



**ANNUAL REPORT &
ACCOUNTS 2022**



Kildare

CREDIT UNION

*Kildare Credit Union at the heart
of the Community*

**55th Annual
General Meeting**

Tuesday 13th December 2022

Kildare Credit Union Ltd., Rea House Bride Street, Kildare.



GENERAL INFORMATION

Directors

Judith Boyle (Chairperson)
 Marion Griffith (Vice Chairperson)
 Mark McLoughlin (Secretary)
 Martin Burke
 Olivia Byrne
 Seamus McDonnell
 Peadar Kearney
 Geraldine Lynch (Resigned May 2022)
 Aidan Broughall (Appointed June 2022)
 John Rochford (Resigned August 2022)
 Sandra Doolan (Appointed September 2022)

CEO

Michelle Kemmy

Board Oversight Committee

Noel McLoughlin (Chairperson)
 Paula Kavanagh (Resigned August 2022)
 Patricia Kelly
 Aidan McKeown (Appointed September 2022)

Staff

Michelle Kemmy (CEO)
 Justin Blennerhassett (*Compliance & Risk Officer*)
 Amanda McCullagh (*Office Supervisor, Kilcullen*)
 Pauline Mooney (*Office Supervisor, Narraghmore*)
 Patricia Clarke, Madeline Purcell,
 Veronica O'Toole, Annette Irwin,
 Annette Byrne, Colette Phelan, Yvonne Stynes,
 Paul Loughman, Teresa Kelly, Fiona Duffey
 Dympna Vaughan (*retired October 2022*)

Auditor

BCA Tax & Business Consultants Limited
 Clonminch House, Clonminch Hi-Technology
 Park, Tullamore, Co. Offaly.

Bankers

Bank of Ireland, The Square, Kildare

Registered Address

Rea House, Bride Street, Kildare.

Sub Offices

Kilcullen Office,
 Credit Union House, Main Street, Kilcullen
 Narraghmore Office,
 Narraghmore, Ballytore, Co. Kildare

Opening Hours

Kildare office

Tues – Thurs 9am to 4pm, Fri 9am to 5pm,
 Sat 9am to 1pm. Open through lunch Tues –
 Fri

Kilcullen office

Tues - Fri 9am to 4pm, Sat 9am - 1pm
 Closed for Lunch 1pm - 2pm

Narraghmore office

Mon, Tues, Fri 9am to 4pm,
 Closed for Lunch 1pm - 2pm

Email Addresses:

Kildare office: info@kildarecu.ie
Kilcullen office: kilcullenbranch@kildarecu.ie

Narraghmore office:

narraghmorebranch@kildarecu.ie

Telephone: 045-521928

Website: www.kildarecu.ie

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CREDIT UNION INVOCATION

Lord	O Divine Master
Make me an instrument of Thy peace;	Grant that I may not so much seek
Where there is hatred, let me sow love;	To be consoled as to console;
Where there is injury, pardon;	To be understood as to understand;
Where there is doubt, faith;	To be loved as to love;
Where there is despair, hope;	For it is giving that we receive;
Where there is darkness, light;	It is in pardoning that we are pardoned;
And where there is sadness, joy;	And it is in dying that we are born to eternal life.



AGENDA OF THE MEETING

1. Welcome and Invocation
2. Acceptance of representatives of members that are not natural persons
3. Ascertainment that a quorum is present
4. Adoption of standing orders
5. Reading, approval (or correction) of the minutes of the 2021 Annual General Meeting
6. Report of the Board of Directors and consideration of accounts
7. Report of the Auditor
8. Report of the Board Oversight Committee
9. Recommendation of dividend and loan interest rebate
10. Report of the Credit Committee
11. Report of the Credit Control Committee
12. Report of the Membership Committee
13. Promotion and Development Report
14. Report of the Nomination Committee
15. Consideration and approval of rule amendments
16. Elections
 - a) Auditor
 - b) Board Oversight Committee members
 - c) Board of Directors
17. Any other business
18. Announcement of election results
19. Adjournment or close of meeting



STANDING ORDERS FOR KILDARE CREDIT UNION LIMITED

1. VOTING

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

2-3 ELECTION PROCEDURE

2. Elections to the Board of Directors, to the Board Oversight Committee and the position of Auditor shall be by majority vote and by secret ballot.
3. When nominations are announced tellers shall be appointed by the Chair and ballot papers shall be distributed. Nominations shall be in the following order:
 - (a) nominations for Auditor;
 - (b) nominations for members of the Board Oversight Committee;
 - (c) nominations for Directors.

When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot and by majority vote. When the votes have been counted by the tellers, the results shall be announced by the Chair.

In the event that all vacancies are not filled by the first ballot further ballots shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure one further ballot shall be taken and should that ballot fail to determine the issue, the vacancies shall be filled by lot from among such candidates having an equality of votes.

4 - 9 MOTIONS

4. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.
5. A proposer of a motion may speak for such period as shall be at the discretion of the Chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
6. In exercising his/her right of reply, a proposer may not introduce new material.
7. The seconder of a motion shall have such time as shall be allowed by the Chair to second the motion.
8. Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chair.
9. The Chair shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.



10 - 15 MISCELLANEOUS

10. The Chair of the Board of Directors shall be the Chair of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chair, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chair of any general meeting.
11. The Chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.
12. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chair.
13. The Chair's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
14. No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the Board of Directors.
15. Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

16. SUSPENSION OF STANDING ORDERS

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

17. ALTERATION OF STANDING ORDERS

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

18. ADJOURNMENTS

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



Statement of Credit Union Operating Principles as adopted at Annual General Meeting of the Irish League of Credit Unions 1984

- 1. Open and voluntary membership.** Membership is voluntary and open to all within the common bond.
- 2. Democratic control.** Members enjoy equal rights to vote (one member, one vote). The autonomous nature of the Credit Union recognises, within the framework of law and regulation, the cooperative enterprise serving its members and which is controlled by them.
- 3. Limited dividends on capital.** Permanent equity capital, where it exists in the Credit Union, receives limited dividends.
- 4. Return on savings and deposits.** To encourage thrift through savings and thus provide loans and other member services, a fair rate of interest is paid on savings and deposits, within the capability of the Credit Union.
- 5. Return of surplus to members.** Any surplus arising after ensuring appropriate reserve levels and after payment of dividends belongs to and benefits all members, with no member or group of members benefiting to the detriment of others.
- 6. Non-discrimination in race, religion and politics.** Operating decisions and the conduct of business are based on member needs, economic factors and sound management principles and are non-discriminatory in relation to race, nationality, sex, religion and politics.
- 7. Service to members.** Credit Union services are directed towards improving the economic and social well-being of all members whose needs shall be a permanent paramount consideration rather than towards the maximising of surpluses.
- 8. On-going education.** Credit Unions actively promote the education of their members, officers and staff along with the public in general, in the economic, social democratic and mutual self-help principles of Credit Unions. The promotion of thrift and the wise use of credit, as well as education on the rights and responsibilities of members are essential to the dual social and economic character of Credit Unions in serving member needs.
- 9. Co-operation among co-operatives.** Credit Unions, within their capability, actively co-operate with other Credit Unions, co-operatives and their associations at local, national and international level in order to best serve the interest of their members and their community.
- 10. Social responsibility.** Credit Unions seek to bring about human and social development. Their vision of social justice extends both to the individual members and to the larger community in which they work and reside. The Credit Union ideal is to extend service to all who need and can use it. Every person is either a member or a potential member and appropriately part of the Credit Union sphere of interest and concern. Decisions should be taken with full regard for the interests of the broader community within which the Credit Union and its members reside.



REPORT OF THE BOARD OF DIRECTORS

CHAIRPERSON'S ADDRESS

On behalf of the Board of Directors of Kildare Credit Union, I welcome you to our 55th AGM. I extend a very warm welcome to members, to the president of the Irish League of Credit Unions Helene McManus, the auditor Paul Kelly from BCA and to representatives from neighbouring credit unions.

The Board of Directors is delighted to hold a physical AGM this year where we can meet and have a cup of tea with the members which we sorely missed doing over the last two years.

The annual report shows Kildare Credit Union to be in a strong and viable position with prudent reserves of €10.5 million resulting in the regulatory reserve standing at 12.72% of total assets of €83.2million. A surplus of €758,161 was achieved after recognising a pension deficit of €327,950 and the bad debt recovery of €365,872 shows the amazing contribution of borrowers to repay past commitments. These results have been achieved by the continued support from the members, hard work and dedication by the Board of Directors, the management team and staff across the three offices in Kildare, Kilcullen and Narraghmore.

The loan book increased ever so slightly by 1.36% in the last year from €16,633,758 to €16,861,266. There is a lot of uncertainty with the cost of living increasing dramatically so we are seeing a current reluctance to borrow. Loans are the most important asset to the credit union, they are its lifeblood. By borrowing and repaying the loans, members are ensuring the continued success and future of Kildare Credit Union. I would urge all members to use Kildare Credit Union for their financial needs.

As we have seen over the past few years with Brexit, COVID and now the war in Ukraine, unforeseen risks and challenges are becoming more frequent in their occurrence. After significant consideration of the current economic environment, the outlook for interest rates and the need to manage the levels of reserves, the Board of Directors recommend a dividend distribution of 0.10% which will cost €67,220 and a loan interest rebate of 2.5%, a cost of €33,364.

The Board of Directors is fully committed to act in a prudent manner to protect members' savings. This year was the first year in a long time that the surplus did not need to be transferred to reserves to restore the regulatory reserve ratio. This is all thanks to the members for their understanding when the Board of Directors needed to introduce savings caps to manage the reserves position. The Board of Directors is fully committed to reviewing the savings caps in 2023 as part of their strategic objectives. The Board of Directors and management are in the process of introducing direct debit facilities for members in early 2023 with the view to applying for Central Bank approval for the provision of current accounts later in the year.

The Board of Directors manage your credit union with great care and professionalism. I thank my fellow board of directors for their diligence, commitment but most of all for giving up of their free time to attend board meetings and to serve on the various committees. I thank the Board Oversight Committee who oversee the Board to ensure that it adheres to the regulations of the Credit Union Act 1997 (as amended). I extend thanks to our CEO Michelle, the management team and all the staff for their continued hard work and dedication to Kildare Credit Union.

This year saw a lot of change on the Board of Directors and Board Oversight Committee as society reopened and lifestyles were reevaluated. I wish to thank valued volunteers John Rochford, Marion Griffith, Paula Kavanagh and Geraldine Lynch for their commitment, dedication and service to Kildare Credit Union. A long-standing member of staff Dympna Vaughan retired in October 2022 and I wish her all the very best in her retirement.

Recently, Credit Unions claimed first place in the Ireland Sustainability RepTrak 2022 Index for being a positive influence on society, improving the lives of others and being fair, ethical, open and transparent in the way they run their business. Remember, Kildare Credit Union is your credit union, supporting the communities of Kildare, Kilcullen and Narraghmore for 55 years. Be proud to be a credit union member and thank you for your continued support.

Judith Boyle



REPORT OF THE BOARD OF DIRECTORS

For the year ended 30 September 2022

The directors present their report and the audited financial statements for the financial year ended 30 September 2022.

Principal activities

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

Authorisations

The credit union is authorised as follows:

- A Credit Union entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.

Business Review

The directors are satisfied with both the level of business and the year-end financial position. The directors expect to develop and expand the current activities of the Credit Union and they are confident of its ability to operate successfully into the future. During the year the Credit Union incurred a liability of €327,950 to the Irish League of Credit Union's Defined Benefit ("ILCU DB") pension funding plan. This has been disclosed in Note 7 of the accounts. A Savings Protection Scheme ("SPS") refund of €350,477 was receivable in the period, 90% of this refund was received as at 30 September 2022.

