports and communications from our Internal Auditor, Internal Audit Services and consider and advise on recommendations and findings. We report monthly to our board with our conclusions and

recommendations and documentation for ratification to the Board for their consideration. Our committee notes the increased risks posed by global instability, the ongoing economic situation, ongoing threats of Cyber-attacks and Climate related risks, and we are constantly looking at new horizons for risk impacting scenarios for our Credit Union.

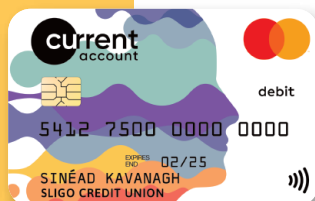
We welcome and look forward to working with our new Risk Officer Gareth McCaughey who took up the role in September 2023. Wish to thank our outgoing Risk and Compliance Manager, Carmel Mullaney for her support and assistance to our committee over the last 10 years, and we congratulate her on her new role as Deputy Manager & Head of Regulation.

Frank Mahon, Chair

Introducing Current Account From Sligo Credit Union

SIGN UP TODAY AT www.sligocu.ie/current-accounts

Mastercard is a registered trademark and the circles design is a trademark of Mastercard International Incorporated. This card is issued by TSB Payments Malta Limited pursuant to licence by Mastercard International. TSB Payments Malta Limited is duly authorised and regulated by the Malta Financial Services Authority as a Financial Institution under the Financial Institutions Act 1994. Registration number C 21879. Sligo Credit Union Ltd is Registered by the Central Bank of Ireland.



CREDIT CONTROL REPORT

Out of a loan book of €44.3M on the 30th of September 2023, 2.05% of loans showed arrears greater than 9 weeks. This year the committee recommended write off's totalling €149K and are pleased to see strong recoveries of €238K.

Credit Control has responsibility for monitoring loan repayments to ensure they are paid in accordance with the terms of the credit agreement. Where loans fall into arrears, the Credit Control team proactively engages with members to gain insight into possible financial difficulties a member may be experiencing with a view to finding a workable solution for both the member and the Credit Union. Early intervention and discussion with members is vital, as it can help protect a members Central Credit Register (CCR) Record.

The Central Credit Register is a database that stores personal and credit information on loans of €500 or more. It is operated by the Central Bank of Ireland under the Credit Reporting Act 2013.

We urge members to look at the Central Credit Register website www.centralcreditregister.ie to see what information the register is collecting and how long the information is retained. We would like to stress the importance of keeping your CCR record as clean as possible particularly if considering a mortgage into the future.

We continue to encourage any member who finds themselves in difficult circumstances to come and talk openly in confidence to our Credit Control team to investigate the options available.

We would like to thank Paul Guilfoyle, Credit Control Officer, and the full staff team for their assistance and dedication throughout the year as we look forward with positivity to the year ahead.

APPLY ONLINE



EDUCATIONAL BURSARY AWARDS 2024

APPLICATIONS NOW OPEN

Every year, we award ten cheques to members, to a value of €1,000 each. For 2024, Sligo Credit Union's Educational Bursary Award allows you to submit an online or paper application - pick a method that suits you best. Closing date for applications is the 9th of January 2024.

For online applications, please visit www.sligocu.ie/education-bursary-awards.
For paper applications, refer to page 46.



SCAN ME

BOARD OVERSIGHT COMMITTEE

BERNADETTE CRILLY (CHAIR), MARIAN HARGADON



As a brand-new Board Oversight Committee (BOC), we have a steep learning curve ahead of us. Thankfully, there is an excellent suite of training materials available, and of course the management team and Board have been very helpful in answering any queries and providing information.

There has been one Board of Directors (BOD) meeting since our appointment, and we were all struck by the impressive amount of material covered, the level of interest and knowledge displayed, and the evident enthusiasm by all involved. In the coming weeks, we will determine our work plan for the coming year and will progress our requirements in assessing the relevant areas of the Board responsibilities, as our role requires.

The proper functioning of the BOC necessitates its independence from the Board, while also requiring collaboration to scrutinise how the BOD fulfils their mandated responsibilities. I look forward to developing a

solid working relationship with the Board, and learning more about how they accomplish their role.

First impressions have been positive, and I am sure that will continue. We in the BOC are happy to play our small part in ensuring the effective operation of Sligo Credit Union for the continued benefit of its members and the wider community.

A handwritten signature in black ink, appearing to read 'Bernadette Crilly'.

Bernadette Crilly, Chair

STATEMENT OF BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES

FOR YEAR ENDED SEPTEMBER 30TH 2023

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 purposes of Part IV or Part IVA of the Credit Union Act, 1997 (as amended) and any other matters prescribed by the Bank in respect of which they are to have regard to in relation to the board.

INVESTMENT COMMITTEE

FRANK MAHON (CHAIR), HUGH SHERIDAN AND ROBERT KELLY



The Investment Committee has responsibility for the oversight and prudent investment of the surplus funds our Credit Union generates.

This oversight is governed by statute and our own Compliance and Risk standards that cover investment counterparties ratings and the amount we can invest with those counterparties. The safe investment of members funds is paramount in all our decision making.

Last year, most banks were quoting negative rates on investments. With ongoing changes from the ECB we have seen a return to positive rates, enabling this committee put forward very positive investment proposals to the Board for consideration. We no longer have any funds invested at negative rates, thus gaining a positive return from our entire investment portfolio towards the latter stages of the year.

A Credit Union has a requirement to maintain reserves at a minimum of 10% of its Assets, it is a statutory requirement to hold reserves at this level and it continues to pose challenges for all

Credit Unions. This year our savings grew by circa 3.5% to €78M (€75M: 2022) and this was with a savings cap of €15,000 in place for most of the financial year. The savings cap was reinstated to €35,000 in July 2023 which is positive news, but regulatory requirements mean the impact of this will have to remain under continuous review.

Our investment income in 2023 was €489K - an increase from the previous year of €227K.

Our potential return from investments is looking strong for 2024. I would like to thank the Committee members, our management liaisons, and our investment advisors for all their hard work through a year of fast-moving changes in the markets.

A handwritten signature in black ink that reads "Frank Mahon".

Frank Mahon, Chair



SEEKING VOLUNTEERS

Sligo Credit Union's
Board of Directors, 2023



SCAN ME

NOMINATION COMMITTEE REPORT

CONOR CONWAY (SECRETARY), CHARLOTTE MCLOUGHLIN,
SEAMUS KILGALLON



The Nominations Committee consists of three board members, appointed by our Board of Directors following each AGM, to comply with regulation and to ensure there are suitable potential candidates to stand for election as directors of Sligo Credit Union, when vacancies arise.

The role of the Committee is to identify candidates, accept written nominations and to propose candidates in respect of vacancies. The members of the Committee ensure that our succession planning, nominations, and volunteer policies are in place, up to date and valid.

