

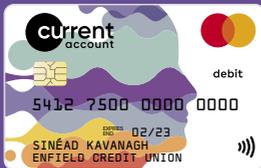


**Enfield
Credit Union**
We're with you every step

Annual General Meeting 2023
AGM to be held in Hamlet Court Hotel
On Saturday 13th January at 3.00pm

**LOOKING
FORWARD
TO 2024**

**DEBIT
CARD**



**2023
BUILDING
FOR OUR
FUTURE**

**FINANCIAL
PLANNING**



**ATM
INSTALLED**



MORTGAGES



**10 MILLION IN
LOANS ISSUED**

**FAST TRACK
LOANS**





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Invocation

*Credit Union Invocation
Lord, make me an instrument of
Thy peace;
Where there is hatred,
let me sow love;
Where there is
injury, pardon;
Where there is doubt, faith;
Where there is
despair, hope;
Where there is
darkness, light;
And where there is
sadness, joy.*

*O Divine Master,
Grant that I may not so much seek
to be consoled
as to console;
To be understood,
as to understand;
To be loved, as to love;
For it is in giving that
we receive,
It is in pardoning that
we are pardoned,
And it is in dying that we are born
to eternal life.*

Notice of Elections

Election of four directors and one member of the Board Oversight Committee will be held. Nominations for these elections will be presented to the meeting by the Nomination Committee. Nominations must be made to the chairman of the Nomination Committee and must be received in good time in order to allow the committee to comply with Fitness and Probity Standards.

Agenda

INVOCATION

1. Acceptance of proxies (if any) by Board of Directors
2. Ascertainment of Quorum
3. Adoption of Standing Orders
4. Reading and approval (or Correction) of minutes of last Annual General Meeting
5. Report of Directors
6. Report of the Auditor and consideration of accounts
7. Report of Board Oversight Committee
8. Report of Credit Committee
9. Report of Credit Control Committee
10. Report of Membership Officer
11. Report of the Nomination Committee
12. Appointment of Tellers
13. Election of Auditor
14. Election to fill vacancies on the Board Oversight Committee
15. Election to fill vacancies on the Board of Directors
16. Any other business
17. Raffle for members present
18. Announcement of Election results
19. Adjournment or close of meeting

Robert O'Reilly - Secretary



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Representative Example: €20,000 borrowed over 5 years at a variable rate of 6.95% (7.18% APR) equates to 60 monthly repayments of €396, a total cost of credit of €3,733 and a total amount repayable of €23,733

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

Call: 046 954 1296 | Visit: www.enfieldcu.ie | Email: info@enfieldcu.ie



Standing Orders

1 VOTING:

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

16 SUSPENSION OF STANDING ORDERS:

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

17 ALTERATION OF STANDING ORDERS:

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

18 ADJOURNMENTS:

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



Chairperson's Report

Tom Curran - Chairperson

Welcome to our 52nd Annual General Meeting

On behalf of your Board of Directors I am pleased to present to you our Annual Report and Financial Accounts for the year ended 30th September 2023. It has been a busy year with the Credit Union continuing to grow at pace with a significant expansion of services to members.



Delivering of New Services

During the past year we have managed to enhance our services to members by

- Provision of an external ATM at our Enfield Office
- Introduction of simplified loan approval system
- Introduction of a financial planning service for all members
- Introduction of direct debit facilities for all members
- We have also continued to develop our risk management systems to appropriately mitigate risk.
- We have continued to update our operational resilience plan.
- We are committed to having first-rate Governance and Compliance procedures.

The Year ahead

- Both board and staff are conscious that in our common bond (catchment) area we have no physical bank offering services to members. In the coming year
- We intend to offer full current account facilities to all members.
- By the end of 2024 we intend to be in a position to offer mortgages.
- We will endeavor in this coming year to reduce our carbon footprint as we are very aware of the impact of global warming.
- We intend to increase our promotion of our Greenify loan offering and to look at other environmentally sound loan products.
- We intend to introduce a New Green Car Loan
- We are committed to reviewing our loan offering and services to members as we strive to build our membership base and loan book.

Our Financial Results for 2023

While we have been expansionary in our attitude to service to our members, we have been prudent in the management of our financial affairs. Last year due to a deficit in The Irish League of Credit Unions Pension fund and a loss on an investment we slipped into a deficit situation. Thankfully this financial year has been a different story and we are happy to report a surplus of €438,468

Our assets are over €49 million while we have advanced loans totalling over €10 million an 25% increase on 2022. We have increased our reserves to over €6.4million. This is indeed a prudent measure as we plan for the future. I am delighted to announce an increase to the share cap of €5,000, increasing the limit to €35,000. The Board of Directors are proposing a dividend to its members for the year ending September 2023 of 0.05%.

Staff

We are indebted to our dedicated and loyal staff who continue to be the friendly face of our Credit Union. They are ably led by Naomi Masterson CEO who is both visionary and innovative. She is ably assisted by Marguerite, Cairiona, Suzanne, Michael, Linda, Grainne, Louise, Orla, Moira, Pamela, Dean, Caroline, and Sharon.

Volunteers

We are well served by a dedicated team of volunteers who give their time and expertise freely to enhance our community. To our Board of Directors, Board Oversight Committee and Volunteers thank you.

Cont overleaf



I also wish to extend the Board of Directors thanks to those that provide external services to the Credit Union Members

You our members are the reason Enfield Credit Union exists. We thank you for your loyalty and I extend a special welcome to our new members.

In the last year a number of our members have passed away and we, the Board of Directors, Management and Staff would like to extend our sympathies to the families.

Tom Curran

Tom Curran
Chairperson

Independent Auditors Report

Opinion

We have audited the financial statements of Enfield Credit Union Limited for the year ended 30 September 2023 which comprise the Income and Expenditure Account, Balance Sheet, the Statement of Changes in Reserves, statement of cash flows and related notes. The relevant 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 issued by the Financial Reporting Council.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities, and financial position of the credit union as at 30 September 2023 and of its surplus and cash flows for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared so as to conform with the requirements of the Credit Union Acts 1997 to 2018.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard as issued by the Irish Auditing and Accounting Supervisory Authority ("IAASA"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern.

