



Ballyshannon & Killybegs

CREDIT UNION LIMITED
www.bkcreditunion.ie

Report and Financial Statements

For Year Ended 30th September 2024



You are invited to the Annual General Meeting
of Ballyshannon & Killybegs Credit Union Ltd.
Which will take place in the Bayview Hotel, Killybegs
on Wednesday 11th December 2024 at 8.00pm.

Refreshments and Prizes on the night.

OFFICE OPENING TIMES

BALLYSHANNON:

Monday 10am - 1pm, 2pm - 5pm
Tuesday 10am - 1pm, 2pm - 5pm
Wednesday 10am - 1pm
Thursday 10am - 1pm, 2pm - 5pm
Friday 10am - 1pm, 2pm - 5.30pm
Saturday 10am - 1pm

KILLYBEGS:

Monday 10am - 1pm, 2pm - 5pm
Tuesday 10am - 1pm, 2pm - 5pm
Wednesday 10am - 1pm
Thursday 10am - 1pm, 2pm - 5pm
Friday 10am - 1pm, 2pm - 5.30pm
Saturday 10am - 1pm

GLENTIES:

Friday 10am - 1pm, 2pm - 5.30pm

PETTIGO:

Thursday 10am - 12.30pm

Friday 10am - 1pm

Saturday 10am - 1pm

ARDARA:

Monday 10am - 1pm, 2pm - 5pm

Tuesday 10am - 1pm, 2pm - 5pm

Thursday 10am - 1pm, 2pm - 5pm

T: 074 955 4455 E: info@bkcreditunion.ie





Agenda

- | | |
|--|---|
| 1. The acceptance by the Board of the Directors of the authorised representatives of members that are not natural persons. | 10. Report of Credit Committee |
| 2. Ascertainment of Quorum | 11. Report of Credit Control |
| 3. Adoption of Standing Orders | 12. Report of the Membership Committee |
| 4. Minutes of A.G.M | 13. Report Nominations Committee |
| 5. Report of Board of Directors | 14. Appointment of Tellers |
| 6. Financial Report | 15. Election of Auditor |
| 7. Report of the Auditor | 16. Election of Board Oversight Committee |
| 8. Report of Board Oversight Committee | 17. Election of Directors |
| 9. Report of Dividend | 18. Amendment of Rules |
| | 19. Other Business |
| | 20. Election Results |
| | 21. Close of Meeting |

Vacancies

We have the below vacancies available on the Board and Board Oversight Committee, please contact your local branch or email letter of interest to nominations@bkcreditunion.ie

- 1 VACANCY FOR DIRECTOR
- 2 VACANCIES BOARD OVERSIGHT COMMITTEE MEMBERS

Ballyshannon & Killybegs
CREDIT UNION LIMITED

CURRENT ACCOUNTS NOW AVAILABLE

SIGN UP TODAY

www.bkcreditunion.ie/currentaccount

current account
from your credit union

The Debit Card is issued by Transact Payments Malta Limited pursuant to licence by Mastercard International. Mastercard is a registered trademark, and the circles design is a registered trademark of Mastercard International Incorporated. Ballyshannon & Killybegs Credit Union Limited is regulated by the Central Bank of Ireland



Important Notice About AGM Notifications and Statements



Going Paperless

Traditionally we send out a notice for our Annual General Meeting (AGM) via post. In accordance with legislation, we are required to inform every member and to invite them to attend AGM, post an AGM booklet and post an annual statement, which may lead to as many as 5 of each item posted to any one household.

Given the greater awareness for the health of our environment, we would like as many members as possible to go paperless.

From 2025 onwards we will therefore communicate the following to you by email as an Obligatory Non-Marketing Communication:

- Notice of Annual General Meeting and the Annual Report Booklet
- Statements for Members (these will be available on your online area)

Annual General Meeting Notifications

Members may know that Credit Unions in Ireland have been appointed as Sustainable Development Goal Champions by the Department of the Environment, Climate and Communications. In acknowledgement of this and as part of Ballyshannon & Killybegs Credit Union's ongoing efforts to meet environmental and sustainability objectives, BKCU has taken the decision that future Annual General Meeting Notifications 2025 onwards will be delivered either by email, to those Members who have registered an email address with the credit union, or by letter to those Members who have not opted for this service. AGM Notifications issued by letter will not be accompanied by a printed AGM Booklet. For those Members without an email address, they can pick up an AGM notification booklet in any of our branches.

Annual Account Statements

Your Ballyshannon & Killybegs Credit Union 2024 annual account statement will be available on your online account in December 2024. You will find your statement in the Documents section of the main menu. Remember, you can also access an account statement for specified dates at any time in your online account.