The ongoing effects of the war in Ukraine, high inflation and heightened uncertainty are reducing consumer and business confidence. There is a lot of uncertainty with high inflation reducing the real disposable incomes of households, volatility of gas prices across Europe and the changing interest rate environment. This uncertainty may have implications on the credit union's ability to grow its loan book and generate income.

Results and distributions to members

The excess income over expenditure for the year is set out in the Income & Expenditure account on page 13.

The Board propose to the membership a payment of dividend and a rebate of loan interest for the current year in line with note 6 in the financial statements, subject to agreement by the membership at the Annual General Meeting.

Principal Risks and Uncertainties

The main financial risks arising from the activities of Kildare Credit Union Limited are credit risk, liquidity risk, interest rate risk and continuous compliance with regulatory and legislative requirements. The Board reviews and agrees policies for managing each of these risks which are summarised at Note 25.

Post balance sheet events

There were no significant events affecting the Credit Union since the balance sheet date.



REPORT OF THE BOARD OF DIRECTORS

For the year ended 30 September 2022

Directors

The present membership of the Board is as set out on the inside of the front cover.

In accordance with Section 53 of the Credit Union Act 1997 (as amended) five directors of the Credit Union are required to retire from the Board at this year's Annual General Meeting, and being eligible, two directors will offer themselves for re-election. There will be one new director for election. Two directors co-opted during the year to full vacancies offer themselves for election.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Section 108 of the Credit Union Act 1997 (as amended), regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the Credit Union are maintained at the Credit Union's premises at Rea House, Bride Street, Kildare.

Auditors

The auditors, BCA Tax & Business Consultants Limited, have indicated their willingness to continue in office in accordance with the provisions of Section 115 of the Credit Union Act 1997 (as amended).

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

Judith Boyle
Director
Date: 25th October 2022

Mark McLoughlin
Director
Date: 25th October 2022



STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and generally accepted accounting practice in Ireland including the accounting standards issued by the Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Credit Union and to enable them to ensure that the financial statements comply with the Credit Union Act 1997 (as amended). 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. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board of Directors

Judith Boyle
Director
Date: 25th October 2022

Mark McLoughlin
Director
Date: 25th October 2022



STATEMENT OF BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES

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

Noel McLoughlin
Chairperson of the Board Oversight Committee
Date: 25th October 2022



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

For the year ended 30 September 2022

Opinion

We have audited the financial statements of Kildare Credit Union Limited for the financial year ended 30 September 2022 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the Credit Union's affairs as at 30 September 2022 and of its income and expenditure for the year then ended;
- have been prepared in accordance with Generally Accepted Accounting Practice in Ireland; 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 described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard, and the provisions available to small entities, in the circumstances set out in Note 26 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.



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

For the year ended 30 September 2022

Other matters prescribed by the Credit Union Act 1997 (as amended)

In our opinion, based on the work undertaken in the course of the audit:

- We have obtained all the information and explanations which we considered were necessary for the purposes of our audit;
- In our opinion proper accounting records have been kept by the Credit Union; and
- The financial statements are in agreement with the accounting records.

Respective Responsibilities

Responsibilities of Directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of Auditors for the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error

and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-968f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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

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

Paul Kelly F.C.A
For & on behalf of

BCA Tax & Business Consultants Limited
Chartered Accountants and Statutory Auditors
Clonminch House
Clonminch Hi-Technology Park
Tullamore
Co. Offaly

25th October 2022

INCOME AND EXPENDITURE ACCOUNT

For the year ended 30 September 2022

		2022	2021
		€	€
Income:	Schedule		
Interest on loans	1	1,324,048	1,327,615
Members' deposits & other interest expenses & similar charges		(3,768)	-
Other interest income and similar income	2	<u>421,042</u>	<u>456,246</u>
Net interest income		1,741,322	1,783,861
Other income	3	15,285	12,108
Other gains	4	<u>350,477</u>	-
Total income		2,107,084	1,795,969
Expenditure			
Salaries		458,196	460,432
Other management expenses	5	838,625	823,327
Depreciation		67,049	70,639
Other losses	6	342,775	13,048
Bad debts recovered		(365,872)	(264,652)
Bad debts written off	Note 12	<u>8,150</u>	<u>4,148</u>
Total expenditure		<u>1,348,923</u>	<u>1,106,942</u>
Excess of income over expenditure for the year		758,161	689,027
Other comprehensive income		-	-
Total comprehensive income		<u>758,161</u>	<u>689,027</u>

These financial statements were approved and authorised for issue by the Board on 25th October 2022

Signed on Behalf of the Credit Union

Michelle Kemmy, CEO

Date: 25th October 2022

Noel McLoughlin, Member of the Board Oversight Committee

Date: 25th October 2022

Judith Boyle, Member of the Board of Directors

Date: 25th October 2022

The notes on pages 17 to 35 form part of these financial statements.





BALANCE SHEET

For the year ended 30 September 2022

	Note	2022 €	2021 €
Assets:			
Cash and balances at bank	10	1,357,679	364,782
Deposits and investments - cash equivalents	11	13,352,958	16,506,814
Deposits and investments - other	11	51,068,651	49,282,657
Loans to members	12	16,861,266	16,633,758
Less: provision for bad debts	13	(1,124,361)	(1,221,482)
Tangible fixed assets	14	1,451,659	1,504,115
Debtors, prepayments and accrued income	15	302,734	287,428
Total assets		83,270,586	83,358,072
Liabilities			
Members' shares	16	66,786,461	67,502,010
Members' deposits	17	3,565,786	3,978,551
Members' deposit interest (net of dirt)		2,525	-
Other liabilities, creditors, accruals and charges	18	351,950	71,808
Total liabilities		(70,706,722)	(71,552,369)
Net assets		12,563,864	11,805,703
Reserves			
Regulatory reserve		10,587,000	10,587,000
Operational risk reserve		600,000	600,000
Other reserves			
Realised reserves		1,341,816	618,703
Unrealised reserves		35,048	
Total reserves		12,563,864	11,805,703

These financial statements were approved and authorised for issue by the Board on 25th October 2022

Signed on Behalf of the Credit Union

Michelle Kemmy, CEO

Date: 25th October 2022

Noel McLoughlin, Member of the Board Oversight Committee

Date: 25th October 2022

Judith Boyle, Member of the Board of Directors

Date: 25th October 2022

The notes on pages 17 to 35 form part of these financial statements.



STATEMENT OF CHANGES IN RESERVES

For the year ended 30 September 2022

	Regulatory Reserves €	Operational Risk Reserves €	Undistributed Surplus €	Unrealised Reserves €	Total Reserves €
Balance 1 October 2020	9,911,000	500,000	705,676	11,116,676	
Surplus for the year	-	-	689,027	-	689,027
Payment of dividend and loan interest	-	-	-	-	-
Transfer between reserves	676,000	100,000	(776,000)	-	-
Balance 1 October 2021	10,587,000	600,000	618,703	-	11,805,703
Surplus for the year	-	-	758,161	-	758,161
Transfer between reserves	-	-	(35,048)	35,048	-
Balance 30 September 2022	10,587,000	600,000	1,341,816	35,048	12,563,864

(1) The Regulatory reserve of the Credit Union as % of total assets as at 30 September 2022 was 12.72%. (2021: 12.7%).

(2) In accordance with S45 of the Credit Union Act 1997 (as amended) Kildare Credit Union Limited has an Operational Risk reserve in place. The Board has not transferred additional funds to the Operational Risk reserve in the current period, following the completion of an internal process of assessing the level of the reserve required to cover the operational risk within the Credit Union.

(3) The Board of Kildare Credit Union Limited has not transferred any additional funds from Realised reserves to its Regulatory reserve as the reserve stood at 12.72% at current year end, in excess of the required limit of 10%.

Signed on behalf of the Credit Union

Michelle Kemmy

Noel McLoughlin

Judith Boyle

Member of the Board Oversight Committee

Member of the Board of Directors

Date: 25th October 2022



CASH FLOW STATEMENT

For the year ended 30 September 2022

	2022	2021
	€	€
Opening cash and cash equivalents	16,871,596	16,179,767
Cash flows from operating activities		
Loans repaid	7,525,544	7,857,920
Loans granted	(7,858,324)	(7,266,515)
Loan interest received	1,324,405	1,330,724
Investment interest received	421,676	428,349
Bad debts recovered	365,872	264,652
Operating expenses	(1,303,796)	(1,279,824)
Other losses	(38,150)	-
Other receipts	330,714	12,108
Net cash flows from operating activities	<u>767,941</u>	<u>1,347,414</u>
Cash flows from investing activities		
Fixed asset (purchases)/disposals	(14,592)	(72,625)
Net cash flow from managing investments	<u>(1,785,994)</u>	<u>(5,216,666)</u>
Net cash flows from investing activities	<u>(1,800,586)</u>	<u>(5,289,291)</u>
Cash flows from financing activities		
Members shares received	20,898,844	25,365,767
Members deposits received	1,704,249	2,077,846
Members shares withdrawn	(21,614,393)	(20,621,001)
Members deposits withdrawn	<u>(2,117,014)</u>	<u>(2,188,906)</u>
Net cash flows from financing activities	<u>(1,128,314)</u>	<u>4,633,706</u>
Net (decrease)/increase in cash and cash equivalents	<u>(2,160,959)</u>	<u>691,829</u>
Closing cash and cash equivalents	<u>14,710,637</u>	<u>16,871,596</u>
Signed on behalf of the Credit Union		

Michelle Kemmy, CEO

Date: 25th October 2022

Noel McLoughlin, Member of the Board Oversight Committee

Date: 25th October 2022

Seamus McDonnell, Member of the Board of Directors

Date: 25th October 2022



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

1. Legal and regulatory framework

Kildare Credit Union Limited is established under the Credit Union Act 1997 (as amended). The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is Rea House, Bride Street, Kildare.

2. Accounting policies

2.1. Basis of preparation

The financial statements have been prepared on the going-concern basis and in accordance with accounting standards generally accepted in the UK and Republic of Ireland (as issued by the Financial Reporting Council) and the Credit Union Act 1997 (as amended). The financial statements are prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

2.2. Statement of compliance

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

2.3. Going concern

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

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

2.4. Currency

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

2.5. Revenue Recognition

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

Interest on Members' Loans

Interest on Members Loans is recognised on an accruals basis using the effective interest rate method in accordance with FRS 102 and Section 110(1)(D) of the Credit Union Acts 1997 (as amended). An approximation of the effective interest rate method is calculated by taking the interest accrual at the reporting period adjusted for any accrual relating to impaired loans.

Investment Income

The Credit Union currently only has investments that are valued at amortised cost, and uses the effective interest rate method to recognise investment income.

Other Income

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



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

2.6. Taxation

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

2.7 Tangible fixed assets

Tangible Fixed Assets are initially stated at cost or at valuation, less accumulated depreciation and impairment losses. The charge for depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Freehold Premises	-	2% Straight line
Computer Equipment	-	25% Straight line
Fixtures & fittings	-	20% Straight line

Tangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that carrying values may not be recoverable. If any such indication exists and where the carrying value exceeds the net recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of tangible assets, property, plant and equipment is the greater of open market value and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined by the income generating unit to which the asset belongs. When the recoverable amount of the income generating unit is less than the carrying amount, an impairment loss is recognised.

2.8. Cash and cash equivalents

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

2.9. 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.

2.10. Financial instruments

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

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

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



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

2.11. Basic financial assets

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

Loans to members

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

Investments held at amortised cost

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

Central bank deposits

Credit Unions are obliged to maintain certain deposits with the Central Bank. These deposits are technically assets of the Credit Union but to which the Credit Union has restricted access. The funds on deposit with the Central Bank attract nominal interest and will not ordinarily be returned to the Credit Union while it is a going concern. The amounts are stated at the amount deposited plus accrued income and are not subject to impairment reviews.