We have nothing to report in respect of the following matters in relation to which the ISA's 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 audit, 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 consistent 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.

Other matters prescribed by the Credit Union Acts 1997 to 2018 In our opinion, based on the work undertaken in the course of the audit:

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

Responsibilities of Directors for the financial statements

As explained more fully in the director's responsibilities statement set out on page 1, 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 the directors 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 the directors either intend to liquidate the credit union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditor's_responsibilities_for_audit.pdf. This description forms part of our audit report.

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

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

Signed

Phyllis Hayes Phyllis Hayes

For and on behalf of
ACCOUNTANTS & STATUTORY AUDIT FIRM

Hayes, Coghlan, Doolan

25th October 2022

HAYES, COGHLAN, DOOLAN CERTIFIED PUBLIC
ACCOUNTANTS & STATUTORY AUDIT FIRM
3rd Floor The Bank Building,
Blackhall Place, Mullingar,
Co. Westmeath.



Statement of Directors' Responsibilities

For The Year Ended 30th September 2023

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.

The Credit Union Acts 1997 to 2018 require 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 confirm that they have complied with the above requirements in preparing the financial statements. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and which enables them to ensure that the financial statements are prepared in accordance with applicable Irish Law and Generally Accepted Accounting Practice in Ireland, including the standards issued by the Financial Reporting Council, and in particular FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". They are also responsible for safeguarding the assets of the Credit Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board

Tom Curran
Tom Curran
Chairperson

Robert O'Reilly
Secretary

Board Oversight Committee's Responsibilities

For the Year Ended 30th September 2023

The Credit Union Acts 1997 to 2018 require the appointment of a Board Oversight Committee to assess whether the Board of Directors has operated in accordance with Part IV, Part IV (A) and any regulations made for the purposes of Part IV or Part IV (A) of the Credit Union Act 1997 (as amended) and any other matter prescribed by the Central Bank in respect of which they are to have regard in relation to the Board.

Geraldine Queaney Chairperson
On behalf of the Board Oversight Committee



Income & Expenditure Account

	Sch	2023	2022
Income		€	€
Interest on Members' Loans	1	1,186,471	1,095,410
Other Interest Receivable & Similar Income		464,719	246,793
Net Interest Income		1,651,190	1,342,203
Other Income	2	10,124	30,931
SPS Refund - Note 10		-	204,991
Total Income		1,661,314	1,578,125
EXPENDITURE			
Salaries and other wages costs - Note 7		463,325	443,149
Other Management Expenses	3	861,023	732,403
Depreciation		76,965	83,056
Other Losses		-	224,315
Bad Debt Provision		(92,947)	(200,377)
Bad Debts Recovered		(71,102)	(53,170)
Bad and Doubtful Debt Charged Off		66,416	12,249
Pension Funding Deficit - Note 11		(80,834)	953,395
Total Expenditure		1,222,846	2,195,020
EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR		438,468	(616,895)

The financial statements were approved, and authorised for issue, by the Board on 1st Nov 2023

Naomi Masterson

Naomi Masterson
Chief Executive Officer

Tom Curran

Tom Curran
Chairperson

Geraldine Queeney

Geraldine Queeney
Board Oversight
Committee



Income and Expenditure Report Detailed

DETAILED INCOME STATEMENT

For the year ending 30th September 2023

Schedule 1 - Interest on Loans

	2023	2022
	€	€
Loan Interest Income Received	1,186,471	1,095,410
Total	1,186,471	1,095,410

Schedule 2 - Other Income

	2023	2022
	€	€
Entrance Fees	705	638
Other Income	9,419	30,293
Total	10,124	30,931

Schedule 3 - Other Management Expenses

	2023	2022
	€	€
Pension	80,514	54,325
Staff Training	13,742	13,929
Staff Uniforms	364	2,090
Rates	5,330	5,504
General Insurance	26,041	24,324
Share and Loan Insurance (Gross)	132,613	123,207
Death Benefit Insurance	45,484	42,680
Light, Heat and Cleaning	26,791	22,465
Repairs and maintenance	18,494	28,195
Postage, Stationery, Advertising & Promotion	74,191	52,699
Telephone	14,851	14,383
Computer Maintenance	95,171	79,067
Chapter, Convention and AGM	14,321	17,643
Travelling and subsistence	2,101	2,712
Risk and Compliance	41,560	21,696
Legal and Professional	59,925	49,207
Investment Advisory Fees	5,901	6,553
Audit Fee	21,494	15,375


Income and Expenditure Report Detailed Continued

Internal Audit Fee	9,840	8,303
Bank Interest and Charges	30,500	33,911
CUSOP Charges	14,983	5,070
SPS Deficit Interest Charges	26,992	
SPS pension change in discount rate - (gain)/loss	(10,067)	
SPS Contribution	3,513	3,126
Regulatory Levies	93,417	90,319
League Affiliation Fees	(1,416)	(891)
Miscellaneous Expenses	14,373	16,511
Total	861,023	732,403

Balance Sheet

Balance Sheet as at 30th September 2023

		2023	2022
ASSETS	Note	€	€
Cash and Deposits at Bank		581,612	870,122
Deposits & Investments - Cash Equivalents	15	7,891,281	11,187,526
Deposits and Investments	15	21,367,732	22,155,669
Loans to Members	13	18,809,006	15,965,784
Less: Provision for Bad and Doubtful Debts	13	(652,245)	(745,192)
Tangible Assets	12	852,200	838,275
Prepayments and Accrued Income	14	267,403	317,393
TOTAL ASSETS		49,116,989	50,589,577
MEMBERS LIABILITIES			
Members' Shares	16	41,843,501	43,643,962
OTHER LIABILITIES			
Other Liabilities, Creditors, Accruals & Charges	17	802,645	913,410
Members' Draw	17	32,208	32,038
Total Liabilities		42,678,354	44,589,410
TOTAL ASSETS LESS LIABILITIES		6,438,635	6,000,167