2023 has been a busy year as we sought to fill all our outstanding volunteer committee vacancies. Having made significant progress in identifying suitable candidates to fill these vacancies, the sudden resignation of the Board Oversight Committee required us to use people from our pool of potential volunteers and nominate them for election to the Board Oversight Committee. David Dillon, Bernadette Crilly and Marian Hargadon were elected to the Board Oversight Committee at the SGM in August. Due to an unforeseen change in circumstances, David resigned in September and we are currently working on filling this vacancy.

We have continued to operate with nine directors as we tried to identify potential candidates to fill these two vacancies. In this regard we would like to thank the members who supported the motion at the SGM to allow us to operate with 7, 9 or 11 directors in any given year, this allows us to remain compliant with legislation while giving us the flexibility to operate with any number of these directors depending on the availability of suitable

volunteers. It would not be the intention of this committee to operate with 7 directors but this is subject to the availability of suitable volunteers as vacancies arise.

Síle Uí Ghallachoir has notified us of her intention to resign as a director at the AGM, Síle has been a volunteer of Sligo Credit Union for the past 13 years and we would like to thank her for the hard work and commitment she has shown to Sligo Credit Union and its members during this time.

We would like to express our thanks and appreciation to Deputy CEO, Carmel Mullaney and Marketing Officer, Sarah Dennison, who have an immense help to the Committee during the year.

We would love to hear from Members who wish to play a voluntary part in Sligo Credit Union's future development.

A handwritten signature in black ink that reads "Conor Conway".

Conor Conway, Secretary

MARKETING COMMITTEE REPORT

CHARLOTTE MCLOUGHLIN (CHAIR),
SÍLE UÍ GHALLACHOIR, NOELLE CAWLEY AND
SARAH DENNISON (SENIOR MARKETING OFFICER)



This has been another busy year for the Marketing Committee. Together with the Senior Marketing Officer, Sarah Dennison, we have engaged in marketing campaigns which supported the growth of the credit union during the year.

Our ACE Current Account for 12-16 olds, which includes a debit card, launched during the year. This sits nicely with our existing current account and debit card offering which launched in 2021 and it continues to perform strongly. We continue to promote our loan products which has supported our loan growth throughout the year. We lent over 6,000 loans in the year to a value of €44.3m, therefore, growing loans year on year by 13%.

Community plays a big role in Sligo Credit Union, and we were delighted to support ten students once again for our 2023 Educational Bursary Awards. Applications for the 2024 Educational Bursary Awards are now open! In addition to Sponsorship projects that we support annually, Sligo Credit Union's Community Fund, launched in April 2023, helps small organisations with their community projects. This year, we awarded funds to fourteen community groups, including Down Syndrome Ireland and St. Edwards National School. We are excited to grow the Community Fund even more in 2024 and beyond.

Recently we have appointed Dean Clancy as our first Brand Ambassador. This is in line with the credit union's new Sports Bursary programme, which aims to inspire young people in the field of sports in Sligo and Leitrim. We look forward to supporting Dean on his Olympic journey to Paris in 2024.

Lastly, with the rise in ongoing Fraud, we have launched a Fraud Awareness Campaign to alert members that we will never will NEVER contact an individual member asking them to click a link to verify their account or give personal account details over the phone.

Thank you to Sarah Dennison, the Senior Marketing officer, for her ongoing support to the committee. Here is to a prosperous new year; further growing the Loan Book, as well as increasing and improving services to our members.

Charlotte McLoughlin, Chair

13% ↑ INCREASE IN LOAN BOOK
ON LAST YEAR

€20K COMMUNITY
FUND POT

MEMBERSHIP NOW AT
c.26,800

CREDIT UNION
LOAN BOOK REACHED **€44.3M**

MEMBERSHIP COMMITTEE REPORT

We pride ourselves on our service to our members and are particularly pleased with the level of new members joining us. We have strong growth in applications for membership month on month, we currently have circa 26,800 members to date.

All membership applications must be approved by the rules laid out in the Standard Rules for Credit Unions.

First and foremost, to become a member of Sligo Credit Union, you must live, work, or go to college in our common bond. What is our common bond? The common bond is the geographical areas within Sligo/Leitrim where you live or work and which legally defines the area/townland we can admit to membership. For further detailed information, please revert to our website:

www.sligocu.ie/information/common-bond.

There are two ways to join our Credit Union, the fastest method is via technology using our APP. You can download the APP from normal APP stores on your phone. Ensure you have the personal identification documentation to hand to upload as you work your way through the joining journey. We also have our traditional face to face method to set up an appointment with our Membership Officer.

We have been very pleased at the take up of our Mastercard® Current Account facility by our members and this reflects the faith that our members have in what we do, and we will continue to offer that high level of service and facilities to our members. If you are wondering how our Mastercard Current Account would suit your day-to-day banking needs, please contact our office to speak to an officer in our Member Services team.

During the latter half of 2023 we launched our **ACE Youth Debit Card** for our younger members from the age of 12-16-years-old. This is an exciting new service, as it gives accountability and flexibility to our younger

members to manage their own money, with parental supervision.

Benefits of a credit union current account include:

- FREE Instant Payments between all Sligo Credit Union accounts.
- No fees or charges.
- 24/7 support for lost/stolen debit cards.

Online Security

We are seeing increasing attempts at fraudulent access and activity, dishonestly trying to access bank accounts via cyber-attacks and scams. As these attacks change rapidly, we encourage you to use our various platforms to educate and protect yourself and your account from these unscrupulous people who are, unfortunately, looking for a vulnerable link, to deceive, manipulate and embezzle money.

Use our website to update yourself and your account. We update our social media platforms consistently with alerts, be aware of scams that are doing the rounds, double check requests for funds and access independently. Be careful, question before you click or approve anything that is unusual from the norm. You should contact us directly if you are concerned before you click.

As a board we would like to thank our staff who work with our members on a day-to-day basis, our Membership Officers, our Member Services team, and our Front Counter team for the excellent and consistent level of service provided to our members. We are very proud of what we have achieved together for the benefit of the members of Sligo Credit Union.

STATEMENT OF DIRECTORS RESPONSIBILITIES

FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2023

The directors are responsible for preparing the annual report, directors' report and the financial statements in accordance with applicable laws and regulations.

The Credit Union Act 1997 as amended requires the directors to prepare the Credit Union financial statements for each financial year. Under that law they have elected to prepare the Credit Union financial statements in accordance with accounting Standards and applicable law (Irish and UK generally Accepted Accounting Practice), including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Credit Union financial statements are required by law to give a true and fair view of the state of the affairs of the Credit Union as at the end of the financial year and of the income and expenditure of the Credit Union for the financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable Irish Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Credit Union will continue in business.
- In addition to the financial statements, the Credit Union Act 1997 (Regulatory Requirements) Regulations require the directors

to prepare and include, for each financial year, additional disclosures and statements, each containing prescribed information relating to the business of the Credit Union.

