



HERITAGE  
CREDIT UNION



# ANNUAL REPORT 2024



HERE FOR YOU AND  
YOURS ALWAYS



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## INVOCATION

We meet to serve our community,  
to use our resources wisely and well,  
to represent all members of our community fairly,  
to make decisions that promote the common good.

We recognize our responsibility to the past and the future,  
and the rights and needs of both individuals and community.  
May we act wisely and well

# NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Heritage Credit Union Limited will take place, on Tuesday, 28th January 2025 at 7.30 pm in The Radisson Blu Royal Hotel, Golden Lane, Dublin 8.

As the AGM will be held in hybrid format again this year, members are also welcome to join the AGM online where they will be able to participate in the meeting by casting their votes online and by asking any questions they wish. Members attending the AGM in person do not need to register prior to the meeting.

Elections will be held to fill 3 vacancies on the Board of Directors, 1 vacancy on the Board Oversight Committee, and the position of Auditor.

**Gerard Dunne**

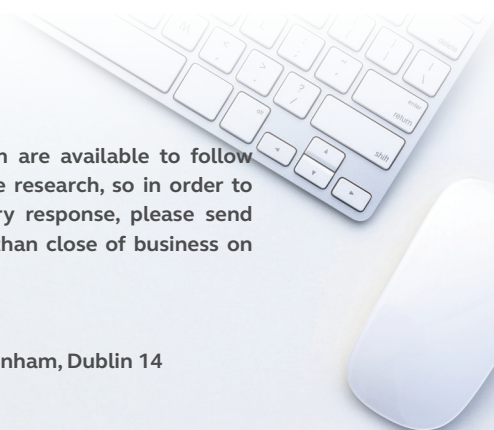
**Secretary**

**Date: 13/12/2024**

## THE REGISTRATION AND ATTENDANCE PROCESS FOR ONLINE ATTENDEES

To join the meeting online on the evening of the AGM, you can request to register by using an online form that can be accessed on [www.heritagecu.ie/agm](http://www.heritagecu.ie/agm).

- In advance of the AGM, you will receive a notification by email confirming that you are registered to attend the AGM online and containing a link that you can click to join the AGM on 28th January 2025. You will also receive some other information that will be helpful to you while attending the AGM.
- A telephone number will be provided to all members who register for online attendance that you may use to listen to the AGM if you have any connection difficulties. Any member who listens on a telephone line will not be considered part of the formal AGM attendance and will not be able to vote.
- While the AGM starts at 7.30pm on 28th January 2025, online attendees are asked to join the meeting from 7.00pm onwards to help with the process of verifying members' identities and admitting them to the AGM. If you have any questions regarding attendance at the AGM, please call the credit union office on 01 490 0162.
- Registration must be completed by close of Business Thursday 16th January 2025 for those attending online. If you are attending the AGM in person you do not need to register in advance.



At Heritage Credit Union, our dedicated team are available to follow up on AGM queries. Some queries may require research, so in order to allow sufficient time to prepare the necessary response, please send your question(s) in writing, to arrive no later than close of business on Thursday 16th January 2025, to:

Chief Executive Officer  
Heritage Credit Union Ltd., Main Street, Rathfarnham, Dublin 14  
Or email [agm@heritagecu.ie](mailto:agm@heritagecu.ie)



# CREDIT UNION

## DIRECTORS & OTHER INFORMATION

### BOARD OF DIRECTORS:

Colm Lawless	Chairperson
Michael McLoughlin	Vice Chairperson
Gerry Dunne	Secretary
Marie Kelly	
Daphne Byrne	
Mary Cullen	
Conor Duff	Resigned June 2024
Adrian O'Brien	Resigned April 2024
Kieran Corcoran	
Nuala Maher	
Ciaran O'Byrne	
Mark Hegarty	Co opted in June 2024
Brian Kelly	Co opted in Nov 2024

### BOARD OVERSIGHT COMMITTEE:

Liam Dolan  
 Ursula Lynam  
 Juracy Junyor

### AUDITORS:

Grant Thornton, Mill House, Henry Street, Limerick

### BANK:

Bank of Ireland, College Green, Dublin 2

### MANAGEMENT AND STAFF:

Alan Roche	CEO
Ger Flaherty	Deputy CEO / CFO
Jane Barlow	Operations Manager
Chris Murphy	Head of Regulatory Affairs
Niall Manning	Lending Manager

Aaron Johnston	Deirdre Corcoran	Lorraine Tyrell	Sarah Mulvey
Aileen Dillon	Eireann Dunne	Lynsey McCluskey	Sarah Turner
Alex Amet	Elaine Fitzpatrick	Maxine Hudson	Sheila Cullinan
Alex Diac	Evan Deasy	Melissa Keenan	Sinead Marshall
Alyson McDermott	Georgina Carthy	Michelle Sterio	Siobhan Dunne
Andrew Harding	Himani Sharma	Nadine Kinsella	Sneeheka Dabhade
Barbara Rybacha	Holly Boylan	Nathan Marshall	Sophie O'Brien
Bernie McGrath	Holly Carrick	Nicola Foley	Susan Biddulph
Brenda Hanlon	Jessica Tims	Nicola O'Brien	Susan Foley
Carmel Timmons	Karen Walsh	Patrick Molloy	Tara Hyland
Celine Yarr	Katrina Fallon	Petina O'Connor	Tara O'Brien
Chantel Walsh	Kayleigh Conroy	Quaid Cleland	Taylor Patchell
Chloe Horan	Laura Cahill	Rachel O'Neill	Teresa Kelly
Christopher Dunne	Lee Lawrence	Rita Cullen	Teszina Rampersaud
Christopher Geoghegan	Leon Dunne	Roshni Shah	Treasa Ennis
Ciara Maguire	Liam McGovern	Sally Corbett	Troy Wardick
Cody McGrath	Linda O'Reilly	Samuel Douglas	Valerie O'Reilly
Colin O'Malley	Lisa Mulligan	Sandra McGrane	
Conor Brady	Lisa Russell	Sandra Redmond	
Declan Duggan	Liz Lehane	Sarah Kelleher	

# AGM AGENDA

1. The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons;
2. Ascertainment that a quorum is present;
3. Adoption of Standing Orders;
4. Reading and approval (or correction) of the minutes of the last annual general meeting;
5. Report of the Chairperson;
6. Consideration of accounts;
7. Report of the Auditor;
8. Report of the Board Oversight Committee;
9. Declaration of dividend and rebate of interest;
10. Report of the Credit Committee;
11. Report of Credit Control Committee;
12. Report of Membership Committee;
13. Community and Marketing Report;
14. Report of the Nomination Committee;
15. Appointment of Tellers;
16. Election of Auditor;
17. Election to fill vacancies on the Board of Directors;
18. Election to fill vacancies on the Board Oversight Committee;
19. Amendment of Standard Rules;
20. Any other business;
21. Prize Draws;
22. Announcement of election results;
23. Adjournment or close of meeting.

# CREDIT UNION STANDING ORDERS

## 1. VOTING

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

## 2-3 ELECTION PROCEDURE

2. Elections to the board of directors, to the board oversight committee and the position of auditor shall be by majority vote and by secret ballot/poll.
3. When nominations are announced tellers shall be appointed by the chair and ballot/poll papers shall be distributed. Nominations shall be in the following order: (a) nominations for auditor; (b) nominations for members of the board oversight committee; (c) nominations for directors. When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot/poll paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot/poll and by majority vote. When the votes have been counted by the tellers, the results shall be announced by the chair. In the event that all vacancies are not filled by the first ballot/poll further ballot/polls shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure one further ballot/poll shall be taken and should that ballot/poll fail to determine the issue, the vacancies shall be filled by lot from among such candidates having an equality of votes.

## 4-9 MOTIONS

4. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.
5. Proposer of a motion may speak for such period as shall be at the discretion of the

chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.

6. In exercising their right of reply, a proposer may not introduce new material.
7. The seconder of a motion shall have such time as shall be allowed by the chair to second the motion.
8. Members are entitled to speak on any such motion and must do so through the chair. All speakers to any motion shall have such time as shall be at the discretion of the chair.
9. The chair shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

## 10 - 15 MISCELLANEOUS

10. The chair of the board of directors shall be the chair of any general meeting, except where he/she is not available, in which case it shall be the vice-chair, except where he/she is not available, in which case the board shall decide amongst themselves who shall act as chair of any general meeting.
11. The chair may at their discretion, extend the privilege of the floor to any person who is not a member.
12. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the chair.
13. The chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
14. No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of their shareholding or the number of accounts in their name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the

group, duly authorised in writing for that purpose and accepted as such by the board of directors.

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

## 16. SUSPENSION OF STANDING ORDERS

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

## 17. ALTERATION OF STANDING ORDERS

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

## 18. ADJOURNMENTS

18. Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act 1997 (as amended) and the new section 80a as inserted by the Finance (Miscellaneous Provisions) Bill 2020.