2.12. Impairment of financial assets

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

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

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

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

Bad and Doubtful Debts

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

Credit risk is identified, assessed and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is doubt about their recoverability. Loan loss provisioning is monitored by the Credit Union, and the Credit Union assesses and approves its provisions and provision adequacy on a quarterly basis. Key assumptions underpinning the Credit Union's estimates of collective provisions for loans with similar credit risk characteristics, and, Incurred But Not Reported provisions ("IBNR") are based on the historical experiences of the Credit Union allied to the Credit Union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the Credit Union operates. If a loan is impaired, the impairment loss is the difference between the carrying amount of the loan and the present value of the expected cash flows discounted at the asset's original effective interest rate taking account of pledged shares and other security as appropriate. Assumptions are back tested with the benefit of experience. After a period of time, when it is concluded that there is no real prospect of recovery of loans/part of loans which have been subjected to a specific provision, the Credit Union writes off that amount of the loan deemed irrecoverable against the specific provision held against the loan.

2.13. De-recognition of financial assets

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

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

2.14. Basic financial liabilities

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

Financial liabilities members' shares

Members' shares, money management accounts and deposits 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.

Other payables

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

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.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

2.15. De-recognition of financial liabilities

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

2.16. Pensions

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

The scheme is a multi-employer Scheme and due to the nature of the Scheme, it is not possible for Kildare Credit Union Limited to separately identify its share of the Scheme's underlying assets and liabilities. Consequently, it accounts for the Scheme as a defined contribution plan.

The Credit Union also funds pension benefits for certain other employees over the employees' period of service by way of defined contributions paid to approved PRSA's held with Zurich Life Assurance plc and New Ireland plc. Contributions to both pension schemes are based on a fixed percentage of employee's annual salary and the charge in the Income and Expenditure Account reflects contributions paid and payable in respect of the year ended 30 September 2022.

2.17. Transfers of Engagements

Business combinations relating to acquiring control of trade and assets to form one or more businesses are accounted for using the purchase method.

The cost of a business combination is measured at the aggregate of the fair values, at the acquisition date, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

Where control is achieved in stages, the cost of the business combination is the aggregate of the fair values of the assets given, liabilities incurred or assumed, and equity instruments issued at the date of each transaction in the series.

Where the business combination requires an adjustment to the cost contingent on future events, the estimated amount of that adjustment is included in the cost of the combination at the acquisition date providing it is probable and can be measured reliably. Where it is not recognised at the acquisition date but subsequently becomes probable and can be measured reliably, the additional consideration is treated as an adjustment to the cost of the combination.

As at 30 September 2022, Kildare Credit Union Limited owe €1,884 to the Irish League of Credit Unions acting through the Savings Protection Scheme (SPS) administration committee, based on funds received by a transferor Credit Union prior to merger and this amount is included in creditors at the year end.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

2.18. Reserves

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

Operational Risk reserve

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

Non-Distributable Investment Income reserve

Investment income that has been recognised in the financial statements but will not be received within 12 months of the Balance Sheet date is classified as "non-distributable" and is not distributable as a dividend in accordance with Section 31 of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. A reclassification between non-distributable and distributable is made as investments come to within 12 months of maturity date.

2.19. Distribution Policy

In respect of each financial year, the Credit Union will allocate surplus funds to the Regulatory Reserve and other reserves in accordance with the provisions of the Credit Union Act 1997 (as amended) and guidance issued by the Central Bank of Ireland. The Board of directors may also decide to hold reserves in excess of minimum statutory requirements, taking prudent account of the scale and complexity of the Credit Union's business, its risk profile and prevailing market conditions. The dividend payment is based on the distributable income of the Credit Union after meeting its reserve requirements. Dividends to the Credit Union's members are recognised as a liability of the Credit Union when approved by the Credit Union's shareholders at the Annual General Meeting.

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

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

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.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

Impairment losses on loans to members

The Credit Union's accounting policy for impairment of financial assets is set out in the accounting policy in Note 2.12. 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.

Impairment of buildings

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

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 ORR. Kildare Credit Union Limited 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 ORR.

Pensions

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

- Scheme assets are not segregated or tracked by contributing employers. There is insufficient information to appropriately allocate the assets to individual employers as contributions paid are pooled in a single fund and none of the contributing employers have separately segregated asset pools.

- Orphan members are those members (including pensioners) who previously contributed to the scheme where their employer has paid an exit cost and as a result has no further liability to the scheme. A pension liability continues to exist for these individual members. There is uncertainty around where the obligation rests in respect of orphan members currently and into the future.

- The Funding Plan calculations are based on each employer's share of liabilities at a point in time. This does not infer that each employer is contributing towards its liabilities. The determination of the contribution rate is a point in time assessment and is not updated subsequently for changes in the employers' liability that may occur in the future. Subsequently, as the profile of the scheme continues to change, there will continue to be a natural cross subsidisation.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

4. Staff costs

The average number of persons employed by the Credit Union during the financial year, was as follows:

	2022	2021
	Number	Number
Management and Staff	14	14

The aggregate payroll costs incurred during the financial year were:

	2022	2021
	€	€
Wages and salaries	414,322	416,259
Social insurance costs	43,874	44,173
Other retirement benefit costs	24,462	28,052
	<u>482,658</u>	<u>488,484</u>

5. Key Management Personnel

The directors of Kildare Credit Union Limited are all unpaid volunteers. The remuneration of key management was as follows;

	2022	2021
	€	€
Remuneration	218,441	218,492
Pension contributions	17,306	21,547
	<u>235,747</u>	<u>240,039</u>

6. Dividends and Loan Interest Rebate

The directors recommend the following distributions, subject to agreement by the membership at the Annual General Meeting:

	2022	2022	2021	2021
	Rate %	€	Rate %	€
Gross Dividend on Shares	0.10%	67,220	0.00%	-
Loan Interest Rebate	2.50%	33,364	0.00%	-



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

7. Pensions

The ILCU Group and individual credit unions participate in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees.

The ILCU is the principal employer for the Scheme. In this role it consents to the participation of employers in the Scheme, it appoints 2 of the 4 trustees to the Scheme and is consulted on the setting of the contribution rate. If credit unions exit the Scheme, they are required to pay to the trustees the exit amount which the trustees determine is required to fund benefits in respect of their active, deferred and pensioner members. The exiting credit union thereby settles any liability they have to contribute to the Scheme in the future.

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

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

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

The assets and liabilities of the Scheme and the key assumptions are included in the table below at the respective dates of the Funding Plan and the last triennial valuation date in the table below:



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

	31 Mar 2022	31 Dec 2021
	€'m	€'m
Assets	283.4	250.0
Liabilities	377.1	291.8
Deficit	93.7	41.8

	2022	2021
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Assumptions used:

- Investment return in the period pre-retirement	3.35%	3.50%
- Investment return while in receipt of pension	0.25%	0.40%
- Investment return while in receipt of pension	2.05%	1.25%
- Annual increases to pension in payment	3%/0%	3%/0%
Life expectancy*		
- 65 year old male lives to age	87	86
- 65 year old female lives to age	89	88
- Amount of pension exchanged for tax-free cash at retirement	0%	25%

* Based on 58% of ILT15 (Males), 62% of ILT15 (Females) and annual improvement to annuity rates post retirement of: Males: 0.30%, Females: 0.25% (improvements from 2014)

The ILCU Group's liability in respect of the funding plan based on outstanding contributions payable under the funding plan is set out in the table below:

	31 Dec 2022	31 Dec 2021
	€'m	€'m
Retirement Benefit Liability	10.3	-

Kildare Credit Union Limited paid €38,150 in part payment of the deficit funding plan during the year ended 30 September 2022. The total liability of Kildare Credit Union Limited was €327,950 and a balance of €289,800 is owed at the 30 September 2022 (Note 18).



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

8. Rates of Interest Charged on Members' Loans

The Credit Union charges rates of interest as follows:

	Per Month	APR
Standard Loans 8.9% per annum	0.74%	9.30%
Winter Warmer Loans 7.5% per annum	0.63%	7.80%
Community Loans 6.9% per annum	0.58%	7.12%
Student Loans 6.5% per annum	0.54%	6.70%
Home Renovation Loans 6.25%	0.52%	6.45%
Share Secured Loans 6% per annum	0.50%	6.20%
'It Makes Sense' Loans 12%	1.00%	12.70%
CU Greener Homes BER rating A	0.40%	4.90%
CU Greener Homes BER rating B2+	0.48%	5.96%
CU Greener Homes BER rating All Others	0.64%	7.98%
Standard Loans 12.0% per annum (Narraghmore) *	1.00%	12.70%

* Rates of interest applicable to existing loans at the respective dates of Transfer of Engagements.

9. Rates of Interest Paid on Members' Deposits

The Credit Union charges rates of interest as follows:

	Per Month	APR
A rate of interest of 0.10% is provided for on members' deposits at 30 September 2022.	N/a	0.10%



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

10. Cash and cash equivalents	2022	2021
	€	€
Cash at bank and in hand	1,357,679	364,782
Short-term deposits	13,352,958	16,506,814
	<u>14,710,637</u>	<u>16,871,596</u>
11. Deposits and Investments	2022	2021
	€	€
Deposits and investments - cash and cash equivalents	13,352,958	16,506,814
Deposits and investments - other	51,068,651	49,282,657
	<u>64,421,609</u>	<u>65,789,471</u>

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

	2022	2021
	€	€
Irish & EEA State Securities	1,352,754	1,418,298
Accounts in Authorised Credit Institutions	44,656,084	47,104,935
Bank Bonds	17,756,311	14,960,166
Central Bank Deposits	656,460	1,306,072
Other	-	1,000,000
Total Per Balance Sheet	<u>64,421,609</u>	<u>65,789,471</u>

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

	2022	2021
	€	€
Aa3	4,993,710	5,003,557
Aa2	1,009,068	1,023,103
A1	23,392,287	15,942,110
A2	25,914,954	31,709,263
A3	2,000,000	2,000,000
Baa1	3,000,000	4,000,000
Baa2	4,111,590	6,111,438
Total Investments	<u>64,421,609</u>	<u>65,789,471</u>



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

12. Movement in Loans During the Year	2022	2021
	€	€
Opening Loan Balance 1 October 2021	16,633,758	17,279,063
Loans Granted During the Year	7,858,324	7,266,515
Loans Repaid During the Year	(7,525,545)	(7,857,919)
Loans Written Off During the Year	(105,271)	(53,901)
Closing Loan Balance 30 September 2022	<u>16,861,266</u>	<u>16,633,758</u>

Loans written off during the year are included in the Income and Expenditure account net of attached Bad Debt Provisions as outlined in Note 13.