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

Directors' Responsibilities for Accounting Records and Internal Controls

The directors are responsible for ensuring that the Credit Union:

- keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Credit Union, in accordance with the Act; and
- takes reasonable care to establish, maintain, document and review such systems and controls as are appropriate to its business, in accordance with the legislation and guidance from the Central Bank of Ireland under the Credit Union Acts and Statutory Instruments.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Credit Union and to prevent and detect fraud and other irregularities.

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

Shona Heffernan, Chairperson
Hugh Sheridan, Secretary
Date: 9th November 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SLIGO CREDIT UNION LIMITED

Report on the audit of the financial statements

Opinion

We have audited the Financial Statements of Sligo Credit Union Limited for the year ended 30th September 2023 which comprise the Income and Expenditure Account, the Statement of Changes in Retained Earnings, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 *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 2023 and of its income and expenditure and cashflows for the 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 Act, 1997, as amended.

Basis for Opinion

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

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Credit Union's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the financial statements other than the Income and Expenditure Account, the Statement of Changes in Retained Earnings, the Balance Sheet, the Cash Flow Statement and notes to 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 consider necessary for the purposes of our audit.
- In our opinion proper accounting records have been kept by the Credit Union, and
- The financial statements are in agreement with the accounting records.

Respective responsibilities of directors and auditor

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: www.iaasa.ie, under "Description of auditor's responsibilities for audit". This description forms part of the auditor's report.

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

This report is made solely to the Credit Union's members, as a body, in accordance with Section 120 of the Credit Union Act, 1997, as amended. Our audit work has been undertaken so that we might state to the Credit Union's members those matters we are required to state to them in an 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.

Gilroy Gannon

Chartered Accountants and Statutory Audit Firm
25 Stephen Street, Sligo
9th November 2023

INCOME AND EXPENDITURE ACCOUNT

FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2023

		2023	2022
INCOME	Note	€	€
Interest on Members' Loans		3,467,995	3,171,709
Other Interest Receivable and Similar Income	5	488,917	261,962
Net Interest Income		3,956,912	3,433,671
Other Income	6	114,053	84,587
Exceptional Income	7	-	353,886
Total income		4,070,965	3,872,144
EXPENDITURE		€	€
Salaries and Staff Pensions	8	1,521,034	1,423,398
Other Management Expenses	9	1,693,646	1,336,902
Depreciation	14	149,379	146,368
Loss on encashment of investment	11	64,400	-
Bad and Doubtful Debts Recognised for the Year	10	170,701	157,524
Exceptional Expenditure	7	-	346,690
Total expenditure		3,599,160	3,410,882
Surplus for the year		471,805	461,262

On Behalf of the Credit Union:



Orla Lee
CEO



Bernadette Crilly
Board Oversight Committee



Shona Heffernan
Board of Directors

Date: 9th November 2023

STATEMENT OF CHANGES IN RETAINED EARNINGS

FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2023

	2023	2022
	€	€
As at 1 October 2022	2,202,849	1,771,968
Total Comprehensive Income for the year	471,805	461,262
Dividends and Interest Rebates Paid (Note 4)	-	-
Net Transfers to Other Reserves (See Below)	(191,731)	(30,381)
As at 30 September 2023	2,482,923	2,202,849

MEMBER RESOURCES

Movement in Reserves	At 1/10/2022	Surplus year ended 30/9/2023	Dividend/ Interest Rebate Paid	Transfers	At 30/9/2023
RETAINED EARNINGS					
Realised	2,202,849	471,805	-	(291,731)	2,382,923
Unrealised	-	-	-	-	-
Dividend & Interest Rebate Reserve (Note 4)	-	-	-	100,000	100,000
Total Retained Earnings	2,202,849	471,805	-	(191,731)	2,482,923
Regulatory Reserve	9,914,316	-	-	191,731	10,106,047
Operational Risk Reserve	2,134,656	-	-	-	2,134,656
Operational Risk Reserve - Current Accounts	213,081	-	-	-	213,081
Total	14,464,902	471,805	-	-	14,936,707

On Behalf of the Credit Union:



Orla Lee
CEO



Bernadette Crilly
Board Oversight Committee



Shona Heffernan
Board of Directors

Date: 9th November 2023

BALANCE SHEET

AS AT 30TH SEPTEMBER 2023

		2023	2022
ASSETS	Note	€	€
Cash and Balances at Bank		6,858,624	2,155,211
Deposits and Investments	11	41,010,912	47,390,990
Loans to Members	12	44,370,218	39,220,774
Less: Provision for Bad and Doubtful Debts	13	(2,847,071)	(2,587,999)
Tangible Fixed Assets	14	3,926,674	4,021,143
Prepayments and Accrued Income	15	262,357	206,463
TOTAL ASSETS		93,581,714	90,406,582
MEMBERS LIABILITIES		€	€
Members Shares	17	74,311,803	72,516,727
Budget Accounts		52,576	65,686
Working Accounts		1,529,007	1,498,701
Current Accounts	18	2,471,557	1,627,322
		78,364,943	75,708,436
OTHER LIABILITIES		€	€
Accruals, Other Creditors and Deferred Income	19	280,064	233,244
TOTAL LIABILITIES		78,645,007	75,941,680
NET ASSETS		14,936,707	14,464,902
MEMBERS RESOURCES		€	€
Regulatory Reserve		10,106,047	9,914,316
Operational Risk Reserve		2,134,656	2,134,656
Operational Risk Reserve - Current Accounts		213,081	213,081
Retained Earnings:			
Realised Reserves		2,382,923	2,202,849
Unrealised Reserves		-	-
Dividend & Interest Rebate Reserve		100,000	-
TOTAL MEMBERS RESOURCES		14,936,707	14,464,902

On Behalf of the Credit Union:



Orla Lee
CEO



Bernadette Crilly
Board Oversight Committee



Shona Heffernan
Board of Directors

Date: 9th November 2023

CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2023

		2023	2022
	Note	€	€
Cash Flows from Operating Activities			
Surplus		471,805	461,262
Adjustments for Non-cash Items:			
Depreciation/Impairment		149,379	146,368
Increase in Provision for Bad and Doubtful Debts		408,505	361,518
		1,029,689	969,148
Movements in			
Accrued Interest		(52,916)	(1,513)
Other Receivables		(2,978)	18,180
Other Payables		46,822	44,863
		(9,072)	61,530
Cash Flows from Changes in Operating Assets and Liabilities			
Members Savings in		81,670,037	54,984,737
Members Savings Withdrawals		(79,013,530)	(58,605,314)
Payment of Dividends/Interest Rebates	4	-	-
New Loans to Members	12	(23,811,696)	(20,360,734)
Repayment of Loans by Members	12	18,512,819	17,614,413
		(2,642,370)	(6,366,898)
Net Cash Flows from Operating Activities		(1,621,753)	(5,336,220)
Cash Flows from Investing Activities			
Purchase of Property Plant & Equipment		(54,910)	(93,918)
Sale of Property Plant & Equipment		-	-
Net Cash Flow from Managing Deposits and Investments		3,941,948	1,906,123
Net Cash Flows from Investing Activities		3,887,038	1,812,205
Net Increase/(Decrease) in Cash and Cash Equivalents		2,265,285	(3,524,015)
Cash and Cash Equivalents at Beginning of Financial Year		15,685,358	19,209,373
Cash & Cash Equivalents at End of Financial Year	21	17,950,643	15,685,358

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER 2023

1. LEGAL AND REGULATORY FRAMEWORK

Sligo Credit Union Limited is established under the Credit Union Act 1997 (as amended). The Credit Union is registered with the Registrar of Credit Unions (No. 220CU) and is regulated by the Central Bank of Ireland. The principal place of business is Wine Street, Sligo with branch offices in Collooney, Co. Sligo and Drumkeerin, Co. Leitrim.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are prepared on the historical cost basis, modified to include certain items at fair value.