MEMBERS RESOURCES

Regulatory Reserves	5,396,000	5,396,000
Operational Risk Reserve	417,721	217,721
Other Reserves	624,914	386,446

TOTAL MEMBERS' RESOURCES

6,438,635	6,000,167
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The financial statements were approved, and authorised for issue, by the Board on 1st November 2023

Naomi Masterson

Naomi Masterson
Chief Executive Officer

Tom Curran

Chairperson

Geraldine Queeney

Board Oversight
Committee

Cashflow Statement

For the year ended 30th September 2023

	2023	2022
	€	€
Opening Cash and Cash Equivalents	12,057,648	11,169,347
Cash Flows from Operating Activities		
Loans Repaid	7,173,874	6,908,604
Loans Advanced	(10,083,512)	(8,067,742)
Loan Interest Received	1,172,655	1,091,138
SPS Pension Refund	-	204,991
Investment Interest Received	540,658	274,103
Bad Debts Recovered	71,102	53,170
Dividends Paid	-	-
Loan Interest Rebate Paid	-	-
Operating Expenses	(1,243,514)	(2,353,261)
Net Cash Flows from Operating Activities	(2,368,737)	(1,888,997)
Cash Flows from Investing Activities		
Fixed Asset Purchases	(90,890)	(16,747)
Net Cash Flow from Other Investing Activities	787,937	296,727
Net Cash Flows from Investing Activities	697,047	279,980
Cash Flows from Financing Activities		
Members' Shares Received	16,744,501	15,071,204
Members' Shares Withdrawn	(18,544,962)	(13,456,419)
Net Cash Flows from Financing Activities	(1,800,461)	1,614,785



Other Receipts/(Disbursements)

Other Income	10,124	30,931
Increase/(Decrease) in Member Draw	170	11,950
Decrease/ (Increase) in Debtors & Prepayments	(12,133)	15,501
Decrease/(Increase) in Other Liabilities and Charge	(110,765)	824,151
Total Other Receipts/(Disbursements)	(112,604)	882,533
Closing Cash and Cash Equivalents	8,472,893	12,057,648

Statement of changes in reserves

For the year ended 30th September 2023	Regulatory Reserve	Operational Risk Reserve	General Reserve	Undistributable Investment Income	Undistributed Reserve	Total Reserves
Opening Balance as at 1 Oct '21	€ 5,200,000	€ 207,537	€ 900,000	€ 92,586	€ 216,939	€ 6,617,062
Deficit for year	-	-	-	-	(616,895)	(616,895)
Transfer between reserves	196,000	10,184	(900,000)	8,154	685,662	-
Closing Balance as at 1 Oct '22	5,396,000	217,721	-	100,740	285,706	6,000,167
Opening Balance as at 1 Oct '22	5,396,000	217,721	-	100,740	285,706	6,000,167
Surplus for the year	-	200,000	-	-	238,468	438,468
Transfer between reserves	-	-	-	(100,740)	100,740	-
Closing Balance as at 30 Sep '23	5,396,000	417,721	-	-	624,914	6,438,635

(1) The Regulatory reserve of the Credit Union as % of total assets as at 30 September 2023 was 10.99%. (30 September 2022: 10.67%).

(2) In accordance with S45 of the Credit Union Act 1997 (as amended) Enfield Credit Union Limited put in place an Operational Risk Reserve during the comparative period. The Board did not transfer any surplus from the current year surplus, following the completion of an internal process of assessing the level of the reserve required to cover the operational risk within the Credit Union.

However, Enfield Credit Union Ltd. has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve in the amounts to €200,000, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended). The Operational Risk Reserve as a % of the total assets as at 30th September 2021 was .85% (30 September 2022: .43%).

(3) Under the provisions of the Credit Union Acts 1997 - 2018, the Credit Union is required to establish and maintain a minimum reserve requirement of at least 10% of the assets of the Credit Union.



Notes to the Financial Statements

1.STATEMENT OF COMPLIANCE

Enfield Credit Union Limited is established under the Credit Union Acts 1997 to 2018. 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 Main Street, Enfield, Co. Meath with branch offices in Longwood and Summerhill.

2.ACCOUNTING POLICIES

Statement of compliance and basis of preparation

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

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

Currency

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

Going Concern

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

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

Judgements and Key Sources of Estimation Uncertainty

Pensions

Enfield Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded scheme of the defined benefit type, with assets invested in separate trustee administered funds. Judgement is required to assess whether Enfield Credit Union Limited has sufficient information to enable it to account for the plan as a defined benefit plan. An assessment has been performed of the information currently available and Enfield Credit Union Limited 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 contribution 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 contribution 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.

Income

Interest on members' loans

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



Investment Income

Investments held at amortised cost use the effective interest method to recognise investment income. Investments held at fair value are measured using market value or broker price quotation with changes in fair value recognised as investment income.

Other Income

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

DIVIDENDS TO MEMBERS

Dividends and Loan interest Rebate to Members

Dividends and loan interest rebates are paid from current year's surplus, or the dividend reserves set aside for that purpose. The Board's proposed distribution to members each year is based on the dividend and loan interest rebate policy of the Credit Union.

Dividend and Interest Rebate Policy

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

- The risk profile of the Credit Union, particularly in its loan and investment portfolios.
 - The Board's desire to maintain a stable rather than a volatile rate of dividend each year; and
 - Members' legitimate dividend and loan interest rebate expectations.
- all dominated by prudence and the need to sustain the long-term welfare of the Credit Union.

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

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

Taxation

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

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 or are capable of being accessed within three months.

Financial Instruments

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

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

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

Basic Financial Assets

Basic financial assets are 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

Investments held at Amortised Cost

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

Investments held at Fair Value

The fair value of investments is based on quoted market prices or broker price quotation with any change in fair value recognised in the Income and Expenditure account.

