

*Member First Credit Union Limited
Annual Report & Accounts 2023*

ANNUAL REPORT 2023

 **Member First**
CREDIT UNION

the Northside's favourite credit union

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OUR VERY FIRST DIGITAL ANNUAL REPORT



MFCU are delighted to present our very first Digital Annual Report to our members. The digitisation of this important document is a key milestone in our sustainability journey. The MFCU Climate Action Plan was drafted to formally present our goals and objectives for ensuring our business remains sustainable into the future.

Member First Credit Union is all about looking after our communities. The Climate Action Plan is our promise to the wider global community. We care about the impact we have on our environment, and we are pledging to make a difference where we can.

The MFCU Annual Report is a document which is required under Central Bank regulations to be circulated to all our members each year. Transforming our delivery of this report to fully electronic format means we save over €20,000 in printing and postage costs for our members annually.

Thank you for your continued support of MFCU as we implement our Climate Action Plan. If you have any ideas for further sustainability improvements, please don't hesitate to get in touch.

We understand that this change may be difficult for some members. Which is why we are offering a print-on-demand option for those who do not have the opportunity to access a report via digital channels. If you would like a physical copy of the MFCU Annual Report 2023, please email info@mfcu.ie, call us on (01) 851 3400 or visit any MFCU branch.

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This is an interactive document

A digital Annual Report allows us to place interactive links throughout this booklet. Anywhere you see a mouse icon, you can click this link to learn more about the topic.

Wherever you see the mouse icon
click to learn more



MEMBER NOTICE: AGM 2023

Notice is hereby given that the Annual General Meeting ('AGM') of Member First Credit Union Limited will take place by virtual means on Monday, 4th December 2023, at 7.00pm.

This event will be accessed by a private link only available to our members. To sign up for access please visit our website at www.mfcu.ie/agm-2023 and complete the signup form. If you need assistance accessing our virtual AGM, please read the information on the following page or don't hesitate to give us a call on (01) 851 3400.

- Eamonn Free, Secretary

VIRTUAL AGM to be held on
Monday 4th December 2023
at **7.00pm**

Members wishing to attend the Virtual AGM need to register to join and apply via our website: www.mfcu.ie/agm-2023 and complete the signup form.

The request for attendance must be received by 5pm on Wednesday 29th November 2023.

Please Note: Annual Account Statements will be available via your online account in January 2024.

VIRTUAL AGM FULL DETAILS

We have taken the decision to once again hold our Annual General Meeting ('AGM') by virtual means. Member First Credit Union Limited will be using Zoom Webinar as the virtual platform for the meeting.

To gain access to the meeting a member must register to attend the virtual meeting by completing the application form online, available at www.mfcu.ie/agm-2023. This application must be received by **5pm on Wednesday 29th November 2023**. Following the registration the member will receive an invitation no later than the morning of Monday 4th December. The invitation received by you will contain a link that allows you to not only attend (remotely) the AGM, but also to exercise your right to vote at the AGM. You cannot share this invitational link with anyone else and you are solely responsible for the security and safe keeping of your invitational link. Each unique invitational link is applicable to one member on one device and permits that member to vote.

- The information required to request an invitation is your name, member account number and email address.
- The Credit Union will verify members details prior to issuing invitations.
- In order to register for the Virtual AGM, each member will require a personal email address. Please note that a group or general mailbox will not be accepted (e.g. info@club.ie, team1@xyzltd.ie).
- All non-presenting participants will have their microphones muted and have their cameras switched off to allow the smooth running of the meeting.
- If a member wishes to submit a question this can be typed to the host by clicking on the "Q&A" button on the bottom of the screen.
- There will be resolutions that require a vote as well as elections for the position of Auditor, Board Oversight Committee and Board of Directors.
- Voting will be conducted by way of the online poll facility and members will be asked to vote Yes/No electronically for the resolution or for each candidate when instructed by the Chairperson.
- Votes will be tallied electronically, verified by the Head of Regulatory Compliance, and recorded by the Secretary.
- This virtual AGM meeting will be recorded and members who register for the meeting will be agreeing to the recording of the meeting and their participation in it, by registering.

For those members who are not confident with computers or online systems, we have compiled a series of online instructional booklets and films on how to familiarise yourself with computers and how to use the basic online systems. We want to ensure that all our members can attend our virtual meeting. We would advise you to familiarise yourself with these resources ahead of time – full details are available at www.mfcu.ie/agm-2023.

AGM QUESTION SUBMISSION

In order to improve the smooth running of the AGM, like in previous years, we are giving members the opportunity to submit questions to the Board of Directors in advance of the meeting. Please also include your contact details. Questions can be submitted in any branch, posted to our Head Office (Artane Roundabout, Malahide Road, Artane, Dublin 5) or emailed to agm@mfcu.ie.

Any questions submitted that are not relevant to the business of the AGM will be forwarded for the attention of a relevant officer to be addressed as appropriate. These might include matters relating to a member's account or affairs which are unlikely to be relevant to the business of the AGM. Submitting a question in advance of the AGM does not affect your rights as a member to attend and speak at the AGM.

Please return your questions to your local Member First Credit Union branch, post them to our Head Office at the Artane Roundabout or send them by email to agm@mfcu.ie no later than Wednesday 29th November 2023.

AGM AGENDA

- | | |
|---|---|
| 1. Chair opens meeting at 7.00pm sharp | 10. Report of the Board Oversight Committee |
| 2. Ascertainment that a quorum is present | 11. Report of the Nomination Committee |
| 3. Adoption of standing orders | 12. Appointment of Tellers |
| 4. Adoption of rule changes | 13. Balloting |
| 5. Approval of minutes of AGM 2022 | 14. Community Report |
| 6. Report of the Board | 15. Announcement of Election Results |
| 7. Finance Report | 16. Adjournment of meeting 8.15pm sharp |
| 8. Report of the Auditor | 17. Raffle Results |
| 9. CEO Report | |

* agenda is subject to change

STANDING ORDERS

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).

Due to the fact that this year's AGM will be a virtual meeting, voting on motions and elections will be by electronic means.

2. Election Procedure – Electronic Voting

When nominations are announced tellers shall be appointed by the Chair and voting procedures and instructions shall be distributed. Elections shall be in the following order:

- Election of Auditor;
- Election for membership of the Board of Directors; and
- Election for membership of the Board Oversight Committee.

The mechanics of the virtual voting process will be explained in more detail at the AGM by the Chair. When the votes have been counted by the tellers, the results shall be announced by the Chair.

3 – 4. Motions

3. Due to the specific difficulties we are facing in holding an Annual General Meeting this year due to Covid-19, the purpose of this year's AGM is to deal with the essential business of the Credit Union. This includes reporting to members on the financial status of the Credit Union and the election of officers.

As such, there will be no motions from the floor due to the difficulties in managing same remotely. Members have been invited to submit questions to the board in advance of the AGM and the board will address these during the AGM, and same will be included in the minutes of the AGM.

4. The Chair's decision on any matter relating to these Standing Orders or interpretation of same shall be final.

5 – 9. Miscellaneous

5. The Chair of the Credit Union 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.

6. The Chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.

7. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of

the Chair. At a virtual AGM in the current circumstances, this may not be practical, however, the option may be invoked if required.

8. The Chair shall have a second or casting vote in addition to his/her own vote on matters other than voting at elections where there is an equality of votes (Standard Rule 99(1)).

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

10. Adjournments

Adjournments of the AGM shall take place only in accordance with section 81(1) and the provisions concerning notice, voting and quorum are also set out in section 81 and the new section 80A inserted by the Finance (Miscellaneous Provisions) Act 2020.

RULE CHANGES

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."

REPORT OF THE CHAIRPERSON & CEO

Dear Members,

It is with great pride that we welcome you to the Annual Report of Member First Credit Union for the financial year ending 30th September 2023. In recent years we have all become familiar with virtual events including the AGM of our own Credit Union. Following last year's AGM we conducted a survey of those in attendance and found that the majority of members expressed a preference for the virtual format and so we have decided to continue with this format for the foreseeable future.

You may also see some changes to the Annual Report this year too. As part of our sustainability goals to reduce our carbon footprint, we have taken the decision to produce this our first E-Annual Report. In this new format we have included links to various areas of our website where you can find additional information about different services available, and we encourage you to explore these at your leisure.

Financial Performance

During the financial year we achieved many milestones. Our Credit Union now has assets in excess of €381 million. The loan interest received amounted to €9.1 million, an increase of €0.4m from 2022. From the accounts presented in the Annual Report, you will see that the Credit Union has continued to achieve a surplus this year. The Board have taken the decision to pay a minimal dividend of 0.05% and an interest rebate of 2% on standard rate loans. Our reserves have grown from 16.3% in 2022 to 17.27% in 2023. Our investment portfolio amounts to €260m and is highly diverse to ensure members funds are kept protected.

Lending & Savings

This year our lending department continued to be exceptionally busy with over 13,700 loans issued to the value of €55.4m. This growth represents an increase of 6.79% from 2022. Our loan book now stands at €112.5m which is a clear indicator of the trust our members have in MFCU

and our continued support for the financial aspirations of our members, whether it's a new washing machine, higher education, or any other life goal.

We are conscious that members needs are changing. Our loan offerings are now available to cover many of our members needs from small loans for household appliances to large loans for home renovations and mortgages. Our most recent mortgage offering is comparable to other financial institutions and we have helped 96 families to find a home. To assist members with their savings needs, we will be introducing a deposit account in the coming weeks.

Insurances

We are also changing our insurance offering for member savings. As before, savings are insured to a maximum of €5,000 but the covering now offered will reflect our member's age and the balance in their account at the time of their death. Further information is available on this FREE insurance offering on [page 30](#).

Facilities

During the year we also started to make changes to our branch network. Our large office in Swords no longer suits our needs for a digital Credit Union. Instead, an alternative site has been identified and work will commence in the coming months to open a new branch of MFCU on the Main Street of Swords village.

Community

Our credit union is not just about numbers; it's also deeply rooted in our community, and we continue to build our community fund for the benefit of our members. We take great pride in our extensive community involvement, with sponsorships reaching various schools and clubs in our area. We continue to expand our defibrillator donation programme with Senior Citizens of Swords benefitting from the 30th Defibrillator installation in our community. We also renewed sponsorship for many of

REPORT OF THE CHAIRPERSON & CEO

continued

our sports clubs and extended sponsorship to some new clubs including the North Dublin Pirates (American Football) and Swords Thunder (Basketball).

Furthermore, we are conscious of our role in building a sustainable future and our commitment to environmental responsibility with the launching of our Green Loans with reduced rate loans for members who want to borrow for sustainable goals such as solar panels or e-vehicles.

We also proudly supported local initiatives to improve our community. In April members of our staff gave up their time to clean the streets and parks in the areas around our branches as part of the Dublin Community Clean Up. We launched a partnership with Cloud Forests who actively participate in tree planting activities in Ireland and contributes to conservation initiatives restoring trees and protecting endangered fauna such as native bees, frogs, bats, and birds.

During the Summer we also launched a Community Garden Sponsorship Program inviting all community gardens in our area to showcase their hard work. Each garden received a sponsorship donation and congratulate the

Ayrfield Rathvale Community Garden on the overall winning transformation during the year. These initiatives are all ways in which MFCU gives back by supporting the organizations that make our community vibrant and dynamic.

Conclusion

On your behalf, I would like to thank the Board of Directors for their time and work throughout the year and especially acknowledge their flexibility in how meetings were conducted in virtual environments. The Board works extremely hard and diligently on your behalf and, while each year seems to bring new regulations which further challenges, they continue to work in the interest of all members.

Finally, I'd like to thank you our members for your continued loyalty throughout 2023 and offer our sincerest condolences to those who suffered loss of friends or family members throughout the year.



Gráinne Brennan
Chairperson



Fiona Cunningham
CEO

YOUR BOARD OF DIRECTORS

| | | |
|---|-------------------------------------|--|
| Gráinne Brennan <i>Chairperson</i> | Eamonn Free <i>Secretary</i> | Paschal Delahunty <i>Vice Chair</i> |
| Michael McKenna | Bridget Johnston | Olive McMahon |
| Valerie Mulvaney | Catherine Bannon | Gene Boyd |

YOUR BOARD OVERSIGHT COMMITTEE

| | | |
|--|---------------------------------------|------------------|
| Helen Walker <i>Chairperson</i> | George Mongey <i>Secretary</i> | Kay Byrne |
|--|---------------------------------------|------------------|

What our Members say ...



NINE IN A ROW

**Best Customer Experience
2015 – 2023**

Customer Experience Insights (CXI) Awards

POSITIVE FEEDBACK FROM MEMBERS

Thank you so much Frances for all your help with everything, you've made the process so seamless and we really appreciate all your advice and help.

- MFCU Mortgage Members

Catherine was amazing and made my day a lot brighter.