The removal of annual posted statements is a key aspect of our Climate Action Plan to remove unnecessary printing of documents. You can still request a printed statement in any branch. PLEASE NOTE: You can only access an online statement if you are registered for Online Banking with Ballyshannon & Killybegs Credit Union. If you are not yet registered, you can register in any of our branches. Your account statement will be available once you login.

Save the Environment!

Help Ballyshannon & Killybegs Credit Union go green by providing us with your email address.



Directors' Report

for the year ended 30th September 2024

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

Principal Activities

The principal activity of the credit union is the provision of savings and loans to members in its common bond. The credit union manages its members' shares, capital and loans to members so that it earns income from the margin between interest payable and interest receivable.

Business Review

The directors are satisfied with the current year results and the year-end financial position of the credit union. The directors are aware of the financial constraints facing members' and therefore the increased difficulties collecting debts in a timely fashion. The directors however are of the opinion that the credit union is well positioned to meet these challenges and are confident of its ability to continue to operate successfully in the future.

Results and Dividends

The excess of income over expenditure for the year is set out in the Income and Expenditure Account on page 14.

The directors recommend payment of a dividend of 0.125% for the year ended 30th September 2024. Details are shown in Note 6 to the accounts.

Principal Risks and Uncertainties

The principal risks and challenges facing the credit union are summarised as follows:

- Members' defaulting on loans
- Not lending a sufficient proportion of funds so that too much of the credit unions resources are tied up in investment products
- Poor performance of investments
- The risk of not having sufficient cash resources to meet day to day running costs and repay members savings when demanded.

The credit union board are fully aware of the principal risks, monitors these constantly and strives to minimise all risks and handle prudently those residual risks over which it has little control.

Auditors

The Auditors, SMC Chartered Accountants Ltd, have indicated their willingness to continue in office in accordance with the provisions of Section 115 of the Credit Union Act 1997, as amended.

This report was approved by the board on 4th November 2024 and signed on its behalf by

Thomas McGuinness
Chairperson

Sebastian Szumlanski
Secretary



Statement of Directors' and Board Oversight Committee's Responsibilities

for the year ended 30th September 2024

Statement of Directors' Responsibilities

The Credit Union Act 1997, as amended requires the directors to prepare financial statements for each financial year which give a true and fair view of the State of Affairs of the Credit Union and the Income and Expenditure Account of the Credit Union for that period. In preparing those financial statements, the directors are required to:

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

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

On behalf of the Board of Directors

Thomas McGuinness
Chairperson

Sebastian Szumlanski
Secretary

Date: 4th November 2024

Statement of Board Oversight Committee's Responsibilities

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

John Maguire
Chairperson

Angelica Joyce
Member of the Board Oversight Committee

Date: 4th November 2024



Independent Auditors' Report to the Members of Ballyshannon Killybegs Credit Union Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ballyshannon Killybegs Credit Union Limited for the year ended 30th September 2024, which comprise the Income and Expenditure Account, Balance Sheet, Statement of Changes in Reserves and 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 2024 and its income and expenditure and cash flows 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 described below in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Credit Union in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



Other information

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

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

We have nothing to report in this regard.

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

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

- We have obtained all the information and explanations which we 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

Responsibilities of directors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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



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

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

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

SMC Chartered Accountants

Chartered Accountants & Statutory Audit Firm

Glenview Business Park

Mountain Top

Letterkenny

Co Donegal

Date: 4th November 2024

Appendix to the Independent Auditors' Report

Further information regarding the scope of our responsibilities as auditor

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

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



to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as going concerns.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

A YEAR OF GROWTH

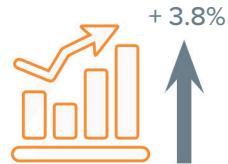
BKCU



34.6 MILLION
LOAN BOOK



77 MILLION
ASSETS



2.3 MILLION
increase
in shares



6173 ACTIVE
ONLINE
MEMBERS

NEW
MEMBERS

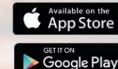
417

TOTAL
MEMBERSHIP

16,005

ONLINE TRANSACTIONS, PAY A BILL,
LIVE BALANCES AND MORE

Register for Online Access
and download Mobile App at
bkcreditunion.ie/Register





Business Development

We are delighted to inform members that we have increased the amount of money members can borrow up to €70,000 on our extremely competitive Renovate Loan Product. The rate is maintained at 7% (7.25%apr), helping members who are upgrading their homes, finishing off outside or retrofitting to make their home more energy efficient.

Members are availing of our Home Loan: Mortgages up to €150,000, helping our members get their first property.

Did you know our mortgage interest rates are NOT affected by the ECB changes. Contact our Lending Manager today who is happy to assist you with your application. Email: lending@bkcreditunion.ie or call 074 955 4455.

The Special Car Loan 6% (6.17%apr) is widely used by our members, helping our members get a first car or upgrade their car for the growing family. It is one of the most competitive car loans in the market.