Other Receivables

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

Impairment of Financial Assets

Financial assets, other than those held at fair value, 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 expected cash flows taking account of pledged shares and other security as appropriate.

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

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

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

De-recognition of Financial Assets

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

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

Basic Financial Liabilities

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



Financial Liabilities Members’ Shares

Members’ shares are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited.

Other Payables

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

De-recognition of Financial Liabilities

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

Tangible Assets

Tangible fixed assets comprise items of freehold property, office equipment and fittings and computer system which are stated at cost, less accumulated depreciation, and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation

Depreciation is provided to write off the cost of each item of freehold property, office equipment and fittings and computer system less its estimated residual value over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

Freehold Property	-	2%	straight line
Office Equipment and Fittings	-	10/12.5/20%	straight line
Computers	-	20%	straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the Income and Expenditure account.

Impairment of Tangible Fixed Assets

At each reporting end date, the Credit Union reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Credit Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

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



Employee Benefits

Pension Scheme

Enfield 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. This ILCU is the principal employer of the Scheme and Enfield Credit Union Limited is a participating employer.

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

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

Defined Contribution Pension Scheme

Enfield Credit Union Limited operates a defined contribution pension plan. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments of a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in surplus or deficit in the period in which it arises.

Other Employee Benefits

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

Reserves

Regulatory Reserve

The Credit Union is required to establish and maintain a minimum Regulatory reserve of at least 10% of the assets of the Credit Union in accordance with Credit Union Acts 1997 to 2018.

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 Unions business.

General Reserve

The Credit Union maintains a General Reserve which is maintained to fund the development of the Credit Union and to pay dividends in the future, if recommended by the Board of Directors and approved at the Annual General Meeting.

Undistributed Surplus

The Credit Union maintains an Undistributed Surplus which is maintained to fund the development of the Credit Union, if recommended by the Board of Directors and approved at the Annual General Meeting.

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.



3. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying Enfield 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:

Impairment losses on loans to members

The Credit Union's accounting policy for impairment of financial assets is set out in accounting policy in Note 2. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the Credit Union is exposed, and, other external factors such as legal and regulatory requirements. Credit risk is identified, assessed and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics. The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is doubt about their recoverability. Loan loss provisioning is monitored by the Credit Union, and the Credit Union assesses and approves its provisions and 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's allied to the Credit Union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the Credit Union operates. If a loan is deemed to be impaired, a specific provision is made against the loan, taking account of pledged shares and other security as appropriate. After a period of time, when it is concluded that there is no real prospect of recovery of loans/part of loans, the credit union charges off that amount of the loan deemed irrecoverable.

Pensions

Enfield Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded scheme of the defined benefit type, with assets invested in separate trustee administered funds. Judgement is required to assess whether Enfield Credit Union Limited has sufficient information to enable it to account for the plan as a defined benefit plan. An assessment has been performed of the information currently available and Enfield Credit Union Limited 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 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 Continued

4. INTEREST ON MEMBERS LOANS

	2023	2022
	€	€
Closing accrued loan interest receivable	51,201	37,385
Loan interest received in year	1,172,655	1,091,138
Opening accrued loan interest receivable	(37,385)	(33,113)
	<u>1,186,471</u>	<u>1,095,410</u>

5. OTHER INTEREST INCOME AND SIMILAR INCOME

	2023	2022
	€	€
Investment income and gains received by the Balance Sheet	334,345	40,480
Receivable within 12 months of Balance Sheet date	231,114	198,159
Other investment income and gains	(100,740)	8,154
	<u>464,719</u>	<u>246,793</u>

6. INTEREST PAYABLE AND DIVIDENDS

The dividend and any loan interest rebate are formally proposed by the directors after the year end and are confirmed at an AGM of the members. As a result, the proposed dividend and loan interest rebate for the current year do not represent a liability at the Balance Sheet date and the dividend and loan interest rebate included in the Statement of Reserves in the current year relates to dividends and loan interest rebate paid to members for the prior year.

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

	2023	2022
	€	€
Dividend paid during the year	<u>0%</u>	<u>0%</u>
Dividend Rate on Members shares	<u>0%</u>	<u>0%</u>
Interest Rebate paid during the year	<u>0%</u>	<u>0%</u>
Interest Rebate on Members loans	<u>0%</u>	<u>0%</u>

The dividend and loan interest rebate proposed for the current and prior year are as follows:

	2023	2022
	€	€
Dividend proposed, but not recognised	<u>20,986</u>	<u>0%</u>
Dividend Rate on Members shares	<u>0.05%</u>	<u>0%</u>
Interest Rebate proposed, but not recognised	<u>0</u>	<u>0</u>
Interest Rebate on Members loans	<u>0%</u>	<u>0%</u>



7. EMPLOYEES AND EMPLOYMENT COSTS

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

	2023	2022
	€	€
Management and Staff	15	15

The aggregate payroll costs incurred during the year were:

Wages and Salaries	463,325	443,149
Other Retirement Benefit Costs	80,514	54,325
SPS Pension Deficit	(80,834)	953,395
	<u>463,005</u>	<u>1,450,869</u>

8. KEY MANAGEMENT PERSONNEL

The remuneration of key management personnel was as follows:

	2023	2022
	€	€
Short term employee benefits	159,576	180,829
Pension contributions to defined benefit and defined contribution plans in respect of qualifying services.	14,506	5,425
Total key management personnel compensation	<u>174,082</u>	<u>186,254</u>

Short-term employee benefits include wages, salaries, social security contributions and paid annual leave.

9. CASH AND CASH EQUIVALENTS

	2023	2022
	€	€
Cash at bank and in hand	581,612	870,122
Short-term deposits	7,891,281	11,187,526
	<u>8,472,893</u>	<u>12,057,648</u>

10. Exceptional Gain

At the Irish League of Credit Unions (ILCU) AGM 2022, a resolution was passed to amend Rule 4 of the Rules of the Stabilisation Protection Scheme 2020 to include a fourth purpose, 'the stabilisation of the sector as a result of the deficit in the ILCU Pension fund and the other recent environment factors and permits a payment from the SPS Fund to be made to all affiliated Credit Union, such payment be made in 2022 only in the total amount of €80.9 million pro rata to credit unions based on asset size on the 30th September 2021'.