- MFCU Artane Member

I have worked in most of the retail banks over the last few years and this must be the fastest I've ever seen a loan approved. Whatever you are doing in the credit union, keep it up ... brilliant! Thanks again for the efficiency, professionalism, and friendliness.

- MFCU Member

We're on Trustpilot

★ Trustpilot



Rated **"Excellent"**
4.8 out of 5 stars

**"Best customer
service in Ireland Fact"**



by JL

Rated 4.8 / 5 | 264 reviews

★ Trustpilot

**"The Staff are excellent,
they go the extra mile for
you."**



by Neville Byrne

Rated 4.8 / 5 | 264 reviews

★ Trustpilot

**"Excellent service really
good advice and assistance
provided"**



by Phil Lowther

Rated 4.8 / 5 | 264 reviews

★ Trustpilot

COMMUNITY REPORT

when you borrow & save with us, you're funding our support of local initiatives

HOW IT WORKS



YOU BORROW & SAVE

When you become a member and use your account, you're facilitating the growth of our Community Fund allowance.



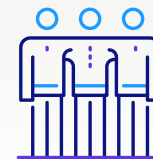
WE SET ASIDE FUNDS

From the profits made (we are a not for profit organisation), we allocate a percentage which is used for community initiatives and charitable causes throughout the year.



YOUR COMMUNITY BENEFITS

You can apply for your own club/group funding, or suggest a worthy recipient in your area.



EVERYONE'S A WINNER!

It goes full circle. You enjoy the great benefits of membership with us, and our community partners benefit from our profits. It's all about community!



DEFIBRILLATOR PROGRAMME

Saving money is nothing compared to saving lives!

MFCU is delighted to have funded **30 defibrillators** across our local communities to date. Take a look at the map below to locate your nearest MFCU Defibrillator.



CHARITY OF THE YEAR

Each year, MFCU donates €5,000 to our chosen charity partner.

This year we were delighted to support both ABACAS, Kilbarrack – a co-educational school for autistic children – and Rapid Access Prostate Clinic for prostate cancer patients.

We were delighted to partner with Clontarf Cycling Club again this year for their annual cycle in aid of our chosen Charities of the Year. This year, Clontarf CC battled a tough 125km challenge across North County Dublin.



SCHOLARSHIP SCHEME

€10,000 in local student Scholarships this year!



Your 2023 Winners ...

Éabha O'Reilly
Morgan Hale
Ella Keating
Shauna Ward
Katie Dunne

Rachel O'Hara Wilde
Siobhán Kilroy
Hannah Joyce
Hannah O'Loughlin
Rebecca Kavanagh

The Paddy Gerrard Memorial Scholarship Scheme

Paddy Gerrard was a founding member of Swords & District Credit Union (now part of the Member First family) in 1970. He was a massive influence in the early years of the credit union and took great pride in his work on the Board of Directors.

Paddy sadly passed away in early 2021, and we are honoured to remember him through our Annual Scholarship Award. This Scholarship Scheme is funded by the MFCU Community Fund. As a non-profit organisation, MFCU has always prided itself on investing in local communities. Paddy understood the importance of the involvement of credit unions in our local communities.

Applications for the 2024 Scholarship Scheme will open in June 2024. All student members are eligible for entry as long as they have been members of MFCU for more than 3 months, so now is a good time to recommend joining MFCU to any students in your life!

MFCU SCHOOL QUIZ 2023



We were delighted to celebrate the return of the Annual School Quiz this year after 3 years of Covid cancellations. The MFCU School Quiz is for 5th & 6th Class students from local primary schools. After two local rounds, our top 12 teams battled it out in the MFCU Regional round for a place in the CUDA National School Quiz Final. Well done to all participants who represented their schools so well!

MFCU Regional Final Winners

- 1st Place - St. Joseph's National School, Coolock
- 2nd Place - Scoil Assaim BNS, Raheny
- 3rd Place - Belmayne ETNS, Belmayne



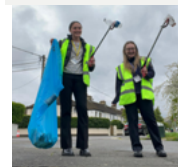


The Forget Me Nots Choir



Ballyboughal Tidy Towns

Community Clean-up



Home Farm FC



Clontarf GAA Club

€1,374,493

donated to our local communities since 2014



North Dublin Pirates

Aoibhneas Women's Refuge



Cupán Tae Memory Café



Craobh Chiaráin GAA

Scholarship Scheme

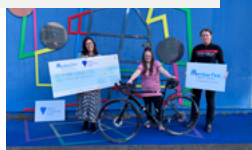


Glin Boxing Club



Swords Thunder

St. Michael's House



Killester Basketball



Dublin Ladies GAA



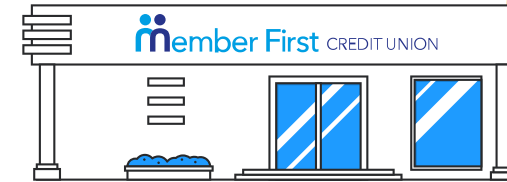
Naomh Barróg GAA



DIGITAL REPORT

*the next
generation
credit union*

NEW DIGITAL BRANCH



WE'RE MOVING!

SWORDS BRANCH

We're pleased to announce that our Swords Branch will be moving to a new location at 47 Main Street in Swords village in early 2024. The new branch is a beautiful building, with internal structures purpose-built to suit our digital-first promise.

Don't worry – we're not going cashless or removing staff. You'll still receive the same great level of service as you always have. Now you'll also have the added bonus of a more accessible location and some great new digital enhancements in branch.

Thank you to all our members for your continued support of MFCU.

NEW DIGITAL SERVICES

New self-service kiosks

MFCU Kiosks are coming soon to our Artane, Northside & Swords branches.

We're delighted to announce the latest digital service which will be available to our members in 2024. The MFCU Kiosk will allow members to lodge and withdraw cash at the touch of a button in branches - no need to wait in line any longer. Below are 3 great reasons to use the MFCU Kiosk on your next visit.

- 1 Embrace Efficiency**
Cut down on your waiting and queuing times
- 2 Secure Transactions**
Your data is protected, ensuring a worry-free experience
- 3 Enjoy the Future**
Be part of the digital transformation of our services



Payments over the phone

From 1st November 2023, we can no longer accept card payments into any saving accounts over the phone ; unless your payment is part of a loan repayment transaction. This will help us to speed up queuing times on our phones, and streamline the service we offer through the Member Services Centre.

Don't worry, there are still plenty of ways to continue saving with MFCU, including;

- Set up a recurring debit card payment via CU Online
- Direct Debit
- Standing Order
- Lodgment in Branch

MFCU MOBILE

our dedicated mobile app

View Balances

Check your account balances anytime, anywhere

Instant Login

*Enhanced security, simple access with fingerprint & facial recognition**

Transfer Funds

Lodge & withdraw money at the touch of a button



CLIMATE REPORT

*providing for
our future*

MFCU CLIMATE ACTION PLAN

One of the primary purposes of a Credit Union is to provide for the future, which could be as simple as saving for the proverbial rainy day. Sadly the ever increasing toll that climate change is bringing upon the world, means that the proverbial rainy day has turned into more frequent extreme weather periods that impact us globally for more than just a day.

As a community based Credit Union our commitment has always been to provide for a better today and a better tomorrow for our Members, our Staff and our Community. This commitment is why we support positive action against negative climate change, and why we will continue to promote and do all we can to combat climate change.

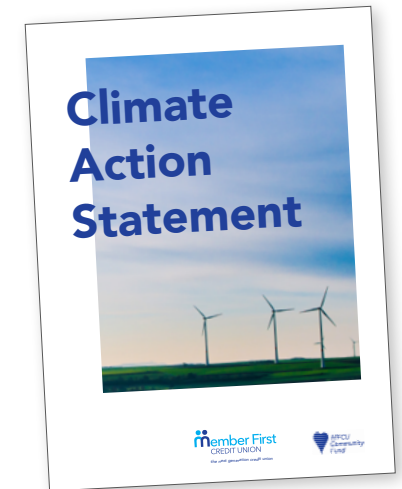
As a Credit Union we have started to help our environment by doing simple things such as:

- Established an internal Climate Change Group to facilitate climate change dialogue and share ideas
- Partnered with Biodiversity Ireland and are active participants in their All Ireland Pollinator Plan
- Partnered with Cloud Forests and have sponsored and supported regeneration forests and stepping stone forests in urban areas
- Encouraging our team to be energy efficient by switching off lights, heating and appliances that are not in use
- Reducing paper usage and aiming to eventually become paper free
- Delivering a digital AGM report for our Members
- Installing LED energy efficient lights and sensor lighting in our branches
- Facilitating remote working and remote meetings to save on travel
- Ensuring our branches are set up to be as energy efficient as possible
- Enhanced our Mobile App to allow members to transact 24/7 digitally and with the luxury of not having to leave their homes
- Increased the size and resources of our Digital Hub to make it easier for members to contact us remotely and conduct transactions online
- Reducing IT disposal waste emissions by donating expired IT equipment to an IT charity recycler
- For branches with garden areas we are planting pollinating friendly plants
- Installing Bee Hives (tended to by trained Apiarists) on our roof to aid in pollination and to protect the Irish Native Honey Bee (*Apis mellifera mellifera*)
- Promotional interest rates on Green Loans

Our future plans to combat climate change and be as energy efficient as possible will see us;

- Installing solar panels on some of our branches to power ourselves
- Installing bicycle racks so members can if they wish, cycle to their branch and securely lock their bike while they conduct their transactions
- Planting a tree for each Green Loan issued

We would appreciate your support as we continue our Climate Action journey.



CLIMATE INITIATIVES

MFCU is Cloudforests CoolPartner #056

MFCU has recently become partner #056 in the Cloudforests CoolPartner community, which actively participates in tree planting activities and contributes to conservation initiatives across Ireland. Cloudforests' objective since 2020 has been to develop one hundred forests for the world along Ireland's Wild Atlantic Way and Stepping Stone Forests in urban areas such as Donabate and Clonshaugh. In addition to restoring trees, Cloudforests work to protect endangered fauna such as native bees, frogs, bats, and birds.



Supporting initiatives like this one is well aligned with MFCU's climate action statement. Climate change is something we take very seriously at MFCU, and we are all aware of how catastrophic the repercussions may be if nothing is done. MFCU hopes that by continuing to fund wonderful initiatives like Cloudforests, it will have a positive impact on the planet.

Our collaboration with Cloudforests, Biodiversity Ireland and "Bee8" is the newest stage in our climate action journey, but it will not be the last.

Paperless processes

One of the key aspects of our Climate Action Plan is to remove our reliance on paper. We can do this simply by;

- encouraging Members to sign up for secure email & SMS notifications rather than post
- reducing the amount of pages we print
- sending internal secure emails instead of letters

Much as we would like to be, we aren't a paper free environment. So we also ensure that all paper we receive is scanned to our systems and the paper is sent to our shredding partners, who securely shred and then recycle the shredded paper. The paper recycled from our Credit Union ends up as kitchen towel and toilet rolls.

As a Credit Union we have a regulatory requirement to send regulatory communication a number of times per year to our members, AGM notifications are an example of this. This year was our first time to remove printed reports from our AGM packs. These can still be requested by members who need a physical copy, but we have greatly reduced our carbon footprint by changing this process.



WE'RE BIG ON
GREENLOANS

Member First Credit Union offers affordable green loan rates with a flexible repayment schedule. Whether you're upgrading your home efficiency or improving your carbon footprint, borrow from a lender you can trust.

Lending criteria, terms & conditions apply.

MFCU is delighted to partner with Biodiversity Ireland to give you some tips about promoting biodiversity in your home.

Did you know we have over 100 types of bee in Ireland? They come in all shapes and sizes – from fluffy, fat bumblebees to small solitary bees who often resemble flies or wasps. Easily overlooked, these important insects have a huge role to play in our world.

Bees are among a group of insects known as ‘pollinators’ who help plants reproduce by transferring pollen between flowers. They pollinate 71% of the 100 crops that provide 90% of the world’s food. It’s not an exaggeration to say that we depend on them for our survival.

On the island of Ireland, one third of our wild bees are under threat of extinction. This is because we have drastically reduced the habitats that provide them with food and safe places to nest and reproduce.

The All-Ireland Pollinator Plan was set up in 2015 to tackle this problem. The National Biodiversity Data Centre coordinates the implementation of this cross-border initiative, which brings together different sectors across the island of Ireland to create a landscape where pollinators can survive and thrive. The Pollinator Plan is inviting you to ‘pledge your garden for pollinators’ and join a network of gardens across the island of Ireland that are managed as healthy pitstops for wild bees and other pollinating insects. There are many simple actions you can take in your garden that are affordable and could even help you save a few cents!

Plenty of food

Pollinators need flowers that are rich in nectar (for energy) and pollen (for protein). Try and have something in flower from February until the end of October to help bees throughout their lifecycle.