# HERE FOR YOU AND YOURS ALWAYS



## Current Account from Heritage Credit Union



## Finally, a real choice!



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 fully authorised and regulated by the Malta Financial Services Authority as a Financial Institution under the Financial Institutions Act 1994. Registration number C 9879.

# REPORT OF THE CHAIRPERSON

Dear Members,

I am pleased to present my annual report as Chair of Heritage Credit Union for 2024. This year has been marked by significant development and growth for our organisation, which continues to go from strength to strength.

Firstly, I extend a warm welcome to the members from Cabra who joined the Heritage family in September. We celebrated the re-opening of the Cabra branch with a ribbon-cutting ceremony officiated by Minister for Public Expenditure Paschal Donohoe TD. This event honoured the dedicated service of the Cabra CU volunteers, including the outgoing Chair and Board of Directors, and reaffirmed our commitment to maintaining a community presence in Cabra post-transfer of engagements. I was delighted to be present with them as they welcomed the community back into the branch, underscoring our commitment to maintaining a community presence in Cabra post-transfer of engagements.

Heritage Credit Union now proudly serves over 57,000 members with assets totalling approximately €245 million. Our commitment to our founding ethos remains steadfast—our members are our lifeblood, and the communities we serve are the driving force behind our efforts. The addition of Cabra to our Credit Union ensures continuity of services in the area and provides members with access to branches from Rathfarnham and Windy Arbour to Phibsboro and Manor St. This was only possible thanks to the hard work and dedication of staff and volunteers in both Credit Unions, and I want to once again recognise their steadfast commitment to maintaining a Credit Union branch in Cabra.

We welcomed two new Directors, Mark Hegarty and Brian Kelly, and I look forward to their contributions as we continue to enhance our services. We have been very fortunate to have had significant professional contributions from our volunteers. I want to take this opportunity to thank former Directors Adrian O'Brien and Conor Duff for their dedication, service and diligence on the Board of Heritage.

In 2024, we renewed our focus on being responsive to member needs. I am delighted to have worked with management and staff to

introduce products that reflect the desires of our members. We have worked to identify better ways to reward savings beyond a small dividend. In my 2023 report, I noted that 'We want to encourage members to save and to see a return on their savings, especially given the ECB interest rate increases in this past year. I am therefore giving a commitment that we will explore the introduction of fixed-term deposit accounts that would attract a competitive interest rate.' I am glad to report that we were able to launch fixed-term deposit accounts this year. These accounts offer an attractive return on deposits and reward savers in a meaningful way. We will continue to expand our offering and welcome suggestions and commentary as always.

As an organisation rooted in the community, I am keen to see us celebrate our Common Bond and the groups that make us the community that we are. To mark our 60th anniversary, it was therefore apt that we chose to recognize 60 community bodies with grants of €1000 each. We hosted an event in November in Dublin city centre, where we celebrated the contributions of these organisations. It was a very special evening and wonderful to see so many attendees and support the invaluable work that they do. That essence of community is precisely who we are and what separates us from other financial service providers. 2025 will see an uptick in our community activity and I look forward to sharing with you the details of how we will underscore that commitment in the near future.

None of our achievements would be possible without the incredible support of our management, staff, volunteers, and most importantly, you, our members. As we enter 2025 and renew our Strategic Plan, we remain focused on improving our services and supporting our community.

Thank you for the opportunity to serve as Chair of Heritage Credit Union, it is always a privilege to be able to report back to members each year. I look forward to engaging with you in 2025 and beyond. Please feel free to contact me with any queries or feedback.

Le gach dea-ghuí,

**Colm Lawless**  
**Chairperson**

# REPORT OF THE CEO

I am once again delighted to present my report to the members of Heritage Credit Union for the year ended 30th September 2024, reflecting on what has been another successful year of growth and development for our organisation.

## Financial Performance

Our credit union has demonstrated robust financial performance, with a surplus of €1.17 million for the year. Total assets grew to €245.2 million, representing an increase of €13.3 million from the previous year, largely influenced by the merger with Cabra Credit Union. A challenge in recent years has been maintaining reserves in line with asset growth and I am pleased to report that our Total Realised Reserves are 14.20% compared to 13.97% for the previous year.

The loan book showed particularly strong performance, growing by 16.6% to €81.5 million, again bolstered by the merger with Cabra Credit Union reflecting our continued commitment to meeting our members' borrowing needs. We are especially pleased to report significant growth in our mortgage lending, as more members choose their credit union for home financing.

## Enhanced Savings Capacity

After a number of years of having a total savings cap of €25,000 in place, I am particularly pleased to report significant changes to our savings limits. Members can now hold a total of €100,000 in savings, a substantial increase from the previous limit. Additionally, the monthly lodgement limit has increased from €3,500 to €7,000, providing greater flexibility for our members' saving needs. We plan to review the monthly limit again in March 2025, as we continue to adapt our services to meet member requirements.

Responding to member feedback, we introduced term deposit accounts offering competitive returns. This new product has been well-received, particularly by members seeking fixed-return investment options in the current economic climate. We look forward to further offerings in the near future.

## Technology Enhancement

A significant focus this year has been the modernisation of our operations to better serve our members' evolving needs. We made substantial investments in technology to enhance our loan underwriting processes, resulting in faster decision-making and improved service delivery to our members. This, combined with open banking technology, has transformed the loan application process. Members now have the option to connect their bank accounts directly to our system, eliminating the need to manually gather and submit bank statements. This streamlined process not only saves time but also enables faster loan decisions while maintaining our prudent lending standards.

In response to the growing number of members conducting their business online, we completed a significant upgrade to our technology infrastructure by moving our systems to Microsoft Azure's cloud platform. This strategic move strengthens both our security and service reliability, ensuring that whether you're checking your balance at midnight or applying for a loan during your lunch break, our services are available when you need them. This robust foundation will support our continued development of digital services while maintaining the highest standards of security for our members' data.

These investments demonstrate our commitment to combining traditional credit union values with modern online convenience, ensuring we can serve our members effectively in an increasingly digital world.



### **Merger with Cabra Credit Union**

September marked a significant milestone with the successful merger with Cabra Credit Union. This strategic merger has strengthened our position and expanded our community reach, bringing our services to more members and providing more choice.

### **Digital and Community Engagement**

The appointment of our new Digital Marketing & Community Engagements Officer represents a step towards enhancing our digital presence and strengthening our community connections. This role will be crucial in developing partnerships and initiatives that benefit our members and the wider community throughout 2025 - we don't just operate in this community, we are owned by this community, governed by this community, and exist solely to serve this community.

### **Service Excellence Across All Channels**

At Heritage Credit Union, our ethos is simple: we're online when you want us and in person when you need us. While we continue to advance our digital capabilities, we have made significant investments in enhancing our face-to-face and telephone services. This year has seen growth in our member service team and increased investment in staff training, with further service enhancements planned for 2025. We firmly believe that the personal, face-to-face element of credit union service remains vital to our community, even as we develop our online offerings. This balanced approach ensures we can meet our members' needs, whether they prefer to do things digitally or value the reassurance of speaking with our team in person.

### **Looking Forward**

As we move into 2025, we remain focused on our core mission of providing excellent financial services to our members while adapting to your evolving needs. We are excited about plans to launch an enhanced mobile app in the first half of 2025. The new app will not only offer expanded functionality but will also feature a fresh, modern design and a more intuitive user interface, making it easier and more enjoyable to manage your credit union accounts. This development represents another step in our digital journey, ensuring our members have access to modern online services while maintaining the personal touch that sets credit unions apart.

Our strong financial position, enhanced online capabilities, and expanded community presence provide a solid foundation for continued growth and development. The investments we've made in our digital infrastructure, combined with our planned improvements to mobile services, position us well to meet the changing needs of our membership.

I would like to express my gratitude to our Board of Directors, Board Oversight Committee, Volunteers, Management team, and staff for their dedication and hard work throughout the year. Most importantly, I thank you our members for your continued trust and support of Heritage Credit Union.

**Alan Roche**  
**Chief Executive Officer**

# DIRECTORS' REPORT

For the financial year ended 30 September 2024

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

## PRINCIPAL ACTIVITY

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

## AUTHORISATION

The credit union is authorised as follows:

- Insurance/reinsurance or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018.
- Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended).
- Entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.

## BUSINESS REVIEW

The directors acknowledge the results for the year and the year-end financial position of the credit union. The directors expect to develop and expand the credit union's current activities and they are confident of its ability to continue to operate successfully in the future.

## DIVIDENDS AND LOAN INTEREST REBATES

The directors are not proposing a dividend or loan interest rebate in respect of the financial year ended 30 September 2024 (2023: The directors did not propose a dividend or loan interest rebate).

## PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties faced by the credit union are:

### Credit risk

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss.