The total refund due to Enfield Credit Union Ltd on foot of this resolution was (2022 €204,991)

11. Exceptional Loss

Enfield Credit Union Ltd participates in an industry wide pension scheme for employees (Irish League of Credit Unions Republic of Ireland pension scheme) This is a funded defined benefit scheme with assets managed by the Schemes Trustees.

Following a review of the future long-term viability of the scheme by the Principal Employer, it was determined that the scheme should be closed to future accrual as at the 31 March 2022.



Staff who are Members of the scheme, including past staff, retained all the benefits that they had accrued to that date. Enfield Credit Union Ltd and its employees cease making regular contributions to the scheme and ceased earning any additional benefits from that scheme as of that date.

At the closure, they Actuary determined that there was deficit in the scheme following a review of past and future service liabilities. This deficit was allocated to each participating Credit Union based on the total benefits earned by staff. Enfield Credit Union Ltd share of the deficit is €0 (2022 €872,561) future details is contained in Note 26.

12. TANGIBLE ASSETS	Freehold Property Enfield	Freehold Property Summerhill	Freehold Property Longwood	Office Equipment & Furniture	Computers	Total
	€	€	€	€	€	€
Cost						
At 1st Oct 2022	658,237	253,475	237,546	267,284	354,274	1,770,816
Additions	-	-	-	13,983	76,907	90,890
At 30th Sept 2023	<u>658,237</u>	<u>253,475</u>	<u>237,546</u>	<u>281,267</u>	<u>431,181</u>	<u>1,861,706</u>
Depreciation						
At 1st Oct 2022	335,970	118,594	23,755	167,412	286,810	932,541
Charge for the year	13,165	5,070	4,751	25,262	28,717	76,965
At 30th Sept 2023	<u>349,135</u>	<u>123,664</u>	<u>28,506</u>	<u>192,674</u>	<u>315,527</u>	<u>1,009,506</u>
Carrying Amount						
At 30th Sept 2023	<u>309,102</u>	<u>129,811</u>	<u>209,040</u>	<u>88,593</u>	<u>115,654</u>	<u>852,200</u>
At 30th Sept 2022	<u>322,267</u>	<u>134,881</u>	<u>213,791</u>	<u>99,872</u>	<u>67,464</u>	<u>838,275</u>
13. LOANS TO MEMBERS – FINANCIAL ASSETS				2023	2022	
				€	€	
Gross loans to Members As at 1st October				15,965,784	14,818,895	
Advanced during the year				10,083,512	8,067,742	
Repaid during the year				(7,173,874)	(6,908,604)	
Loans charged off				(66,416)	(12,249)	
Gross Loans to Members as at 30th September				<u>18,809,006</u>	<u>15,965,784</u>	
Impairment Allowances						
Individual Loans				401,023	252,058	
Groups of Loans				251,222	493,134	
Impairment Allowances as at 30th September				<u>652,245</u>	<u>745,192</u>	
As at 30th September				<u>18,156,761</u>	<u>15,220,592</u>	



13.1. CREDIT RISK DISCLOSURES

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

	30th September 2023		30th September 2022	
	€	%	€	%
Loans Not Impaired				
Total loans not impaired	17,848,235	94.9%	15,367,205	96.3%
Impaired Loans				
Up to 9 weeks past due	646,878	3.4%	421,620	2.6%
Between 10 wks and 18 wks past due	104,601	0.6%	31,798	0.2%
Between 19 wks and 26 wks past due	89,634	0.5%	5,622	0.0%
Between 27 and 39 wks past due	12,647	0.1%	39,262	0.2%
Between 40 and 52 wks past due	24,127	0.1%	12,936	0.1%
53 or more wks past due	82,884	0.4%	87,341	0.5%
Total Impaired Loans	960,771	5.1%	598,579	3.7%
Total Loans	18,809,006	100.0%	15,965,784	100.0%

13.2 Loan Provision Account for Impairment Losses

	2023	2022
	€	€
As at 1st October	745,192	945,569
Decrease in Bad Debt Provision as a Result of Loan Charge Offs	(66,416)	(12,249)
Net movement in Bad Debt Provision	(26,531)	(188,128)
As at 30th September	652,245	745,192

14. PREPAYMENTS AND ACCRUED INCOME

	2023	2022
	€	€
Prepayments	85,828	73,695
Accrued Loan Interest	51,201	37,385
Accrued Investment Income	130,374	206,313
	267,403	317,393



15. INVESTMENTS

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

	2023	2022
	€	€
Irish and EEA State Securities	430,666	432,113
Bank Bonds	3,740,507	4,716,585
Accounts in Authorised Credit Institutions	22,258,564	22,083,438
Other Investments	2,495,084	2,491,718
Central Bank Minimum Deposits	334,192	3,619,341
	<u>29,259,013</u>	<u>33,343,195</u>

16. MEMBERS SHARES

	2023	2022
	€	€
Share Accounts	<u>41,843,501</u>	<u>43,643,962</u>
Unattached Shares	<u>36,536,083</u>	<u>38,352,138</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	€	€
Accruals	802,645	913,410
Members Draw Fund	<u>32,208</u>	<u>32,038</u>
	<u>834,853</u>	<u>945,448</u>

18. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

Financial Risk Management

Enfield 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 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 Enfield Credit Union Limited activities are credit risk, liquidity risk, market 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 Enfield Credit Union Limited, resulting in financial loss to the Credit Union. In order to manage this risk, the Board approves the Credit Union's credit policy, and all changes to it. All loan applications are assessed with reference to the credit policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit risk on member's loans is disclosed in Note 13.

The Credit Unions investments are also exposed to credit risk and the Credit Union mitigates the risk by only placing investments with financial institutions where the counterparties have strong credit ratings



and using investment products within the legal and regulatory guidelines set out for credit union in the Credit Union Act 1997 (Regulatory Requirements) (Amendment) Regulations 2019.