12.1. Analysis of Gross Loans Outstanding as at 30 September 2022

By Time Period	2022		2021	
	Number of Loans	Amount €	Number of Loans	Amount €
Less than 1 year	513	812,749	486	811,524
>1 year and <3 years	832	4,116,310	838	4,068,687
>3 years and <5 years	684	6,912,635	608	6,436,603
>5 years and <10 years	157	4,636,604	163	4,796,208
>10 years and <25 years	6	382,968	8	520,736
>25 years	-	-	-	-
Total	<u>2,192</u>	<u>16,861,266</u>	<u>2,103</u>	<u>16,633,758</u>

13. Movement in Bad Debt Provisions During the Year

	2022	2021
	€	€
Opening Provision Balance 1 October 2021	1,221,482	1,271,235
Net Movement in Bad Debt Provision During the Year for Loans Currently Outstanding	-	-
Decrease in Bad Debt Provision as a Result of Loan Write Offs Previously Provided For	(97,121)	(49,753)
Closing Provision Balance 30 September 2022	<u>1,124,361</u>	<u>1,221,482</u>

Breakdown of Closing Provision Balance 30 September 2022

	2022	2021
	€	€
Individually Significant Loans	261,843	219,251
Collectively Assessed Loans	455,947	229,090
Other Impaired Loans	406,571	773,141
Closing Provision Balance 30 September 2022	<u>1,124,361</u>	<u>1,221,482</u>



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

14. Tangible Fixed Assets

	Freehold Premises €	Fixtures & Fittings €	Computer Equipment €	Total €
Cost or valuation				
At 1 October 2021	1,548,500	449,711	567,955	2,566,166
Additions	-	5,619	8,973	14,592
At 30 September 2022	<u>1,548,500</u>	<u>455,330</u>	<u>576,928</u>	<u>2,580,758</u>
Depreciation				
At 1 October 2021	122,542	422,550	516,958	1,062,050
Charge for the financial year	30,970	12,459	23,620	67,049
At 30 September 2022	<u>153,512</u>	<u>435,009</u>	<u>540,578</u>	<u>1,129,099</u>
Net Book Value				
At 30 September 2022	<u>1,394,988</u>	<u>20,321</u>	<u>36,350</u>	<u>1,451,659</u>
Net Book Value				
At 30 September 2021	<u>1,425,958</u>	<u>27,161</u>	<u>50,997</u>	<u>1,504,116</u>

Tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that their carrying value may be impaired. During the year ended 30 September 2022, the Credit Union carried out an impairment review of the carrying value of its freehold premises. This review indicated that the recoverable amount is greater than the carrying value of the freehold premises, and therefore no impairment is recognised.

15. Debtors, Prepayments and Accrued Income

	2022 €	2021 €
Loan Interest Income Receivable	31,183	31,540
Investment Income Receivable	189,796	205,255
Other Debtors and Receivables	81,755	50,633
Total Per Balance Sheet	<u>302,734</u>	<u>287,428</u>

16. Members' Shares

	2022 €	2021 €
Regular Share Accounts	66,786,461	67,502,010
Total Per Balance Sheet	<u>66,786,461</u>	<u>67,502,010</u>



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

17. Members' Deposits

	2022 €	2021 €
Deposits on demand	3,565,786	3,978,551
Total Per Balance Sheet	<u>3,565,786</u>	<u>3,978,551</u>

18. Other Liabilities, Creditors, Accruals and Charges

	2022 €	2021 €
Audit Fee	12,915	12,915
Pension deficit accrual	289,800	-
Other accrued expenses	36,851	47,905
Taxation creditors		
PAYE/PRSI	11,141	10,988
DIRT	1,243	-
	<u>351,950</u>	<u>71,808</u>

19. Post Balance Sheet Events

There were no significant events affecting the Credit Union since the balance sheet date.

20. Capital commitments

There were no known capital commitments that would require disclosure in the financial statements.

21. Insurance Against Fraud

The Credit Union has insurance against fraud in compliance with Section 47 of the Credit Union Act, 1997(as amended) in the amount of €5.2 million.

22. Contingent Liabilities

Kildare Credit Union Limited had no contingent liabilities at the current or prior Balance Sheet date.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

23. Credit Risk Disclosures

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

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

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

	2022	2022	2021	2021
	€	%	€	%
	Amount		Amount	
Loans Not Impaired				
Not Past Due	15,076,804	89.42%	14,541,118	87.42%
Up to 9 Weeks Past Due	41,208	0.24%	35,066	0.21%
Between 10 and 18 Weeks Past Due	2,641	0.02%	935	0.01%
Between 19 and 26 Weeks Past Due	1,229	0.02%	527	0.01%
Between 27 and 39 Weeks Past Due	-	-%	-	-%
Between 40 and 52 Weeks Past Due	-	-%	1,725	0.01%
53 or More Weeks Past Due	682	0.00%	14,464	0.09%
Total Loans not Impaired	<u>15,122,564</u>	<u>89.70%</u>	<u>14,593,835</u>	<u>87.75%</u>
Impaired Loans				
Not Past Due	706,879	4.18%	997,935	5.99%
Up to 9 Weeks Past Due	334,844	1.99%	287,984	1.73%
Between 10 and 18 Weeks Past Due	143,504	0.85%	116,737	0.70%
Between 19 and 26 Weeks Past Due	54,716	0.32%	71,849	0.43%
Between 27 and 39 Weeks Past Due	80,712	0.48%	54,560	0.33%
Between 40 and 52 Weeks Past Due	50,947	0.30%	121,045	0.73%
53 or More Weeks Past Due	367,100	2.18%	389,813	2.34%
Total Impaired Loans	<u>1,738,702</u>	<u>10.30%</u>	<u>2,039,923</u>	<u>12.25%</u>
Total Loans	<u>16,861,266</u>	<u>100%</u>	<u>16,633,758</u>	<u>100%</u>



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

24. Related Party Disclosures

	No. of Loans 2022	Amount 2022 €	No. of Loans 2021	Amount 2021 €
Loans Advanced to Related Parties During the Year	10	108,900	19	48,350
Total Loans Outstanding to Related Parties at 30 September 2022	17	247,054	21	230,878
Total Provisions for Loans Outstanding to Related Parties at 30 September 2022	1	31,182	1	33,658
Total Provision Charge During the Year for Loans Outstanding to Related Parties	1	(2,476)	2	(3,004)

Related parties comprise the directors and the management team of the Credit Union, their family members or any business in which the directors or management team had a significant shareholding. Total loans to Related Parties represent 1.47% of the total loan book at 30 September 2022 (30 September 2021: 1.39%).

25. Additional Credit Risk Disclosures

25 a. Financial Risk Management

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

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

Credit Risk:

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the Credit Union resulting in financial loss. In order to manage this risk the Board approves the Credit Union's Lending policy, and all amendments thereto. All loan applications are assessed with reference to the lending policy in force at the time. Subsequently, loans are regularly reviewed for any factors that may indicate impairment on loans advanced. The Board approves the Credit Union's Credit Control policy which lays down the procedures for the collection of loans in arrears together with the basis for recording impairments on loans. The credit risk on members' loans is disclosed in Note 23.

The Credit Union's investments are also exposed to credit risk and the Credit Union mitigates the risk by only placing investments with financial institutions where the counterparties have strong credit ratings and using investment products authorised by the Central Bank of Ireland. The credit risk on deposits and investments is disclosed in Note 11.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

Liquidity Risk:

Kildare Credit Union Limited's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The objective of the liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise. Members' shares which are available on demand are identified as liabilities, other shares which are held as members' resources, are not available for withdrawal in accordance with the Credit Union Act 1997 (as amended). The Credit Union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

Interest Rate Risk:

Kildare Credit Union Limited's main interest rate risk arises from differences between the interest rate exposures on loans and investments receivable, as offset by its cost of capital, which is typically that of distributions to members payable in the form of dividends and interest rebates. Kildare Credit Union Limited considers rates of interest receivable when deciding on the appropriation of income and its returns to members. The Board monitors such policy in line with the Credit Union Act 1997 (as amended) and guidance notes issued by the Central Bank of Ireland.

Market Risk:

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

25 b. Interest Rate Risk Disclosures

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

	2022		2021	
	Amount €	Average Interest rate	Amount €	Average Interest rate
Financial assets				
Gross Loans to Members	16,861,266	7.90%	16,633,758	7.92%
Financial liabilities				
Members' shares	66,786,461	0.10%	67,502,010	0.00%
Members' deposits	3,565,786	0.10%	3,978,551	0.00%

The interest rates applicable to loans to members are fixed and range from 4.79% to 12%. The dividend on shares is determined on the basis of income less administrative expenses and, as can be seen above, a consistent margin is maintained between interest receivable and dividend on shares. As a result, the surplus for the year is not particularly sensitive to interest rate risk and no sensitivity analysis is presented.



NOTES TO THE FINANCIAL STATEMENTS & SCHEDULES

For the year ended 30 September 2022

25 c. Liquidity Risk Disclosures

All of the financial liabilities of the Credit Union are repayable on demand except for some members' shares attached to loans.

25 d. Fair value of financial instruments

Kildare Credit Union Limited does not hold any financial instruments at fair value.

25 e. Capital

Kildare Credit Union maintains sufficient reserves to buffer against any losses on its members' loans and also its investments. The current Regulatory Reserve is in excess of the minimum requirement set down by the Central Bank of Ireland (10%), and stands at 12.72% of the total assets of the Credit Union at the Balance Sheet date.

26. Ethical standards

As a small entity, under the provisions of the ISA (Ireland) Ethical Standards we engage our auditor to provide assistance with financial statements preparation.

27. Approval of financial statements

The financial statements were approved, and authorised for issue by the Board of Directors on 25 October 2022.

SCHEDULES

The following schedules do not form part of the statutory audited financial statements.

Schedule 1 - Interest On Loans

	2022 €	2021 €
Loan Interest Income Received	1,292,865	1,296,075
Loan Interest Income Receivable	31,183	31,540
Total Per Income And Expenditure Account	1,324,048	1,327,615

Schedule 2 - Other Interest Income And Similar Income For Year

	2022 €	2021 €
Investment Income Received	231,246	250,991
Investment Income to be received within 12 months	189,796	205,255
Total Per Income And Expenditure Account	421,042	456,246

Schedule 3 - Other Income For Year

	2022 €	2021 €
ECCU Claims Experience Refund	10,622	8,759
Commission	3,991	2,664
Entrance Fees	519	535
Other - Suspense	153	150
Total Per Income And Expenditure Account	15,285	12,108



SCHEDULES

For the year ended 30 September 2022

Schedule 4 - Other Gains

	2022 €	2021 €
SPS Refund	350,477	-
Total Per Income And Expenditure Account	350,477	-

Schedule 5 - Other Management Expenses

	2022 €	2021 €
Rates	6,710	6,749
Lighting, Heating & Cleaning	30,715	26,558
Repairs & Renewals	11,033	8,014
Security	3,863	3,516
Printing and Stationery	10,157	10,083
Postage and Telephone	29,111	27,291
Donations and Sponsorship	17,157	15,640
Debt Collection	26,624	29,240
Promotion and Advertising	17,667	14,740
Training Costs	6,700	5,237
Convention Expenses	613	-
AGM Expenses	14,216	14,279
Travel and Subsistence	2,015	1,397
Bank Charges	44,932	44,515
Audit Fee	18,450	18,240
Internal Audit Fees	14,145	12,224
General Insurance	34,760	32,349
Share and Loan Insurance (Gross)	262,493	282,491
Pension	24,462	28,052
Legal and Professional Fees	35,425	38,231
Computer Maintenance	71,548	72,904
Affiliation Fees	22,914	24,788
SPS Contribution	5,422	2,711
Regulatory Levy	21,918	2,601
Deposit protection account charges & CBCIRFL	105,575	101,477
Total Per Income And Expenditure Account	838,625	823,327

Schedule 6 - Other Losses

	2022 €	2021 €
Losses on Investments	14,825	13,048
Pension Funding Deficit	327,950	-
Total Per Income And Expenditure Account	342,775	13,048



CAR DRAW ACCOUNT

For the year ended 30 September 2022

INCOME	€	EXPENDITURE	€
Opening Balance B/F	15.04	Payment for 7 Cars	113,934.00
Payments by Members	127,167.00	Cash prizes	13,100.00
Promotional Income	10.25	Refunds to members	158.29
		Closing Balance	0.00
TOTAL	127,192.29		127,192.29

During 2022, the car draw was operated through its own credit union account.

The External Auditors, BCA Tax & Business Consultants Ltd carried out audit testing on the car draw account as part of their audit work.

All the draws were held publicly and transparently in the Kildare public office.

All car draws were supervised by a member of the Board of Directors, a member of the Board Oversight Committee and one member of the management team.

Winners were published in the Kildare, Kilcullen and Narraghmore offices, on the website and on Facebook.