### Lack of loan demand

Lending is the principal activity of the credit union and the credit union is reliant on it for generating income to cover costs and generate a surplus.

### Market risk

Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates.

### Liquidity risk

Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded.

### Operational risk

Operational risk is the risk of loss resulting from inadequate or failed processes or systems of the credit union, any failure by persons connected with the credit union or from external events.

### Global macro-economic risk

There is an economic and operational risk relating to disruption to global supply chains and a general uncertainty in the markets as a result of the changing geopolitical landscape.

**These risks and uncertainties are managed by the board of directors as follows:**

### Credit risk

In order to manage this risk, the board of directors regularly reviews and approves the credit union's lending policies. All loan applications are assessed with reference to the lending policies in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

### **Lack of loan demand**

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

### **Market risk**

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

### **Liquidity risk**

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

### **Operational risk**

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

### **Global macro-economic risk**

The board of directors and management closely monitor the disruption to global supply chains and markets and continue to take appropriate actions to mitigate any possible adverse effects on the credit union.

## **ACCOUNTING RECORDS**

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the credit union are maintained at the credit union's premises at Credit Union House, Main Street, Rathfarnham, Dublin 14.

## **EVENTS AFTER THE END OF THE FINANCIAL YEAR**

There have been no significant events affecting the credit union since the year end.

## **AUDITORS**

In accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Grant Thornton offer themselves for re-election.

This report was approved by the board and signed on its behalf by:

**Colm Lawless**

**Chairperson of the Board of Directors**

**Michael McLoughlin**

**Member of the Board of Directors**

**Date: 13/12/2024**

# DIRECTORS' RESPONSIBILITIES STATEMENT

For the financial year ended 30 September 2024

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations. The directors have elected to prepare the financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). The directors are also responsible for preparing the other information included in the annual report. The Credit Union Act, 1997 (as amended) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the credit union and of the income and expenditure of the credit union for that period.

In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reason for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.

The directors are responsible for ensuring that the credit union keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the credit union, enable at any time the assets, liabilities, financial position and income and expenditure of the credit union to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Credit Union Act, 1997 (as amended) and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the credit union's website.

On behalf of the board:

**Colm Lawless**  
Chairperson of the Board of Directors

**Michael McLoughlin**  
Member of the Board of Directors

**Date: 13/12/2024**

# BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT

For the financial year ended 30 September 2024

The Credit Union Act, 1997 (as amended) requires the appointment of a board oversight committee to assess whether the board of directors has operated in accordance with part iv, part iv(a) and any regulations made for the purposes of part iv or part iv(a) of the Credit Union Act, 1997 (as amended) and any other matter prescribed by the Central Bank of Ireland in respect of which they are to have regard to in relation to the board of directors.

On behalf of the board oversight committee:

**Ursula Lynam**  
Chairperson of the Board Oversight Committee

Date: 13/12/2024



## Online Banking

- Check Balances
- Transfer Money
- View & Print Statements
- Pay Bills
- Apply for a Loan

**Register Now at**  
**[www.heritagecu.ie/Register](http://www.heritagecu.ie/Register)**

**Go MOBILE Today. Manage Your Money 'On-The-Go'**





# ARE YOU THINKING OF TRADING UP?

**TALK TO US FIRST**

We are member focused and local

## Heritage Credit Union

Tel: 01 490 0162 Email: [info@heritagecu.ie](mailto:info@heritagecu.ie) Web: [www.heritagecu.ie](http://www.heritagecu.ie)

Rathfarnham Village | Cabra | Capel Street | Fortfield | Harold's Cross | Manor Street | Nutgrove Shopping Centre | Phibsboro | Rialto  
Thomas Street | Walkinstown | Windy Arbour

Loans are subject to approval. Terms and 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. Information correct at December 2024. Heritage Credit Union Limited is regulated by the Central Bank of Ireland.



# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF HERITAGE CREDIT UNION LIMITED

### Opinion

We have audited the financial statements of Heritage Credit Union Limited for the financial year ended 30 September 2024, which comprise:

- the Income and expenditure account;
- the Statement of other comprehensive income;
- the Balance sheet;
- the Statement of changes in reserves;
- the Statement of cash flows; and
- the related notes 1 to 30, including a summary of significant accounting policies as set out in note 2.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law including the Credit Union Act, 1997 (as amended) and accounting standards issued by the Financial Reporting Council including FRS 102 (as amended) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

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

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2024 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended)..

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of

the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

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

# INDEPENDENT AUDITOR'S REPORT

To the members of Heritage Credit Union Limited  
(continued)

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

We have nothing to report in this regard.

## Matters on which we are required to report by the Credit Union Act, 1997 (as amended)

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

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

## Responsibilities of directors for the financial statements

As explained more fully in the Directors'

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

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

## Responsibilities of the auditor for the audit of the financial statements

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

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgement and maintain professional scepticism throughout the audit. The auditor will 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 their 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 directors' 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 a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the credit union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether

the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates 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 may be identified during the audit.

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

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

### **COLIN FEELY FCA FOR AND ON BEHALF OF GRANT THORNTON**

Chartered Accountants  
& Statutory Audit Firm,  
Limerick.

**Date: 13/12/2024**



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## Heritage Credit Union

Tel: 01 490 0162 Email: [info@heritagecu.ie](mailto:info@heritagecu.ie) Web: [www.heritagecu.ie](http://www.heritagecu.ie)

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Loans are subject to approval. Terms and 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. Information correct at December 2024. Heritage Credit Union Limited is regulated by the Central Bank of Ireland.

# INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2024

		2024	2023
INCOME	Schedule	€	€
Interest on members' loans		6,194,967	5,882,961
Interest on members' loans		(9,082)	-
Other interest income and similar income	1	2,675,214	2,165,625
<b>NET INTEREST INCOME</b>		<b>8,861,099</b>	<b>8,048,586</b>
Other income	2	55,275	18,835
<b>TOTAL INCOME</b>		<b>8,916,374</b>	<b>8,067,421</b>
<b>EXPENDITURE</b>			
Employment costs		3,129,473	2,805,410
Other management expenses	3	3,921,355	3,611,730
Depreciation		418,421	383,266
Net impairment losses/(gains) on loans to members (note 6)		278,100	(89,785)
<b>TOTAL EXPENDITURE</b>		<b>7,747,349</b>	<b>6,710,621</b>
<b>SURPLUS FOR THE FINANCIAL YEAR</b>		<b>1,169,025</b>	<b>1,356,800</b>

The financial statements were approved and authorised for issue by the board and signed on behalf of the credit union by:

**Colm Lawless**  
Member of the  
Board of Directors

**Alan Roche**  
Chief Executive Officer

Date: 13/12/2024

# STATEMENT OF OTHER COMPREHENSIVE INCOME

For the financial year ended 30 September 2024

	2024	2023
	€	€
Surplus for the financial year	1,169,025	1,356,800
Other comprehensive income	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>	<b>1,169,025</b>	<b>1,356,800</b>

The financial statements were approved and authorised for issue by the board and signed on behalf of the credit union by:

**Colm Lawless**  
Member of the  
Board of Directors

**Alan Roche**  
Chief Executive Officer

**Date: 13/12/2024**

The notes on pages 26 to 41 form part of these financial statements



# BALANCE SHEET

As at 30 September 2024

		2024	2023
ASSETS	Notes	€	€
Cash and balances at bank	7	4,792,009	1,986,916
Deposits and investments – cash equivalents	8	40,932,495	39,101,497
Deposits and investments – other	8	116,485,084	119,170,953
Loans to members	9	81,463,408	69,886,750
Provision for bad debts	10	(4,684,383)	(4,106,063)
Members' current accounts overdrawn	15	137	-
Tangible fixed assets	11	4,636,235	4,476,141
Equity investment	12	50,000	-
Debtors, prepayments and accrued income	13	1,563,497	1,404,194
<b>TOTAL ASSETS</b>		<b>245,238,482</b>	<b>231,920,388</b>
<b>LIABILITIES</b>			
Members' shares	14	198,575,507	193,717,451
Members' deposits and thrift accounts	14	9,337,377	4,403,904
Members' current accounts	15	1,114,045	2,728
Other liabilities, creditors, accruals and charges	16	997,614	1,079,006
Other provisions	17	49,327	30,829
<b>TOTAL LIABILITIES</b>		<b>210,073,870</b>	<b>199,233,918</b>
<b>RESERVES</b>			
Regulatory reserve	19	24,901,100	23,600,000
Operational risk reserve	19	1,396,092	1,396,092
Other reserves			
- Realised reserves	19	8,531,196	7,394,213
- Unrealised reserves	19	336,224	296,165
<b>TOTAL RESERVES</b>		<b>35,164,612</b>	<b>32,686,470</b>
<b>TOTAL LIABILITIES AND RESERVES</b>		<b>245,238,482</b>	<b>231,920,388</b>