Native wildflowers like Dandelions and Clover are the best source of food for our wild bees. They will grow naturally if you mow less – even a strip at the edge of your garden cut every four weeks instead of every fortnight can make a difference and can save you time and money too. Remember to remove the grass cuttings when you mow, otherwise wildflowers won’t grow.

Some flowers are better than others. Plants like Lavender, Snowdrops and Crocuses are excellent



sources of pollen and nectar. Others, like Daffodils, Tulips, and Busy-Lizzies, aren’t so good. The All-Ireland Pollinator Plan website (www.pollinators.ie) is packed with free plant lists and other resources to help you choose the right flowers for your garden. You can also follow us on social media for monthly tips and advice: X @PollinatorPlan or Instagram @allirelandpollinatorplan.

Places to nest

Bee hotels are used by cavity-nesting solitary bees and are easy to build or buy. Make sure that your hotel is no bigger than an average-sized bird box to prevent the spread of disease and keep it away from bird feeders so it isn’t an easy target for predators.

Many bees nest in the ground (known as ‘mining bees’). Helping them can be as easy as scraping back some bare earth on a south-east facing slope. Solitary bees tend to forage within 300m of their nest, so make sure there are pollinator-friendly plants nearby to provide them with food.

The graph below will give you more ideas on how you can help pollinators. We hope that you will be inspired to adapt these actions to your own space and join the effort to save Ireland’s pollinators.

All-Ireland Pollinator Plan
www.pollinators.ie

A pollinator-friendly garden provides **FOOD** in the form of pollen-rich flowers, **SHELTER** for nesting, and **SAFETY** by eliminating chemicals. Try to make sure your garden has pollinator-friendly flowers in bloom from mid-February through to the end of October.

FOOD Plant big patches of each pollinator-friendly plant for better foraging efficiency.

FOOD Plant pollinator-friendly containers. Choose pollinator-friendly bulbs, such as Crocus, which will flower in early spring.

FOOD Allow Ivy and Bramble to grow in a corner of your garden as they provide important food sources in late summer and autumn for pollinators.

FOOD Reduce mowing to allow wildflowers to bloom around your lawn in patches or strips (you don't have to buy wildflower seed! just stop mowing). This is the most cost-effective way to help pollinators. The more of these flowers, the better.

SHELTER Areas of long grass for bumblebees to nest.

FOOD Add pollinator-friendly flowers such as *Blechnum* or *Bacopa* to hanging baskets and window boxes.

FOOD Plant pollinator-friendly shrubs.

FOOD Native flowering hedgerows, such as *Flowerhorn* or *Blackthorn* provide important food in spring.

FOOD Plant pollinator-friendly trees such as apple trees, or native trees such as *Wild Cherry* or *Rowan*.

SHELTER Erect a small bee hotel for cavity-nesting solitary bees. You could also simply drill holes in walls or fencing.

SHELTER Earth Banks bare soil/dry stone walls for nesting solitary bees. Did you know only 10 species of Irish bees are likely to use a garden nest box, but we have 62 species of mining bees?

FOOD Your fruit and veg patch will benefit from pollinators and vice versa.

SAFETY Avoid using harmful chemicals.

While reducing mowing and planting native trees and shrubs is always best for biodiversity, there are also lots of pollinator-friendly ornamental plants. Here is just a small selection:

SPRING SUMMER AUTUMN WINTER

GRAPEVINE, WALLFLOWER, BROOKLYN, COMFREY, ALLIUM, GARDEN PHEASANT, LAVENDER, STONECROP, BLUEBERRY, SINGLE-FLOWERED DANTELION, ASTER, SALVIA, HELIOPSIS, WILLOW, CROCUS, SNOWDROP

You can find lists of pollinator-friendly flowers, shrubs and trees at www.pollinators.ie

INSURANCE OPTIONS

Because
life is full of
unexpected
twists & turns

DEATH BENEFIT INSURANCE UPDATES



€2,300 cover for only €6.50 per month

available to members aged 70 and below, billed annually

The Member Death Benefit Programme is arranged by the Board of Directors through our insurance intermediary CUNA Mutual Group Services. The programme provides life cover for each member who joins it and pays the full cost of his or her cover to the Credit Union. The resulting payout following your demise can help your next of kin pay towards funeral costs, outstanding debts or to simply look after your loved ones. The programme runs from 1st January to 31st December each year. The insurance premium is €78.00 per annum for €2,300 cover.

Regrettably, the Insurance providers of our Member Death Benefit Programme have increased their pricing structure. Currently the rate you pay is €60.00 per annum for a benefit of €2,300 upon your death. The increase will bring it to a premium of €78.00 for a benefit of €2,300 upon your death. This is an increase of €18.00 which works out at approximately an extra 35 cents a week.

There has been a reduction in the number of members joining the Member Death Benefit Insurance Programme in recent years. During the same period, we have experienced a high level of claims. If there are insufficient members joining the scheme on an ongoing basis, **the MDBI programme is at risk of being withdrawn by the Insurance Provider.** To ensure the continuity of the Death Benefit programme at the current competitive price, we would encourage all members to sign up for the programme.

Should you wish to join the programme, you can simply fill in the form in any of our branches before the 1st January 2024.

The programme will auto renew provided that you have €83.00 in your Credit Union share account.

One of the great benefits of being a member with Member First Credit Union is **FREE** Life Savings Insurance. This free life savings insurance is provided by Member First Credit Union to all eligible members as an incentive to save regularly and maintain savings with the Credit Union. It means that your dependents will receive a financial sum in the event of your passing. When you first joined Member First Credit Union, you will have completed a nomination form. This enables you as an adult member to nominate or name someone to receive up to €23,000 of the funds available in your account, upon your death. This form can be updated at any of our offices. [More information is available on our website here.](#)

The amount of insurance benefit which an insurable member is currently entitled to is based in direct proportion to their savings lodged throughout their membership with the Credit Union. Once earned, the insurance remains in place provided you leave your savings with the Credit Union. The maximum benefit payable to an eligible member is €5,000.

| Age of Deposit | Amount Saved | Savings Insurance Cover |
|---------------------|----------------|-----------------------------|
| 6 months - 54 years | Every €1 saved | €1.00 cover per €1.00 saved |
| 55 - 59 years | Every €1 saved | €0.75 cover per €1.00 saved |
| 60 - 64 years | Every €1 saved | €0.50 cover per €1.00 saved |
| 65 - 70 years | Every €1 saved | €0.25 cover per €1.00 saved |

The Board of Directors have a responsibility to ensure the prudent financial management of member funds. As the cost of providing this **FREE** life savings insurance was starting to rise, the Board of Directors undertook a review of the cover and premiums paid out. This review identified by changing our **FREE** life savings insurance from Age of Deposit Model to an Age of Death Model, significant savings in the region of €250,000 could be achieved. It is important to note that the cover limit of €5,000 has not been reduced.

With effect from 1st January 2024, the amount of insurance benefit which an eligible member is entitled to will be determined by your age at the time of your passing. The maximum benefit payable to an eligible member is €5,000.

| Age Category | Benefit Percentages | Maximum Benefit |
|----------------------------------|---------------------|-----------------|
| Member dies before age 55 | 100% | €5,000 |
| Member dies between ages 55 - 59 | 75% | €3,750 |
| Member dies between ages 60 - 64 | 50% | €2,500 |
| Member dies at age 65 - 69 | 25% | €1,250 |

The relevant savings amount for a member under age 70 is the saving balance at the date of death. For a member over age 70, it is the lowest savings balance from age 70 to your date of death. Note that any withdrawal of savings made after age 70 will reduce the benefit payable. The maximum savings amount that can be used to calculate the life savings benefit is €5,000 maximum.

Below are some examples which helps to illustrate the Age of Death Model;

| A | B | C | D | E | F | G |
|---------------------------------|------------|---------------------------|----------------------------|-----------|--------------------------|--|
| Member Savings at Date of Death | Member Age | Maximum Insurable Savings | Lowest Balance from Age 70 | Benefit % | Life Savings Claim (Cx€) | Total Paid Out to Nominee (A+F) |
| €10,000 | 63 | €5,000 | N/A | 50% | €2,500 | €12,500 (€10,000 savings plus €2,500 insurance) |
| €8,000 | 76 | €3,000 | €3,000 | 25% | €750 | €8,750 (€8,000 savings plus €750 insurance) |
| €3,000 | 80 | €1,500 | €1,500 | 25% | €375 | €3,375 (€3,000 savings plus €375 insurance) |

You are eligible for Life Savings Insurance, once you;

- Are an active member of the Credit Union (please note dormant or suspended accounts are not covered) and,
- lodged your savings before your 70th birthday and,
- lodged your savings when you were actively at work and regularly performing all the usual duties of your occupation or when you were in good health.

We would like to remind our members of the Member Pay Death Benefit Insurance available. [See page 29 of this report for information.](#) If you would like to receive any more details on this additional service, please contact our office on 01 851 3400.

We would like to thank you our members for you co operation with the change to the FREE life savings insurance.

DORMANT ACCOUNT WARNING

When an account becomes dormant, it does not mean the account is closed - your shares will remain in the Credit Union and will continue to earn dividend on an annual basis. **However, letting your account go dormant will impact the life savings insurance on your account.**

An MFCU account will be flagged as dormant when there has been no member-initiated transaction on the account for a period of 3 years.

It is a member's responsibility to ensure their own account does not go dormant.

FAIR INSURANCE

We believe that insurance should work in your favour. That's why we have created really affordable and fair insurance that puts you first. We get you the right cover, that's easy to buy, and easy to understand.



HOME INSURANCE - We guarantee to work every year to get you the lowest offer from our panel of insurance providers, ensuring the cost of your home cover doesn't automatically rise every year.



LIFE INSURANCE - Our term life insurance offers the most affordable cover you'll find. We won't be beaten on price, we guarantee to match any premium plus the first month is free.



TRAVEL INSURANCE - Our travel insurance is always affordable, kids go free and we include covid cover at no extra cost. Plus no matter what your age we will always insure you.



CAR INSURANCE - Our car insurance policies are designed to work in your favour, no matter what kind of driver you are. We offer options for experienced drivers, young drivers, and even electric vehicle owners.

THE RIGHT PROTECTION, THAT'S EASY TO BUY, AND EASY TO UNDERSTAND.

GET YOUR QUOTE TODAY!



0818 293 443
mfcu.ie

POWERED BY **Peopl.**
Insurance

Member First Credit Union is regulated by the Central Bank of Ireland. Reg No. 181CU
CUI5 Financial Services DAC, t/a Peopl is regulated by the Central Bank of Ireland. Ref No. C182485

Year 2023 in Review

Giving back to our members

0.05%
dividend

2.00%
loan interest rebate*

Our credit union remains strong & secure

€3,838,706
surplus

€381,666,880
assets

Another positive performance this year

13,725 loans issued
worth **€55.4m**

€112,579,981
loan book

We are NUMBER ONE for Customer Service

80,186
calls to our Digital Hub

9 years in a row
CXi Customer Experience Survey 2015-2023

* loan interest rebate available on standard loans only.

DIRECTOR'S REPORT & FINANCIAL STATEMENTS

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DIRECTOR'S REPORT

Review of Business and Future Developments

The Directors are pleased with the results for the 2023 financial year. The strong performance has been underpinned by delivery on our strategic objectives to help and support our members, staff and local communities to thrive. This performance reflects our strategic decisions and execution over recent years, supported by a more favourable interest rate environment. We are mindful of the challenges posed by the inflationary environment and are supporting our members as they navigate them. We actively monitor trends in the global economy, including the expectation that interest rates and inflation remain higher for longer, and the challenges this presents for the Credit Union and our members. While rising interest rates and higher inflation are a global phenomenon, and add uncertainty, Ireland is relatively well positioned for these more uncertain times. As well as the supportive labour market conditions, the government's fiscal position is strong with a fiscal surplus of 1.8% of GDP forecast for 2023 and a ratio of household debt to disposable income of 90% in Q4 2022 compared to the peak of 210% in Q4 2009. While Irish growth is expected to be moderate in 2023 compared to 2022, the European Commission forecasts that Ireland will be the European Union's fastest growing economy for a fourth successive year. On labour market trends, the Irish unemployment rate stood at 3.8% in June 2023, the joint-lowest rate yet recorded, while total employment increased to a record 2.6 million in Q1 2023, up 12% versus pre-COVID levels. Notwithstanding the challenges presented by higher inflation and geopolitical uncertainty, the Board of Directors look forward to the remainder of 2023 and beyond with confidence.

The fundamentals of our business remain strong, underpinned by our solid balance sheet and robust capital base. Coupled with our strong member base and digital leadership, we are well positioned for the future, as we continue to tightly manage costs and execute our strategy at pace. It is imperative for the Credit Union sector to adapt and develop to meet rapidly changing member expectations. The on-going investment and enhancement in our digital capabilities is

key to member engagement and satisfaction. To this end, the directors are committed to make significant investments to transform Member First Credit Union Limited, including our people, our systems and our business model, and to enhance services to our members. We are committed to modernising our systems, putting strong foundations in place across all our technology layers while improving efficiency and member experience. We also continued to transform the business model to create a leaner, simplified and more agile Credit Union. These investments and enhancements leverage our strong member relationships to offer the right products and services at the right time. We will continue to support our members and the communities that we serve.