Important Notice to Members

Kildare Credit Union prepares a budget at the start of each year to manage the distribution of the prize fund to ensure that the draw is run on a break-even basis. This is a recommendation in the Central Bank guidance on prize draws.

Despite best efforts in confirming a schedule and prices with garages at the start of 2022, the price of cars for the car draw rose with two of the three suppliers, in one case by €2,500.

Kildare Credit Union faced the risk that the inflation in costs and instability of supply chains would disrupt the scheduled operation of the draw and it was for these reasons that the Board of Directors made the difficult decision to cease the operation of the car draw for the foreseeable future.



April 2022's Car Draw winner
Uhonoma Aihevba Osula with
Amanda McCullagh, Supervisor



August 2022's car draw winner
Joseph Garrett pictured with
Michelle Kemmy, CEO



REPORT OF THE BOARD OVERSIGHT COMMITTEE

For the year ended 30 September 2022

It is with pleasure that we present the annual report of the Board Oversight Committee to the members of Kildare Credit Union.

The role of the Board Oversight Committee is as follows:

- to assess whether the Board of Directors has operated in accordance with parts IV and IV A of the Credit Union and Co-operation with Overseas Regulators Act (the "2012 Act").
- to notify the Central Bank of any concern that the Board of Directors may not have acted in accordance with the requirements as laid down; and
- to report to the members at the Annual General Meeting and, if it thinks fit, at a Special General Meeting on whether the Board has operated in accordance with the requirements of the Act.

The Board Oversight Committee is elected by the Members at the Annual General Meeting and is independent of the Board of Directors. The purpose of this is to ensure that the members' rights are protected.

Activities of the Board Oversight Committee included overseeing the election of the Principal Officers after the AGM and attendance at all Board Meetings. The Committee met frequently during the past year and met the Board of Directors separately on four occasions during the year to assess their performance and to confirm that the Board of Directors was acting in accordance with the relevant regulations. Following such meetings, the Committee issued written reports to the Board outlining its findings and making recommendations where necessary.

In the course of their work, the Board Oversight Committee considered and reviewed important aspects of the Credit Union which included the management of risk and the internal audit function as well as the governance and operation of Board meetings. In discussions with the Nomination Committee, the issue of the shortage of volunteers was raised and it is felt that this is a matter of concern for the future of Kildare Credit Union. This is an issue that is shared by many organisations at this point in time.

A committee member was present at all car draws held during the year. A member of the Committee was present at the presentation of the Chris Kelly Educational Bursary award.

The Committee is satisfied that the Board of Directors has operated in accordance with Part IV and IV A of the Credit Union and Co-operation with Overseas Regulators Act 2012 ("the 2012 Act").

Ms Paula Kavanagh, a member of the Board Oversight Committee retired during the year. The Committee would like to thank Paula for her excellent service to the Committee and Kildare Credit Union over many years

The Committee wishes to thank the Board of Directors and the members of the various constituent Committees, all of whom give their time voluntarily for Kildare Credit Union. We would also like to thank the Management and Staff for their co-operation and assistance throughout the year.

Committee Members:

Noel McLoughlin, Patricia Kelly, Aidan McKeown



CREDIT COMMITTEE REPORT

For the year ended 30 September 2022

The function of the credit committee is to consider loan applications, oversee the loans approved by the loans officers and prepare a monthly report for the Board.

1,768 loans (2021:1,506) valuing €7,858,324 (2021: €7,266,515) were issued within our community in this financial year showing loan growth which is a strong indicator of our position within the community as a preferred lender for affordable financial services.

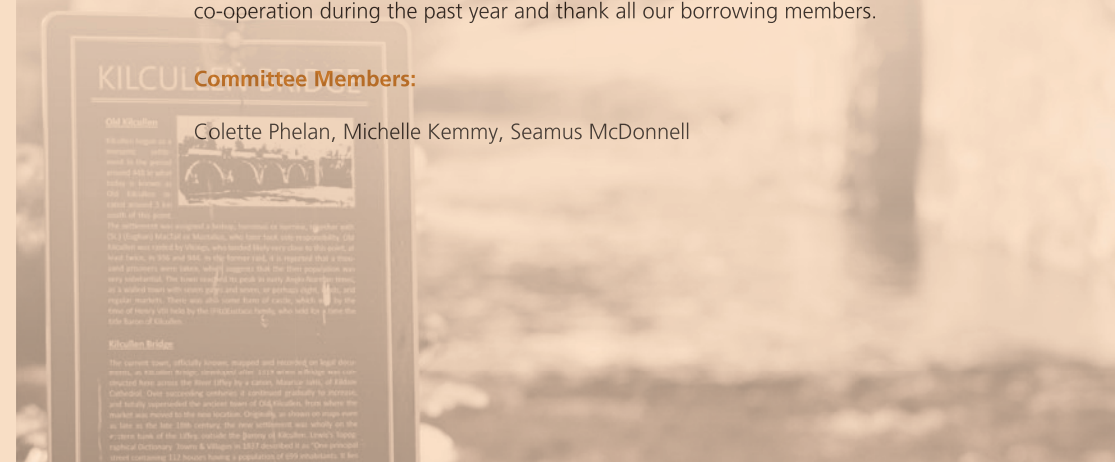
The provision of loans to members is a primary service of our Credit Union. All loan applications are individually assessed and whilst every effort is made to approve each application, the process must ensure that there is no undue risk to the individual borrower or to the Credit Union as a whole. When evaluating loan applications, we are always conscious of the fact that we are lending members' savings. The member's ability to repay the loan is therefore the most important consideration when assessing a loan. Members' history of borrowing is checked on the Central Credit Register as part of the lending process. Loan applications must be accompanied by proof of income and up to date three months bank statements to comply with Section 35 of the Credit Union Act 1997 (as amended).

As noted in the financial statements, consumer confidence is reducing with the ongoing effects of the war in Ukraine, high inflation and heightened uncertainty as disposable incomes of households are impacted. This may result in a reduced appetite for borrowing in the coming year. We would ask members that if the need to borrow arises to come talk to us.

Benefits of borrowing from your local credit union include our community commitment, positive economic plus social change that make credit unions different from traditional for-profit banks and other financial institutions.

With access to a safe, convenient place to save and secure affordable loans, members can realize their dreams and create new opportunities for themselves, from educating their children, improving their homes to starting small micro businesses. Another benefit of borrowing from the credit union is the Loan Protection Insurance at no extra cost.

We would like to thank the Board of Directors, Management and Staff for their help and co-operation during the past year and thank all our borrowing members.





CREDIT CONTROL COMMITTEE REPORT

For the year ended 30 September 2022

The role of the Credit Control Committee involves monitoring all loan accounts within the Credit Union to ensure that loans are repaid as per their Credit Agreements. The committee is always conscious of members financial circumstances, the protection of members' savings and regulatory requirements. The Credit Control Committee submits a monthly report to the Board of Directors and undertakes an annual review of the Credit Control Policy to ensure that it complies with legislation, standard rules and best practice.

There is a well-established, robust, step by step procedure in place to detect early arrears and to prevent future bad debts. Final stages of this procedure may involve the services of a debt collection agency and in exceptional circumstances, the pursuit of the debt through the courts.

It is always important to ensure that a distinction is drawn between those members who are genuinely struggling to repay a loan balance due to altered circumstances for example, illness, unemployment etc. and those members who can repay but are choosing not to.

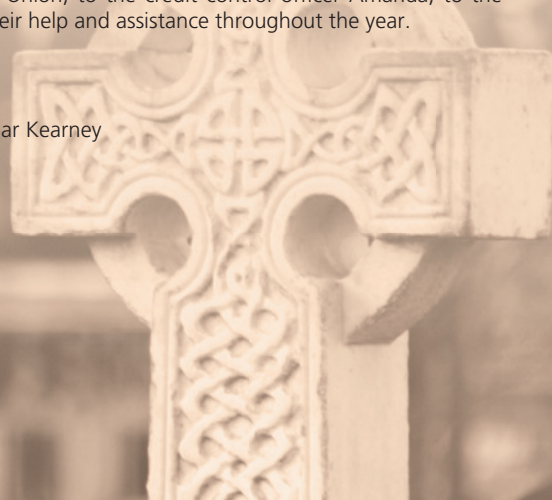
Please note that failure to honour your credit agreement with the Credit Union will affect your personal credit rating with the Central Credit Register which will have a negative impact on future borrowing needs. Most members service their loans as per their agreements and those in financial difficulty are encouraged to make early contact with the Credit Control Committee to put an arrangement in place, mutually agreed by both parties.

In a small number of instances, where members are unable to make payments to cover loan and interest, these loans are transferred to the Bad Debt Ledger which is a statutory requirement. These members are encouraged to repay the loan capital outstanding within their financial means. The hard work of the Credit Control Committee in recovering previously charged off accounts is evidenced in the recovery of €365,872 in 2022 (€264,652 in 2021). This significant recovery also clearly demonstrates the commitment by members to honour their agreements.

The Credit Control Committee extends their appreciation to all members for their continued support of Kildare Credit Union, to the credit control officer Amanda, to the Board, Management and Staff for their help and assistance throughout the year.

Committee members:

Martin Burke, Madeline Purcell, Peadar Kearney



MEMBERSHIP COMMITTEE REPORT

For the year ended 30 September 2022

The role of the membership committee has evolved to the oversight and implementation of the credit union's membership policy from the consideration and approval of membership applications which is now primarily conducted by Membership Officers in our three offices. The committee submits a membership report to the Board of Directors each month.

In the financial year, 561 accounts were approved for membership of which 195 were for minors, 361 for adult members and 5 club accounts were opened. Membership at the 30th of September 2022 was 15,685 members. Membership is voluntary and open to people who live or work in our common bond area. All membership applications must be accompanied by photographic identification (proof of date of birth and a recent photo); evidence of address dated within the last three months and sight of PPS number to comply with Revenue legislation.

Kildare Credit Union provides Loan Protection Insurance Cover and Life Savings Insurance Cover free of charge to eligible members. Cover provided by Loan Protection Insurance means that any outstanding loan balance will be repaid in full on the death of an eligible member. This year, 16 loans to the value of €145,000 were repaid under this policy. The benefit of Life Savings Insurance is to cover up to €12,700 of a member's savings in the event of their death. In the financial year 2022, 46 Life Savings claims were paid under this policy totalling €148,116.

We would like to thank our members for their co-operation in providing photographic identification and address verification to meet our regulatory obligations under the Criminal Justice Act 2010-2021. We have many inactive accounts where members have not transacted on their accounts for a period of three years or more. We sincerely thank the 474 members who reactivated their accounts this year and we intend to continue writing out to inactive members in the coming year to encourage them to reawaken their accounts.

We would ask existing members who have changed address, marital status and/or telephone numbers to notify us so our records can be updated. This also applies to clubs and associations when new officers are elected at annual general meetings.

We would ask parents to continue to encourage their children to save regularly, a habit they will easily acquire and are not likely to forget.

Should you have any queries regarding membership of the credit union please call into any of our offices and our staff will be happy to help.

Committee Members:

Paul Loughman, Michelle Kemmy and Veronica O'Toole



PROMOTION AND DEVELOPMENT REPORT

For the year ended 30 September 2022

Kildare Credit Union saw significant growth in membership over the past year. There are now over 15,500 members, which is a great increase since our last AGM. 30% of our membership are registered to use the online services to manage their accounts. We anticipate further growth in membership and the percentage of online users as new services are introduced in the coming year. Total assets and total savings held decreased slightly in the year because of the savings caps that the Board put in place to manage the reserves of the credit union. The Board are keeping the savings caps under review and hope to be in a position to ease them soon.