The financial statements were approved and authorised for issue by the board and signed on behalf of the credit union by:

**Colm Lawless**  
Member of the  
Board of Directors

**Alan Roche**  
Chief Executive Officer

Date: 13/12/2024

The notes on pages 26 to 41 form part of these financial statements

# STATEMENT OF CHANGES IN RESERVES

For the financial year ended 30 September 2024

	Regulatory reserve	Operational risk reserve	Realised reserves	Unrealised reserves	Total
	€	€	€	€	€
As at 1 October 2022	23,402,211	1,196,092	6,433,694	297,673	31,329,670
Surplus for the financial year	-	-	1,331,729	25,071	1,356,800
Transfer of Engagements	197,789	200,000	(371,210)	(26,579)	-
<b>As at 1 October 2023</b>	<b>23,600,000</b>	<b>1,396,092</b>	<b>7,394,213</b>	<b>296,165</b>	<b>32,686,470</b>
Transfer of engagements	1,041,143	25,000	234,966	8,008	1,309,117
Surplus for the financial year	-	-	1,136,974	32,051	1,169,025
Transfers between reserves	259,957	(25,000)	(234,957)	-	-
<b>As at 30 September 2024</b>	<b>24,901,100</b>	<b>1,396,092</b>	<b>8,531,196</b>	<b>336,224</b>	<b>35,164,612</b>

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2024 was 10.15% (2023: 10.18%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2024 was 0.57% (2023: 0.60%).

The notes on pages 26 to 41 form part of these financial statements

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# STATEMENT OF CASH FLOWS

For the financial year ended 30 September 2024

	Notes	2024 €	2023 €
<b>Opening cash and cash equivalents</b>		<b>41,088,413</b>	<b>43,817,516</b>
<b>Cash flows from operating activities</b>			
Loans repaid by members	9	33,181,630	31,168,822
Loans granted to members	9	(40,375,799)	(36,351,368)
Interest on members' loans		6,194,967	5,882,961
Interest payable and similar charges	23	(9,082)	-
Other interest income and similar income		2,675,214	2,165,625
Bad debts recovered and recoveries	6	744,351	803,193
Other income		55,275	18,835
Members' current account lodgements	15	3,768,678	24,156
Members' current account withdrawals	15	(2,657,498)	(21,428)
Operating expenses		(7,050,828)	(6,417,140)
Movement in other assets and liabilities		(380,083)	(434,672)
<b>Net cash flows from operating activities</b>		<b>(3,853,175)</b>	<b>(3,161,016)</b>
<b>Cash flows from investing activities</b>			
Cash and investments introduced from transfer of engagements		7,831,201	-
Fixed asset purchases	11	(252,969)	(508,001)
Equity investment	12	(50,000)	-
Net cash flow from other investing activities		2,685,869	1,715,492
<b>Net cash flows from investing activities</b>		<b>10,214,101</b>	<b>1,207,491</b>
<b>Cash flows from financing activities</b>			
Members' savings received	14	51,888,859	51,671,602
Members' savings withdrawn	14	(53,613,694)	(52,447,180)
<b>Net cash flow from financing activities</b>		<b>(1,724,835)</b>	<b>(775,578)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>4,636,091</b>	<b>(2,729,103)</b>
<b>Closing cash and cash equivalents</b>	7	<b>45,724,504</b>	<b>41,088,413</b>

The notes on pages 26 to 41 form part of these financial statements

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 1 LEGAL AND REGULATORY FRAMEWORK

Heritage Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at Credit Union House, Main Street, Rathfarnham, Dublin 14.

## 2 ACCOUNTING POLICIES

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable Irish accounting standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Credit Union Act, 1997 (as amended). The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Euro (€) which is also the functional currency of the credit union.

The following principal accounting policies have been applied:

### 2.2. Statement of compliance

The financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (FRS 102).

### 2.3. Going concern

After reviewing the credit union’s projections, the directors have a reasonable expectation that the credit union has adequate resources to continue in operational existence for the foreseeable future. The credit union therefore continues to adopt the going concern basis in preparing its financial statements.

### 2.4. Income

#### *Interest on members’ loans*

Interest on members’ loans is recognised on an accruals basis using the effective interest method.

#### *Deposit and investment income*

Deposit and investment income is recognised on an accruals basis using the effective interest method.

#### *Other income*

Other income is recognised on an accruals basis.

### 2.5. Cash and cash equivalents

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

### 2.6. Deposits and investments

#### *Held at amortised cost*

Investments designated on initial recognition as held at amortised cost are measured at amortised cost using the effective interest method less impairment. This means that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount, minus, in the case of a financial asset, any reduction for impairment or uncollectability.

#### *Central Bank Deposits*

Credit unions are obliged to maintain certain minimum deposits with the Central Bank but may also hold an excess over the regulatory minimum. The regulatory minimum deposits are technically assets of the credit union but to which the credit union has restricted access. The regulatory minimum portion will not ordinarily be returned to the credit union while it is a going concern and is separately identified in note 8, Deposits and investments - other. Funds held with the Central Bank in excess of the regulatory minimum requirements are fully available to the credit union and are therefore

treated as cash equivalents and are separately identified in note 8, Deposits and investments – cash equivalents. The amounts held on deposit with the Central Bank are not subject to impairment reviews.

**Investments at fair value**

Investments designated on initial recognition as non basic are recognised at fair value. They are subsequently measured at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account.

**2.7. Financial assets – loans to members**

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

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

**2.8. Provision for bad debts**

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of economic factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and the adequacy of same on a regular basis. Any bad debts/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.

**2.9. Tangible fixed assets**

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

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

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

Depreciation is provided on the following basis:

Freehold premises	2% straight line per annum
Fixtures and equipment	20% straight line per annum
Computers	33.33% straight line per annum

The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income and expenditure account.

**2.10. Impairment of assets**

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024  
(CONTINUED)

estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income and expenditure account. If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income and expenditure account.

## 2.11. Equity investment

Equity investment made by the credit union is accounted for at cost less impairment.

## 2.12. 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.

## 2.13. Members' deposits and thrift accounts

Interest on members' deposits and thrift accounts is recognised on an accruals basis using the effective interest method.

## 2.14. Financial liabilities – members' shares and members' deposits and thrift accounts

Members' shares, members' deposits and thrift accounts are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at amortised cost.

## 2.15. Members' current accounts

The credit union provides Member Personal Current Account Services in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

## 2.16. Other payables

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

## 2.17. Pension

The credit union operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the credit union pays fixed contributions into a separate entity. Once the contributions have been paid, the credit union has no further payment obligations.

The contributions are recognised as an expense in the income and expenditure account when they fall due. Amounts not paid are shown in accruals as a liability on the balance sheet. The assets of the plan are held separately from the credit union in independently administered funds. The amount payable at the year end in respect of same was €21,596 (2023: €20,986).

## 2.18. Termination benefits

Termination benefits are expensed to the income and expenditure account as incurred.

## 2.19. Holiday pay

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

## 2.20. Derecognition of financial liabilities

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

## 2.21. Regulatory reserve

The Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10 per cent of the assets of the credit union. In instances where the credit union has been approved for long term lending, a minimum regulatory reserve of 12.5 per cent is required. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.



## 2.22. Operational risk reserve

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

The 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 the calculation of the operational risk reserve. The credit union uses the Basic Indicator Approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the operational risk reserve. Therefore the credit union will hold an operational risk reserve which will at a minimum equal 15% of the average positive gross income for the previous three years. For any year in which there was a deficit, this will be excluded from the calculation.

In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

## 2.23. Other reserves

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are subdivided into realised and unrealised. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as unrealised and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that interest

on loans receivable at the balance sheet date and the balance of the SPS refund receivable is also classified as unrealised and is not distributable. All other income is classified as realised.

## 2.24. Distribution policy

Dividends and loan interest rebates are made from the current year's surplus or reserves set aside for that purpose. The board's proposed dividends and loan interest rebates to members each year is based on the distribution policy of the credit union.

The rate of dividends and loan interest rebates recommended by the board will reflect:

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

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

For this reason the board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements. The credit union accounts for dividends and loan interest rebates when members ratify such payments at the Annual General Meeting.

## 2.25. Transfer of engagements

Transfer of engagements are accounted for using the acquisition method of accounting. This involves recognising identifiable assets and liabilities of the acquired credit unions at fair value. In applying the acquisition method of accounting for these business combinations, the member interests transferred by the credit union represents the consideration transferred for the net assets acquired. This consideration has been estimated as equivalent to the acquisition date fair value of the members' interests in the transferor credit union (the fair value of the transferor credit union) at the date of the transfer, and is reflected as an adjustment in reserves.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024  
(CONTINUED)

## 2.26. Taxation

The credit union is not subject to income tax or corporation tax on its activities.