We expect that trading in the coming year will be solid and very much dependent on the health of our local economy; we expect continued loan growth and positive investment returns to boost our income; the Board expect total income to increase over the next couple of years. We are satisfied that the finances of Member First Credit Union Limited are in very good shape, that our loans are well provisioned, our investments prudently invested, that we are well capitalised with strong reserves and that we are well able to fund our future plans.

Authorisations

Member First Credit Union Limited maintains the authorisation to carry out foreign exchange transactions and to arrange insurance policies on behalf of its members.

Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the statement of respective responsibilities of directors and auditors in the auditor's report to the members, is made with a view to distinguishing for the members, the respective responsibilities of the directors and of the auditors in relation to the 'financial statements'.

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. The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Credit Union for the financial year end date, of the surplus or deficit for that financial year and otherwise comply with the Credit Union Act 1997 (as amended). 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; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

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

Principal risks and uncertainties

The principal risks and uncertainties facing the Credit Union are:

- i) Credit risk
The Directors have identified the risk of loan default as being the principal risk to the credit union. 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.

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

- iii) Lack of demand for loans
The provision of loans to members is a key function of the credit union. The interest received from loans is the main source of revenue from which both operating costs are serviced and surpluses generated.

- iv) Investment portfolio performance
Is the risk both through the potential to loss of capital and/or insufficient rate of return.

- v) Operational risk
Is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

- (vi) Brexit Risk
Following the UK exit from the EU, ongoing uncertainty relating to the nature of the future trading relationship between the UK and EU could impact the markets in which the Credit Union operates including member confidence, credit demand, collateral values and customers' ability to meet their financial obligations and consequently the Credit Unions financial performance, balance sheet, capital and dividend capacity.

These risks are managed by the Board as follows:

- i) Credit risk
In order to manage this risk the Board regularly reviews and approves the credit union's lending policy. All loan applications are assessed with reference to the lending policy. The credit union further protects against this risk by employing suitably qualified individuals to underwrite and assess loan applications. Subsequent to issuance, loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

- ii) Liquidity risk
The liquidity level of the credit union is monitored on a regular basis to ensure funds are maintained

in short term deposits at all times so that it has sufficient cash to meet its obligations as they fall due.

- iii) Lack of demand for loans
The credit union offers a wide range of competitive lending products to its members. The products and service are promoted by regular marketing activities throughout the year. The need to increase demand for loans is balanced by the need to ensure that borrowers have the capacity to repay the amount borrowed.

- iv) Investment portfolio performance
The Board regularly reviews and approves the credit union's investment policy in which it sets out the types of investments within which the credit union can invest funds. A key factor for all investments is the need to balance the secure return of capital with the interest yield. Funds are invested in compliance with the credit union's policy and regulatory guidance.

- v) Operational risk
The operational risk of the credit union is managed through the recruitment and employment of suitably qualified staff to ensure appropriate processes, procedures and systems are implemented and applied. This is further supported by a robust reporting structure and active management of operational risk events.

- (vi) Brexit Risk
The Credit Union has established a comprehensive Brexit programme to identify, monitor and mitigate risks associated with various outcomes of Brexit. The Board receive regular update from the Senior Management Team on the potential impacts of Brexit for Member First Credit Union.

Post balance sheet events

There were no events after the balance sheet date which impact upon the financial statements.

Auditors

In accordance with Section 115 of the Credit Union Act 1997 (as amended), the auditors EisnerAmper Audit Limited offer themselves for election.

On behalf of the Board

Gráinne Brennan

Gráinne Brennan
Chairperson

Eamonn Free

Eamonn Free
Board Member

Date: 24 October 2023

Statement of Board Oversight Committees Responsibilities for the year ended 30 September 2023

The Credit Union Act 1997 (as amended) requires the appointment of a Board Oversight Committee to assess whether the Board of Directors has operated in accordance with Part IV, Part 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 to the Board.

On behalf of the Board Oversight Committee

Helen Walker

Helen Walker
Board Oversight Committee

Date: 24 October 2023

Independent Auditor's Report to the Members of Member First Credit Union Limited for the year ended 30 September 2023.

Opinion

We have audited the financial statements of Member First Credit Union Limited ('the Credit Union') for the year ended 30 September 2023, which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and the related notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law, including the Credit Union Act 1997 (as amended), 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 2023 and of its income and expenditure and cashflows for the year then ended;
- Have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- Have been properly prepared in accordance with the requirements of the Credit Union Act 1997 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under those standards are 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by

the Irish Auditing and Accounting Supervisory Authority ("IAASA"), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material

misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

Respective responsibilities

Responsibilities of directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the Credit Union's

ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Further information regarding the scope of our responsibilities as auditor

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



EisnerAmper Audit Limited
Chartered Accountants, Statutory Audit Firm
Carmanhall Road, Sandyford, Dublin 18

25 October 2023

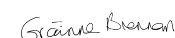
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

| | Note | 2023 € | 2022 € |
|---|------|-------------------|-------------|
| INCOME | | | |
| Interest on members' loans | | 9,179,285 | 8,737,333 |
| Other interest and similar income | 4 | 2,884,310 | 1,740,846 |
| Interest payable on members' deposits | 5 | - | - |
| Net interest income | | 12,063,595 | 10,478,179 |
| Exceptional income | 7 | - | 1,621,835 |
| Other income | 8 | 40,697 | 70,243 |
| Total income | | 12,104,292 | 12,170,257 |
| EXPENDITURE | | | |
| Employment costs | 9 | 3,587,110 | 3,429,728 |
| Other management expenses (Schedule 1) | | 3,230,109 | 3,908,325 |
| LP/LS Insurance | | 1,048,887 | 1,054,194 |
| Central Bank Levies | | 607,332 | 536,192 |
| Depreciation & Impairment Provision | 11 | 516,940 | 632,209 |
| Gains from disposal of fixed assets | 11 | - | (198,721) |
| Net impairment (gains) / losses on loans to members | 11 | (724,792) | (1,063,620) |
| Total Expenditure | | 8,265,586 | 8,298,307 |
| Surplus for the financial year | | 3,838,706 | 3,871,950 |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 3,838,706 | 3,871,950 |

The financial statements were approved, and authorised for issue, by the Board on 24 October 2023 and signed on its behalf by:



Gráinne Brennan
Chairperson
Board of Directors



Helen Walker
Board Oversight Committee



Fiona Cunningham
Chief Executive Officer

Date: 24 October 2023

BALANCE SHEET

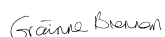
as at 30 September 2023

| | Note | 2023 € | 2022 € |
|---|------|----------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | 10 | 61,066,866 | 57,136,477 |
| Deposits and investments | 12 | 206,621,401 | 219,004,134 |
| Loans to members | 13 | 112,579,981 | 105,239,220 |
| Provision for Bad & Doubtful Debts | 14 | (4,642,027) | (4,960,574) |
| Prepayments, other debtors and accrued income due within one year | 15 | 2,536,821 | 1,702,473 |
| Prepayments, other debtors and accrued income due after one year | 15 | 162,184 | 162,184 |
| Tangible fixed assets | 11 | 3,341,654 | 3,616,562 |
| Total Assets | | 381,666,880 | 381,900,476 |
| LIABILITIES | | | |
| Members' shares | 16 | (302,798,909) | (305,047,587) |
| Members' deposits | 17 | (11,786,951) | (12,390,046) |
| Creditors and accruals | 18 | (1,177,911) | (2,134,564) |
| Total Liabilities | | (315,763,771) | (319,572,197) |
| Total Assets less Total Liabilities | | 65,903,109 | 62,328,279 |

RESERVES


| | | |
|--------------------------|-------------------|-------------------|
| Regulatory reserve | 38,590,588 | 38,590,588 |
| Operational risk reserve | 1,790,757 | 1,693,303 |
| General reserve | 25,378,481 | 21,894,405 |
| Unrealised reserve | 143,283 | 149,983 |
| Total Reserves | 65,903,109 | 62,328,279 |

The financial statements were approved, and authorised for issue, by the Board on 24 October 2023 and signed on its behalf by:



Gráinne Brennan

Chairperson
Board of Directors



Helen Walker

Board Oversight Committee



Fiona Cunningham

Chief Executive Officer

Date: 24 October 2023

STATEMENT OF CHANGES IN RESERVE

for the year ended 30 September 2023

| | Regulatory Reserve € | Operational Risk Reserve € | Realised Reserves € | Unrealised Reserves € | Total Reserves € |
|--|-------------------------|-------------------------------|------------------------|--------------------------|---------------------|
| Opening balance at 1 October 2022 | 38,590,588 | 1,693,303 | 21,894,405 | 149,983 | 62,328,279 |
| Total comprehensive income for the year | - | - | 3,838,706 | - | 3,838,706 |
| Dividends paid during the year (Note 6) | - | - | (154,301) | - | (154,301) |
| Loan interest rebate paid during the year (Note 6) | - | - | (109,575) | - | (109,575) |
| Transfer to operational risk reserve | - | 97,454 | (97,454) | - | - |
| Transfer from unrealised reserves to realised reserves | - | - | 6,700 | (6,700) | - |
| Closing balance at 30 September 2023 | 38,590,588 | 1,790,757 | 25,378,481 | 143,283 | 65,903,109 |

- (1) The regulatory reserve of the credit union as percentage of total assets as at 30 September 2023 was 10.12% (2022: 10.10%) which is in excess of the credit union's regulatory reserve requirement of 10%.
- (2) The operational risk reserve as at the 30 September 2023 was €1,790,757 (2022: €1,693,303). In this regard, the Board approved an increase in the operational risk reserve of €97,454 following the completion of an internal process to estimate the credit union's operational risk reserve requirement.

CASH FLOW STATEMENT

for the year ended 30 September 2023

| | 2023 | 2022 |
|--|--------------------|--------------------|
| | € | € |
| Cash flows from operating activities | | |
| Loans repaid by members | 47,493,864 | 47,667,109 |
| Loans granted to members | (55,436,329) | (52,994,194) |
| Loan interest received | 9,197,285 | 8,737,333 |
| Investment income received | 2,884,310 | 1,740,846 |
| Other income received | 40,697 | 1,692,078 |
| Bad debts recovered & impaired cash flows | 1,007,949 | 1,071,136 |
| Dividends & Interest Rebate paid | (263,876) | - |
| Operating expenses including employment costs | (8,990,378) | (9,560,648) |
| Movement in other assets and liabilities | 2,656,328 | (874,362) |
| Net cash flows from operating activities | (1,428,150) | (2,520,702) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (242,032) | (232,906) |
| Disposal of investment property | - | 700,000 |
| Net cash flows from other investing activities | 8,452,344 | 8,453,955 |
| Net cash flows from investing activities | 8,210,312 | 8,921,049 |
| Cash flows from financing activities | | |
| Members' savings received | 90,091,938 | 91,373,716 |
| Members' savings withdrawn | (92,943,711) | (99,795,525) |
| Net cash flows from financing activities | (2,851,773) | (8,421,809) |
| Net increase in cash and cash equivalents | 3,930,389 | (2,021,462) |
| Cash and cash equivalents at beginning of year | 57,136,477 | 59,157,939 |
| Cash and cash equivalents at end of year | 61,066,866 | 57,136,477 |

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2023

1. LEGAL AND REGULATORY FRAMEWORK

Member First Credit Union Limited is established under the Credit Union Act 1997 (as amended). The credit union is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with the historical cost convention, modified to include certain items at fair value. The financial reporting framework that has been applied in their preparation is FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as issued by the Financial Reporting Council.

2.2 Currency

The financial statements are prepared in Euro (€), which is the functional currency of the credit union. Monetary amounts in these financial statements are rounded to the nearest Euro.

2.3 Going concern

The financial statements are prepared on the going concern basis. The Directors of Member First 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 Income Recognition

Interest on members' loans

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

Investment income

Investment income is recognised on an accruals basis using the effective interest rate method.

Other income

Other income such as commissions receivable on

insurance products and foreign exchange services arises in connection to specific transactions. Income is recognised on an accruals basis.

Refund of SPS Contribution

Refund of the SPS Contribution is recognised on an accruals basis.

2.5 Dividends to members and interest on members' deposits

Interest on members' deposits

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

Dividends on shares and loan interest rebates

Dividends and loan interest rebates are made from current year's surplus or 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.

The credit union recognises dividends and loan interest rebates when approved at the Annual General Meeting.