We continued to invest in our IT systems this year. Kildare Credit Union recognises the criticality of keeping our systems secure from the constant threat of cyber attacks. A new replication server has been installed that backs up our systems every 15 minutes. Network security testing has been completed to ensure our systems are properly configured. All officers using our systems undergo constant training to keep up to date with cyber security issues. We will continue to invest in IT over the coming years to protect the IT systems and enable the expansion of the range of services available to members.

The car draw continued in 2022 with 7 members winning cars and many others winning cash prizes. After 20 years of draws and over 100 car winners, the Board have decided not to continue with the draw in 2022. Further details regarding this difficult decision are set out in the Car Draw Report. We sincerely thank all members of the draw for making it such a great success over the years.

We supported the community again this year through the Community Outreach Programme. 34 organisations across the common bond received funding this year. The Outreach Programme will be running again in 2023 and we look forward to hearing about the community projects being organised. The work of the voluntary organisations in the community is so important and we are delighted to help. Funding for the Community Outreach Programme is generated from the interest on members' loans – your support of Kildare Credit Union is supporting the whole community.

The Chris Kelly Bursary for 2022 was won by Jake Whelan. Jake will receive €1,000 per year for up to three years to help with the cost of his 3rd level education. We wish Jake and all the students who applied for the Bursary success in their studies.

There were more awards for the credit union sector during 2022. For the eighth year in a row, Credit Unions were awarded first place in the CXi Customer Experience index. Credit Unions have also claimed first place in the Ireland Sustainability RepTrak 2022 Index. We hope that our policy of putting members first played some small part in achieving the awards. We are always trying to improve ourselves and welcome member feedback on how we might do things better. Together, we will ensure that Kildare Credit Union is an integral part of the community for the years to come.

The Board of Directors are working to implement their ambitious strategic plan for 2023. New services are planned, offering our members the ability to use their credit union for more of their financial services needs. Keep an eye on our website and Facebook page where details of the new services will be announced in the coming months.



NOMINATION COMMITTEE REPORT

For the year ended 30 September 2022

At the heart of Kildare Credit Union is its volunteers. Unlike other financial institutions, the Board of Directors in the credit union are made up of volunteer members who have the skills and knowledge to lead and manage. Whether you are looking for a leadership role, to gain experience and training or want to give something back to your community and meet like-minded people; Kildare Credit Union can offer invaluable volunteering opportunities.

In return for volunteering, credit union volunteers are afforded the opportunity to:

- Become responsible for directing the affairs of a local business
- Gain new skills and experience with a professional financial services provider
- Enhance personal development through targeted training programmes
- Increase career prospects by adding a valuable achievement to CVs
- Meet like-minded people from the community
- Know that they have helped the continued development of a professional service which benefits the entire community

If you feel that you have the appropriate skills and experience to bring to a volunteer role, please leave your name with any staff member or director and the Nomination Committee will be delighted to contact you.

The Nomination Committee is responsible for:

- Identifying candidates to be nominated for appointment to the Board of Directors and to the Board Oversight Committee
- Proposing candidates for election by a general meeting to be members of the Board of Directors or the Board Oversight Committee
- Overseeing succession planning for the directors and the management team
- Ensuring there is an appropriate Succession Policy in place
- Arranging ongoing Board of Director and volunteer training
- Monitoring ongoing Compliance standards with the Fitness and Probity requirements
- Overseeing the skills set matrix of directors, volunteers and staff

The present membership of the Board is nine directors. As nominations cannot be accepted from the floor at the Annual General Meeting, nominations have already been received for five vacancies on the Board of Directors.

Geraldine Lynch who was elected at last year's Annual General Meeting had to step down as a director in May 2022 due to career advancement. The Nomination Committee wish to thank Geraldine for her contribution and to wish her every success. Aidan Broughall was co-opted onto the Board of Directors to fill the vacancy left by Geraldine and will be seeking election at this Annual General Meeting.



NOMINATION COMMITTEE REPORT & RULE AMENDMENT

For the year ended 30 September 2022

John Rochford who has been a volunteer director with Kildare Credit Union for 22 years stepped down as a director in August 2022. John served on many committees over the years and held the role of Chairperson for four years. The Committee wish to sincerely thank John for his significant commitment, loyalty and long service to Kildare Credit Union. Sandra Doolan was co-opted onto the Board of Directors to fill the vacancy left by John and will be seeking election at this Annual General Meeting.

Our Vice-chairperson and committee member Marion Griffith will be stepping down as a director this year. She promised to return as a volunteer in the future and we hope to hold her to that promise. The Board of Directors, management and staff wish Marion all the very best and thank her for her positivity, support and dedication to Kildare Credit Union over the years.

The current membership of the Board Oversight Committee is three members. There is one vacancy to be filled on the Board Oversight Committee at this Annual General Meeting. During the year, Paula Kelly Kavanagh stepped down as a volunteer from the Board Oversight Committee. The Nomination Committee wish to thank Paula for her valued contribution and commitment to Kildare Credit Union. Aidan McKeown was co-opted to the Board Oversight Committee in September 2022 to fill the vacancy left by Paula. Aidan will be seeking election to the Board of Directors at this Annual General Meeting.

The position of external auditor is up for election. BCA Tax & Business Consultants Limited will be seeking re-election for the coming year.

We express our heartfelt thanks all our volunteers for their contributions to Kildare Credit Union Limited.

Nomination Committee Members:

Martin Burke, Mark McLoughlin, Marion Griffith

Rule Amendment

That the Rules of Kildare Credit Union Limited are hereby amended in Rule 5(1) by the insertion of the following: (viii) "the provision of the following additional service by the credit union to the members subject to the prior approval of the Registrar of Credit Unions and any other permissions or licences that may be required by law: Member Personal Current Account Services (MPCAS).



DEPOSIT GUARANTEE SCHEME – DEPOSITOR INFORMATION SHEET

Basic information about the protection of your eligible deposits	
Eligible deposits in Kildare Credit Union Limited are protected by:	the Deposit Guarantee Scheme ("DGS") ⁽¹⁾
Limit of protection:	€100,000 per depositor per credit institution ⁽²⁾
If you have more eligible deposits at the same credit institution:	All your eligible deposits at the same credit institution are 'aggregated' and the total is subject to the limit of €100,000 ⁽²⁾
If you have a joint account with other person(s):	The limit of €100,000 applies to each depositor separately ⁽³⁾
Reimbursement period in case of credit institution's failure:	10 working days ⁽⁴⁾
Currency of reimbursement:	Euro or, for branches of Irish banks operating in another member state of the EEA, the currency of that member state.
To contact Kildare Credit Union Limited for enquiries relating to your account:	Kildare Credit Union Ltd. Rea House, Bride Street, Kildare, Co. Kildare. Tel: 045-521928 Email: info@kildarecu.ie
To contact the DGS for further information on compensation:	Deposit Guarantee Scheme Central Bank of Ireland New Wapping Street, North Wall Quay, Dublin 1, D01 F7X3. Tel: 0818 681 681 Email: info@depositguarantee.ie
More information:	www.depositguarantee.ie
Acknowledgement of receipt by the depositor:	

Additional information

⁽¹⁾ Scheme responsible for the protection of your deposit

Your deposit is covered by a statutory deposit guarantee scheme. If insolvency should occur, your eligible deposits would be repaid up to €100,000.

⁽²⁾ General limit of protection

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



⁽³⁾ **Limit of protection for joint accounts**

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

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

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

More information can be obtained at www.depositguarantee.ie

⁽⁴⁾ **Reimbursement**

The responsible deposit guarantee scheme is:
Deposit Guarantee Scheme, Central Bank of Ireland,
New Wapping Street, North Wall Quay, Dublin 1, D01 F7X3.

Tel: 0818 681 681 Email: info@depositguarantee.ie Website: www.depositguarantee.ie

It will repay your eligible deposits (up to €100,000) within 10 working days from 1 January 2021 to 31 December 2023; and within 7 days from 1 January 2024 onwards, save where specific exceptions apply.

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

Other important information

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

This is your ‘Framework Contract’ with us in relation to the particular payment account referenced below and for the purposes of the Regulations)

Kildare Credit Union Limited is regulated by the Central Bank of Ireland.

Contact details for the Central Bank of Ireland are:

Address: PO Box 559, Dublin 1
Telephone: 01 224 6000
Fax: 01 224 5550
Website: www.centralbank.ie

Contact Details for Kildare Credit Union are:

Address: Rea House, Bride Street, Kildare, Co Kildare, R51 KF44
Telephone: 045-521928
Website: www.kildarecu.ie
Email: info@kildarecu.ie
Register Number: 43CU (Central Bank register can be accessed on www.centralbank.ie).
Our Business Days are as follows: Monday - Saturday (excluding Bank holidays)

Branch offices:

- Narraghmore Office, Ballitore, Athy, Co Kildare, R14 NY97
- Kilcullen Office, Credit Union House, Main Street, Kilcullen, Co Kildare, R56 X076

YOUR ACCOUNT

The following is a description of the main characteristics of the account and payment services on the account:

Kildare Credit Union Limited offers saving and loan accounts to its members with the following capabilities:

- Lodgment and withdrawal of funds.
- Receipt and disbursement of funds through Electronic Funds Transfer.
- Transfer of funds internally to nominated accounts.
- Online account access.

1. **Giving an order for payment from your account:** When you give us an order to make a payment from your account, we will need you to provide us with the details of the beneficiary of the payment (i.e. their IBAN, together with any relevant identification details for the payment service provider (‘PSP’) with which they hold their account). Depending on how you place your order with us (i.e. online, in our offices) we may also need to you verify that order by signature, by use of a password, or by use of a PIN, depending on the type of account that you hold. All of this information, taken together, is known as the ‘unique identifier’ that you must give us. In giving us that unique identifier, you will be consenting to our execution of that order for you. You cannot withdraw that consent after you have given it to us. In exceptional cases, we may allow you to withdraw your consent after the times specified above, but our specific agreement will be required and we will not be obliged to do this. Kildare Credit Union does not offer outbound direct debits or standing orders from member accounts.



EUROPEAN COMMUNITIES (PAYMENT SERVICES) REGULATIONS 2018

2. **Cut-off times:** When we are given an order in relation to a payment on your account, we must be given that order before 3.30pm on one of our Business Days. If we are given that order after that time, we will be deemed to have received that order on our next following Business Day. If we agree with you that an order is to be executed on a particular Business Day, then we will be deemed to have received that order on that particular Business Day.
3. **Execution times:** We confirm that we have up to the end of the first Business Day following the date of deemed receipt under 2 above to so credit that amount. If the order is initiated by paper we will have an extra Business Day to do this.
4. **Spending limits and payment instruments:** If we give you a payment instrument on your account (i.e. use of online banking with a password etc.) you will have the same spending limits as all other members of Kildare Credit Union. Kildare Credit Union will set this spending limit and review it as appropriate. If we give you such a payment instrument for your account, you must, as soon as you receive it, take all reasonable steps to keep its personalised security features safe. If the payment instrument is lost, stolen, misappropriated or used in an unauthorised manner, you should notify us by contacting our office at 045-521928. We reserve the right to block your use of a payment instrument for any of the following reasons:
 - (a) the security of the payment instrument;
 - (b) if we suspect that it is, or has been, used in an unauthorised or fraudulent manner;
 - (c) (if the payment instrument is connected with the provision by us of credit to you) a significantly increased risk that you may be unable to fulfil your obligations to pay; and
 - (d) our legal or regulatory obligations, including our national or European Union obligations.

If we block your use of a payment instrument, we will tell you about it and the reasons for it by letter, email, secure online account messaging, text or telephone unless giving you that information would compromise our security or would be prohibited by law. You may request that we unblock the payment instrument and we will do so, or replace the payment instrument, once the reason for blocking no longer exists.