For a full range of our loan's products see our new updated website and try out the loan calculator.

Our mission is to offer affordable finance to help our community grow and prosper. All loans are subject to lending terms and conditions.

Ballyshannon & Killybegs Credit Union Ltd is regulated by the Central Bank of Ireland. Loans are subject to approval. Terms & Conditions apply. If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating which may limit your ability to access credit in the future.

Docusign – On average 30% - 40% of members are availing of this convenient channel to sign documentation for loan applications and credit agreements, with funds transferred to members preferred current account.

Digital when you want it, human when you need it.

Shares – Your Credit Union has increased the maximum savings limit from €30,000 to €50,000.

Current Accounts – With banks having left rural Ireland in their droves, it makes sense to open a credit union current account. Our credit union is still here to support our local community. Lower fees than any of the main banks with the same services. Face-to-face, direct debits, standing orders, card services, Google Wallet, and much more. Don't take our word for it! Check out www.bonkers.ie and compare current accounts. And don't forget to look out for the hidden fees most banks charge you for everyday transactions.

**Instant payments
are coming...**





Statement of Changes in Reserves

for the year ended 30th September 2024

	Regulatory reserve	Operational Risk reserve	Unrealised reserve	Realised reserves	Total reserves
	€	€	€	€	€
Opening balance at 1st October 2022	7,473,811	707,039	28,048	2,322,372	10,531,270
Excess of income over expenditure for the year	-	-	-	937,947	937,947
Reserve used during the year	-	-	-	-	-
Dividends paid during the year (Note 6)	-	-	-	(68,108)	(68,108)
Interest rebate paid during the year	-	-	-	-	-
Transfer between reserves	614,799	50,000	-	(664,799)	-
Closing balance at 30th September 2023	8,088,610	757,039	28,048	2,527,412	11,401,109
Opening balance at 1st October 2023	8,088,610	757,039	28,048	2,527,412	11,401,109
Excess of income over expenditure for the year	-	-	-	1,164,408	937,947
Reserve used during the year	-	-	-	-	-
Dividends paid during the year (Note 6)	-	-	-	(72,156)	(72,156)
Interest rebate paid during the year	-	-	-	-	-
Transfer between reserves	1,600,000	52,251	-	(1,652,251)	-
Closing balance at 30th September 2024	9,688,610	809,290	28,048	1,967,413	12,493,361

- (1) The Regulatory reserve of the Credit Union as % of total assets as at 30th September 2024 was 12.6%. (2023: 11%).
- (2) In accordance with S45 of the Credit Union Act 1997 (as amended) Ballyshannon Killybegs Credit Union Ltd. put in place an Operational Risk reserve in 2016. The Board approved a transfer of €52,251 from the realised reserve to the Operational Risk reserve, following the completion of an internal process of assessing the level of the reserve required to cover the operational risk within the Credit Union. The operational risk reserve as a % of total assets as at 30 September 2024 was 1.05% (2023: 1.03%).
- (3) Following commencement of S13 of the 2012 Act, the requirement for Credit Unions to transfer 10% of their annual surplus to their statutory reserve (now known as the Regulatory reserve) each year has been removed. Notwithstanding this the Board of Ballyshannon Killybegs Credit Union Ltd. has transferred €1,600,000 (2023: €614,799) of its current year surplus to its Regulatory reserve so that the reserve would stand at 12.6% current year end, in excess of the required limit of 10%.



Cash Flow Statement

for the year ended 30th September 2024

	Note	2024 €	2023 €
Cash flows from operating activities			
Loans repaid by members	12a	12,090,922	11,027,499
Loans granted to members	12a	(17,273,035)	(14,733,046)
Loan interest received	4	2,327,721	2,032,418
Investment income received		735,397	563,213
Other income received	7	77,239	102,702
Bad debts recovered	12d	66,523	21,569
Dividends paid	6	(72,156)	(68,108)
Interest rebate paid	6	-	-
Operating expenses paid to include employment costs		(1,825,459)	(1,939,173)
Net cash (outflow) / inflow from operating activities		(3,872,848)	(2,992,926)
Cash flows from investing activities			
Purchase of property, plant and equipment	11	(18,012)	(201,933)
Net cash flow from investments		2,757,830	7,108,413
Net cash (outflow) from investing activities		2,739,818	6,906,480
Cash flow from financing activities			
Members' shares received	15	27,961,942	23,697,398
Members' shares withdrawn	15	(25,606,547)	(20,414,078)
Net cash flows from financing activities		2,355,395	3,283,320
Net increase (decrease) in cash and cash equivalents		1,222,365	7,196,874
Cash & cash equivalents at beginning of year		11,252,502	4,055,628
Cash & cash equivalents at end of year	10	12,474,867	11,252,502

Renovate Loan 7%
(7.55% APR)

Borrow between €20,000 and €70,000.