The rate of dividend and loan interest rebate recommended by the board will reflect inter alia:

- the Board's responsibility to ensure that members' savings are safeguarded;
- the credit union's regulatory reserve requirements;
- the macro economic environment and the returns available for similar savings products in the Irish financial services sector;
- the Board's desire to maintain dividends at a sustainable level on an ongoing basis; and
- members' legitimate dividend interest and loan rebate expectations.

2.6 Taxation

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

2.7 Cash and cash equivalents

Cash and cash equivalents comprise operating cash on hand and cash deposited with banks with

original maturity of less than or equal to three months.

2.8 Financial instruments

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

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

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

2.9 Basic financial assets

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

i) 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.

ii) Deposits and 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 and takes account immediately of any impairment in the value of the investment.

iii) Prepayments

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 Other financial assets

i) Investments held at fair value

The credit union initially recognises its other investments at fair value. At the end of each reporting period, the credit union measures these investments at fair value and recognise changes in fair value in profit or loss. The credit union uses the following hierarchy to estimate the fair value of these investments:

Level 1 fair values. The best evidence of fair value is a quoted price for an identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted price is usually the current bid price.

Level 2 fair values. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the entity can demonstrate that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distress sale), that price is adjusted.

Level 3 fair values. If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by

using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

2.11 Impairment of financial assets

Financial assets, other than those held at fair value, are assessed for objective evidence of impairment at each reporting 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. Losses expected from future events are not recognised.

If there is objective evidence of impairment, loss is recognised in the income and expenditure account immediately. Objective evidence that a financial asset or group of assets is impaired includes observable data about the following loss events:

- significant financial difficulty of the member or investment issuer;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the credit union, for economic or legal reasons relating to the member's or investment issuer's financial difficulty, granting a concession that the credit union would not otherwise consider;
- it has become a probable that the member or investment issuer will enter bankruptcy or other financial reorganisation; and
- observable data indicating that there has been a measurable decrease in the estimate future cash flows from a group of loans.

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.

Investments are assessed for impairment individually

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

2.12 De-recognition of financial assets

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the credit union transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the credit union, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

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. Member First Credit Union Limited does not transfer loans to third parties.

2.13 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.

- i) Members' shares, deposits and money management accounts

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

ii) Creditors

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.

2.14 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.

2.15 Tangible fixed assets and depreciation

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

Depreciation; on a straight line basis; is provided to write off the cost of each item of property, plant and equipment, less its estimated residual value over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

- Freehold land and buildings, 2% per annum
- Lease Amortisation, 4% per annum
- Leasehold Premises, 10% per annum
- Computer Equipment, 25% per annum
- Fixtures and fittings, 10-25% per annum
- Motor Vehicles, 20% per annum

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.

2.16 Impairment of tangible fixed assets

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

Recoverable amount is the higher of the fair value of the asset less costs to sell and the asset's value in use ("VIU"). VIU is the present value of the future cash flows expected to be derived from the asset. In assessing VIU, the estimated future cash flows to be derived from continuing use of the asset and from its ultimate disposal 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.

2.17 Leases

Leases entered into by the Credit Union as a

lessee, are primarily operating leases. The total fixed payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.18 Investment Properties

The credit union initially measures investment properties at cost comprising the purchase price and any directly attributable expenditure. Investment properties whose fair value can be measured reliably are measured at fair value at year end with changes recognised in profit and loss.

2.19 Employee Benefits

Pension Scheme

The credit union operates a defined contribution pension scheme for staff. There are no liabilities for pension benefits under the defined contribution pension scheme, other than contributions payable as a proportion of employees' salaries in respect of each year.

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.

Termination benefits are recognised immediately as an expense when the Credit Union is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.20 Reserves

i) Regulatory reserve

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

ii) Operational risk reserve

In accordance with section 45 of the Credit Union Act 1997 (as amended) the credit union 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.

iii) General reserves

General reserves are the accumulated realised surpluses to date.

iv) 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.

2.21 Transfers of engagements

Transfers of engagement are accounted for by using the purchase method of accounting in accordance with Section 19 'Business Combinations and Goodwill' of FRS 102. This involves recognising assets and liabilities of any transferor credit union at fair value plus any costs directly attributable to the business combination. The value of member interests transferred by Member First Credit Union Limited (the Transferee Credit Union) to the former members of the transferor credit unions represents the consideration for the assets transferred.

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 its 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:

i) Impairment losses on loans to members

The credit union's accounting policy for impairment of financial assets is set out in

NOTES TO THE FINANCIAL STATEMENTS

continued

accounting policy in Note 2.11. 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 and loss is identified, assessed and measured through the application of the Credit Union's accounting policy. The estimated methodology used to apply this policy incorporates provisions calculated based upon:

a) Grouped assessment – Transition rate methodology

The transition rate methodology determines, for a defined period, the pattern or trend of deterioration (or "transition") or improvement of loans for a given arrears profile to a period at which loss on the loan (100% provision) is deemed to have occurred (arrears of 91 days or more).

This observable historical deterioration pattern is used to determine transition rates and thereafter Probabilities of Default rates ("PD") which are applied to the net loan balance of loans (i.e. gross loans net of attached savings), at a point in time, to determine the appropriate provision for bad and doubtful debts at that time.

b) Individually significant loans

Having calculated a loan provision using the transition rate assessment, an additional assessment is undertaken upon loans considered individually significant and loans deemed unsuitable for the transition rate assessment. Individually significant loans are assessed for objective evidence of impairment. Where objective evidence of impairment is identified, a discounted cash flow ("DCF") is performed to determine a revised net present value for these loans.

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. 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. 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.

ii) Determination of depreciation, useful economic life and residual value of tangible fixed assets

The annual depreciation charge depends primarily on the estimated useful economic life of each type of asset and, in certain circumstances, estimates of residual values. The Directors review the useful lives on an annual basis 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.

4. OTHER INTEREST AND SIMILAR INCOME

| | 2023 | 2022 |
|---|------------------|------------------|
| | € | € |
| Investment income and gains received by 30 September | 1,298,353 | 886,130 |
| Investment income and gains receivable within 12 months of 30 September | 1,585,957 | 854,716 |
| Total interest and similar income | 2,884,310 | 1,740,846 |

NOTES TO THE FINANCIAL STATEMENTS

continued

5. INTEREST PAYABLE ON MEMBERS' DEPOSITS

The interest expense for the credit union comprises of interest payable on deposits, and was as follows for the current and prior year:

| | 2023 | 2022 |
|--------------------------------------|------|------|
| | € | € |
| Interest payable for the year | - | - |
| Interest rate: | | |
| Members' deposits | 0% | 0% |

6. DIVIDENDS AND LOAN INTEREST REBATES

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 for the current year does not represent a liability at the Balance Sheet date and the dividend included in the Statement of Changes in Reserves in the current year relates to dividends paid to members in relation to 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 | 154,301 | - |
| Dividend rate | | |
| Members' shares (gross) | 0.05% | 0.00% |
| Proposed dividends | 181,224 | 181,831 |
| Dividend rate | | |
| Members' shares (gross) | 0.05% | 0.05% |
| Interest Rate Rebate paid during the year | 109,575 | - |
| Interest Rebate | - | - |
| Interest Rebate Rate | 2% | 0% |

Proposed Interest Rate Rebate

The directors recommend the following loan interest rebates:

| | | |
|----------------------|---------|---------|
| Interest Rebate | 118,725 | 110,371 |
| Interest Rebate Rate | 2% | 2% |

7. EXCEPTIONAL INCOME

| | 2023 | 2022 |
|---------------------------------|------|-----------|
| | € | € |
| Refund of ILCU SPS Contribution | - | 1,621,835 |
| | - | 1,621,835 |

8. OTHER INCOME

| | 2023 | 2022 |
|--|---------------|---------------|
| | € | € |
| Insurance Commission | 22,217 | 52,095 |
| Foreign Exchange Income | 12,230 | 11,470 |
| New Member Fees | 1,341 | 1,188 |
| Bill Pay and Coin Charges & Statement Fees | 4,909 | 5,490 |
| Total other income | 40,697 | 70,243 |

NOTES TO THE FINANCIAL STATEMENTS

continued

9. EMPLOYEES AND EMPLOYMENT COSTS

9a. Number of employees

The average monthly number of employees during the year was:

| | 2023 | 2022 |
|--------------|-----------|-----------|
| | Number | Number |
| Management | 27 | 25 |
| Other Staff | 40 | 47 |
| Total | 67 | 72 |

9b. Employment Costs

| | 2023 | 2022 |
|---|------------------|------------------|
| | € | € |
| Wages and salaries | 3,069,608 | 2,861,697 |
| Social security costs | 340,741 | 304,735 |
| Contributions to defined contribution pension scheme | 176,761 | 147,296 |
| Exceptional Costs - Irish League of Credit Unions (ILCU) defined benefit pension exit costs | - | 116,000 |
| Total employment costs | 3,587,110 | 3,429,728 |

9c. Key management personnel

The remuneration of key management personnel was as follows:

| | 2023 | 2022 |
|--|------------------|------------------|
| | € | € |
| Short term employee benefits | 1,682,539 | 1,470,032 |
| Contributions to defined contribution pension scheme | 96,909 | 110,616 |
| Total key management personnel compensation | 1,779,448 | 1,580,648 |

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

10. CASH & CASH EQUIVALENTS

| | 2023 | 2022 |
|--|-------------------|-------------------|
| | € | € |
| Cash balances | 6,533,245 | 5,323,901 |
| Short term deposits with banks | 54,533,621 | 51,812,576 |
| Total cash & cash equivalents | 61,066,866 | 57,136,477 |

Short term deposits with banks are deposits with original maturity of less than or equal to three months. All other deposits with banks are included under deposits and investments in the Balance Sheet and disclosed in Note 12.

NOTES TO THE FINANCIAL STATEMENTS

continued

11. TANGIBLE FIXED ASSETS

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

| | Freehold Premises | Leasehold Premises | Office Equipment | Motor Vehicles | Computer Equipment | Total |
|-----------------------------|-------------------|--------------------|------------------|----------------|--------------------|-------------------|
| | € | € | € | € | € | € |
| Cost | | | | | | |
| At 1 October 2022 | 10,657,858 | 1,230,517 | 1,625,252 | 17,751 | 2,235,927 | 15,767,305 |
| Additions | 11,473 | 8,610 | 14,175 | - | 207,774 | 242,032 |
| Disposals | - | - | - | - | - | - |
| At 30 September 2023 | 10,669,331 | 1,239,127 | 1,639,427 | 17,751 | 2,443,701 | 16,009,337 |

Depreciation

| | | | | | | |
|-----------------------------|------------------|----------------|------------------|---------------|------------------|-------------------|
| At 1 October 2022 | 7,825,520 | 977,160 | 1,297,888 | 13,018 | 2,037,211 | 12,150,743 |
| Charge for year | 178,595 | 10,619 | 115,268 | 3,550 | 145,380 | 453,412 |
| Disposals | - | - | - | - | - | - |
| Impairment | 63,528 | - | - | - | - | 63,528 |
| At 30 September 2023 | 8,067,643 | 987,725 | 1,413,156 | 16,568 | 2,182,591 | 12,667,683 |

Net Book Value

| | | | | | | |
|----------------------|-----------|---------|---------|-------|---------|-----------|
| At 30 September 2023 | 2,601,688 | 251,402 | 226,271 | 1,183 | 261,110 | 3,341,654 |
| At 30 September 2022 | 2,832,338 | 253,411 | 327,364 | 4,733 | 198,716 | 3,616,562 |

Net Book Value (leased assets included above)

| | | | | | | |
|----------------------|---|---------|---|---|---|---|
| At 30 September 2023 | - | 251,402 | - | - | - | - |
| At 30 September 2022 | - | 253,411 | - | - | - | - |

The Directors reviewed the carrying value of the credit union's principal tangible fixed assets, its premises, at the financial year-end to determine whether there is any indication that it has suffered an impairment loss. As set out in the credit union's accounting policy, 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). FRS 102 Section 27 defines "Recoverable Amount" as the higher of fair value less cost to sell and VIU. In the case of premises, fair value less cost to sell would normally be the amount obtainable from the sale of the premises in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

The Directors commissioned freehold valuations for the building held in Artane on 17th April 2023 respectively from Vincent Finnegan Estate Agents. This valuation indicated that there is no evidence of permanent impairment of this property required at the end of the year. The Directors also commissioned a freehold valuation for the building held in Trinity by Vincent Finnegan Estate Agent. This valuation was dated 30 May 2023. This valuation indicated that an impairment review was required as the carrying value in the accounts was less than the recoverable amount. This has resulted in an impairment charge of €63,528 being recognised in the income and expenditure account. The Directors commissioned freehold valuations for the building held in Ayrfield dated 10th October 2022 respectively from FH Estate Agents. This valuation indicated that there is no evidence of permanent impairment of this property required at the end of the year. The valuers have confirmed to the Board of Directors that there is insufficient market evidence to warrant a change in the values of the properties at 30 September 2023.