5. **Charges:** We only levy a limited number of charges in connection with the accounts that we offer. Details of these charges are set out below:
 - Initial membership fee of €1.00
 - An affiliation fee to the Irish League of Credit Unions (affiliation fee will be notified to members in our Annual Report and agreed by members at the Annual General Meeting.)
 - You shall be liable for any charges incurred by the credit union in relation to returned cheques on your accounts. Charges incurred in this manner will be notified to you in writing on the business day that they are debited from our bank account. Details of these charges are available on request.



EUROPEAN COMMUNITIES (PAYMENT SERVICES) REGULATIONS 2018

6. **Interest rates:** If an interest rate applies to your account, you are told this when you open your account and that interest rate is incorporated by reference into this Framework Contract. You can obtain confirmation of that interest rate by contacting us as set out above.
7. **Exchange rates:** No exchange rates will apply on your account as all payments from your account (including withdrawals by you) will be in Euro and will not involve a currency conversion being made by us. All foreign exchange transactions are separate from the operation of your account.
8. **Giving you information:** If we need to give you information or notice of any matters relating to this Framework Contract, we will do so in writing unless we state otherwise herein. Such information or notice will be given to you promptly upon the requirement to do so arising. You may request that we provide or make available to you certain information (prescribed by law) relating to individual payment transactions executed on your account at least once a month and free of charge, in a manner that allows you to store and reproduce the information unchanged.
9. **Copy of Framework Contract:** For as long as you hold this account with us, you have the right to receive, at any time and on request by you, a copy of this Framework Contract on paper or, if possible, by secure email.
10. **Unauthorised transactions:** If you become aware of a transaction on your account that is unauthorised or incorrectly executed, or if your payment instrument is lost, stolen or misappropriated, you must tell us without undue delay and, in any event, within thirteen months of that transaction being debited from your account. You will be entitled to rectification from us if that transaction was unauthorised or incorrectly executed. If the transaction was unauthorised, we will refund the amount of it to you and, if necessary, restore your account to the state that it would have been in if the unauthorised transaction had not taken place **PROVIDED THAT:**
 - (a) you will bear the loss of an unauthorised transaction on your account, up to a total of €50, if the unauthorised transaction resulted from the use of a lost, stolen or misappropriated payment instrument unless (i) the loss, theft or misappropriation was not detectable to you prior to the payment and you have not acted fraudulently, or (ii) the loss was caused by actions or lack of action by us or any of our employees, agents or third parties acting on our behalf.
 - (b) you will bear all losses relating to an unauthorised transaction on your account if you incurred those losses by acting fraudulently or by failing, intentionally or with gross negligence, or if you failed to take all reasonable steps to keep the payment instrument and personalised security credentials safe, to use the payment instrument in accordance with any terms that we tell you are applicable to it, and to notify us without undue delay of it being lost, stolen, misappropriated or used in an unauthorised manner;
 - (c) so long as you have not acted fraudulently you will not bear any financial consequences resulting from the use of a lost, stolen or misappropriated payment instrument once you have notified us in accordance with this Framework Contract that it has been lost, stolen or misappropriated;



(d) if we have not required strong customer authentication, in accordance with applicable legal or regulatory standards, you will not bear any financial losses unless you have acted fraudulently.

11. **Refunds of Direct Debits:** Kildare Credit Union does not offer a direct debit facility on member accounts.
12. **Unique identifier:** If you give us an order to make a payment from your account and we execute it in accordance with the correct unique identifier, we will be taken to have executed it correctly as regards the beneficiary of that order. If you give us an incorrect unique identifier, we will not be liable for the non-execution, or defective execution, of the order. We will, however, make reasonable efforts to recover the funds involved.
13. **Our liability if you make a payment out of your account:** If you give us an order to make a payment from your account, we are liable to you for its correct execution unless we can prove to you (and if necessary to the beneficiary's PSP) that the beneficiary's PSP received the payment. If we are so liable to you for a defective or incorrectly executed order, we will refund the amount of it to you and, if applicable, restore your account to the state that it would have been in if the defective or incorrect transaction had not taken place. Irrespective of whether we are liable to you or not in these circumstances, we will try to trace the transaction and notify you of the outcome. If we refuse to execute a payment transaction we will provide the reasons to you and the procedure for correcting any factual mistakes that may have led to the refusal unless prohibited by law or regulatory requirements.
14. **Our liability if you receive a payment into your account:** If the payer's PSP can prove that we received the payment for you, then we will be liable to you. If we are liable to you we will immediately place the amount of the transaction at your disposal and credit the amount to your account. If we are not liable as set out above, the payer's PSP will be liable to the payer for the transaction. Regardless of whether we are liable or not, we will immediately try to trace the transaction and notify you of the outcome.
15. **Duration, changes and termination:** Your contract with us, as detailed in this Framework Contract, is of indefinite duration. If we want to change any part of the information provided herein which is required by Regulation 76, we will give you at least two months' written notice of the proposed change where required by law to do so. If you do not notify us within that two month period that you do not accept the proposed change, you will be deemed to have accepted it. If you do not want to accept the proposed change, you must notify us in writing and you will be allowed to terminate your contract with us in relation to the account to which this Framework Contract relates immediately and without charge before the end of that two month period. If we change an interest rate in a way that is more favourable to you, we have the right to apply that change immediately and write to you soon afterwards confirming that change. You may terminate your contract with us in relation to the account to which this Framework Contract relates on one month's notice in writing. We may terminate our contract with you in relation to the account to which this Framework Contract relates on giving you two month's notice in writing.



16. **Governing law and language:** This Framework Contract shall be governed by and construed in accordance with the laws of Ireland, and all communication between us and you during our contractual relationship shall be conducted in English.
17. **Redress:** If you have a complaint in relation to the matters governed by this Framework Contract, you can write to us and we will deal with your complaint in accordance with our obligations under the Regulations. If you are not satisfied with the outcome of this internal process, you may refer your complaint to the Financial Services and Pensions Ombudsman.

Contact details for the FSPO are as follows: Financial Services and Pensions Ombudsman, Lincoln House, Lincoln Place, Dublin 2, D02 VH29. Tel. (01) 567 7000. email: info@fspoi.ie





'POLITICALLY EXPOSED PERSON' (PEP)

Kildare Credit Union has an obligation under the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010-2021 to identify our members who fit the description of a Politically Exposed Person (PEP), an immediate family member of a PEP or a close associate of a PEP as set out below. If you are at present or become a PEP, an immediate family member of a PEP or a close associate of a PEP, please notify Kildare Credit Union.

'Politically Exposed Person' (PEP)

Politically Exposed Person means an individual who is, or has at any time in the preceding 12 months been, entrusted with a prominent public function, including any of the following individuals (but not including any middle ranking or more junior official):

- (a) a specified official;
- (b) a member of the administrative, management or supervisory body of a state-owned enterprise;
- (c) any individual performing a prescribed function.

Section 37 (10) of the CJA 2010-2021

'Specified official' means any of the following officials (including any such officials in an institution of the European Communities or an international body):

- (a) a head of state, head of government, government minister or deputy or assistant government minister;
- (b) a member of a parliament or a similar legislative body;
- (c) a member of the governing body of a political party;
- (d) a member of a supreme court, constitutional court or other high level judicial body whose decisions, other than in exceptional circumstances, are not subject to further appeal;
- (e) a member of a court of auditors or of the board of a central bank;
- (f) an ambassador, chargé d'affaires or high-ranking officer in the armed forces.
- (g) a director, deputy director or member of the board of, or person performing the equivalent function in relation to, an international organisation.

Section 37 (10) of the CJA 2010-2021

The Minister may, with the consent of the Minister for Finance, issue guidelines to the competent authorities in respect of functions in the State that may be considered to be prominent public functions and each competent authority shall have regard to any such guidelines.

Section 37 (12) Of the CJA 2010-2021

Close Associate of a politically exposed person includes any of the following persons:

- a) Any individual who has joint beneficial ownership of a legal entity or legal arrangement, or any other close business relations, with the politically exposed person;
- b) Any individual who has sole beneficial ownership of a legal entity or legal arrangement set up for the actual benefit of the politically exposed person;

Section 37 (10) of the CJA 2010-2021



'POLITICALLY EXPOSED PERSON' (PEP)

Immediate Family Member of a politically exposed person includes any of the following persons:

- a) Any spouse of the politically exposed person;
- b) Any person who is considered to be equivalent to a spouse of the politically exposed person under the national or other law of the place where the person or politically exposed person resides;
- c) Any child of the politically exposed person;
- d) Any spouse of a child of the politically exposed person;
- e) Any person considered to be equivalent to a spouse of a child of the politically exposed person under the national or other law of the place where the person or child resides;
- f) Any parent of the politically exposed person;
- g) Any other family member of the politically exposed person who is of a prescribed class;

Section 37 (10) of the CJA 2010-2021

'The Minister may prescribe a class of family member of a politically exposed person, for the purposes of paragraph (g) of the definition of "immediate family member" of a politically exposed person in subsection (10), only if the Minister is satisfied that it would be appropriate for the provisions of this section to be applied in relation to members of the class, having regard to any heightened risk, arising from their close family relationship with the politically exposed person, that such members may be involved in money laundering or terrorist financing'.

Section 37 (11) of the CJA 2010-2021





IMPORTANT INFORMATION TO NOTE

SAVINGS AND LOAN INSURANCES

Life Savings Insurance is the life insurance cover Kildare Credit Union Ltd provides for eligible members as an additional incentive for regular saving. The amount of insurance benefit to which a member is entitled is in proportion to the amount of savings the member has at date of death and depends on the member's age at date of lodgement.

All savings lodged before age 55 are eligible for 100% insurance after death, up to a limit of €12,700. Once over the age of 55 each €1 saved with Kildare Credit Union Ltd provides the following benefit:

- €1 saved between ages 55-59 provides €0.75 insurance
- €1 saved between ages 60-64 provides €0.50 insurance
- €1 saved between ages 65-69 provides €0.25 insurance
- No insurance is payable on amounts saved after your 70th birthday.

Your insurance remains in force as long as you leave your savings in Kildare Credit Union Ltd.

All loans with Kildare Credit Union Ltd are automatically covered by Loan Protection Insurance at no additional cost. Loans outstanding at the time of death are cleared providing the deceased met eligibility conditions when the loan was granted.

Example: If a member dies at age of 72 and no withdrawals were made from shares after age 55 and balance at age 55 is €3,000; balance at age 60 is €3,800; balance at age 65 is €4,400; Balance at age 70 is €5,200 and the balance is €5,600 at date of death, the calculations are as follows:

AGE	BALANCE	CALCULATIONS	RATE	BENEFIT
55	€3,000	Share balance on 55th birthday or lowest balance thereafter	€3,000 @100%	€3,000
60	€3,800	Share balance on 60th birthday or lowest balance thereafter	€3,800 less €3,000 @75%	€600
65	€4,400	Share balance on 65th birthday or lowest balance thereafter	€4,400 less €3,800 @50%	€300
70	€5,200	Share balance on 70th birthday or lowest balance thereafter	€5,200 less €4,400 @25%	€200
			TOTAL	€4,100

Total shares at time of death €5,600 + Life Savings benefit of €4,100 equals €9,700 due to nominee.

Withdrawals after the age of 55 would affect the above calculation.



IMPORTANT INFORMATION TO NOTE

NOMINATION FORM

A "Nomination" is a unique facility available only to Credit Union members and could be described as a "Mini Will".

A nomination must be in writing. You may obtain a nomination form in your Credit Union office.

The statutory maximum amount that can pass under a nomination is currently €23,000. Any amount in excess of this balance will form part of your estate.

If you elect not to complete a nomination, the proceeds of your account will form part of your estate on your death and will be dealt with under the terms of your will, under the rules of intestacy if you make no will, or under the small payments provision*.

You may revoke or vary your nomination at any time by completing a new nomination form.

A nomination is not revocable or variable by the terms of your will or by a codicil to your will.