Apply online or in branch.

bkcreditunion.ie/loans/renovate-loan

Lending terms & conditions apply. Loans are subject to approval. Ballyshannon & Killybegs Credit Union Limited is regulated by the Central Bank of Ireland.





Schedule to the Financial Statements

for the year ended 30th September 2024

Schedule 1 - Other management expenses

	2024	2023
	€	€
Rent & Rates	13,063	28,895
Light, Heat & Cleaning	30,106	25,593
Repairs & renewals	4,120	12,160
Printing & stationery	14,558	16,536
Postage & Telephone	22,837	22,270
Donations and sponsorship	3,190	2,063
Promotion and advertising	16,987	17,341
Staff & Board Training	12,619	9,988
AGM expenses	17,633	17,462
Travel & subsistence	1,973	3,849
Bank Charges	32,924	37,243
Professional Fees	120,153	65,322
Audit Fees	17,220	18,635
Internal Audit Fee	6,919	8,764
PAYAC Costs	83,525	81,855
General Insurance	35,995	33,461
Share and loan insurance	296,720	254,047
Savings Protection Scheme	4,823	4,426
CCR Fees	9,101	8,971
Computer Maintenance	129,936	95,434
Miscellaneous Expenses	21,692	20,850
Affiliation Fees	22,800	21,034
Regulatory and other levies	130,179	109,240
Total other management expenses	1,049,073	915,439



Credit Unions have topped the national CXi Ireland Customer Experience league table for an incredible, 10th consecutive year.



Income and Expenditure Account

for the year ended 30th September 2024

	Note	2024 €	2023 €
INCOME			
Interest on members' loans	4	2,345,128	2,053,320
Other interest income and similar income	5	697,135	629,724
NET INTEREST INCOME		3,042,263	2,683,044
Other income	7	77,239	102,702
TOTAL INCOME		3,119,502	2,785,746
EXPENDITURE			
Employment costs	9b	780,537	681,467
Impairments		18,249	52,569
Pension Costs Deficit		-	-
Depreciation	11	58,375	64,889
Other management expenses (Schedule 1)		1,049,073	915,439
Net (losses) / recoveries on loans to members	12d	48,860	133,435
TOTAL EXPENDITURE		1,955,094	1,847,799
Surplus for the financial year		1,164,408	937,947
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		1,164,408	937,947

The financial statements were approved, and authorised for issue, by the Board and signed on its behalf by:

John Duffy
Manager

Thomas McGuinness
Member of the Board of Directors

John Maguire
Member of the Board Oversight Committee



Balance Sheet

as at 30th September 2024

	Note	2024 €	2023 €
ASSETS			
Cash and cash equivalents	10	12,474,867	11,252,502
Tangible fixed assets	11a	1,276,762	1,316,351
Intangible assets	11b	-	774
Loans to members	12	33,042,249	27,975,519
Prepayments and accrued income	13	461,511	471,126
Deposits and investments	14	29,756,600	32,514,430
TOTAL ASSETS		77,011,989	73,530,702
LIABILITIES			
Members' shares	15	64,311,421	61,956,026
Other payables	16	207,207	173,567
TOTAL LIABILITIES		64,518,628	62,129,593
ASSETS LESS LIABILITIES		12,493,361	11,401,109
RESERVES			
Regulatory reserve			1,627,000
Operational risk reserve		809,290	757,039
Regulatory reserve		9,688,610	8,088,610
Other reserves			
- Realised reserves		1,967,413	2,527,412
- Unrealised reserves		28,048	28,048
TOTAL RESERVES		12,493,361	11,401,109

The financial statements were approved, and authorised for issue, by the Board on 4th November 2024 and signed on its behalf by:

John Duffy
Manager

Thomas McGuinness
Member of the Board
of Directors

John Maguire
Member of the Board
Oversight Committee



Notes to the Financial Statements

for the year ended 30th September 2024

1. LEGAL AND REGULATORY FRAMEWORK

Ballyshannon Killybegs Credit Union Ltd. is established under the Credit Union Act 1997, as amended. The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The registered office address is at Elmwood Terrace, Killybegs, Co Donegal.

2. ACCOUNTING POLICIES

2.1. Statement of compliance and 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” (“FRS 102”).

The financial statements have been prepared on the historical cost basis.

2.2. 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.

2.3. Going concern

The financial statements are prepared on the going concern basis. The directors of Ballyshannon Killybegs Credit Union Ltd. 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 requirements of the Central Bank.

2.4. 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

Investment Income is recognised when received or irrevocably receivable. Investments are recognised at cost less any permanent diminution in capita; value but ignoring any increase in capital value or encashment value until realised in the form of cash or cash equivalents.