## 3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCE OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires the directors to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the year end was €4,636,235 (2023: €4,476,141).

### ***Provision for bad debts***

The credit union's accounting policy for impairment of loans is set out in note 2.8. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and, other external factors such as legal and regulatory requirements. The provision for bad debts in the financial statements at the year end was €4,684,383 (2023: €4,106,063) representing 5.75% (2023: 5.88%) of the total gross loan book.

### ***Operational risk reserve***

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have considered an approach to the calculation of the operational risk reserve. The credit union uses the basic indicator approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the minimum operational risk reserve. In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended). The operational risk reserve of the credit union at the year end was €1,396,092 (2023: €1,396,092).

### ***Adoption of going concern basis for financial statements preparation***

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

#### 4. TRANSFER OF ENGAGEMENTS

On 17 September 2024, Heritage Credit Union Limited (“HCU”) accepted the transfer of Cabra Credit Union (“CCU”). The assets and liabilities of CCU at the date of transfer were incorporated into the balance sheet of HCU at that date.

HCU did not pay any consideration in respect of the transfer of engagements. On the date of transfer, the members of the transferor credit union became members of HCU, and thereby became entitled to member interest associated with such membership. In applying the acquisition method of accounting for this business combination, the members’ interests transferred by HCU represents the consideration transferred for the net assets acquired. This consideration has been estimated as equivalent to the acquisition date fair value of the members’ interests in the transferor credit union (the fair value of the transferor credit union) at the date of transfer, and is reflected as an adjustment in reserves in note 19.

The fair values of the net assets acquired are detailed below:

#### Fair value of CCU assets and liabilities acquired by HCU

	€
Cash on hand and at bank	2,119,740
Deposits and investments	5,711,461
Loans to members	5,410,028
Provision for bad debts	(583,408)
Tangible fixed assets	325,546
Debtors, prepayments and accrued income	27,513
Members’ shares	(11,516,364)
Other liabilities, creditors, accruals and charges	(185,399)
<b>Total</b>	<b>1,309,117</b>

#### 5. KEY MANAGEMENT PERSONNEL COMPENSATION

The directors of the credit union are all unpaid volunteers. The key management personnel compensation is as follows.

	2024	2023
	€	€
Short term employee benefits paid to key management	522,736	507,631
Payments to pension schemes	47,504	41,013
<b>Total key management personnel compensation</b>	<b>570,240</b>	<b>548,644</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024  
(CONTINUED)

## 6. NET IMPAIRMENT LOSSES/(GAINS) ON LOANS TO MEMBERS

	2024	2023
	€	€
Bad debts recovered	(637,750)	(711,432)
Impairment of loan interest reclassified as bad debt recoveries	(106,601)	(91,761)
Movement in bad debts provision during the year	(5,088)	(146,043)
Loans written off during the year	1,027,539	859,451
<b>Net impairment losses / (gains) on loans to members</b>	<b>278,100</b>	<b>(89,785)</b>

## 7. CASH AND CASH EQUIVALENTS

	2024	2023
	€	€
Cash and balances at bank	4,792,009	1,986,916
Deposits & investments - cash equivalents (note 8)	40,932,495	39,101,497
<b>Total cash and cash equivalents</b>	<b>45,724,504</b>	<b>41,088,413</b>

## 8. DEPOSITS AND INVESTMENTS

	2024	2023
	€	€
<b>Deposits and investments – cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	33,386,902	13,867,815
Irish and EEA state securities	7,316,475	23,620,612
Central Bank deposits	229,118	113,104
Other investments	-	1,499,966
<b>Total deposits and investments – cash equivalents</b>	<b>40,932,495</b>	<b>39,101,497</b>
<b>Deposits and investments – other</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	66,711,153	73,202,354
Irish and EEA state securities	42,753,979	38,942,867
Bank bonds	3,281,732	3,301,330
Central Bank deposits	1,742,388	1,759,141
Other investments	1,995,832	1,965,261
<b>Total deposits and investments – other</b>	<b>116,485,084</b>	<b>119,170,953</b>
<b>Total deposits and investments</b>	<b>157,417,579</b>	<b>158,272,450</b>

The rating category of counterparties with whom the investments were held at 30 September 2024 and 30 September 2023 is as follows:

	2024	2023
	€	€
Aaa	7,316,474	4,989,086
Aa1	1,545,500	-
Aa2	12,489,258	20,885,614
Aa3	27,902,610	20,943,560
A1	71,839,395	44,719,647
A2	1,494,440	26,200,261
A3	18,297,447	17,599,465
Baa1	12,565,117	2,550,000
Baa2	-	3,301,330
Baa3	-	13,245,981
NR	1,995,832	1,965,261
Central Bank	1,971,506	1,872,245
<b>Total</b>	<b>157,417,579</b>	<b>158,272,450</b>

## 9. FINANCIAL ASSETS – LOANS TO MEMBERS

	2024	2023
	€	€
As at 1 October	69,886,750	65,563,655
Loans arising on transfer of engagements	5,410,028	-
Loans granted during the year	40,375,799	36,351,368
Loans repaid during the year	(33,181,630)	(31,168,822)
<b>Gross loans and advances</b>	<b>82,490,947</b>	<b>70,746,201</b>
<b>Bad debts</b>		
Loans written off during the year	(1,027,539)	(859,451)
<b>As at 30 September</b>	<b>81,463,408</b>	<b>69,886,750</b>

## 10. PROVISION FOR BAD DEBTS

	2024	2023
	€	€
As at 1 October	4,106,063	4,252,106
Provision arising on transfer of engagements	583,408	-
Movement in bad debts provision during the year	(5,088)	(146,043)
<b>As at 30 September</b>	<b>4,684,383</b>	<b>4,106,063</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024  
(CONTINUED)

The provision for bad debts is analysed as follows:

	2024	2023
	€	€
Grouped assessed loans	4,684,383	4,106,063
<b>Provision for bad debts</b>	<b>4,684,383</b>	<b>4,106,063</b>

## 11. TANGIBLE FIXED ASSETS

	Freehold Premises €	Fixtures & Equipment €	Computers €	Total €
<b>COST</b>				
1 October 2023	6,643,188	1,304,970	668,703	8,616,861
Additions	-	21,901	231,068	252,969
On transfer of engagement	307,500	10,863	7,183	325,546
<b>At 30 September 2023</b>	<b>6,950,688</b>	<b>1,337,734</b>	<b>906,954</b>	<b>9,195,376</b>
<b>DEPRECIATION</b>				
1 October 2023	2,868,369	833,868	438,483	4,140,720
Charge for year	141,919	133,719	142,783	418,421
<b>At 30 September 2024</b>	<b>3,010,288</b>	<b>967,587</b>	<b>581,266</b>	<b>4,559,141</b>
<b>NET BOOK VALUE</b>				
<b>At 30 September 2024</b>	<b>3,940,400</b>	<b>370,147</b>	<b>325,688</b>	<b>4,636,235</b>
At 30 September 2023	3,774,819	471,102	230,220	4,476,141

Arising from the Cabra Credit Union Limited transfer of engagements on 17 September 2024, the credit union entered into a Transfer of Rights Agreement with the Irish League of Credit Unions (“ILCU”) in relation to the transferred premises. Material benefits accrue to the ILCU on any sale of the transferred premises where the sale proceeds exceed the transferred value. This premises remains retained by the credit union at 30 September 2024.

## 12. EQUITY INVESTMENT

	€
<b>COST</b>	
As at 1 October 2023	-
Initial investment	50,000
<b>As at 30 September 2024</b>	<b>50,000</b>
<b>ACCUMULATED IMPAIRMENT</b>	
As at 30 September 2024	-

**NET BOOK VALUE**

<b>As at 30 September 2024</b>	<b>50,000</b>
As at 30 September 2023	-

The equity investment represents an investment made by the Credit Union in CU Mortgage Services Designated Activity Company, a company with registered number 755686, and having its registered office at Suite 28, Morrison Chambers, 32 Nassau Street, Dublin, D02 XF22.