Currency

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

Going concern

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

- Is generating annual surpluses;
- Maintains an appropriate level of liquidity; and
- Has reserves that are currently above the minimum legal and regulatory requirements.

Income

Interest on Members' Loans

Interest on loans to members is recognised using the effective interest method and is calculated and accrued on a daily basis.

Investment Income

The Credit Union has investments that are valued at amortised cost and uses the effective interest method to recognise investment income in respect of these investments.

It also accounts for some investments in protected equity funds at fair value through income and expenditure. These investments are valued at fair value (market value) at the year-end date and any gains either realised or unrealised at the balance sheet date are taken to the income and expenditure account.

Other income

Other income such as current account income and commission receivable on foreign exchange services arises in connection with specific transactions. Income relating to individual transactions is recognised when the transaction is completed.

Tangible fixed assets

Tangible fixed assets comprise items of freehold premises, fixtures and 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 provided to write off the cost of each item of property and equipment, less its estimated residual value, on a straight-line basis over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

Freehold Premises	2% per annum
Fixtures and fittings	10% per annum
Computers	33.33% per annum

At each year end, the Credit Union reviews the carrying value of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Credit Union estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income and Expenditure account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Income and Expenditure account.

Cash and cash equivalents

For the purpose of the cash flow statement, cash comprises cash in hand and amounts with banks repayable on demand. Cash equivalents comprise highly liquid, unrestricted investments that are readily convertible into cash with an insignificant risk of changes in value with original maturities of less than three months. The cash flow statement has been prepared using the indirect method.

Financial instruments

The Credit Union has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Credit Union becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial assets

Basic financial assets are either:

- i. initially measured at the transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method; or
- ii. initially and subsequently at each year-end date measured at fair value (market value) with all gains and losses being taken to the income and expenditure account.

Basic financial assets include the following:

Loans to members

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

Investments held at amortised cost

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

Investments held at fair value

Investments in protected equity funds are measured at fair value (market value) with any gains either realised or unrealised at the balance sheet date being taken to the income and expenditure account. The Credit Union's initial investment in these funds is fully protected.

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 deemed to

be current assets and are not subject to impairment reviews.

Other receivables

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

Impairment of financial assets

Financial assets, other than those held at fair value or Central Bank deposits, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows 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 taking account of pledged shares and other security as appropriate.

In the case of impairment of loans to members, the loans are assessed collectively in groups that share similar credit risk characteristics except for individually significant loans which are assessed on a loan by loan basis for impairment. Any impairment losses are recognised in the Income and Expenditure account.

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

De-recognition of financial assets

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

In the case of loans to members, loans are derecognised, when the right to receive cash flows from the loans has expired, usually when all amounts outstanding have been repaid by the member. Sligo Credit Union Limited does not transfer loans to third parties.

Basic financial liabilities

Basic financial liabilities 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 method.

Basic financial liabilities include the following:

Members' shares

Members' shareholdings in Sligo Credit Union Limited are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at the nominal amount.

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 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.

Employee benefits

Defined contribution plans: The amounts charged as expenditure for the defined contribution plan are the contributions payable by the Credit Union for the relevant period.

Other employee benefits: Other short and long term employee benefits, including holiday pay, are recognised as an expense over the period they are earned.

Pension Costs

Defined Contribution Scheme

Contributions to the (Defined contribution) Pensions scheme are charged to the Income and Expenditure Account in the period to which they relate.

Defined Benefit Scheme

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

Distributions

Sligo Credit Union Limited recognises a liability in respect of dividends and interest rebates payable to members only to the extent that they have been declared to and approved by the members at the Annual General Meeting of the Credit Union.

Reserves

Retained Earnings

Retained earnings are the accumulated surpluses to date that have not been declared as dividends returnable to members. The retained earnings 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. All other income is classified as “realised”. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date.

Dividend & Interest Rebate Reserve

Sligo Credit Union Limited maintains a separate dividend and interest rebate reserve which is a component of retained earnings. It maintains this reserve at the level of dividend and interest rebate proposed by the Directors at the end of each financial year and to be approved by the members of the Credit Union at the Annual General Meeting.

Regulatory Reserve

The Credit Union Act 1997 (Regulatory Requirements) Regulations require Credit Unions to establish and maintain a minimum regulatory reserve 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 and comprise realised financial reserves that are unrestricted and non-distributable. The Credit Union held an amount of €10,106,047 (2022: €9,914,316) as regulatory Reserves at 30th September 2023. This represented 10.8% (2022: 10.97%) of the assets of the Credit Union.

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 considered an approach to calculation of the operational risk reserve based on indicative guidance issued by the Central Bank and using the higher of 15% of the average gross income over the previous three years (based on the Basel Indicator Approach); or 2% of Assets; or 30% of Expenditure. The Credit Union held an amount of €2,347,737 (2022: €2,347,737) as an Operational Risk Reserve at 30th September 2023. This represented 2.51 per cent (2022: 2.6 per cent) of the assets of the Credit Union.

3. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying Sligo Credit Union Limited's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below:

Bad debts/Impairment losses on loans to members

The Credit Union's accounting policy for impairment of financial assets is set out in Note 2. 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 analysis and the employment of statistical techniques to quantify the risk and project the likely losses in a loan portfolio. This analysis influences the management of individual loans. Certain scenarios (individual member circumstances, arrears, etc.) trigger an 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 provision adequacy on a quarterly basis.

Key assumptions underpinning the Credit Union's estimates of collective provisions for loans with similar credit risk characteristics and Incurred But Not Reported provisions ("IBNR") are based on the historical experiences of the Credit Union allied to the Credit Union's judgement of relevant conditions in the wider economic, technological, market or legal environment in which the Credit Union operates. If a loan is deemed to be impaired, a specific provision is made against that loan, taking account of pledged shares and other security as appropriate. After a period of time,

when it is concluded that there is no real prospect of recovery of loans/part of loans which have been subjected to a specific provision, the Credit Union writes off that amount of the loan deemed irrecoverable against the specific provision held against the loan.