Other income

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



2.5. Dividends to Members

Dividends on shares and loan interest rebates

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

The Board in determining the level of distribution considers its ongoing operating expenses, capital requirements and financial risks. Dividends are accounted for when members ratify such payments at the Annual General Meeting. No liability to pay a distribution is recognised in the financial statements until the majority of members vote at the AGM.

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

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

all dominated by prudence and the need to sustain the long-term welfare of the Credit Union.

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

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

2.6. Taxation and Deferred Taxation

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

2.7. Cash and cash equivalents

Cash and cash equivalents comprise operating cash on hand and cash deposited with banks with original maturity of less than or equal to three months.

2.8. 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.

2.9. Basic financial assets

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

Held to Maturity investments

Investments designated on initial recognition as held-to-maturity are investments that the credit union intends, and is able to, hold to maturity. These are carried at amortised cost using the effective interest method. The fair value of some investment products will change during their life, but they will have a fixed maturity value at some future date. When designated as held-to-

maturity, any change in the fair value during the term of the investment is ignored, with the credit union only accounting for interest received.

2.10. Other receivables

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

2.11. Impairment of loans to members

Ballyshannon Killybegs Credit Union Ltd assesses, at each balance sheet date, if there is objective evidence that any of its loans to members are impaired. The loans are assessed collectively in groups that share similar credit risk characteristics except for individually significant loans which are assessed on a loan by loan basis for impairment. In addition, if, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised.

Any impairment losses are recognised in the Income and Expenditure account, as the difference between the carrying value of the loan and the net present value of the expected cash flows.

2.12. 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.



Financial liabilities members' shares and deposits

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

Other payables

Other payables are classified as current liabilities if payment is due within one year or less. Other payables are recognised initially at transaction price.

2.13. Tangible fixed assets

Tangible fixed assets comprises items of property, fixtures and fittings, and office and computer equipment, 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, plant and equipment, less its estimated residual value over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

Freehold property	2% straight line
Office equipment	20% straight line
Computer hardware	33.3% straight line

2.14. Impairment of tangible fixed assets

At each reporting end date, the Credit Union reviews the carrying value of its tangible 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).

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.

2.15. Employee benefits

Defined Benefit Pension Scheme

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

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

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



Defined Contribution Pension Scheme

Ballyshannon & Killybegs Credit Union Ltd. also participates in a defined contribution pension scheme, to which some of its employees are members. Pension benefits are funded over the employee's period of service by way of defined contributions paid to an approved fund held with New Ireland Assurance Company Plc. Contributions are based on a fixed percentage of an employee's annual salary and the charge to the Income and Expenditure Account reflects contributions paid and payable in respect of the year ended 30th September 2024.

Other Employee Benefits

The costs of short-term employee benefits, including holiday pay, are recognised as a liability and as an expense (unless those costs are required to be recognised as part of the cost of fixed assets) over the period they are earned.

2.16. Reserves

Regulatory reserve

The Credit Union is required to maintain and establish a minimum Regulatory reserve of at least 10% of the assets of the Credit Union in accordance with Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

Operational Risk reserve

The Credit Union has established an Operational Risk reserve which is separate, distinct and in addition to the reserves the Credit Union is required to hold in its Regulatory reserve. The amount held in the Operational Risk reserve is the predicted impact of operational risk events that may have a material impact on the Credit Union's business.

Other reserves – Realised reserves

Realised reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members.

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 Ballyshannon Killybegs Credit Union Ltd.'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:

Impairment losses on loans to members

The Credit Union's accounting policy for impairment of financial assets is set out in accounting policy in Note 2.11. The estimation of loan losses is inherently uncertain and depends upon many factors, including historic 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.



Impairment of buildings

The credit union's policy is to carry out periodic impairment reviews of the credit union's premises comparing the carrying value of each property to the market value at the balance sheet date. Impairment reviews are subject to the assumption that a market exists for the relevant property at the date of review. The estimates of impairment based on market value are recognised in the Income & Expenditure account in the period identified.

Pensions

Ballyshannon & Killybegs 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 Ballyshannon & Killybegs 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 Ballyshannon & Killybegs Credit Union Limited has determined that there is currently insufficient information available to provide an appropriate allocation of pension assets and liabilities.

4. INTEREST ON MEMBERS' LOANS

	2024	2023
	€	€
Closing accrued loan interest receivable	89,960	72,553
Loan interest received in year	2,327,721	2,032,418
Opening accrued loan interest receivable	(72,553)	(51,651)
Total interest on members' loans	2,345,128	2,053,320

5. OTHER INTEREST INCOME AND SIMILAR INCOME

	2024	2023
	€	€
Investment income and gains received by the Balance Sheet date	425,833	320,160
Receivable within 12 months of Balance Sheet date	271,302	309,564
Total investment income	697,135	629,724

House Loan 5%
(5.12% APR)

Borrow between €40,000 & €150,000.