**13. DEBTORS, PREPAYMENTS AND ACCRUED INCOME**

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Loan interest receivable	194,881	172,788
Prepayments	320,937	265,514
Accrued income on investments	932,989	854,659
Other debtors	114,690	111,233
<b>As at 30 September</b>	<b>1,563,497</b>	<b>1,404,194</b>

**14. MEMBERS' SAVINGS**

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
As at 1 October	198,121,355	198,896,933
Members' savings arising on transfer of engagements	11,516,364	-
Received during the year	51,888,859	51,671,602
Withdrawn during the year	(53,613,694)	(52,447,180)
<b>As at 30 September</b>	<b>207,912,884</b>	<b>198,121,355</b>

Member Savings are analysed as follows:

Members' shares	198,575,507	193,717,451
Members' deposits/thrift accounts	9,337,377	4,403,904
<b>Total members' savings</b>	<b>207,912,884</b>	<b>198,121,355</b>

**15. MEMBERS' CURRENT ACCOUNTS**

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
As at 1 October	2,728	-
Lodgements during the year	3,768,678	24,156
Withdrawals during the year	(2,657,498)	(21,428)
<b>As at 30 September</b>	<b>1,113,908</b>	<b>2,728</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024  
(CONTINUED)

	2024		2023	
	No. of Accounts	Balance of Accounts €	No. of Accounts	Balance of Accounts €
Debit	21	137	-	-
Credit	522	1,114,045	35	2,728
Permitted overdrafts	1	742	-	-

## 16. OTHER LIABILITIES, CREDITORS, ACCRUALS AND CHARGES

	2024 €	2023 €
Accruals	867,081	959,160
PAYE/PRSI	62,473	55,366
Cash draw	68,060	64,480
<b>As at 30 September</b>	<b>997,614</b>	<b>1,079,006</b>

## 17. OTHER PROVISIONS

	2024 €	2023 €
<b>Holiday pay accrual</b>	<b>€</b>	<b>€</b>
At 1 October	30,829	28,109
Charged to the income and expenditure account	18,498	2,720
<b>As at 30 September</b>	<b>49,327</b>	<b>30,829</b>

## 18. FINANCIAL INSTRUMENTS

18a. Financial instruments – measured at amortised cost	2024	2023
<b>Financial assets</b>	<b>€</b>	<b>€</b>
Financial assets measured at amortised cost	238,090,597	225,040,684

<b>Financial liabilities</b>	<b>€</b>	<b>€</b>
Financial liabilities measured at amortised cost	210,073,870	199,233,918

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans, accrued income on investments, equity investment and other debtors.

Financial liabilities measured at amortised cost comprise of members' savings, members' current accounts, other liabilities, creditors, accruals and charges and other provisions.



### 18b. Financial instruments – fair value measurements

FRS 102 requires fair value measurements to be disclosed by the source of inputs, using a three level hierarchy:

- Quoted prices for identical instruments in active market (level 1);
- Prices of recent transactions for identical instruments and valuation techniques using observable market data (level 2); and
- Valuation techniques using unobservable market data (level 3).

The table below sets out fair value measurements using the fair value hierarchy:

At 30 September 2024	Total	Level 1	Level 2	Level 3
	€	€	€	€
Other investments	1,995,832	-	1,995,832	-
<b>Total</b>	<b>1,995,832</b>	<b>-</b>	<b>1,995,832</b>	<b>-</b>

At 30 September 2023	Total	Level 1	Level 2	Level 3
	€	€	€	€
Other investments	1,965,261	-	1,965,261	-
<b>Total</b>	<b>1,965,261</b>	<b>-</b>	<b>1,965,261</b>	<b>-</b>

There was a fair value adjustment in the amount of €30,571 recognised in the income and expenditure account for the year ended 30 September 2024 (2023: €11,315).

## 19. RESERVES

	Balance 01/10/23	Arising on ToE	Appropriation of current year surplus	Transfer between reserves	Balance 30/09/24
	€	€	€	€	€
Regulatory reserve	23,600,000	1,041,143	-	259,957	24,901,100
Operational risk reserve	1,396,092	25,000	-	(25,000)	1,396,092

### OTHER RESERVES

#### Realised

General reserve	7,394,213	234,966	1,136,974	(234,957)	8,531,196
<b>Total realised reserves</b>	<b>7,394,213</b>	<b>234,966</b>	<b>1,136,974</b>	<b>(234,957)</b>	<b>8,531,196</b>

#### Unrealised

Interest on loans reserve	172,788	8,008	14,085	-	194,881
Investment income reserve	25,039	-	17,966	-	43,005
SPS reserve	98,338	-	-	-	98,338
<b>Total unrealised reserves</b>	<b>296,165</b>	<b>8,008</b>	<b>32,051</b>	<b>-</b>	<b>336,224</b>
<b>Total reserves</b>	<b>32,686,470</b>	<b>1,309,117</b>	<b>1,169,025</b>	<b>-</b>	<b>35,164,612</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024  
(CONTINUED)

## 20. CREDIT RISK DISCLOSURES

In line with regulatory requirements, the credit union:

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

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

	2024		2023	
	€	%	€	%
<b>LOANS NOT IMPAIRED</b>				
Total loans not impaired, not past due	69,536,309	85.37%	58,630,949	83.89%
<b>IMPAIRED LOANS:</b>				
Not past due	2,262,377	2.78%	1,940,887	2.78%
Up to 9 weeks past due	6,311,752	7.75%	6,828,272	9.77%
Between 10 and 18 weeks past due	1,078,370	1.32%	945,634	1.35%
Between 19 and 26 weeks past due	559,503	0.68%	394,226	0.57%
Between 27 and 39 weeks past due	488,830	0.60%	385,055	0.55%
Between 40 and 52 weeks past due	402,705	0.49%	281,011	0.40%
53 or more weeks past due	823,562	1.01%	480,716	0.69%
<b>Total impaired loans</b>	<b>11,927,099</b>	<b>14.63%</b>	<b>11,255,801</b>	<b>16.11%</b>
<b>TOTAL LOANS</b>	<b>81,463,408</b>	<b>100.00%</b>	<b>69,886,750</b>	<b>100.00%</b>

## 21. RELATED PARTY TRANSACTIONS

### 21a. Loans

	2024		2023	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	-	-	5	10,050
Total loans outstanding to related parties at the year end	2	29,395	6	51,353
Total provision for loans outstanding to related parties		441		611

The related party loans stated above comprise of loans outstanding to directors and the management team (to include their family members or any business in which the directors or management team

had a significant shareholding). Total loans outstanding to related parties represents 0.04% of the total loans outstanding at 30 September 2024 (2023: 0.07%).

#### 21b. Savings

The total amount of savings held by related parties at the year end was €259,295 (2023: €206,460).

## 22. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

### 22a. Financial risk management

The credit union manages its members' savings and loans so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from the credit union's activities are credit risk, market risk, liquidity risk and interest rate risk. The board of directors reviews and agrees policies for managing each of these risks, which are summarised below.

**Credit risk:** Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss. In order to manage this risk the board of directors regularly reviews and approves the credit union's lending policies. Credit risk mitigation may include the requirement to obtain collateral as set out in the credit union's loan policy. Where collateral or guarantees are required, they are usually taken as a secondary source of repayment in the event of the borrower's default. The credit union maintains policies which detail the acceptability of specific classes of collateral. The principal collateral types for loans are: an attachment over members' pledged shares; personal guarantees; and charges over assets. The nature and level of collateral required depends on a number of factors such as the term of the loan and the amount of exposure. All loan applications are assessed with reference to the lending policies in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit union is also exposed to counterparty credit risk pertaining to its deposit and investment portfolio. In order to manage this risk the board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

**Market risk:** Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates. The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

**Liquidity risk:** Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded. The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due.

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

### 22b. Liquidity risk disclosures

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The credit union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in regulatory requirements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024  
(CONTINUED)

## 22c. Interest rate risk disclosures

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

	2024		2023	
	€	Average Int Rate %	€	Average Int Rate %
Gross loans to members	81,463,408	8.55%	69,886,750	8.82%

Any distributions payable are at the discretion of the directors and is therefore not a financial liability of the credit union until declared and approved at the AGM.

## 23. RATE OF INTEREST PAID ON MEMBERS' DEPOSIT ACCOUNTS

	2024		2023	
	%	€	%	€
Interest on deposits	2.25%	1,263	-	-
Interest on deposits	2.50%	7,819	-	-
<b>Interest on members' deposits</b>	-	<b>9,082</b>	-	-

## 24. DIVIDENDS AND LOAN INTEREST REBATES

The following distributions were made during the year:

	2024		2023	
	%	€	%	€
Dividends on shares	-	-	-	-
Loan interest rebates	-	-	-	-

The directors are not proposing a dividend or loan interest rebate in respect of the financial year ended 30 September 2024 (2023: The directors did not propose a dividend or loan interest rebate).

## 25. EVENTS AFTER THE END OF THE FINANCIAL YEAR

There have been no significant events affecting the credit union since the year end.

## 26. INSURANCE AGAINST FRAUD

The credit union has Insurance against fraud in the amount of €5,200,000 (2023: €5,200,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

## 27. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2024.

## 28. CONTINGENT LIABILITIES

There is a contingent liability included in the Letter of Authority held by Bank of Ireland in the amount of €200,000 with regard to Electronic Fund Transfer facilities and €40,625 with regard to credit card services.

## 29. COMPARATIVE INFORMATION

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

## 30. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 13/12/2024.

## SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2023

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 19 to 21.