4. DIVIDENDS AND INTEREST REBATES

The level of dividend and interest rebate is formally proposed by the Directors after the year end and is confirmed at the following AGM. As a result it does not represent a liability at the balance sheet date. While the directors are not proposing either a dividend or interest rebate to members in respect of the year ended 30th September 2023, a sum of €100,000 has been transferred to a dividend and interest rebate reserve to meet dividends or interest rebates that may be proposed and approved in future years.

	2023	2022
DIVIDENDS/INTEREST REBATES PAID DURING THE YEAR	€	€
Dividend Paid During the Year	-	-
Dividend Rate	0%	0%
Interest Rebate Paid During the Year	-	-
Interest Rebate Rate	0%	0%
Total Dividends/Interest Paid During the Year	-	-
DIVIDEND/INTEREST REBATES PROPOSED BUT NOT RECOGNISED		
Dividend Proposed	-	-
Dividend Rate	0%	0%
Interest Rebate Proposed	-	-
Interest Rebate Rate	0%	0%
Total Dividends/Interest Rebates Proposed but not Recognised	-	-

5. OTHER INTEREST INCOME AND SIMILAR INCOME

	2023	2022
	€	€
Deposit Interest	393,064	133,000
Investment Income	95,853	128,962
	488,917	261,962
<i>Included within the above is deposit interest due at the balance sheet date as follows:</i>		
	2023	2022
Due within one year (Note 15)	86,473	65,906
Due outside of one year	-	-
	86,473	65,906

6. OTHER INCOME

	2023	2022
	€	€
Current Account Income	100,719	29,411
ECCU Claims Experience Refund	-	44,269
Foreign Exchange Income	12,189	9,888
Entrance Fees	1,093	1,019
Sundry Income	52	-
	114,053	84,587

7. EXCEPTIONAL INCOME AND EXCEPTIONAL EXPENDITURE

	2023	2022
	€	€
Exceptional Income		
Savings Protection Scheme Distribution	-	353,886
Exceptional Expenditure		
Irish League of Credit Unions Pension Scheme (Note 28)	-	346,690

8. SALARIES AND STAFF PENSIONS**(a) Key Management Remuneration**

The Directors of Sligo Credit Union Limited are all unpaid volunteers. The key management team for Sligo Credit Union Limited would include the Credit Union CEO and three (2022: three) other senior staff.

	2023	2022
	€	€
Salary	332,007	320,807
Employers PRSI Contributions	33,536	34,706
Payments to Pension Scheme	33,193	31,853
	398,736	387,366
(b) Other Staff Salaries		
	2023	2022
	€	€
Salary	981,329	909,642
Employers PRSI Contributions	108,467	96,106
Payments to Pension Scheme	32,502	30,284
	1,122,298	1,036,032
Total Salaries	1,521,034	1,423,398

9. OTHER MANAGEMENT EXPENSES

	2023	2022
	€	€
Rent and Rates	18,195	20,929
Light & Heat	39,980	30,593
Repairs and Renewals	27,996	12,132
Cleaning	14,875	17,774
Security	8,104	9,712
Stationery and Printing	41,790	33,408
Telephone and Postage	46,238	51,045
Donations and Sponsorship	16,723	12,649
Debt Collection Fees	40,555	32,234
Promotion and Advertising	79,766	54,738
Training Costs	21,639	22,081
Chapter Expenses	1,340	1,315
AGM Expenses	25,992	27,668
SGM Expenses	11,840	-
Travel and Subsistence	7,530	4,133
Bank Charges	65,455	78,184
Audit Fee	28,290	24,600
Monitoring and Supervisory Fees	29	805
Convention Expenses	1,363	1,406
General Insurance	46,659	43,970
Share and Loan Insurance	321,162	296,750
Professional Fees	208,034	145,289
Resolution Levy	22,316	23,304
Deposit Guarantee Scheme Fund Charge	87,223	81,547
Computer Maintenance & Licence Fees	218,154	206,135
Educational & Sports Bursaries	25,000	10,000
Miscellaneous Expenses	9,894	292
Staff Related Expenses	22,365	16,299
Community Fund	20,000	-
Affiliation Fees	16,294	16,311
Savings Protection Scheme Contribution	6,100	6,458
Current Account Expenditure	192,745	55,141
	1,693,646	1,336,902

10. BAD AND DOUBTFUL DEBTS RECOGNISED FOR THE YEAR

	2023	2022
	€	€
Impairment of Individual Loans (Note 13)	149,433	239,089
Reversal of Impairment where Debts Recovered	259,072	122,429
Increase/(Decrease) in Impairment Provision During the Year	(237,804)	(203,994)
Total Impairment Losses/(Gains) Recognised for the Year (Note 13)	170,701	157,524

11. DEPOSITS AND INVESTMENTS

				2023	2022
	Credit Rating	Approx. Yield Per annum	Maturity Date	€	€
Investments Held at Amortised Cost					
Irish and EMU State Securities					
Irish 3.4% Government Bonds	Aa3	1.90%	March 2024	1,769,870	1,794,369
Irish 0.9% Government Bonds	Aa3	0.94%	May 2028	1,001,498	1,001,058
				2,771,368	2,795,427
Bank Bonds					
Santander UK PLC 1.125% Bond	A1	1.08%	March 2025	503,410	503,613
Rabobank 1.25% Snr Bond	Aa2	0.96%	March 2026	759,603	761,641
Credit Agricole SA 1.375% Bond	Aa3	1.23%	May 2027	504,921	505,552
Societe Generale	A1		May 2027/ July 2030/ Mar 2031	5,000,000	5,000,000
Investec	A1		Dec 2023	3,000,000	5,000,000
BNP Paribas	Aa3		March 2031/ July 2031	1,000,000	1,519,034
BJK4W42 Germany 2.855% Snr	Aaa		Mar-24	1,986,366	-
				12,754,300	13,289,840
Deposits					
PTSB	Baa2			6,089,019	5,502,709
Bank of Ireland	A1			1,000,000	1,000,000
KBC	Ba1			-	3,027,440
Deutsche Bank	A1			3,000,000	3,000,000
BNP Paribas	Aa3			1,500,000	1,500,000
BBVA	A3			1,500,000	1,500,000
Natwest	A1			2,500,000	2,500,000
Barclays Bank PLC	A+			7,253,000	7,250,000
HSBC France	A1			2,000,000	2,000,000
				24,842,019	27,280,149
Central Bank				643,225	4,025,574
Total Investments and Deposits				41,010,912	47,390,990

During the course of the year the Credit Union encashed a €2,000,000 investment held with Investec, at a cost of €64,400.

Irish and EMU State Securities

These Government Bonds are centrally managed by Brewin Dolphin.

Bank Bonds

These Bank Bonds are centrally managed by either Brewin Dolphin, Goodbody or Investec.