Liquidity Risk

The Credit Union’s policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The Credit Union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) (Amendment) Regulations 2020.

Market Risk

Market risk is generally comprised of interest rate risk, currency risk and other price risk. Enfield 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.

Interest Rate Risk

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

The Credit Union maintains sufficient reserves to buffer the Credit Union against any losses on its member’s loans and also its investments. Full details of these reserves are set out in the Statement of Changes in Reserves.

19. INTEREST RATE CHARGED ON MEMBERS LOANS	30th September 2023		30th September 2022	
	Variable		Variable	
	Rate	APR	Rate	APR
Standard Loans	9%	9.4%	9%	9.4%
Reduced Rate College Loans	7.5%	7.76%	7.5%	7.76%
Secured Loans	4.95%	5.06%	4.95%	5.06%
Car loan greater than €15,000	4.95%	5.06%	4.95%	5.06%
Home Improvement loan greater than €20,000	6.95%	7.18%	6.95%	7.18%
Cultivate Agricultural Loans	6.55%	6.75%	6.55%	6.75%
Greenify – Green Loans	6.50%	6.70%	6.50%	6.70%

20. LIQUIDITY RISK DISCLOSURES

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

21. FAIR VALUE OF FINANCIAL STATEMENTS

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

22. CAPITAL

The Credit Union maintains sufficient reserves to buffer the Credit Union against any losses on its member’s loans and also its investments. Full details of these reserves are set out in the Statement of Changes in Reserves.

23. POST BALANCE SHEET EVENTS

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



24. CONTINGENT LIABILITIES

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

25. CAPITAL COMMITMENTS

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

26. PENSION SCHEME – IRISH LEAGUE OF CREDIT UNIONS

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

On 31st March 2022, the defined benefit scheme closed to future accrual and although staff retained all the benefits that they had earned in the scheme to that date, Enfield Credit Union Limited and its employees ceased making regular contributions to the scheme and ceased earning any additional benefits from the scheme.

At the date of closure of the scheme, there was a past service deficit which was allocated to each individual credit union based on the total benefits earned by staff in each credit union. Enfield Credit Union Limited's allocation of that past service deficit is €953,395. This total cost is included in the Income & Expenditure account for the year ended 30 September 2022. Enfield Credit Union Limited has entered a 10 year funding plan to pay the deficit of which the first year was paid in 2022.

As this is a pooled scheme, Enfield Credit Union Limited remains liable to cover the cost of their share of any future increase in the total cost of providing the pension payments to credit union employees who were part of the scheme. Enfield Credit Union Limited could exit the scheme and therefore never have to make a potential additional payment requirement but exiting the scheme would incur a substantial additional cost.

If credit unions exit the Scheme, they are required to pay to the trustees the exit amount which the trustees determine is required to fund benefits in respect of their active, deferred and pensioner members on a 'no risk' basis. The exiting credit union thereby settles any liability they must contribute to the Scheme in the future without increasing the risk for remaining credit unions. The Scheme is a multi-employer scheme and there is pooling of the assets, and the sharing of risks associated with the liabilities for all participating employers. Judgement is required to assess whether Enfield Credit Union Limited has sufficient information to provide an appropriate allocation of pension assets and liabilities. An assessment has been performed of the information available and Enfield Credit Union Limited has determined that there is currently insufficient information available. Consequently, Enfield Credit Union Limited continues to account for the plan as a defined contribution plan.

An actuarial review of the funds is normally carried out every three years by the Scheme's independent, professionally qualified actuary. The actuarial review considers the past and future 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 31st 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 following table:



	31 Mar 22	29 Feb 20
	€ 'M	€ 'M
Assets	283.4	250
Liabilities	377.1	291.8
Deficit	<u>93.7</u>	<u>41.8</u>

Assumptions Used

Investment return on the period pre-retirement	3.35%	3.5%
Investment return while in receipt of pension	0.25%	0.4%
Annual of accrued pensions up to retirement	2.05%	1.25%
Annual increases to pension in payment	3%/0%	3%/0%
Life expectancy*		
- 65year old male lives to age	87	86
- 65year 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: 0.3%, Females: 0.25% (improvements from 2014).

Enfield Credit Union Limited’s liability in respect of the funding plan based on outstanding contributions payable under the funding plan is set out in the table below:

	30 Sep 23	30 Sep 22
	€	€
Retirement Benefit Liability	(80,834)	€953,395

There is an ongoing process to sign-off on the 28 February 2023 valuation. Under the Pensions Act, there is a 9 month period allowed to sign off an actuarial valuation. The formal process is on track to conclude within the required timescales - there is a deadline for finalisation of the report of 30 November 2023.

Given the progress to date in respect of the actuarial valuation, it is the clear understanding at this point that there will be no additional contributions recommended, over and above those contributions payable per the table above.

27. INSURANCE AGAINST FRAUD

The Credit Union has insurance against fraud in the amount of €2,600,000 (2021: €2,600,000) in compliance with Section 47 of Credit Union Acts 1997 (as amended).

28. RELATED PARTY TRANSACTIONS

During the year loans were advanced to directors and the management team of the Credit Union (to include their family members or any business in which the directors or management team had a significant shareholding) in the amount of €220,728. These loans were approved in accordance with all relevant legislative and regulatory requirements at the time of the advance. The loans outstanding from these parties at 2023 were €399,049

The related party share balances in the credit union stood at €526,562 at 30 September 2023. The related parties had no deposits.

29. APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors approved these financial statements for issue on 1st November 2023



Board Oversight Committee Report

The Credit Union Act 1997, as amended, provides for the appointment of a Board Oversight Committee to assess:

- whether the Board of Directors has operated in accordance with Part IV and Part IVA of the Credit Union Act 1997, as amended;
- whether the Board of Directors has operated in accordance with any other matters prescribed by the Central Bank in respect of which they are to have regard in relation to the Board of Directors.