Apply in branch.

bkcreditunion.ie/loans/mortgage

Lending terms & conditions apply. Loans are subject to approval. Ballyshannon & Killybegs Credit Union Limited is regulated by the Central Bank of Ireland.



6. DIVIDENDS PAYABLE

The dividends and loan interest rebate for the current and prior year periods were as follows:

	2024	2023
	€	€
Dividend paid during the year	72,156	68,108
Dividend rate:		
Members' shares	0.125%	0.125%

Dividend proposed, but not recognised

The directors propose payment of a dividend of €74,146 (0.125%) for the year ended 30th September 2024, subject to agreement by the membership at the AGM.

	2024	2023
	€	€
Loan interest rebate paid during the year	-	-
Loan interest rebate rate:		
Members' loan interest	%	%

Loan interest rebate proposed, but not recognised

The directors do not propose payment of a loan interest rebate on higher interest loans for the year ended 30th September 2024.

7. OTHER INCOME

	2024	2023
	€	€
Other income/SPS Refund	6,120	5,463
Gains on Investments	71,119	97,239
ECCU refund	-	-
Total other income	77,239	102,702

7a. SPS refund

The Savings Protection Scheme (SPS) is a discretionary scheme funded by Credit Unions affiliated to the Irish League of Credit Unions (ILCU).

At the ILCU 2022 AGM, a resolution was passed to authorise a distribution from the SPS funds to all affiliated Credit Unions based on asset size.



8. EXPENSES

	Note	2024 €	2023 €
Employment costs	9b	780,537	681,467
Pension Deficit		-	-
Depreciation	11	58,375	64,889
Other management expenses (Schedule 1)		1,049,072	915,439
		1,887,984	1,661,795

9. EMPLOYEES AND EMPLOYMENT COSTS

9a. Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Manager	1	1
Other staff	19	20
Total	20	21

9b. Employment costs

	2024 €	2023 €
Wages and salaries	673,034	585,983
Pension Costs	107,503	95,484
Total employment costs	780,537	681,467

9c. Key management personnel

The remuneration of key management personnel was as follows:

	2024 €	2023 €
Short term employee benefits	200,455	183,007
Payments to Pension Schemes	19,699	16,546
Total key management personnel compensation	220,154	199,553



10. CASH AND CASH EQUIVALENTS

	2024 €	2023 €
Cash and balances at bank	1,721,969	814,917
Deposits and investments	10,752,898	10,437,585
Total cash and cash equivalents	12,474,867	11,252,502

Deposits and investments categorised under cash and cash equivalents above are those with maturity of less than or equal to three months.

11a. Tangible fixed assets

Tangible fixed assets comprise the following property, plant and equipment:

	Freehold land & buildings €	Office equipment €	Computer equipment €	Total €
Cost				
At 1 st October 2023	1,526,360	238,766	193,354	1,958,480
Additions	-	3,230	14,782	18,012
At 30 th September 2024	1,526,360	241,996	208,136	1,976,492
Depreciation				
At 1st October 2023	271,860	229,480	140,789	642,129
Charge for the year	23,809	3,025	30,767	57,601
At 30 th September 2024	295,669	232,505	171,556	699,730
Net Book Value				
At 30 th September 2024	1,230,691	9,491	36,580	1,276,762
At 30 th September 2023	1,254,500	9,286	52,565	1,316,351

11b. Intangible Fixed Assets

	€	Total €
Cost		
At 1 October 2023	39,343	39,343
Additions	-	-
At 30 September 2024	39,343	39,343
Provision for diminution in value		
At 1 October 2023	38,569	38,569
Charge for the financial Year	774	774
At 30 September 2024	39,343	39,343



Net Book Value

At 30 September 2024	Nil	Nil
At 30 September 2023	774	774

12. LOANS TO MEMBERS – FINANCIAL ASSETS

12a. Loans to members

	Note	2024 €	2023 €
As at 1 st October		29,544,678	25,889,294
Advanced during the year		17,273,035	14,733,046
Repaid during the year		(12,090,922)	(11,027,499)
Loans written off		(56,100)	(50,163)
Gross loans to members	12b	34,670,691	29,544,678
Impairment allowances			
Individual loans		(80,684)	(122,999)
Groups of loans		(1,547,758)	(1,446,160)
Loan provision	12c	(1,628,442)	(1,569,159)
As at 30 th September		33,042,249	27,975,519

12b. Credit risk disclosures

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

	2024 €	2023 €
Loans not Impaired	28,139,227	23,160,045
Up to 9 weeks past due	1,977,078	2,078,643
Between 10 and 18 weeks past due	222,850	201,881
Between 19 and 26 weeks past due	109,379	107,638
Between 27 and 39 weeks past due	123,169	110,507
Between 40 and 52 weeks past due	138,535	95,021
53 or more weeks past due	618,863	570,177
Covered Loans	3,341,590	3,220,766
	34,670,691	29,544,678

**12b. Credit risk disclosures (Cont'd)**

Impairment allowance	2024 €	2023 €
Individual loans	(80,684)	122,999
Groups of loans	(1,547,758)	1,446,160
Total carrying value	33,042,249	27,975,519

Factors that are considered in determining whether loans are impaired are discussed in Note 3, dealing with estimates.