NOTES TO THE FINANCIAL STATEMENTS

continued

12. DEPOSITS AND INVESTMENTS

Deposits and investments at the current and prior Balance Sheet date have been classified as either basic or other financial instruments and are measured at amortised cost or fair value as appropriate and comprised of the following:

| | 2023 | 2022 |
|--|--------------------|--------------------|
| Basic Financial Instruments | € | € |
| Accounts in Authorised Credit Institutions (Irish and Non-Irish based) | 49,545,000 | 74,995,000 |
| Bank Bonds | 60,198,913 | 61,198,913 |
| Government Bond | 20,300,102 | 20,300,102 |
| Central Bank minimum deposits | 2,866,536 | 5,492,569 |
| Total investments at amortised cost | 132,910,551 | 161,986,584 |

Other Financial Instruments

| | | |
|--|-------------------|-------------------|
| Other - Structured Bonds | 73,710,850 | 57,017,550 |
| Total investments at fair value (Level 3) | 73,710,850 | 57,017,550 |

| | | |
|--|--------------------|--------------------|
| Total Investments (Basic & Other) | 206,621,401 | 219,004,134 |
|--|--------------------|--------------------|

| | 2023 | 2022 |
|---|------------|------------|
| Other Financial Investments - Fair Value | € | € |
| Cost | 73,713,200 | 57,013,200 |
| Capital Guaranteed | 73,713,200 | 57,013,200 |
| Fair Value (Fair Value Hierarchy - Level 3) | 73,710,850 | 57,017,550 |

Estimation of fair values

Level 3

'The level 3 fair value for investment products classified as 'other investments' is based on valuations received from Irish credit institutions using valuation techniques, for example discounted cashflow models. The changes in fair value reflected above are attributable solely to changes in market conditions.

Set out below is summary of the credit union's investment portfolio, analysed by the credit rating of deposit/investment counterparty:

Credit rating of deposit/investment counter party:

| | 2023 | 2022 |
|------------------------------------|--------------------|--------------------|
| | € | € |
| Basic Financial Instruments | | |
| A | 103,856,901 | 132,932,934 |
| Baa | 29,053,650 | 29,053,650 |
| | 132,910,551 | 161,986,584 |

Other Financial Instruments

| | | |
|-----|-------------------|-------------------|
| A | 54,205,950 | 57,017,550 |
| Baa | 19,504,900 | - |
| | 73,710,850 | 57,017,550 |

NOTES TO THE FINANCIAL STATEMENTS

continued

13. LOANS TO MEMBERS

| | Mortgage Loans | Unsecured Loans | Total | Mortgage Loans | Unsecured Loans | Total |
|-------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|--------------------|
| | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 |
| | € | € | € | € | € | € |
| As at 1 October | 10,219,602 | 95,019,618 | 105,239,220 | 8,345,286 | 91,985,477 | 100,330,763 |
| Advanced during the year | 4,338,800 | 51,097,529 | 55,436,329 | 2,755,500 | 50,238,694 | 52,994,194 |
| Repaid during the year | (705,915) | (46,787,949) | (47,493,864) | (881,184) | (46,785,925) | (47,667,109) |
| Loans written off | - | (601,704) | (601,704) | - | (418,628) | (418,628) |
| Gross loans to members | 13,852,487 | 98,727,494 | 112,579,981 | 10,219,602 | 95,019,618 | 105,239,220 |

Loan Provision

| | | | | | | |
|--------------------------------|------------------|--------------------|--------------------|------------------|--------------------|--------------------|
| Individually significant loans | (162,388) | - | (162,388) | (101,992) | - | (101,992) |
| Grouped assessed loans | - | (4,479,639) | (4,479,639) | - | (4,858,582) | (4,858,582) |
| Loan Provision | (162,388) | (4,479,639) | (4,642,027) | (101,992) | (4,858,582) | (4,960,574) |

| | | | | | | |
|---------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|--------------------|
| As at 30 September | 13,690,099 | 94,247,855 | 107,937,954 | 10,117,610 | 90,161,036 | 100,278,646 |
|---------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|--------------------|

Member First Credit Union Limited offer mortgages to its members. All mortgages issued by Member First Credit Union Limited are secured by a first legal charge as outlined in the terms and conditions of the mortgage product. There are maximum amounts set out by the regulations in terms of the maximum amount a member can borrow from the credit union. €500,000 (net) is the maximum mortgage loan that a member can borrow from the credit union as set out in the mortgage policy.

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

NOTES TO THE FINANCIAL STATEMENTS

continued

Credit quality of loans

| | Amount 2023 € | Proportion of loan book 2023 % | Amount 2022 € | Proportion of loan book 2022 % |
|----------------------------------|---------------------|---|---------------------|---|
| Non-impaired loans | | | | |
| Neither past due nor impaired | 88,331,279 | 78% | 80,996,381 | 75% |
| Up to 4 weeks past due | 17,485,330 | 16% | 17,883,028 | 18% |
| Between 5 and 8 weeks past due | 3,536,413 | 3% | 2,928,719 | 3% |
| Between 9 and 12 weeks past due | 411,007 | 0% | 381,955 | 1% |
| Impaired loans | | | | |
| Between 13 and 16 weeks past due | 652,303 | 1% | 609,247 | 1% |
| Between 17 and 20 weeks past due | 259,079 | 0% | 342,320 | 0% |
| 20 or more weeks past due | 1,904,570 | 2% | 2,097,570 | 2% |
| Total gross loans | 112,579,981 | 100% | 105,239,220 | 100% |
| Less: Loan provisions | | | | |
| Individually significant loans | (162,388) | | (101,992) | |
| Grouped assessed loans | (4,479,639) | | (4,858,582) | |
| Total provisions | (4,642,027) | | (4,960,574) | |
| Total carrying value | 107,937,954 | | 100,278,646 | |

Factors that are considered in determining whether loans are impaired are discussed in Note 3, dealing with estimates. Loans which are neither past due nor impaired are reviewed on a monthly basis. The credit union has not identified any material matters which impact upon the credit quality of these assets.

NOTES TO THE FINANCIAL STATEMENTS

continued

13. LOANS TO MEMBERS continued

| | Mortgage Loans 2023 € | Unsecured Loans 2023 € | Total 2023 € | Mortgage Loans 2022 € | Unsecured Loans 2022 € | Total 2022 € |
|--|--------------------------------|---------------------------------|--------------------|--------------------------------|---------------------------------|--------------------|
| Description of collateral held as security | | | | | | |
| Total gross loans | 13,852,487 | 98,727,494 | 112,579,981 | 10,219,602 | 95,019,618 | 105,239,220 |
| Attached savings | (54,538) | (38,469,045) | (38,523,583) | (47,423) | (38,523,583) | (38,571,006) |
| Estimated value of security | 34,233,220 | - | 34,233,220 | 34,742,500 | - | 34,742,500 |

14. PROVISION FOR BAD & DOUBTFUL DEBTS

| | 2023 € | 2022 € |
|---|------------------|------------------|
| As at 1 October | 4,960,574 | 5,371,686 |
| Transfer in on TOE | - | - |
| Increase/(decrease) in provisions during the year | (318,547) | (411,112) |
| As at 30 September | 4,642,027 | 4,960,574 |

Net impairment gains on loans to members

| | 2023 € | 2022 € |
|---|------------------|--------------------|
| Bad debts recovered | (717,939) | (773,263) |
| Impairment of loan interest on impaired loans | (290,010) | (297,873) |
| Increase/(decrease) in loan provisions during the year | (318,547) | (411,112) |
| Loans written off | 601,704 | 418,628 |
| Net impairments on loans to members losses/gains | (724,792) | (1,063,620) |

NOTES TO THE FINANCIAL STATEMENTS

continued

15. PREPAYMENTS, OTHER DEBTORS AND ACCRUED INCOME

| | 2023 | 2022 |
|-------------------------------|------------------|------------------|
| | € | € |
| Prepayments and other debtors | 878,355 | 818,302 |
| Accrued investment income | 1,585,957 | 854,716 |
| Accrued loan interest income | 234,693 | 191,639 |
| | 2,699,005 | 1,864,657 |

Prepayments, other debtors and accrued income are analysed as follows"

| | | |
|-------------------|------------------|------------------|
| Due within 1 year | 2,536,821 | 1,702,473 |
| Due after 1 year | 162,184 | 162,184 |
| | 2,699,005 | 1,864,657 |

16. MEMBERS' SHARES

| | 2023 | 2022 |
|---------------------------|--------------------|--------------------|
| | € | € |
| As at 1 October | 305,047,587 | 312,664,924 |
| Received during the year | 80,882,444 | 81,358,069 |
| Withdrawn during the year | (83,131,122) | (88,973,406) |
| As at 30 September | 302,798,909 | 305,047,587 |

Members' shares are repayable on demand except for shares attached to loans. Attached and unattached shares are as follows:

| | 2023 | 2022 |
|------------------------------|--------------------|--------------------|
| | € | € |
| Unattached shares | 264,275,326 | 266,476,581 |
| Attached shares | 38,523,583 | 38,571,006 |
| Total members' shares | 302,798,909 | 305,047,587 |

Consequently, €264,275,326 of members' shares are repayable on demand.

17. MEMBERS' DEPOSITS

| | 2023 | 2022 |
|---------------------------|-------------------|-------------------|
| | € | € |
| As at 1 October | 12,390,046 | 13,196,518 |
| Received during the year | 9,209,494 | 10,015,647 |
| Withdrawn during the year | (9,812,589) | (10,822,119) |
| As at 30 September | 11,786,951 | 12,390,046 |

Members' deposits maturity analysis

| | 2023 | 2022 |
|--------------------------|-------------------|-------------------|
| | € | € |
| < 3 months | 11,786,951 | 12,390,046 |
| 3-6 months | - | - |
| 6-12 months | - | - |
| > 1 year | - | - |
| Total as at 30 September | 11,786,951 | 12,390,046 |

18. CREDITORS AND ACCRUALS

| | 2023 | 2022 |
|------------------------------|------------------|------------------|
| | € | € |
| DIRT | 185 | - |
| PAYE/PRSI | 72,209 | 172,786 |
| Trade creditors | 26,921 | 11,141 |
| Car draw | 89,327 | 102,650 |
| Other creditors and accruals | 989,269 | 1,847,987 |
| | 1,177,911 | 2,134,564 |

NOTES TO THE FINANCIAL STATEMENTS

continued

19. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

19a. Financial risk management

Member First Credit Union Limited is a provider of personal, business and mortgage 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 Member First Credit Union Limited 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 Member First 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. 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. Credit risk information on members' loans is disclosed in Note 13.

The credit union complies with section 12 of 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;
- restricts the absolute amount of lending to certain sectors to a set percentage of the regulatory reserve;
- restricts the loan duration of certain loans to

specified limits; and

- requires specified lending practices to be in place where loans are made to certain sectors such a commercial loans, community loans and loans to other credit unions.

The credit union's cash at banks and 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. The credit ratings of the financial institutions where investments are held are disclosed in Note 12.

Liquidity risk:

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The credit union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. The credit union's liquidity ratio as at 30 September 2023 was 32.12% (2022: 31.45%).

Market risk:

Market risk is generally comprised of interest rate risk, currency risk and other price risk. Member First 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 is the risk that future cash flows of a financial instrument fluctuate because of a change in market interest rates. The credit union manages interest rate risk via its business model of maintaining the vast majority of its liabilities as non-interest bearing (i.e. member shares).

The credit union receives variable interest income from its loans to members, a combination of variable and fixed interest income from its deposits and investments and pays fixed interest on its members deposits accounts. Dividends are also payable to members but these do not constitute interest payments. The credit union is not exposed to any material interest rate risks

NOTES TO THE FINANCIAL STATEMENTS

continued

relating to the mismatch of interest rates on its financial assets and liabilities. The credit union's main interest rate risk relates to its exposure to low yielding money market and bond products which are currently available in the current low interest rate environment. Consequently, the credit union's investment income has decreased during the year.

Set out below is a sensitivity analysis for the credit union's interest rate risk disclosing the impact on profit or loss and total reserves for a 10% increase and 10% decrease in interest rates on its investment portfolio. The interest income on members' loans has not been adjusted on the basis that interest rates do not tend to vary.

| | Actual | Interest Rate (+10%) | Interest Rate (-10%) |
|--------------------------------|-------------------|----------------------|----------------------|
| | 2023 | 2023 | 2023 |
| | € | € | € |
| Investment income | 2,884,310 | 3,172,741 | 2,595,879 |
| Surplus for the financial year | 3,838,706 | 4,127,137 | 3,550,275 |
| Total reserves | 65,903,109 | 66,191,540 | 65,326,247 |

19b. Interest rate risk disclosures

| | Amount | Average Interest Rate | Amount | Average Interest Rate |
|------------------------------|--------------------|-----------------------|-------------|-----------------------|
| | 2023 | 2023 | 2022 | 2022 |
| | € | % | € | % |
| Financial Assets | | | | |
| Gross loans to members | 112,579,981 | 8.7% | 105,239,220 | 9.2% |
| Financial Liabilities | | | | |
| Members' shares | 302,798,909 | | 305,047,587 | |
| Members' deposits | 11,786,951 | 0% | 12,390,046 | 0% |
| | 314,585,860 | - | 317,437,633 | - |

NOTES TO THE FINANCIAL STATEMENTS

continued

19c. Liquidity risk disclosures

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

19d. Fair value of financial statements

Member First Credit Union Limited has a number of other financial instruments which are required to be accounted for under FRS 102 at fair value. See note 12 for further details.