The Board Oversight Committee is an independent committee from that of the Board of Directors and is directly elected by you, the members of Enfield Credit Union at AGM.

The role of the Board Oversight Committee under the Credit Union Act 1997, as amended, is to oversee the Board of Directors and ensure, in addition to the above, that they act in the best interests of you the members in accordance with the said act.

At least one member of the Board Oversight Committee attends every monthly board meeting of the directors, and we may and do attend board sub-committee meetings to get a better understanding and in-depth knowledge of the functions and operations of the credit union. We meet monthly and provide four reports each year to the Board of Directors as part of our ongoing assessment.

The reports presented by the Board Oversight Committee during 2023 are as follows:

- Report on the Governance Policy of Enfield Credit Union dated 23rd March 2023;
- Report by way of review of the Board in respect of May 2023 board meeting presented on 27th June 2023;
- Report by way of review of the Board in respect of quarter ending 30th June 2023 at board meeting dated 25th July 2023;
- Report on the Standards of Conduct and Ethical Behavior Policy of Enfield Credit Union dated 14th October 2023.

The Board Oversight Committee can confirm that, insofar as we can ascertain, the Board of Directors has fulfilled its obligations and has acted in accordance with legislation and in the best interests of you, the members of Enfield Credit Union.

The Board Oversight Committee would like to acknowledge the assistance afforded to it by the Board of Directors, the CEO, Deputy CEO and all the staff of the credit union in carrying out its functions.

Gesaldine Queoney
Chairperson

Margaret Molony
Secretary

Peadar Maguire
Member

Credit Committee Report

The role of the Credit Committee is to oversee the approval of loans in accordance with the Lending Policy of Enfield Credit Union. The Credit Committee meets monthly.

In 2023 Enfield Credit Union advanced 1634 loans to members totalling €10,083,512.46 this represents a growth of (25%) on the previous year. The following is a breakdown of loans issued:



No. of Loans	Purpose of Loan	Value €
2	Agriculture	€9,200
231	Car Expenses	€1,119,327.48
10	Cultivate Agri Loan	€225,700
129	Home Improvements	€658,320.14
78	Holidays	€179,833.99
32	Family Occasions	€125,176.49
685	Loan covered by shares	€1,867,971.58
41	Medical	€134,755
44	Christmas	€62,900
82	Low-rate car loan	€1,676,027.06
140	Large loan < €20,000	€3,514,629.60
38	Education	€130,054
16	Debt Consolidation	€68,967.18
99	Other	€230,099.94
7	Greenify	€80,550
Total	Total	€10,083,512.46

Enfield Credit Union is committed to offering our valued members affordable and flexible loan solutions. Members can avail of a range of competitive loan products while enjoying all the benefits of a credit union including personalised service, no sneaky conditions, penalties, or charges for early repayment. We also provide loan protection insurance at no extra cost (subject to age and health status).

Our full online lending service is giving members more choice with the option to apply and draw down loans electronically. Our lending team is available six days a week for loans by phone or appointment. Our experienced team will do everything possible to assist you through the loan application process, making your loan application process as easy as possible.

As always in the interests of securing members savings our lending must be prudent therefore, we will not compromise on operating to the highest standards. Our systems and procedures ensure that our decision making is based on a thorough and comprehensive analysis of all loan applications. Quality lending is essential in ensuring that our credit union will continue to remain strong and secure benefiting our community for years to come.

We would like to thank all the staff for their help and co-operation throughout the year.

Eddie O’Brien, Michéal Cummins, Alison Walker, Monica Farrell, and Christine Reilly

Credit Control Committee Report

The Credit Control Committee is responsible for ensuring, in so far as it is possible, that all loans are repaid in accordance with their loan agreement. The committee ensures that the policies and procedures, adopted by the Board of Directors governing the pursuit and recovery of loans, are implemented. In fulfilling our obligations, however, we make every effort to provide all the help we can to our members who are experiencing difficulty with repayments.

The committee fully understands that due to individual circumstances some members can experience financial difficulties and may struggle to meet loan repayments. Our approach is to talk to those



members, and we believe that, in most cases, through dialogue a solution can be found. We believe most of our members are committed to repaying their loans and therefore we will make every effort to work with them when difficulties arise.

This year we have recovered €71,102 in loans charged off. Charged off loans this year amounted to €66,416. Accounts charged off are pursued for recovery of the debt owed. Most members experiencing difficulty are repaying their loans at a reduced rate and will in time repay the full debt owed. Most of the remaining members are working with us to find a solution. If any member is experiencing difficulty with their loan repayments, they should immediately contact the credit control office where they will receive a sympathetic hearing. The overall level of default on our loan book is very low and we have every confidence that in time most loans will be repaid in full.

We have a very dedicated team of people, led by our Credit Control Officer, who take the time and effort to engage with members who are having difficulty repaying their loans. We know our members and we will work tirelessly to find a solution to any problems that may arise. Come and talk to us if there's a problem – we can help.

We must emphasise, however, that we have a responsibility to all our members to ensure their savings are protected and as always unfortunately there will be some members who will not co-operate. We have a duty of care to ensure all loans are repaid in full and on those very rare occasions where members will not work with us, we may have no alternative but to seek redress through the courts.

As a committee, we would like to extend our sincere thanks to Michael Gleeson Credit Control Officer and all the staff for their hard work and co-operation during the year.

Most of all we would like to thank you our members for your co-operation.

Niamh Souhan, Robert O'Reilly, Edel Cregan.

Membership Report

During the past year a total of 439 new members joined Enfield Credit Union. Our membership currently stands at 10118.

The main function of the membership officer is to check that new applicants are either living or working within our common bond and that each application is accompanied by the necessary due diligence documentation.

In compliance with the Criminal Justice Acts 2010 and 2013, all applicants for membership must produce the following documents upon applying for membership:

- Photographic identification (i.e., in date Passport, Driving Licence etc.)
- Proof of address (i.e., recent utility bill, bank statement, income tax cert)
- Evidence of PPS number
- In the case of a child, a Birth Certificate for the child along with proof of address and identification for parents or guardians.
- There is a requirement for the credit union to continually update its records in order to ensure compliance with legislation.