Deposits

The majority of deposits are centrally managed by Brewin Dolphin with a small portion placed directly by Sligo Credit Union Limited with the various financial institutions. Deposits are due to mature as follows:

	2023	2022
	€	€
Amounts due on demand or within 3 months of the balance sheet date (Note 21)	11,092,019	13,530,147
Amounts due outside of 3 months but within 1 year of the balance sheet date	1,500,000	-
Amounts due outside of 1 year but within 5 years of the balance sheet date	10,000,000	8,500,001
Amounts due outside of 5 years but within 10 years of the balance sheet date	2,250,000	5,250,001
	24,842,019	27,280,149

The credit ratings are based on those of the rating agency Moody's as at the year end with the exception of Barclays whose rating is from S&P as Moody's have not rated Barclays.

The basis of accounting for investments and income from investments is set out in Note 2.

12. LOANS AND ADVANCES TO MEMBERS - FINANCIAL ASSETS

	2023	2022
	€	€
As at 1st October 2022	39,220,774	36,713,542
Advanced During the Year	23,811,696	20,360,734
Repaid During the Year	(18,512,819)	(17,614,413)
Gross Loans and Advances to Members	44,519,651	39,459,863
Bad Debts Written off Against Provision During the Year (Note 13)	(149,433)	(239,089)
As at 30th September 2023	44,370,218	39,220,774

The total value of loans due for repayment beyond one year is €42,975,418 (2022: €37,754,470)

The basis of accounting for loans and advances to members is set out in Note 2.

13. LOAN ARREARS AND DOUBTFUL DEBTS/OTHER IMPAIRMENT LOSSES

	2023	2022
BAD DEBTS	€	€
As at 1st October 2022	2,587,999	2,465,571
Allowance for Principal Losses Made During the Year (Note 12)	(149,433)	(239,089)
Bad Debts Recovered During the Year	237,804	203,993
Increase/(Decrease) in Allowances During the Year (Note 10)	170,701	157,524
As at 30th September 2023	2,847,071	2,587,999

The current bad and doubtful debt provision in the financial statements is €2,847,071 (2022: €2,587,999) representing 6.4% (2022: 6.6%) of the total loan book.

Loans rescheduled during the year amounted to €30,289 (2022: €0).

The basis of calculating the provision for bad and doubtful debts is set out in Note 2.

14. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings €	Fixtures & Fittings €	Computers €	Total €
COST				
At 1st October 2022	3,925,480	469,622	910,966	5,306,068
Additions	-	9,300	45,610	54,910
Disposals	-	-	-	-
At 30th September 2023	3,925,480	478,922	956,576	5,360,978
DEPRECIATION/IMPAIRMENT				
At 1st October 2022	131,697	322,310	830,919	1,284,925
Charge for the year	60,632	25,074	63,673	149,379
Impairment	-	-	-	-
Disposals	-	-	-	-
At 30th September 2023	192,329	347,384	894,592	1,434,304
Net Book Value at 30th September 2023	3,733,151	131,538	61,985	3,926,674
Net Book Value at 30th September 2022	3,793,783	147,321	80,048	4,021,143

The Credit Union completed the re-development of its new premises at Wine Street and moved its operations to the new premises in early October 2020. The total costs incurred in the acquisition and re-development of the premises to 30th September 2023 amounted to €3,811,501. The directors have carried out a value-in-use calculation of the premises as at 30th September 2023 using a discounted cashflow model with the following assumptions:

- (i) The premises' period of use into the future for the purpose of the Credit Union's activities has been set at 30 years;
- (ii) An average rate of growth of the Credit Union's surplus of 3.5% per annum has been assumed, with the commencement surplus calculated as the average adjusted surplus over the seven-year period to 30th September 2026 using historical and projected financial data; and
- (iii) A discount rate of 4.5% has been applied to the projected future retained surpluses of the Credit Union, based on the blended rate of return currently being achieved by the Credit Union on loans to members and investments.

The directors are satisfied that the premises' value-in-use exceeds its carrying value at 30th September 2023 and therefore that there has been no impairment of the premises and consequently no alteration to the carrying value of the premises is required as at 30th September 2023.

A valuation was carried out on the Credit Union's premises at Main Street, Collooney in September 2015 prior to the transfer of engagements from Collooney Credit Union Limited to Sligo Credit Union Limited. At this point an impairment loss was recognised and the property was written down to a carrying value of €75,000 being the market value of the property as per a professional valuation and this was the carrying value of the property at the point it was transferred to Sligo Credit Union Limited. The directors have received a professional valuation of the property in September 2023 which confirms the current market value exceeds the carrying value in the financial statements. On this basis the directors have determined that the property has not been further impaired and consequently no alteration to the carrying value of the property was required as at 30th September 2023.

A valuation was carried out on the Credit Union's premises at Main Street, Drumkeerin in October 2018 prior to the transfer of engagements from Drumkeerin Credit Union Limited to Sligo Credit Union Limited. At this point an impairment loss was recognised and the property was written down to a carrying value of €39,000 being the market value of the property as per a professional valuation and this was the carrying value of the property at the point it was transferred to Sligo Credit Union Limited. The directors have received a professional valuation of the property in September 2023 which confirms the current market value exceeds the carrying value in the financial statements. On this basis the directors have determined that the property has not been further impaired and consequently no alteration to the carrying value of the property was required as at 30th September 2023.

The basis of accounting for Tangible Fixed Assets is set out in Note 2.

15. PREPAYMENTS AND ACCRUED INCOME

	2023	2022
	€	€
Prepayments	51,228	48,249
Accrued Interest on loans outstanding by members	114,147	85,160
Accrued Deposit Interest (Note 5)	86,473	65,906
Current Account Accrued Fees	10,509	7,148
	262,357	206,463

16. CREDIT RISK DISCLOSURES

Loans

The Credit Union's credit risk arises from its portfolio of loans to members and from potential losses on investments with other financial institutions that could result from the failure of treasury counterparties to observe the terms of the contract entered into. The Credit Union has no risk appetite for material credit losses, this is controlled through observation of legislation and regulations, the appointment of committees, credit quality rules, underwriting standards and counterparty limits. All loan applications are assessed with reference to the Credit Union's lending policy. Changes to policy are approved by the Board and the approval of loan applications is mandated. Appropriate credit limits have been established by the Board for individual exposures and together with Central Bank guidelines on credit exposures. Policies are continually monitored by the Board, Board Oversight Committee and Internal Audit.

The carrying amount of the loans to members represents Sligo Credit Union Limited'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.