### SCHEDULE 1 OTHER INTEREST INCOME AND SIMILAR INCOME

	2024	2023
	€	€
Investment income received/receivable within 1 year	2,626,677	2,134,246
Investment income receivable outside of 1 year	17,966	20,064
Movement in unrealised gain/(loss) on investments	30,571	11,315
<b>Total per income and expenditure account</b>	<b>2,675,214</b>	<b>2,165,625</b>

### SCHEDULE 2 OTHER INCOME

	2024	2023
	€	€
Commission and fees	46,813	18,830
MPCAS income	8,462	5
<b>Total per income and expenditure account</b>	<b>55,275</b>	<b>18,835</b>

## SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2024  
(CONTINUED)

### SCHEDULE 3 OTHER MANAGEMENT EXPENSES

	2024	2023
	€	€
Rates	102,266	101,154
Light, heat, canteen and cleaning	187,708	190,368
Repairs and maintenance	143,237	139,512
Security costs	48,161	39,415
Printing and stationery	61,407	74,751
Postage and telephone	43,916	55,529
Donations and sponsorship	65,383	62,234
Debt collection	105,236	87,203
Promotion and advertising	116,577	122,302
Training costs	140,107	98,716
AGM expenses	65,877	60,020
Travel and subsistence	37,377	41,119
Audit fee	23,678	23,678
General insurance	128,088	98,939
Share and loan insurance, DBI and SPS contributions	1,165,416	1,132,832
Legal, professional fees and repayment costs	377,943	302,431
Computer maintenance	559,007	341,525
Miscellaneous expenses	7,947	15,821
Affiliation fees	50,000	50,000
Bank charges	105,524	125,267
Regulatory levies and charges	349,932	448,696
MPCAS costs	36,568	218
<b>Total per income and expenditure account</b>	<b>3,921,355</b>	<b>3,611,730</b>



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## REPORT OF THE BOARD OVERSIGHT COMMITTEE

The Board Oversight Committee (“BOC”) operates as an independent function within Heritage Credit Union Ltd. The role and responsibility of the BOC are to oversee, on behalf of the members the performance of the Board of Directors (as defined by the Credit Union Acts 1997, as amended by the Credit Union and Co-Operation with the oversea regulations Act, 2012).The BOC assess if the Board has operated in accordance with Part IV of the Act.

The Board Oversight Committees responsibility is to the members of the Credit Union, to allow it to be an independent voice in the members’ interest.

This relates to the duties and responsibilities assigned to the Board of Directors. The BOC also monitors how well the Board activities are performed. This involves attending all Board meetings, reviewing communication and documentation. Monthly meetings are held, and the BOC review the correspondences, meeting minutes, reports, policies, and other communications as appropriate. The performance of the subcommittees and both the individual and collective workings of the Board are considered on an ongoing basis and reported back to the Board four times a year at meetings held specifically for that purpose.

The BOC is pleased to report that, in its view, a high-quality governance structure is in place and that we will continue to improve our knowledge by keeping technically up to date through attendance at Continual Professional Development Courses including CU Learn.

The BOC is satisfied that the Board functions in the members best interests. The Board held in person meetings resulting in strong communication and discussions at all meetings and held an off-site strategic day resulting in excellent collaboration and discussion.

The BOC observed strong governance with good evidence of the Board Directors having independent thought resulting in appropriate overseeing of the management’s running of the Credit Union.

I would also like to acknowledge my fellow volunteers on the Board Oversight Committee, Liam Dolan and Juracy Junyor.

**Ursula Lynam**  
**Chairperson, Board Oversight Committee**

# REPORT OF THE CREDIT COMMITTEE

The Credit Committee meets on a weekly basis to oversee the lending process, reviewing samples of applications which have been approved to ensure the correct documentation is supplied and that the member can afford to repay the loan within their current financial circumstances.

It is particularly important in the current climate with the rise in the cost of living expenses that we ensure members are not under too much financial strain by taking on additional borrowing.

Loans are granted on the members ability to repay regardless of share amounts.

When applying for a loan you may be asked to provide documentation to demonstrate the ability to repay, this may include bank statements and payslips.

Should any member find difficulties with loan repayments, the Credit Committee and loan officers are always available to work with the member to accommodate any change in circumstances.

Members now have the facility to apply online and even collect their approved loan on line, using a digital signature.

This has proved to be extremely popular with members, allowing them the convenience to collect their loans from the comfort of their own home and at a convenient time for them.

Members may also make loan repayments by phone.

The below table outlines the various purposes that loans are issued for.

Loan issued by Purpose	2024		2023	
	Volume	€	Volume	€
Home Improvement	4,456	19,637,177	4,378	18,764,187
Car Purchase / Car Repair	1,442	9,706,232	1,418	9,633,819
Mortgages	13	3,127,997	-	-
Holidays	1,332	2,601,942	1,312	2,423,362
Christmas	834	1,277,263	825	1,168,438
Medical	393	1,024,287	415	1,211,755
Educational	278	778,744	342	854,115
Wedding	131	619,620	152	817,450
Debt Consolidation	59	579,077	69	790,042
Community	2	525,000	1	130,000
Funeral Expenses	121	311,900	123	259,270
Communion / Confirmation	84	130,450	72	86,220
PMC Loans	90	56,110	68	212,710
<b>Grand Total</b>	<b>9,235</b>	<b>40,375,799</b>	<b>9,175</b>	<b>36,351,368</b>

**Anne Carroll, Chairperson**

**Mary Cullen, Secretary**

**Marie Kelly**

**Tony Croke**



## REPORT OF THE CREDIT CONTROL COMMITTEE

The function of the Credit Control Committee is to oversee the application of the Credit Control Policy of Heritage Credit Union and to ensure loan commitments are honoured by members. The Committee meets with the Credit Control function regularly to review and monitor all loans in arrears and works with them to take the appropriate steps in dealing with those loans. Regular meetings are also held with the Credit Committee.

The Committee wishes to stress the importance of maintaining contact with our Credit Union, should any member have problems with their loan repayments. Contact should be made with our Credit Controller as early as possible to discuss their problem, in complete confidence, either by phone 01-4999848 or email [creditcontrol@heritagecu.ie](mailto:creditcontrol@heritagecu.ie).

During the past financial year loans totalling €1,027,539 were written off as bad debts. However, €637,750 was recovered from loans previously written off. We are happy to report that some of the loans written off during the year have already re-commenced payments. Members should be aware that even though a loan is written off, the debt remains and is still owed to the Credit Union. The policy of the Credit Union is that all overdue debts are vigorously followed up by all possible means. Unfortunately, in some cases this may result in legal proceedings being initiated. However, this only happens when all other avenues have been exhausted.

Our Credit Union is obliged to report the status of outstanding loans on a monthly basis to the Central Credit Register (CCR). Borrowers should be aware that failing to make their agreed repayments will have a negative impact on their ability to obtain credit in the future.

The Committee would like to thank all of our members who continue to meet their loan obligations. We also thank the Credit Control staff for their continued hard work and the wider staff and management for their help and cooperation throughout the year.

**Helena Shanahan, Chairperson**  
**Ciaran O'Byrne, Secretary**  
**Daphne Byrne**

# REPORT OF THE MEMBERSHIP COMMITTEE

All membership applications are reviewed by the Membership Committee to ensure that individual credit union applicants are eligible for membership. During the year 2238 new members joined Heritage Credit Union, and an analysis by age range follows:

	2024	2023
Under 16	374	358
16-19	100	83
20-24	257	213
25-29	304	233
30-34	295	225
35-39	244	200
40-44	191	137
45-49	144	108
50-54	99	63
55-59	76	57
60-64	56	35
65-69	42	24
70-74	21	14
75-79	19	12
80-84	6	7
85+	1	4
Club	9	
<b>Total</b>	<b>2238</b>	<b>1773</b>

On 30th September 2024, our membership stood at 57,109. Over half of all new members now join the credit union online, adding to the convenience.

To be eligible for membership a person must:

- Live, work or attend an educational establishment in the area covered by our Common Bond or be a family member sharing the same residence as an existing member.
- Provide evidence of identity such as Passport, Driving Licence, or official identity card.
- Provide evidence of address such as a household bill, bank statement or official headed document, all dated within six months prior to date of application.

We wish to extend our sincere sympathy to the families and friends of members who passed away during the year.

The Committee would like to thank all the members for their ongoing support of the credit union and ask for their assistance in spreading the credit union message to a wider audience. We thank the management and staff for their assistance during the year.