12c. Loan provision account for impairment losses

	2024 €	2023 €
As at 1 st October	1,569,159	1,464,319
Net movement in loan provisions for loans outstanding	115,383	155,003
Decrease in loan provisions during the year	(56,100)	(50,163)
As at 30 th September	1,628,442	1,569,159

12d. Net recoveries or losses recognised for the year

	2024 €	2023 €
Bad debts recovered	66,523	21,569
(Increase) / Decrease in loan provisions during the year	(59,283)	(104,841)
Loans written off	(56,100)	(50,163)
Net (recoveries) / losses on loans to members recognised for the year	(48,860)	(133,435)

12e. Analysis of Gross Loans Outstanding

	2024 Number of Loans	€	2023 Number of Loans	€
Less than one year	764	1,145,413	777	1,114,300
Greater than 1 year and less than 3 years	1,572	6,935,427	1,558	6,502,241
Greater than 3 and less than 5 years	1,397	14,488,823	1,248	12,549,261
Greater than 5 years and less than 10 years	434	9,728,076	374	7,624,962
Greater than 10 years and less than 25 years	39	2,315,002	38	1,694,031
Greater than 25 years	1	57,950	1	59,883
	4,207	34,670,691	3,996	29,544,678



13. PREPAYMENTS AND ACCRUED INCOME

	2024 €	2023 €
Prepayments	100,249	89,009
Accrued income investments	271,302	309,564
Accrued loan interest income	89,960	72,553
	461,511	471,126

14. DEPOSITS AND INVESTMENTS

Investments at the current and prior Balance Sheet date were all measured at amortised cost as appropriate and comprised of the following:

Cash Equivalents (Original Maturity within 3 months)

	2024 €	2023 €
Fixed term deposits with banks (note 10)	10,752,898	9,444,782
Government bonds (note 10)	-	992,803
Total cash equivalents	10,752,898	10,437,585

Other (Original Maturity after 3 months)

	2024 €	2023 €
Fixed term deposits with banks	20,000,000	23,194,215
Government & Bank Bonds	9,280,741	8,040,460
UCITS	-	823,896
Central Bank Minimum deposits	475,859	455,859
Total other	29,756,600	32,514,430

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

	2024 €	2023 €
A1	16,572,608	17,815,101
A2	3,955,143	3,962,132
A3	4,002,990	4,006,440
AA3	4,750,000	5,451,002
Total deposits and investments	29,280,741	31,234,675

The Investment in UCITS was made in year ended 30th September 2021 and were redeemed in the year ended 30/09/2024.

**15. MEMBERS' SHARES – FINANCIAL LIABILITIES**

	2024	2023
	€	€
As at 1 st October	61,956,026	58,672,706
Received during the year	27,961,942	23,697,398
Repaid during the year	(25,606,547)	(20,414,078)
Other movements	-	-
As at 30 th September	64,311,421	61,956,026

Members' shares are repayable on demand except for shares attached to loans. The breakdown of the shares between attached and unattached is as follows:

	2024	2023
	€	€
Unattached shares	55,444,264	50,092,610
Attached shares	8,867,157	11,863,416
Total members' shares	64,311,421	61,956,026

16. OTHER PAYABLES

	2024	2023
	€	€
PAYE/PRSI	12,127	10,100
Other accruals	195,080	163,467
	207,207	173,567

17. RATE OF INTEREST ON MEMBERS LOANS

	APR %
Standard loans	11.02%
Student loans	4.07%
Car loan (promotional)	6.17%
House Loans	5.12%
Secured Loans	6.96%
Agri Loans	6.96%
Renovate Loans	7.23%
Business Loans	11.02%
Community Loans	11.02%



18. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

18a. Financial risk management

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

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

Credit risk: Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to Ballyshannon Killybegs Credit Union Ltd., resulting in financial loss to the Credit Union. In order to manage this risk the Board approves the Credit Union's credit policy, and all changes to it. All loan applications are assessed with reference to the credit policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit risk on members' loans is disclosed in Note 12b.

The Credit Union's investments are also exposed to credit risk and the Credit Union mitigates the risk by only placing investments with financial institutions where the counterparties have strong credit ratings and using investment products authorised by the Central Bank.