	2023 €	2023 %	2022 €	2022 %
NOT IMPAIRED/FULLY RECOVERABLE				
Total loans not impaired	33,789,589	76%	29,177,391	74%
IMPAIRED LOANS				
Note Yet Past Due	8,502,910	19%	8,309,244	21%
Up to 3 Months Past Due	1,218,021	3%	1,183,522	3%
Between 3 and 6 Months Past Due	435,413	1%	211,263	1%
Between 6 Months and 1 Year Past Due	235,632	1%	131,005	0%
Over 1 Year Past Due	188,653	0%	208,349	1%
Sub-Total: Impaired Loans	10,580,629	24%	10,043,383	26%
Total Carrying Value	44,370,218	100%	39,220,774	100%
Committed Savings (Note 17)	5,367,949	12.1%	5,383,785	13.7%
Bad Debt Provisions (Note 13)	2,847,071	6.4%	2,587,999	6.6%

INVESTMENTS

Credit risk in respect of treasury counterparties is assessed using a number of methodologies to include rating agencies and Central Bank Regulations. For treasury related counterparties, the Credit Union is limited to a maximum 20% exposure to any one counterparty of investments made. The credit ratings in respect of amounts held as investments at the year-end date are disclosed in note 11.

17. MEMBERS SHARES

Members' shares are distinguished between those which are unconditionally repayable on demand and those which are committed or otherwise pledged to the Credit Union by virtue of loans or guarantees. The Credit Union retains rights to exercise liens over shares where a member has an outstanding liability to the Credit Union in accordance with Section 20 of the Credit Union Act 1997, as amended.

	2023	2022
	€	€
On Demand	68,943,854	67,132,942
Committed Savings	5,367,949	5,383,785
Total Savings	74,311,803	72,516,727

The basis of accounting for members shares is set out in Note 2.

18. CURRENT ACCOUNTS

	2023		2022	
	No. Accounts	€	No. Accounts	€
Credit Balances	1596	2,494,379	1,163	1,641,232
Debit Balances	114	(22,822)	91	(13,910)
Total		2,471,557		1,627,322
Permitted Overdrafts	145	(108,400)	110	(76,840)

The above balances represent the current account and overdraft balances relating to the debit card facility provided by the Credit Union to its members.

19. OTHER LIABILITIES

	2023	2022
	€	€
Accruals	268,245	221,155
Other Creditors	11,819	11,820
Deferred Income (Note 20)	-	269
	280,064	233,244

20. MEMBERS' DRAW INCOME AND EXPENDITURE ACCOUNT

	2023	2022
	€	€
Deferred Income brought forward from prior year	269	851
INCOME		
Members' Draw Entry Fees	78,400	150,918
EXPENDITURE		
Prizes and Costs	(78,669)	(151,500)
Surplus and deferred for future draws (Note 19)	-	269

The members' draw has been discontinued with effect from the year ended 30th September 2023, the directors opting to make contributions to a community fund instead.

21. CASH AND CASH EQUIVALENTS

	2023	2022
	€	€
Cash at Bank and in Hand	6,858,624	2,155,211
Deposit Accounts Maturing < 3 Months (Note 11)	11,092,019	13,530,147
	17,950,643	15,685,358

22. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

FINANCIAL RISK MANAGEMENT

Sligo Credit Union Limited 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 Sligo Credit Union Limited's activities are credit risk (note 16), liquidity risk and market risk (interest rate risk). The Board reviews and agrees policies for managing each of these risks, which are summarised below.

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

The Credit Union's policy is to maintain sufficient funds in a liquid form at all times

to ensure that the Credit Union can cover all fluctuations in funding, retain public confidence in the solvency of the Credit Union and to enable the Credit Union to meet its financial obligations and regulatory ratios.

All of the financial liabilities of the Credit Union are repayable on demand except for some members' shares attached to loans. The Credit Union retains, at all times, liquid assets amounting to a minimum of 30% of unattached savings.

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

The Credit Union is exposed to movements in interest rates reflecting the mismatch between the dates on which interest receivable on assets and interest payable on liabilities are next reset to market rates or if

earlier, the dates on which the instruments mature. The Credit Union manages this exposure on a regular basis, within the limits set by the Board, however as the Credit Union only declares its dividends at the year end based on such market rates, the board considers its sensitivity to such rates as marginal.

23. POST BALANCE SHEET EVENTS

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

24. CAPITAL COMMITMENTS

The Credit Union has no capital commitments at the balance sheet date (€NIL - 2022).

25. CONTINGENT LIABILITIES

Prior to the transfer of engagements from Collooney Credit Union Limited to Sligo Credit Union Limited in September 2015, the value of Freehold Premises held by Collooney Credit Union Limited was written down by an amount of €119,000 to a carrying value of €75,000 being the market value of the premises as per a professional valuation. The Irish League of Credit Unions (ILCU) have advanced €119,000 to fund this reduction in value on the provision that where the premises is disposed of at any point in the future, and the amount realised on any such disposal exceeds €75,000 then the excess must be repaid to ILCU (or to the ILCU Savings Protection Company Limited if requested by ILCU), subject to a maximum amount repayable of €119,000.

Prior to the transfer of engagements from Drumkeerin Credit Union Limited to Sligo Credit Union Limited in October 2018, the value of Freehold Premises held by Drumkeerin Credit Union Limited was written down by an amount of €49,000 to a carrying value of €39,000 being the market value of the premises as per a professional valuation. The Irish League of Credit Unions (ILCU) have advanced €49,000 to fund this reduction in value on the provision that where the premises is disposed of at any point in the future, and the amount realised on any such disposal exceeds €39,000 then the excess must be repaid to ILCU (or to the ILCU Savings Protection Company Limited if requested by ILCU), subject to a maximum amount repayable of €49,000.

Additionally, prior to the transfer of engagements from Drumkeerin Credit Union Limited to Sligo Credit Union Limited in October 2018 The Irish League of Credit Unions (ILCU) have advanced €31,605 to fund sums in respect of bad debts which Drumkeerin Credit Union Limited had not written off as at the date of the transfer of engagements, but that have been written off after the transfer of engagements as their recoverability is assessed as unlikely. If amounts are subsequently recovered in respect of the loans written off then any such amounts must be repaid to ILCU (or to the ILCU Savings Protection Company Limited if requested by ILCU).

There are no other material contingencies as at 30 September 2023 (€NIL - 2022).

26. RELATED PARTY TRANSACTIONS

	Loans Advanced During Year €	Loan Balances Outstanding 30/09/2023 €	Attached Share Balances 30/09/2023 €	Unattached Share Balances 30/09/2023 €	Provisions Held 30/09/2023 €
Officers	66,855	153,980	8,214	201,203	7,503
Key Management Personnel	44,300	65,971	5,749	83,333	1,797
Parties Connected to Key Management Personnel	44,850	188,911	21,657	221,305	25,531
Total	156,005	408,862	35,620	505,841	34,831

An officer includes all paid staff of the Credit Union excluding key management personnel, all members of the Board Oversight Committee and all other unpaid volunteers.

Key management personnel includes three members of the paid staff of the Credit Union comprising the management team and all members of the Board of Directors of the Credit Union.