Members can join Enfield Credit Union through our new online boarding process which is available in our website.

When joining, all members are asked to complete a Nomination Form. This is a very important legal document which gives you the right to nominate a person or persons who will be the beneficiary of any monies in your account in the event of your death (Subject to a statutory limit). A new nomination can be completed at any time, and this will revoke any previous nominations. It cannot be revoked or varied by the terms of your will or any codicil to your will.



We ask all existing members to cooperate with us when we seek to update our records to ensure that we have up to date photo identification and proof of address as required under current legislation. We will be contacting all members whose identification documentation is out of date seeking up to date documentation. We would also ask members to keep us informed with changes to address and phone number. This makes it much easier for us to keep in touch and better protect your data.

We would like to thank all the staff for their assistance during the year.

Naomi Masterson, Suzanne Bannon and Linda Conwell - Membership Officers

Motions & Amendments to Standard Rules

Affiliation Fee

The Board has approved an Affiliation Fee of €2.50 per member over the age of 16 for 2023.

Motions

The Board of Directors is proposing a dividend of 0.05% in respect of the year ended 30th September 2023.

Amendment to Standard Rules

"Rule 30 (1)(a)

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

(1) (a) Provided a share dividend has been declared in accordance with the Act, the directors may recommend to the annual general meeting for approval a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.

And by the insertion of the following Rule 30 (1)(a) to read:

(1) (a) The directors may recommend to the annual general meeting for approval a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.

Nomination Committee Report

The role of the Nomination Committee is to advise and make recommendations to the Board on matters relating to the Board's membership, committee membership and related appointments.

This committee is responsible for:

1. Identifying suitable candidates for appointment to the Board and in conjunction with the Board Oversight Committee identifying suitable candidates for the Board Oversight Committee
2. Accepting Nominations
3. Proposing candidates for election
4. Ensuring the board fulfils its obligations in relation to Pre- approval Control Functions (Chairman, CEO)
5. Ensuring the Central Bank Fitness & Probity requirements are met
6. Ensuring a succession plan is in place along with responsibilities for induction, training, and maintenance of appropriate records.



Nominations for the Board of Directors and the Board Oversight Committee may no longer be taken from the floor at AGM. Nominations must be made to the Chairman of the Nomination Committee in good time in order to allow the committee to comply with Fitness and Probity Standards.

The election of four Directors and one member of the Board Oversight Committee will be held at this AGM.

Four Directors are stepping down from the Board of Directors and all four have indicated that they are willing to stand for re-election. All four are duly nominated for election to the Board of Directors.

One member of the Board Oversight Committee is stepping down and has indicated that they are willing to stand for re-election. One candidate is duly nominated for election to the Board Oversight Committee.

The Nominations Committee is proposing Hayes Coghlan Doolan for re-election as Statutory Auditor for the coming year.

Robert O'Reilly, Niamh Souhan, Edel Cregan

BOARD OF DIRECTORS:

Chairperson – Tom Curran
Vice Chairperson – Niamh Souhan
Secretary – Robert O'Reilly
Eddie O'Brien, Joan Guinan Menton,
Monica Farrell, Danny Kavanagh, Ben Killeen,
Brian Holton, Christine Reilly, Edel Cregan.

CREDIT COMMITTEE:

Eddie O'Brien, Michéal Cummins, Alison Walker,
Christine Reilly, and Monica Farrell

CREDIT CONTROL COMMITTEE:

Niamh Souhan, Robert O'Reilly, Edel Cregan

INVESTMENT COMMITTEE:

Danny Kavanagh, Brian Holton, and Tom Curran

RISK, AUDIT & COMPLIANCE (RAC) COMMITTEE:

Robert O'Reilly, Joan Guinan Menton, and
Christine Reilly

STRATEGIC PLANNING COMMITTEE:

Danny Kavanagh, Tom Curran, Robert O'Reilly,
Ben Killeen, Brian Holton

ESG – ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE:

Danny Kavanagh, Robert O'Reilly and Brian
Holton

NOMINATION COMMITTEE:

Niamh Souhan, Robert O'Reilly, Edel Cregan and
Tom Curran

CHAPTER DELEGATE:

Robert O'Reilly

MEMBERSHIP OFFICERS

Naomi Masterson, Suzanne Bannon &
Linda Conwell

YOUTH OFFICER

Niamh Souhan

BOARD OVERSIGHT COMMITTEE:

Margaret Molony, Geraldine Queeney, and
Peadair Maguire

CEO:

Naomi Masterson

DEPUTY CEO:

Marguerite Gorry

CREDIT CONTROL OFFICER:

Michael Gleeson

BOARD ADMINISTRATION SECRETARY:

Marie Larrissy

STAFF MEMBERS:

Suzanne Bannon, Linda Conwell, Catriona Reilly,
Grainne Fox, Orla Daly, Louise Kelly, Dean Morris,
Moira Tuomey, Pamela Davy, Caroline McNamee,
and Sharon Coyle.

BANKERS:

Bank of Ireland

SOLICITORS:

Joe Curran (Daniel J Reilly & Co.), Trim, Co. Meath.
Pierce & Fitzgibbon Solicitors, Market Street,
Listowel, Co. Kerry

AUDITORS:

Hayes, Coghlan, Doolan., Mullingar.



GO GREEN CAR LOAN

DRIVE
GREEN
DRIVE
CLEAN

Go green with an electric or hybrid car loan 4.95% (APR 5.06%)

Representative example

Borrow	Term	Repayment amount	Total cost of Credit.
€30,000	5 years	€565.46	€3,924.37

Enfield Credit Union is regulated by the Central Bank of Ireland. Terms and conditions apply.







Enfield
Credit Union
We're with you every step

ANNUAL GENERAL
MEETING 2023

**LOOKING
FORWARD
TO 2024**

**CURRENT ACCOUNT
DEBIT CARD**



MORTGAGES