20. CAPITAL

The credit union maintains sufficient reserves to buffer the credit union against unforeseen losses. The credit union's regulatory reserves are in excess of the minimum requirement set down by the Central Bank, and are 10.0s% of the total assets at the balance sheet date. The credit union's total capital reserves at 30 September 2023 were €65.9m (2022: €62.3m) (17.27% of total assets).

21. EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no adjusting or non adjusting events after the end of the reporting period which would require disclosure in the financial statements.

22. CONTINGENT LIABILITIES

Member First Credit Union Limited had no contingent liabilities at the current or prior balance sheet date.

23. CAPITAL COMMITMENTS

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

24. RELATED PARTY TRANSACTIONS

(i) Disclosures required by FRS 102

Loans

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 €272,552 (2022: €545,439). These loans were approved in accordance with the credit union's lending policy and the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. The loans

outstanding from these parties at 30 September 2023 were €2,068,858 (2022: €2,034,535). These loans amounted to 1.84% of total gross loans outstanding at 30 September 2023 (2022: 1.93%). There were no provisions held against the loans due from the Directors and the management team at the current or prior Balance Sheet date.

Shares

The total amount of savings held by related parties at the year end was €201,826 (2022: €148,820).

(ii) Disclosures required by Section 47(1)(b) of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016

Total loans outstanding 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) at 30 September 2023 were €2,068,858 (2022: €2,034,535). These loans amounted to 1.84% of total gross loans outstanding at 30 September 2023 (2022: 1.93%).

25. OPERATING LEASE COMMITMENTS

There are commitments to operating leases in relation to branch premises for Member First Credit Union Limited.

| | 2023 | 2022 |
|------------------|---------------|--------|
| | € | € |
| Within 12 months | 19,004 | 19,004 |
| 1 to 5 years | 26,441 | 45,445 |
| After 5 years | - | - |
| Total | 45,445 | 64,449 |

26. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board on 24 October 2023.

NOTES TO THE FINANCIAL STATEMENTS

continued

Non-statutory Financial Information

SCHEDULE 1 - OTHER MANAGEMENT EXPENSES (UNAUDITED)

| | 2023 | 2022 |
|---|------------------|------------------|
| | € | € |
| Rent, Rates & Service Charges | 264,820 | 214,587 |
| Printing & Stationery | 36,551 | 35,272 |
| Conventions, Meetings & Seminars | 17,843 | 15,861 |
| Education & Training | 58,301 | 59,233 |
| General Insurances | 120,825 | 113,407 |
| Repairs & Maintenance | 152,280 | (53,217) |
| Computer & Equipment Maintenance | 1,456,614 | 1,174,548 |
| ISO Costs | 10,907 | 10,360 |
| Postage and Telephone | 80,706 | 91,075 |
| Audit & Accountancy | 123,844 | 117,729 |
| AGM Expenses | 24,003 | 25,467 |
| Security | 144,669 | 150,478 |
| Travel Expenses | 4,643 | 5,748 |
| CCC Legal fees | 211,627 | 210,841 |
| Legal & Consultancy fees | 438,568 | 294,886 |
| Advertising & Promotion | 241,115 | 270,137 |
| Light & Heat | 132,691 | 96,457 |
| Uniforms & Staff Development | 22,901 | 1,019 |
| Bank Interest & Charges | 77,997 | 125,780 |
| Affiliation Levies & SPS | 108,034 | 138,426 |
| Shorts & Overs | 996 | 2,247 |
| Sundry Expenses | 27,432 | 21,801 |
| Community Development Expenses | 111,757 | 147,198 |
| Provision for Swords rectification works | (638,985) | 638,985 |
| Total per Income and Expenditure Account | 3,230,109 | 3,908,325 |

The above information does not form part of the statutory financial statements and consequently is not audited.

PRIZE DRAW

€50,000
in cash prizes every month

SIGN-UP TODAY in any MFCU branch

only **€1** per week*

*€13 per quarter will be debited from your account. T&C's apply.

The Monthly Member Prize Draw is a self-funded, non-profit making draw open to all members over the age of 18. For just €13 per quarter (€1 per week) you are entered into the monthly draw for a chance to win your share of €50,000 in cash prizes.

You can join the draw today in your local MFCU branch. Funds are automatically debited from your Share Account. Winners are posted on our website, social media and in-branch each month.

| 2023 Prize Draw Winners (€15,000 each) | | |
|---|--|---------------------------------------|
| Saorla Kelly Oct 2022 | Dominic Casey Nov 2022 | Mark Grosskopf Dec 2022 |
| Joanne Connolly Jan 2023 | Raymond & Teresa Bellew Feb 2023 | Margaret Maher Mar 2023 |
| Gomezgani Longwe Apr 2023 | Martin Kelly May 2023 | Leanne Scott Jun 2023 |
| Emma Lloyd Jul 2023 | Anthony Crilly Aug 2023 | Elizabeth Plunkett Sep 2023 |

| Member Prize Draw Income & Expenditure Account for the year ended 30 September 2023 | 2023 |
|---|----------------|
| | € |
| INCOME | |
| Member deductions | 666,475 |
| Total income | 666,475 |
| EXPENDITURE | |
| Cash prizes | 663,000 |
| Admin costs | 16,799 |
| Total Expenditure | 679,799 |
| Excess of Expenditure over Income | 13,323 |
| Opening Balance of Prize Draw fund | 102,651 |
| Closing Balance of Prize Draw fund | 89,328 |

COMMITTEE REPORTS

from your Board of Directors

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- 66 Audit Committee Report
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BOARD OVERSIGHT COMMITTEE REPORT

The Board Oversight Committee is an independent body elected at the AGM. There are three people on our committee. George Mongey, Kay Byrne and myself Helen Walker. Our duties are to assess, evaluate and report on whether the Board of Directors has operated in accordance with Part IV and Part IV(a) of the Credit Union Act 1997.

The committee met once a month, attended subcommittee meetings and were represented at all Board meetings through the year.

These meetings were conducted both in house and via Teams and were conducted in accordance with the Credit Union and Governance Standards set out by the Central Bank of Ireland. They are inclusive meetings where constructive discussions take place. There is separation of Board and executive responsibilities and roles and responsibilities are well defined.

The Management and Board work together to ensure that decisions taken are in the best interest of Member First Credit Union to ensure it remains a strong and safe Credit Union.

We reviewed the Board four times this year under Governance, Strategy, Risk and Financials. Our committee had no occasion to bring any major issues to the Boards attention.

The Board Oversight Committee and all Directors on the Board, attended continual training throughout the year and all attained the necessary CPD points to meet the standards required by Member First Credit Union as set out in its Fitness and Probity policy.

The Board Oversight Committee is satisfied that the Board of Member First Credit Union have acted in the best interest of its members by maintaining the strategic objectives of the Credit Union and continues with good governance.

Board Oversight Committee



Helen Walker
Committee Chairperson



George Mongey
Committee Secretary



Kay Byrne
Committee Member

AUDIT COMMITTEE REPORT

The Audit Committee is an important part of the overall control assurance framework within Member First Credit Union. The committee members (all of whom are Directors of the credit union) are appointed annually by the Board and this report reviews the work of the committee during 2023.

The role of the committee is to provide assurance to the Board, and this includes;

- Oversight responsibilities for financial reporting,
- Reviewing the independence and effectiveness of the Internal Audit function,
- Reviewing the independence, effectiveness and compliance with the requirements of the Credit Union Act 1997 (as amended) of the External Auditors, and
- Reviewing the integrity of the credit union's financial statements and ensuring that they give a "true and fair" view.

Internal Audit

- The committee considered and approved the Internal Audit Plan for 2023.
- The committee met with the Internal Auditor on four occasions in 2023 as part of monitoring the implementation of the Plan and assessed the outcomes of the audit reports regarding findings, recommendations, and management responses. The committee assessed the implementation of the agreed corrective actions by management.
- The committee reviewed the Internal Audit function's performance considering its effectiveness, adequacy of resources, experience and expertise and deemed these to be satisfactory for the credit union's current needs.

External Audit

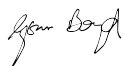
- The committee met with the External Auditors on two occasions to consider the planning for the annual financial audit and its outcome. The External Auditors shared their audit report for 2023 with the committee and confirmed that there were no concerns or recommendations they wished to bring to the attention of the Board.

Committee Meetings

- The committee met on several occasions during the year including with the Head of Finance. In addition, the committee prepared a workplan to guide its work. These meetings covered all areas of the committee's responsibilities and thereby assisted the committee to discharge its duties effectively.
- The Chairperson of the committee provided regular updates to the Board on the committee's activities including formal quarterly written updates.

The Audit Committee is satisfied that its activities during the year supported the delivery of its responsibilities as set out above.

Audit Committee



Gene Boyd
Committee Chairperson



Olive McMahon
Committee Member



Bridget Johnston
Committee Member

RISK COMMITTEE REPORT

The Risk Committee is an important part of the overall control assurance framework within Member First Credit Union and this report reviews the work of the committee during 2023.

The committee was established to;

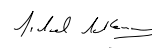
- Advise and support the Board in monitoring risk governance and ensuring that the credit union's risks are properly identified, reported, and assessed.
- Ensure that those risks are adequately controlled to the extent possible.
- Promote a strong risk management awareness and culture within the credit union.
- Ensure that strategy is informed by and aligned with the credit union's risk appetite.

The committee members, all of whom are Directors of the credit union, are appointed annually by the Board and the activities of the committee include;

- Making recommendations to the Board regarding improved risk management practices,
- Maintaining oversight of the credit union's risk profile, including adherence to risk principles, policies, and standards,
- Overseeing the credit union's Risk Framework and the risk management function (which is managed on a day-to-day basis by the Risk Management Officer),
- Ensuring that the Risk Register contains all known risks applicable to the credit union and is maintained and updated on an on-going basis by the Risk Management Officer.
- Reviewing the monthly reports issued directly to the Board by the Risk Management Officer.

The committee met on several occasions during the year with the Risk Management Officer and members of the Senior Management Team present. These meetings covered all areas of the committee's responsibilities including detailed consideration of the monthly reports from the Risk Management Officer and, in this way, ensured that the committee discharged its duties effectively. The Chairperson of the committee provided regular updates to the Board on the committee's activities.

Risk Committee



Michael McKenna

Committee Chairperson



Gene Boyd

Committee Member



Eamonn Free

Committee Member



Paschal Delahunty

Committee Member

NOMINATION & GOVERNANCE COMMITTEE REPORT

The Nominations & Governance Committee is responsible for two key areas for which the Board of Directors are responsible.

Governance

Good governance is essential for our Credit Union to achieve its objectives and drive improvements, as well as maintain legal and ethical standing in the eyes of our member, regulators and the wider community. Throughout the year the Committee further enhanced the Governance structures within MFCU through the Governance Framework which covers how our Credit Union is managed and controlled. It covers seven principles including accountability, transparency and openness, integrity, stewardship, efficiency, and leadership.

Nominations

The committee also continued their ongoing review of the composition of the Board of Directors in 2023 to ensure that it has the right skills, diversity and experience is in place for the effective oversight of Member First Credit Union. The competence and capability of both the individual Board members and the collective ability is vital to successfully navigate MFCU through the challenges encountered by the Credit Union and developing an appropriate strategy for the future of MFCU.

The Board of Directors have adopted a minimum standard of education for all Directors and throughout the year each Director also participated in continuous professional development online at conferences, roadshows, training seminars and lectures. At this point in time all of our Directors have at least a Certificate in Credit Union Governance. Additional skills also on the Board include a Qualified Financial Advisor, other Financials professionals and people with Governance, Risk, Investment and Strategic Planning experience.

The committee are also responsible for identifying candidates to be appointed to the Board. Under the Credit Union Act every candidate to be nominated for appointment as a member of the Board of Directors shall be proposed through the Nominations Committee only. No person shall otherwise be put forward for election or seek election at the AGM.

The Committee must ensure that the prospective candidates meet the competency requirements of MFCU and satisfy the Fitness and Probity requirement of the Central Bank of Ireland. This standard ensures that all Board members are capable and competent, are financially sound and have the appropriate skills, experience and integrity to manage and govern the Credit Union. We would encourage anyone interested in the role of a Director to contact the Credit Union for details around the competency requirements for the role.