Liquidity risk: The Credit Union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The Credit Union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

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

Interest rate risk: The Credit Union's main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a Credit Union's operations. The Credit Union considers rates of interest receivable on investments and members' loans when deciding on the dividend rate payable on shares and on any loan interest rebate.

18b. Interest rate risk disclosures

The interest rates applicable to loans to members are disclosed in note 17. The dividend on shares and interest on deposits is determined on the basis of income less administrative expenses and, as can be seen above, a consistent margin is maintained between interest receivable and dividend on shares. As a result, the surplus for the year is not particularly sensitive to interest rate risk and no sensitivity analysis is presented.



18c. Liquidity risk disclosures

All of the financial liabilities of the Credit Union are repayable on demand except for some members' shares attached to loans and members' deposits which have a fixed maturity date.

18e. Capital

The Credit Union maintains sufficient reserves to buffer the Credit Union against any losses on its members' loans and also its investments. The current Regulatory Reserves are in excess of the minimum requirement set down by the Central Bank, and stand at 11% of the total assets of the Credit Union at the Balance Sheet date.

19. Retirement benefits and similar obligations

The Irish League of Credit Unions Republic of Ireland Pension Scheme

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

On 31 March 2022, the defined benefit scheme ceased to accrual and although staff retained all the benefits that they had earned in the scheme to that date, Ballyshannon & Killybegs 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. Ballyshannon & Killybegs Credit Union Limited's allocation of that past service deficit was €299,840. This total cost was included in the Income & Expenditure account for the year ended 30 September 2022 and this deficit amount was paid to the trustees prior to 30/09/2022. During the year ending 30th September 2024 there were no contributions in respect of a past service deficit payable and hence no charge to the Income and Expenditure account.

As this is a pooled pension scheme, Ballyshannon & Killybegs 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. Ballyshannon & Killybegs 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.

20. POST BALANCE SHEET EVENTS

There are no material events after the Balance Sheet date to disclose.



21. Interest on Members Loans

On 9th September 2022, the Central Bank of Ireland wrote to all Credit Unions that used ICE (Intuity) Computer Banking system between 1st January 2012 and the 12th October 2018. This advised of an issue within the computer-generated credit agreements within this timeframe. This was specifically regarding top-up loans.

The credit agreement noted the amount of interest due on the loan being topped up, including accrued interest, and the total interest payable on the loan. However, the amount of interest outstanding on the loan being topped up was not included in the total amount of interest repayable. This has led to a clarity issue.

No member of Ballyshannon Killybegs Credit Union was overcharged on their loan. The accrued interest noted on the credit agreement was duly collected at the next repayment made.

As the language on the credit agreement did not correctly state how the interest accrued would be collected, the Board of Directors, have decided to refund all effected members as a gesture of goodwill. All effected members were notified by way of a letter and funds credited to their accounts on 11th January 2023.

22. CAPITAL COMMITMENTS

There were no capital commitments either contracted for or approved by the Board at the year end.

23. INSURANCE AGAINST FRAUD

The Credit Union has insurance against fraud in the amount of €1,300,000 (2023: €1,300,000) in compliance with Section 47 of the Credit Union Act 1997, as amended.

24. RELATED PARTY TRANSACTIONS

During the year loans were advanced to directors and the management team of the Credit Union in the amount of €76,500 (2023: €50,700). These loans were approved in accordance with the Standard Credit Union rules and the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. The loans outstanding from these parties at 30th September 2024 were €105,077 (2023: €101,717). These loans amounted to 0.32% of total gross loans due at 30th September 2024 (2023: 0.344%).

There were provisions of €2,193 against the loans due from the directors and the management team at the current Balance Sheet date (€11,421 at 2023).

The directors and management team share balances stood at €16,287 at 30th September 2024 .

25. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board on 4th November 2024.

We are delighted to have introduced Current Accounts for our members this year. This comes with a globally recognised Debit Card and low transparent fees. Current Account from Ballyshannon & Killybegs credit union gives you all the benefits you expect, but with the personal touch of your trusted credit union.

Our current account is easy to sign up, just sign up through your online banking or pop into our branch, we will require your proof of address dated within 6 months.

Features and Benefits:

- Apple Pay, Google Pay and FitBit Pay
- Globally accepted Mastercard® Debit Card
- Use in-store, online or at ATMs
- Cashback available at participating retailers
- Contactless payment
- Transparent Fees
- Automate regular payments using Standing Orders & Direct Debits
- Stay in control with our Mobile web App, eStatements and eFee Advices
- Secure online shopping
- 24/7 support for lost/stolen debit cards via card services in Ireland 01 6933333



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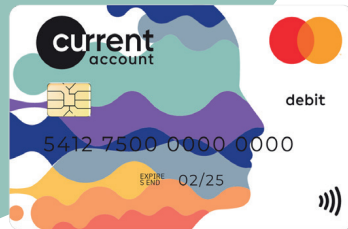
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