Parties connected to key management personnel includes any business in which a member of the Board of Directors or the management team has a significant shareholding (10% or more of the shares or voting rights in the business) and also includes a father, mother, spouse, civil partner/co-habitant, son, daughter, brother or sister of any member of the Board of Directors or the management team.

The loan balances outstanding from related parties of €408,862 at 30th September 2023 (2022: €417,671) represent 0.9% (2022: 1%) of the overall gross loans outstanding at 30th September 2023.

27. INSURANCE AGAINST FRAUD

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

28. THE IRISH LEAGUE OF CREDIT UNIONS REPUBLIC OF IRELAND PENSION SCHEME

Sligo Credit Union Limited participates in an industry-wide pension scheme for employees and made contributions to that scheme in respect of two senior 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 31st 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, Sligo Credit Union Limited and its employees ceased making regular contributions to the scheme and ceased earning any additional benefits from the scheme.

At the date of closure of the scheme, there was a past service deficit which was

allocated to each individual Credit Union based on the total benefits earned by staff in each Credit Union. Sligo Credit Union Limited's allocation of that past service deficit was €346,690. This total cost was included in the Income & Expenditure account for the year ended 30th September 2022. The deficit amount was paid to the trustees of the scheme during that year.

As this is a pooled pension scheme, Sligo 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. Sligo 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 have to contribute to the Scheme in the future without increasing the risk for remaining credit unions.

The Scheme is a multi-employer scheme and there is pooling of the assets, and the sharing of risks associated with the liabilities for all participating employers. Judgement is required to assess whether Sligo 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 Sligo Credit Union Limited has determined that there is currently insufficient information available. Consequently, Sligo Credit Union Limited continues to account for the plan as a defined contribution plan.

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

There was a review of the Scheme in conjunction with advisors independent of the trustees. The conclusion of this review was that the Scheme should close to future accrual and this occurred with effect from 31 March 2022 with an associated Funding Plan.

29. RATES OF INTEREST CHARGED ON MEMBERS LOANS

	2023	2023	2022
	per month	APR	APR
Ordinary Member Loans	0.918%	11.02%	11.02%
Special Rate Education Loans	0.580%	6.96%	6.96%
Special Rate Car Loans	0.759%	9.11%	9.11%
Special Rate Home Improvement Loans	0.595%	7.14%	7.14%
Secure Loans	0.427%	5.12%	5.12%

Community Corner

Since establishing in 1965, Sligo Credit Union has been committed to our local communities in Sligo and Leitrim. Through our Sponsorship and Community Fund projects, Educational Bursary Awards, and our new Sports Bursary programme, we are delighted to be able to help so many worthy causes, local groups and individuals.



ACE CURRENT ACCOUNT EVENT 2023

In August, we had the pleasure of welcoming members to celebrate the launch of our ACE Current Account for 12–16 year olds. We were thrilled to have some special guests with us, including Dean Clancy, members of the Sligo LGFA U16 Team, and Sarah Kiernan, Sligo Rovers Women player.

COMMUNITY FUND 2023

Our Community Fund programme was met with great enthusiasm from the local community, and the number of applicants exceeded expectations, making the selection process very challenging for the Community Fund Committee. 14 deserving community groups were awarded, and we hope to see many more successful applicants in the coming years.



BE FRAUD AWARE!

Fraud Awareness is a sensitive topic, but it is extremely important for us to educate our members about it in the local community. Please note that we will **NEVER** contact an individual member by phone, text, or email asking them to click a link to verify their account or give personal account details over the phone.



Best Customer Experience



For the 9th consecutive year, Credit Unions, including Sligo Credit Union, have clinched the title of Ireland's Customer Experience champions. Not only did credit unions beat 149 other organisations to retain this top position, but they also further improved their already winning score, setting a new record! "Consistency is important to us, and we are committed to further building on our services and the value we offer to our members and the broader Sligo/Leitrim community that we serve in to the future". Shona Heffernan, Chairperson.



SLIGO CREDIT UNION'S 1ST BRAND AMBASSADOR, DEAN CLANCY

On the 19th October 2023, Olympic boxer, Dean Clancy was named as Sligo Credit Union's first ever Brand Ambassador. The announcement was made in line with the credit union's new Sports Bursary Programme.

"I've always set high expectations for myself, and to be training for the 2024 Olympics in Paris and be appointed as Sligo Credit Union's first Brand Ambassador, is the product of hard work and a dream since I was 10 years old," said Dean Clancy.

NOMINATION FORM FOR EDUCATION BURSARY

FILL OUT AND RETURN TO SLIGO CREDIT UNION

Name _____

Address _____

Credit Union Number _____

Phone Number _____

I wish to nominate _____

for a Credit Union Bursary for 2023/24.

Please state your relationship to the nominee (e.g. self, father, mother, guardian, etc.)

Please provide details of the college the nominee is attending or proposes to attend in

2023/24 _____

Signed _____ Date _____

This nomination must be returned to Sligo Credit Union Ltd, Wine Street, Sligo, by the 9th of January 2024.

Please tick the box if you agree with the Educational Bursary Terms & Conditions. ☐

1. The nominees are confined to members or children of members of Sligo credit Union, including officers, as of 30th September 2023. All members are therefore notified of the bursaries through our AGM notification.
2. The nominees must provide proof of their full time third level education or proposed education for 2023/24.
3. Cash will not be given to the successful nominees - payment will be made by cheque only to the college or institution for registration or other 2023/24 fees or refunded to members on receipt of paid fees for 2023/24.
4. The successful bursaries will be drawn from all entries received by the 9th of January 2024.
5. A person may only be nominated once by themselves or a parent or guardian. Multiple nominations will not be allowed.

EDUCATIONAL BURSARY AWARD WINNERS 2023



Sligo Credit Union's Marketing Committee: Charlotte McLoughlin, Sile Uí Ghallachoir and Noelle Cawley pictured with the 2023 Educational Bursary Award Winners.

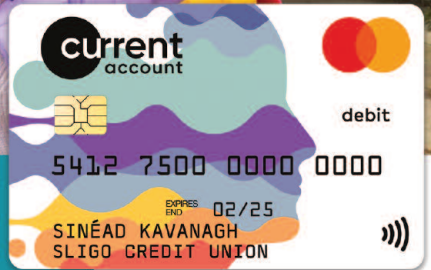


Sligo Credit Union's **ACE Current Account**

**for 12-16 year olds
is now available!**



Sign up today at
**[www.sligocu.ie/
ace-current-account](http://www.sligocu.ie/ace-current-account)**



Mastercard is a registered trademark and the circles design is a trademark of Mastercard International Incorporated. This card is issued by Transact Payments Malta Limited pursuant to licence by Mastercard International. Transact Payments Malta Limited is duly authorised and regulated by the Malta Financial Services Authority as a Financial Institution under the Financial Institution Act 1994, Registration number C 91879. Sligo Credit Union Limited is Regulated by the Central Bank of Ireland.