**Daphne Byrne**  
**Marie Kelly**  
**Jane Barlow**

## ALL THE BENEFITS OUR MEMBERS ENJOY



# BASIC INFORMATION ABOUT THE PROTECTION OF YOUR ELIGIBLE DEPOSITS

Eligible deposits in Heritage Credit Union Ltd are protected by:	the Deposit Guarantee Scheme (“DGS”) <sup>(1)</sup>
Limit of protection:	€100,000 per depositor per credit union
If you have more eligible deposits at the same credit union:	All your eligible deposits at the same credit union are ‘aggregated’ and the total is subject to the limit of €100,000
If you have a joint account with other person(s):	The limit of €100,000 applies to each depositor separately <sup>(2)</sup>
Reimbursement period if the credit union fails	20 working days
Currency of reimbursement:	Euro
To contact the credit union for enquiries relating to your account:	Heritage Credit Union Ltd, Credit Union House, Main St, Rathfarnham, Dublin 14 Email: info@heritagecu.ie
To contact the DGS for further information on compensation:	Deposit Guarantee Scheme, Central Bank of Ireland, PO BOX 11517, Spencer Dock, North Wall Quay, Dublin 1 Tel: 1890 777777 Email: info@depositguarantee.ie
For more information:	www.depositguarantee.ie

## (1) Scheme responsible for the protection of your deposit

Your savings are covered by a statutory deposit guarantee scheme. If insolvency should occur, you will be repaid up to €100,000.

This repayment covers at maximum €100,000 per person per credit union. This means that all eligible savings at the same credit union are added up in order to determine the coverage level. If, for instance, a member holds share with €90,000 and deposits with €20,000, (s)he will only be repaid €100,000.

## (2) Limit of protection for joint accounts

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

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

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

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

# REPORT OF THE NOMINATION COMMITTEE

The activities of the Credit Union sector have become increasingly regulated in recent years, creating the need to bring a strong and professional ethos to the operation of the Board and associated committees. This new level of oversight offers you, our members, stronger protection than ever, but in turn creates a need within individual Credit Unions to continue to find people who are willing to volunteer the necessary types of support and expertise.

The nomination committee is responsible for identifying candidates for appointment to the Board of Directors, part of this process involves identifying people who may join our volunteer panel and serve on one of a number of committees\* that operate under the oversight of the Board of Directors.

We are always interested in meeting members who believe they might be able to offer some time as a volunteer member of our committees or of the Board. If you would like to find out more about what would be involved please email [Volunteer@heritagecu.ie](mailto:Volunteer@heritagecu.ie) and we will have one of the members of the Nomination Committee call you back.

\*Full list of Heritage Credit Union Committees

- Credit
- Credit Control
- Environmental, Social & Governance
- Investments
- Member Complaints
- Membership
- Remuneration
- Risk & Audit
- Strategic Planning
- Nominations
- Mortgage Committee

We would particularly encourage members, young and old, from the newer areas of the Heritage family to get involved.

If anyone wants to find out more information, a member of the team would be happy to talk.

# COMMUNITY SPONSORSHIP AWARDS NIGHT

Our Community Sponsorship Awards night in November 2024 marked a significant milestone in our community engagement program, with the distribution of €60,000 in grants to 60 local organisations. The event brought together a diverse cross-section of our community, from sports clubs and cultural groups to educational institutions and support services, all united in their commitment to making our area a better place to live.

For over 60 years, Heritage Credit Union has been woven into the fabric of our community, and as we look to the future, we're committed to strengthening these bonds further. Our Community Sponsorship Awards evening not only celebrated our existing connections but marked the launch of our ambitious new community engagement strategy.

We are focused on three key commitments that will define our approach moving forward. Firstly, through our enhanced Community Engagement Framework, we're establishing more regular, structured engagement with community groups, including site visits to witness first-hand the remarkable impact these organisations have in their localities.

Secondly, we are embracing digital storytelling to bring these community partnerships to life. Through engaging video content, we'll showcase how collaboration between the credit union and community



# COMMUNITY SPONSORSHIP AWARDS NIGHT (CONTINUED)

organisations creates lasting positive change. This approach ensures we connect with our community across all channels, whilst maintaining our personal touch.

Thirdly, we are deepening our partnerships through enhanced collaboration with local schools and educational institutions, offering one-to-one advice on accessing community finance, and working with social media personalities to highlight the strength of both the credit union and community groups. This multi-faceted approach ensures we remain relevant and accessible to all generations of our membership.

The success of this initiative stems directly from our members choosing to bank with their local credit union – a perfect circle of community support. Looking ahead, we are excited to put these commitments into action, fostering deeper connections throughout our community. As we embrace this new chapter, we remain true to our founding principle: people helping people. The connections formed during the evening, the stories shared, and the projects supported all reinforce that whilst we embrace progress, we will never lose sight of the fact that banking is about people, not just transactions.







### Main Office

Main St., Rathfarnham, Dublin 14.

Tel: 01 490 0162

Mon	9.15am - 5.00pm
Tue*	9.15am - 5.00pm
Wed	Closed
Thu	9.15am - 6.00pm
Fri	9.15am - 5.00pm
Sat	9.15am - 12.45pm

### Cabra

93 Annamoe Terrace, Cabra, Dublin 7.

Tel: 01 838 8300

Mon	Closed
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	9.15am - 1.00pm 1.45pm - 5.00pm
Thu	9.15am - 1.00pm 1.45pm - 5.00pm
Fri	9.15am - 1.00pm 1.45pm - 6.00pm
Sat	9.15am - 12.45pm

### Capel Street

145 Capel Street, Dublin 1.

Tel: 01 872 2828

Mon	9.15am - 12.45pm (Half Day)
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	9.15am - 1.00pm 1.45pm - 5.00pm
Thu	9.15am - 1.00pm 1.45pm - 6.00pm
Fri	9.15am - 1.00pm 1.45pm - 5.00pm
Sat	Closed

### Fortfield

46 Fortfield Park, Terenure, Dublin 6W.

Tel: 01 490 2565

Mon	Closed
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	9.15am - 1.00pm 1.45pm - 5.00pm
Thu	9.15am - 1.00pm 1.45pm - 5.00pm
Fri	9.15am - 1.00pm 1.45pm - 6.00pm
Sat	9.15am - 12.45pm

### Harold's Cross

244/246 Harold's Cross Road, Dublin 6W.

Tel: 01 497 4003

Mon	Closed
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	Closed
Thu	9.15am - 1.00pm 1.45pm - 5.00pm
Fri	9.15am - 1.00pm 1.45pm - 6.00pm
Sat	9.15am - 12.45pm

### Manor Street

44/44a Manor Street, Dublin 7.

Tel: 01 868 0844

Mon	9.15am - 1.00pm 1.45pm - 5.00pm
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	9.15am - 12.45pm (Half Day)
Thu	9.15am - 1.00pm 1.45pm - 6.00pm
Fri	9.15am - 1.00pm 1.45pm - 5.00pm
Sat	Closed

### Nutgrove Shopping Centre

Unit 25, Nutgrove Shopping Centre, Dublin 14.

Tel: 01 495 4833

Mon	Closed
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	9.15am - 1.00pm 1.45pm - 5.00pm
Thu	9.15am - 1.00pm 1.45pm - 6.00pm
Fri	9.15am - 1.00pm 1.45pm - 5.00pm
Sat	9.15am - 12.45pm

### Rialto

566 South Circular Road, Dublin 8.

Tel: 01 453 3047

Mon	9.15am - 1.00pm 1.45pm - 5.00pm
Tue*	Closed
Wed	9.15am - 1.00pm 1.45pm - 5.00pm
Thu	9.15am - 1.00pm 1.45pm - 5.00pm
Fri	9.15am - 1.00pm 1.45pm - 6.00pm
Sat	9.15am - 12.45pm

### Phibsboro

390/392 North Circular Road, Dublin 7.

Tel: 01 830 5177

Mon	Closed
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	9.15am - 1.00pm 1.45pm - 5.00pm
Thu	9.15am - 1.00pm 1.45pm - 6.00pm
Fri	9.15am - 1.00pm 1.45pm - 5.00pm
Sat	9.15am - 12.45pm

### Thomas Street

137 Thomas Street, Dublin 8.

Tel: 01 670 4087

Mon	9.15am - 1.00pm 1.45pm - 5.00pm
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	9.15am - 12.45pm (Half Day)
Thu	9.15am - 1.00pm 1.45pm - 6.00pm
Fri	9.15am - 1.00pm 1.45pm - 5.00pm
Sat	Closed

### Walkinstown

10 Walkinstown Green, Walkinstown, Dublin 12.

Tel: 01 450 9589

Mon	Closed
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	Closed
Thu	Closed
Fri	9.15am - 1.00pm 1.45pm - 6.00pm
Sat	9.15am - 12.45pm

### Windy Arbour

Dundrum Road, Dublin 14.

Tel: 01 298 7620

Mon	9.15am - 1.00pm 1.45pm - 5.00pm
Tue*	9.15am - 1.00pm 1.45pm - 5.00pm
Wed	Closed
Thu	9.15am - 1.00pm 1.45pm - 5.00pm
Fri	9.15am - 1.00pm 1.45pm - 6.00pm
Sat	9.15am - 12.45pm



HERITAGE  
CREDIT UNION



**\*Please note:** All offices open at 11.30am on the last Tuesday of each month to facilitate staff training.