A nomination is automatically revoked when your nominee dies before you. In this case, you should consider completing a new nomination. If you do not, your property in the Credit Union will form part of your estate.

A nomination is automatically revoked by your subsequent marriage.

Where your personal circumstances change (e.g. marriage, divorce or separation) you should review your nomination at that time.

The nominated property does not form part of a deceased person's estate. A person under 16 years of age cannot make a valid nomination.

***Small Payments Provision:** Where no valid nomination exists and the amount in your account is under €15,000 in total (including insurance etc) the Board of Directors of the Credit Union may, without letters of administration or probate of any will, distribute your property in the Credit Union to such persons as appears to the Board to be entitled by law to receive it.

MONEY LAUNDERING

Under the Criminal Justice Acts (ML & TF) 2010 – 2021, all financial institutions, including Credit Unions, are legally obliged to assist in the prevention of money laundering. Credit Unions are obliged to verify the identity of new members availing of Credit Union services and to ensure that all existing accounts are bona fide.

To assist in complying with this requirement, Kildare Credit Union Ltd would appreciate if you would make available, when requested, up to date proof of identity and proof of address. Occasionally you may be asked to update your full membership file if your circumstances have changed. Your cooperation in this matter is greatly appreciated.

Kildare Credit Union Limited's focus is always to protect members' money against the ever-increasing threat of financial crime. As a member, you should never allow third parties to have access to your Credit Union account online nor should you permit any other person to lodge funds that do not belong to you into your account. In certain circumstances, such activity may be classed as money muling and can be subject to a criminal conviction. Also, you should never reveal any of your member details to a third party over the phone unless you are wholly satisfied that you are dealing with a staff member of the Credit Union.



IMPORTANT INFORMATION TO NOTE

REVENUE REPORTING

Under the Return of Payments Regulations 2008 - 2015, all financial institutions including Credit Unions are obliged to report certain details in respect of dividend and interest to the Revenue Commissioners.

In summary, Credit Unions are obliged to report annually certain details in respect of dividend or interest payments to members in excess of €300. They also have to report the first relevant dividend or interest payment on new accounts opened after 1st January 2008 irrespective of the size of the payment.

VOLUNTARY DISCLOSURE INITIATIVE

If you have tax issues relating to underlying funds held within the Credit Union or the interest or dividend payments, you may qualify for an unprompted voluntary disclosure under Revenue's Code of Practice. You can contact Revenue about this initiative.

D.I.R.T.

All Credit Union share dividend (whether paid into regular share or special share accounts) and deposit interest paid to members (including children) will be subject to D.I.R.T., with the exception of dividend or interest paid to members who are exempt from D.I.R.T.

The only members who can be exempt are:

- Members aged over 65 whose income is less than the relevant limit, currently €18,000 for an individual and €36,000 for a married couple. For married couples, only one of the spouses needs to be over 65. To avail of this exemption, you must sign a self-declaration form DE1. This form is available in your Credit Union and is a declaration that you (or your spouse) are aged over 65 and that your total income is less than the relevant limit.
- Members who are permanently incapacitated. Such members should either contact their local Revenue Commissioners office directly or contact a service body such as the Irish Wheelchair Association. Credit Unions have no role in approving the exemption in these cases.

If you do not complete the self-declaration form, the Credit Union is obliged to deduct D.I.R.T. from your dividend or interest. You will then have to apply directly to the Revenue Commissioners for a refund of D.I.R.T. (if you are eligible).

The current D.I.R.T. rate is 33%.

IMPORTANT INFORMATION TO NOTE



MINOR ACCOUNTS

Where minors qualify for membership, they may open and operate accounts provided they can sign for themselves (which is generally considered to be around the age of 7).

Where the minor cannot sign for themselves, then a parent or guardian must do so. The parent must sign a declaration with each withdrawal stating the monies withdrawn are for the sole benefit of the child. Funds in minor accounts are the sole property of the minor and the minor will be required to sign for the withdrawal once capable of doing so. Minor accounts must comply with Money Laundering regulations.

LOAN INTEREST CALCULATIONS

Loan interest is calculated on a daily basis which is considered to be the fairest calculation method and in the best interest of members.

ON-LINE BANKING SERVICES

www.kildarecu.ie

You can...

- Transfer money to and from your Credit Union Account
- Transfer money from your Credit Union Account to other Financial Institutions
- Pay bills online
- Check your account balances and transactions
- Apply for a loan online
- Print statements
- Calculate loan repayments
- Send secure messages to your Credit Union

Call into one of our offices for your Secure PIN.

Our website has the latest and most secure features to ensure the safety and protection of your data.

MOBILE BANKING APP

The mobile app banking facility is available to all members who have registered at www.kildarecu.ie and received their PIN. Search for Kildare Credit Union in the App Store or on Google play. Download the App to your mobile device. Follow on-screen steps to activate the App on your mobile device.



ONLINE PAYMENTS

Online Debit Card Payments facilities available on our website www.kildarecu.ie Use your Debit Card to lodge or pay online 24/7

SAVE YOUR CREDIT UNION POSTAGE COSTS

- Sign up for e-statements
 - Sign up for E-AGM booklets
- Email us at info@kildarecu.ie to sign up for e-AGM booklets



SUMMARY OF DATA PRIVACY NOTICE

What personal data do we use?

We may collect, store, and use the following categories of personal information about you:

- Copy of identification documents such as passport/driving license.
- Copy of proof of address such as utility bill, bank statement, letter from a government department
- Personal Public Service Number (PPSN)
- Name, address, date of birth, telephone number, email address, politically exposed status, source of wealth, tax identification number (if applicable), nomination details
- Loan history, income, expenditure, mortgage/rent details, marital status, gender, number of dependents, employment details, copies of loan application related documentation.
- Correspondence with members
- Associated IBAN and BIC details for EFT transactions, debit card receipt information
- Declaration of health forms
- CCTV footage
- Record telephone conversations.
- Personnel records for Board of Directors, Board Oversight Committee, Management, Staff and Volunteers which would include name, contact details, family information, skills, qualifications, service record, wage and pension details, bank account information.

Purpose.

We need all the categories of information in the list above to allow us to identify you and contact you and in order that we perform our contract with you.

We also need your personal identification data to enable us to comply with legal obligations. Some of the above grounds for processing will overlap and there may be several grounds which justify our use of your personal information.

If you fail to provide personal information:

If you fail to provide certain information when requested, we may not be able to perform the contract we have entered into with you or we may be prevented from complying with our legal obligations.

Change of purpose:

You can be assured that we will only use your data for the purpose it was provided and in ways compatible with that stated purpose. If we need to use your personal information for an unrelated purpose, we will notify you and we will explain the legal basis which allows us to do so.

How we use particularly sensitive personal information:

"Special categories" of particularly sensitive personal information require higher levels of protection. We need to have further justification for collecting, storing and using this type of personal information. We may process special categories of personal information in the following circumstances:

1. In limited circumstances, with your explicit written consent.
2. Where we need to carry out our legal obligations and in line with our data protection policy.
3. Where it is needed in the public interest, and in line with our data protection policy.



SUMMARY OF DATA PRIVACY NOTICE

Less commonly, we may process this type of information where it is needed in relation to legal claims or where it is needed to protect your interests (or someone else's interests) and you are not capable of giving your consent, or where you have already made the information public.

Profiling

We sometimes use systems to make decisions based on personal information we have (or are allowed to collect from others) about you. This information is used for loans assessment and anti-money laundering purposes and compliance with our legal duties in that regard.

Data Retention Periods

We will only retain your personal information for as long as necessary to fulfill the purpose(s) for which it was obtained, taking into account any legal/contractual obligation to keep it. Once the retention period has expired, the respective data will be permanently deleted. Please see our retention periods below.

- Accounting records required to be kept further to the Credit Union Act, 1997 (as amended) must be retained for not less than six years from the date to which it relates.
- The money laundering provisions of Anti-Money Laundering legislation require that certain documents must be retained for a period of five years after the relationship with the member has ended.
- We keep income tax records for a period of six years after completion of the transactions to which they relate.
- Credit agreements are retained for 6 years following the end of loan repayment or top-up of loan.
- Under the Credit Union Act 1997(as amended) we are obliged to retain member's data permanently. This data is held in a Members Register located in the Kildare Office. It is available for inspection by authorised bodies and other members of Kildare Credit Union. Members of Kildare Credit Union are permitted to view the number, name, address, date joined and date left of all members of Kildare Credit Union where they have a legitimate interest in doing so.
- CCTV footage which is used in the normal course of business (i.e. for security purposes) for one month.

Fulfilling Contracts

This basis is appropriate where the processing for us to manage your accounts and credit union services to you:

1. **Administrative Purposes:** We will use the information provided by you, for the purpose of assessing applications, processing applications you make and to maintaining any accounts you have with the credit union.
2. **Foreign Exchange:** If you use our foreign exchange services, we are required to share some of your personal data with our foreign exchange provider – **FEXCO**
3. **Third parties:** We may appoint external third parties to undertake operational functions on our behalf. We will ensure that any information passed to third parties conducting operational functions on our behalf will do so with respect for the security of your data and will be protected in line with data protection law.



SUMMARY OF DATA PRIVACY NOTICE

Our use and sharing of your information

We will collect and use relevant information about you, your transactions, your use of our products and services, and your relationships with us, for many reasons:

- Irish League of Credit Union (ILCU) Affiliation:
- CUSOP
- Insurance.
- Electronic Payments
- Credit Assessment and Credit Reporting.
- Customer Service.
- Debit or Charge Card.
- Legal Duty
- Tax Liability.
- Regulatory and statutory requirements.
- Compliance with our anti-money laundering and combating terrorist financing obligations.
- Audit.
- Nominations.
- Marketing and Market Research.

You have a right to:

1. Request a copy of your data.
2. Request correction of the personal information that we hold about you. This enables you to have any incomplete or inaccurate information we hold about you rectified.
3. Request erasure of your personal information.
4. Object to processing of your personal information where we are relying on a legitimate interest (or those of a third party) and there is something about your particular situation which makes you want to object to processing on this ground. You also have the right to object where we are processing your personal information for direct marketing purposes.
5. Request the restriction of processing of your personal information. You can ask us to suspend processing personal information about you, in certain circumstances
6. Where we are processing your data based solely on your consent you have a right to withdraw that consent at any time and free of charge.
7. Request that we: a) provide you with a copy of any relevant personal data in a reusable format; or b) request that we transfer your relevant personal data to another controller where it's technically feasible to do so.

You have a right to complain to the Data Protection Commissioner (DPC) in respect of any processing of your data by:

Telephone +353 01 765 0100 or 1800 437737 Website dataprotection.ie	Postal Address Data Protection Commissioner 21 Fitzwilliam Square South Dublin 2 D02 RD28
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SUMMARY OF DATA PRIVACY NOTICE

CONTACT KILDARE CREDIT UNION BY:

E-Mail: Info@kildarecu.ie
 Tel: **045 521928**
 Web: www.kildarecu.ie
 Data Protection Email: dataprotection@kildarecu.ie

Addresses: **Kildare Office:**
'Rea House', Bride Street, Kildare Town, Co. Kildare, R51 KF44.
 Email: info@kildarecu.ie

Kilcullen Office:
Credit Union House, Kilcullen, Co Kildare, R56 X076.
 Email: kilcullenbranch@kildarecu.ie

Narraghmore Office:
Narraghmore, Ballytore, Athy, Co Kildare, R14 NY97.
 Email: narraghmorebranch@kildarecu.ie

The full Data Privacy Notice can be found on our website www.kildarecu.ie



Kildare

CREDIT UNION

Please sign up to receive your booklet by email instead of by post in future.

This not only helps the planet but it saves on our costs.

Please email info@kildarecu.ie with your name, email address and account number.

Many thanks with your assistance in this matter.