MFCU IS SEEKING NEW DIRECTORS

We are inviting members with an interest in joining the MFCU Board of Directors or Board Oversight Committee to get in touch with us. If you would like to receive a Potential Director Information Pack with full details of the role, please email info@mfcu.ie or call us on **(01) 851 3400**.

NOMINATION & GOVERNANCE COMMITTEE REPORT *continued*

Notice of Elections

Under the Act the terms of office of the following members has expired and they are seeking re-election. The Nomination Committee proposes the below mentioned for election by the members.

| | | |
|------------------------------------|-----------------------|--------------------------------|
| Candidate: Catherine Bannon | Role: Director | Term of Office: 3 years |
|------------------------------------|-----------------------|--------------------------------|

Catherine Bannon has been involved in the Credit Union for over 20 years. She previously sat on the Board of Directors of both Coolock Artane Credit Union and Member First Credit Union and re-joined the Board of MFCU in 2020. She holds a QFA Professional Diploma in Financial Advice, CUA Professional Diploma in Credit Union Practice, CUG Certification in Credit Union Governance and Risk, Certificate in Financial Regulation, and a Diploma in Employment Law. She works in Human Resources and has experience in Risk Management, Audit and Strategic Planning. She has experience on all committees in the Credit Union and currently sits as Chairperson of the Remuneration Committee of the Board of Directors.

| | | |
|------------------------------------|-----------------------|--------------------------------|
| Candidate: Bridget Johnston | Role: Director | Term of Office: 3 years |
|------------------------------------|-----------------------|--------------------------------|

Bridget Johnston currently serves on the Board of Directors of MFCU. She is a qualified Credit Union Advisor and holds a Certificate in Credit Union Governance. Bridget is an active member of the board and is also secretary of the Internal Audit Committee. Bridget was a Higher Executive Officer with the Revenue Commissioners for over 33 years until her early retirement in 2012. She currently works with the Economic and Commercial Team, promoting and supporting Irish businesses in the UK. Bridget seeks re-election to the Board for a 3-year term and would welcome the opportunity to continue to serve the membership of MFCU.

| | | |
|------------------------------------|-----------------------|--------------------------------|
| Candidate: Valerie Mulvaney | Role: Director | Term of Office: 3 years |
|------------------------------------|-----------------------|--------------------------------|


Valerie Mulvaney has been involved in Credit Union for a number of years. She previously sat on the Board of Directors of Coolock Artane Credit Union and became a Board Member of the newly formed MFCU in 2014. Valerie holds a Diploma in Credit Union Studies and a Certificate in Credit Union Governance. She is a previous Chairperson and serves on various committees of MFCU.

| | | |
|-----------------------------|--|--------------------------------|
| Candidate: Kay Byrne | Role: Board Oversight Committee | Term of Office: 3 years |
|-----------------------------|--|--------------------------------|

Kay Byrne is a retired Legal Secretary and has a number of years of experience in the Credit Union. As a member of the Board Oversight Committee of MFCU she has completed the Credit Union Advisor and Credit Union Governance qualifications along with the CUDAS Program.

| | | |
|---|----------------------|-------------------------------|
| Candidate: EisnerAmper Audit Limited | Role: Auditor | Term of Office: 1 year |
|---|----------------------|-------------------------------|

Signed by the Nominations Committee:



Gráinne Brennan



Michael McKenna



Paschal Delahunty



Eamonn Free

MFCU MORTGAGES

get a
Mortgage
from the
people you
know, and
who know
you!

OUR MORTGAGE OFFERING

Your home is probably the most important purchase you'll ever make. With Member First Credit Union you get the reassurance of borrowing from a lender you can trust. Plus, of course, you'll get a great deal on the interest rate.

To date, MFCU have helped **96 families** find their dream home with an MFCU Mortgage.

Our team of Mortgage Advisors guide you through the entire process from start to finish. There's no hand-offs to various departments or delays in communication. We work with you to make purchasing your dream home a reality!



Frequently Asked Questions ...

How much can I borrow?

MFCU Mortgages range from €100,000 to €500,000

Do I need a deposit?

Yes, you'll need a minimum 10% of the property purchase price for your deposit, and don't forget some extra funds for legal fees and other costs.

Can I get a Mortgage for a holiday home or investment property?

MFCU Mortgages are only available on 'Principle Private Residence' homes, which means you must plan to live in the home on which the Mortgage will be applied as your primary residence.

I have my deposit, what do I do now?

You can complete our Mortgage application form online or in-branch. A member of our Mortgage Team will contact you to discuss the details and submit your application if you are eligible.

MORTGAGE ARREARS SUPPORT

If you have fallen into arrears on your loan repayments, or are worried you might - we're here to help.

At Member First Credit Union, we're all about our members. That's why, when you're experiencing difficulty with your loan repayments, we're on your side. Our staff are fully trained to help you through this process, so don't worry about getting in touch – we will deal with your request in confidence and to the best of our ability.

What do to when facing repayment difficulties ...

Firstly, review your circumstances to understand how this may have come about. Below are some common reasons our members might be experiencing difficulties meeting their loan repayments;

- Job loss or working conditions have changed
- Family circumstances have altered
- Receiving a low income
- Falling behind on other payments
- Ill-health
- Over-indebted

How we can help ...

At Member First we have a team of Qualified Financial Advisors who are experienced in dealing with members who find themselves in difficult financial situations. With us you will be greeted with a sympathetic ear, and a constructive approach to making alternative arrangements with you.

We will do this by assisting in re-establishing your repayment schedule and guiding you through this process. Furthermore, we do not charge members for this service.

3 tips for facing repayment difficulties ...

1. Don't panic

A clear head will help you work through this difficult time.

2. Don't ignore the problem, it will not go away

Ignoring financial difficulties will only add to your stress in the future.

3. Take immediate action

Speak with our dedicated team today at the contact details below.



WE'RE BIG ON MORTGAGES

Apply for yours, with a loan of up to **€500,000**
Apply today at **mfcu.ie**

member First
CREDIT UNION

the Northside's favourite credit union



You've probably heard people talking about a 'cost of living' crisis and the problems it is causing. But what does it actually mean? Well, it's basically about the price of things around the world and how much money people have to spend on the things that they need - like food, fuel and family life. For a variety of reasons prices are going up and, although governments say they are trying to take action to make things easier, for many people it means that tough choices are having to be made about how to spend their money. The rising cost of things is known as inflation.

That's when, over time, prices rise and how much you can buy with your money falls, so people demand to be paid more in wages, which means it costs companies more to pay people to make things, which then pushes up how much they cost to make, and the prices rise... and so on. The effects can be seen in lots of things including rising energy prices, rising food prices, fuel protests by drivers and even problems at airports. It's not just happening in Ireland; it's happening all around the world.

Energy prices are a good example of this. Energy prices have an impact on pretty much everything - from heating homes, to transporting goods and keeping factories in production. When they rise, the costs of everything rises and those costs have been passed down to ordinary people's bills. The Ukraine conflict is making the situation even worse. The crisis in Ukraine has increased both the scale of price rises, but also the degree of uncertainty about their levels and duration. There have also been other shortages of goods like building materials and computer chips, which has created problems.

Well, as prices go up, not everyone's pay, or benefits are going up at the same time or by the same amount. If someone's pay or benefits aren't going up at the same time as prices, then the money in their pocket doesn't go as far and buying things gets harder.

At MFCU we understand that the cost of living may have an impact on your ability to repay a loan with us. If you have fallen into arrears on your loan repayments, or are worried you might, we're here to help. Our staff are fully trained to guide you through this process, so don't worry about getting in touch – we will deal with your request in confidence and to the best of our ability. With us you'll receive an sympathetic ear, and a constructive approach to making alternative arrangements.

Look at our helpful hints for managing your money on the following page.

HELPFUL HABITS

Here's 10 tips to help you manage your finances effectively.

1 Budget

Budgeting will help you keep control of your finances and help you to achieve what you want for the future.

2 Start Saving

Get into the habit of saving regularly with a view to increasing if your circumstances improve (e.g. you get a pay increase at work).

3 Be Realistic

Don't cut out all of the things you enjoy, or you are setting yourself up for failure. Start off saving small amounts and increase as you go along.

4 Keep Receipts

Keep all of your receipts and review on a weekly basis to assess your spending habits to see if there is any way you can make savings or do without something.

5 Plan for Impulse

Allow yourself a certain amount of cash each week for spontaneous purchases such as lunches, nights out etc. If you're using a contactless card, it's very hard to keep track of your spending budget.

6 Keep Yourself Informed

Read up on any changes happening within the financial world and how they might affect you such as the housing market, changes in the budget.

7 Be Flexible

Review your financial plans regularly and make changes where necessary. If you receive a wage increase/decrease adjust your spending/saving accordingly.

8 Don't Rely on Credit Cards

Credit cards are for emergencies and shouldn't be used for day to day expenses. If you are relying on your credit card to get you to the next pay day, take a look at your overall finances.

9 Set Goals

Do you want to save for a house? Research how much it will cost and how much you will need for a deposit. That way you can work out how much you need to save on a monthly basis to reach that goal.

10 Tighten Your Belt

If you feel that you are spending too much money in certain areas try and cut back. In the long term this will help you to reach your goals quicker giving you a great sense of achievement.

Updating your ID & Proof of Address

The Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2018 was brought in to prevent Criminals and Terrorists using your Credit Union to hide the proceeds of their crimes. To prevent this, the Central Bank require us to conduct ongoing due diligence of our members, what this means is that amongst other things, we are required to regularly update and verify our Members Identification and Address details.

You can help us by providing up to date Proof of Identity & Proof of Address on your account. You can also help us by understanding that we appreciate this may sometimes seem repetitive or intrusive, but we conduct this due diligence to safe guard your Credit Union. There may be times when we have to suspend an account if we cannot conduct the requisite due diligence and that is the last thing we want to do. Your cooperation and assistance in this is greatly appreciated.

Nominations

When you join Member First Credit Union, you will be asked to nominate a beneficiary on the application form. The person nominated will benefit from your shares when you die. It is therefore important for you to update this form to ensure that it reflects any change in your status.

If your nominated beneficiary dies before you, then another beneficiary should be nominated. It is important that you update your nomination in the case of a change in marital status, as the original nomination becomes invalid once you marry.

- Members over 16 can nominate a person/persons to receive their credit union shares and insurance benefits (if any), on death.
- The person/persons nominated can receive the funds without any problems, up to a value of €23,000.
- The balance over €23,000 if any goes into the estate.

Please contact your local branch or call our Member Service Centre on (01) 851 3400 to ensure you have completed a nomination form.

Dormant Accounts

An MFCU account will be flagged as dormant when there has be no member-initiated activity on the account for a period of 3 years. It is each member's responsibility to ensure their own account does not go dormant.

When an account becomes dormant, it does not mean the account is closed - your shares will remain in the Credit Union and will continue to earn dividend on an annual basis. **However, letting your account go dormant will impact the life savings insurance on your account and may have other repercussions.** We would encourage all members to keep their account up to date by completing regular transactions on your account.

Updating our Terms & Conditions

Please be informed that certain Terms and Conditions governing your member rights and responsibilities are being updated.

These changes have been made to ensure clarity, compliance with regulations, and alignment with evolving best practices. We encourage all members to review the revised terms and conditions, which are available on our official website (www.mfcu.ie) and can be accessed at your convenience.

Deposit Guarantee Scheme

The Deposit Guarantee Scheme (DGS) protects depositors in the event of a bank, building society or credit union authorised by the Central Bank of Ireland being unable to repay deposits. The DGS is administered by the Central Bank of Ireland and is funded by the credit institutions covered by the scheme. More information about the Deposit Guarantee Scheme is available [on our website here](#).

Annual Account Statements

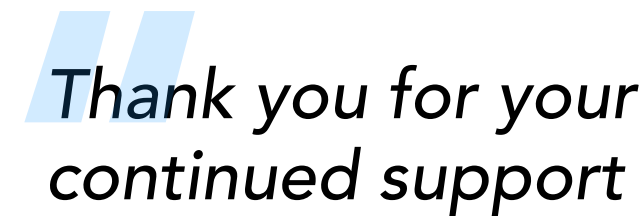
Your MFCU 2023 annual account statement will be available on your online account in January 2024. You'll find your statement in the Documents section of the main menu. Remember, you can also access an account statement for specified dates at any time in your online account.

The removal of annual posted statements is a key aspect of our Climate Action Plan to remove unnecessary printing of documents. You can still request a printed statement in any MFCU branch for a small fee.

PLEASE NOTE:

You can only access an online statement if you are registered for Online Banking with MFCU. If you are not yet registered, you can register [here](#). Your account statement will be available once you login.

Thank you for your continued support of MFCU as we implement our Climate Action Plan.



Thank you for your
continued support



member First
CREDIT UNION

the Northside's favourite credit union

(01) 851 3400

**www.
MFCU.ie**

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