



ANNUAL REPORT 2024

ACCOUNTS & NOTICE OF AGM





NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2024 Annual General Meeting (AGM) of Link Credit Union Limited will take place on **Wednesday 18th December 2024 at 7pm via Zoom**. Instructions on how to register can be found on page 3 and 4.

AGM AGENDA

Standard Rules 96(4):

The business at annual general meetings of the members shall be:

1. The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons;
2. Ascertain that a quorum is present;
3. Adoption of Standing Orders;
4. Reading and Approval (or correction) of the minutes of the last AGM;
5. Report of the Directors;
6. Report of the Board Oversight Committee;
7. Chairpersons Address;
8. Committee Reports;
 - a. Report of the Credit Committee;
 - b. Report of the Credit Control Committee;
 - c. Report of the Membership Committee;
 - d. Report of the Donations Working Group;
9. Auditors Report to the Members;
10. Consideration of Accounts;
11. Declaration of Rebate of Interest;
12. Motions for Consideration;
13. Report of the Nominations Committee;
14. Appointment of Tellers;
15. Election of Auditor;
16. Election to fill vacancies on Board Oversight Committee;
17. Election to fill vacancies on Board of Directors;
18. Members Draw;
19. Any Other Business;
20. Announcement of Election Results;
21. Adjournment or Close of Meeting.

The members assembled at any annual general meeting may suspend the order of business upon two-thirds (2/3) votes of the members present at the meeting.

David Donagh
Hon Secretary

STEP-BY-STEP INSTRUCTIONS ON REGISTERING FOR OUR AGM

Members wishing to attend the Virtual AGM need to register before 1.30pm on Saturday 14th December 2024 by sending an email to agm2024@linkcu.ie or by scanning the QR Code below and providing the following information:

- Name
- Membership Number
- Date of Birth

Step 1: Please register by sending an email or scanning the QR code below by 1:30pm on Saturday 14th December 2024.

Step 2: Based on the information you provide, we will verify you as a member. Please note, the credit union requires you to have up-to-date photographic identification and address verification on file. If information is not up to date, the credit union will notify you.

Step 3: Once verification is complete, you will then be sent a formal invitation to the email address you provided in the registration process by 5.30pm on Monday 16th December 2024 (please ensure to check your junk and spam folders for this email).

Step 4: The relevant reports are included in your annual report. A link to the minutes will be included with your formal invitation to the AGM. Please read these before the meeting as this may allow some of the reports to be taken as read, if there are no objections. If you are not registered for access to our online and mobile banking, please register at www.linkcu.ie.

Step 5: Please submit any questions you may have in relation to the annual report in writing by 1:30pm on Saturday 14th December 2024 to agm2024@linkcu.ie.

See the Standing Orders for details of how questions will be handled at the AGM.

Step 6: Log on to the AGM, by clicking on the link provided in the invitation you will receive by email. We suggest you log on about 10 minutes before the start time of 7:00pm on Wednesday 18th December 2024.

If you're not familiar with Zoom, you will find this short tutorial helpful:
https://youtu.be/pAMDxH_H-Cs

Step 7: It is important that you note the invitation you receive is specific to you and can only be used on one device.

Step 8: When you log on you will be made aware that you are 'waiting'. Once the Chair starts the meeting you will be able to see and hear the meeting. Please select "Join with Computer Audio", so that you will be able to see and hear the Chair and any persons presenting. We recommend that while you are waiting, you should use the opportunity to test the sound on your computer so you can be sure it's working and at the right volume for you to follow the proceedings.

Step 9: For everyone's comfort, all non-presenting participants will be 'muted' during the meeting. Please read the Standing Orders to be clear with how questions and answers will be handled.



Step10: There are several items on the agenda where members will be asked to vote. This will be done by electronic polling. A poll will appear on your screen, click on your answer and press submit. You will be given sufficient time to cast your vote (the length of time allowed will be advised at the meeting). The poll will close after that time and the result will be announced by the Chair.

Step 11: To assist with the minutes, our AGM will be recorded. Members who register for the AGM will be agreeing to the recording of the meeting and their participation in it, on registering. When the matters of the meeting are concluded, the Chair will end the AGM and close the Zoom link.



DIRECTORS & OTHER INFORMATION

DIRECTORS

Michael Donohoe	<i>Chairperson</i>
Patricia Wakely	<i>Vice Chairperson</i>
David Donagh	<i>Secretary</i>
Fiona Crosby	
Dominic Drew	
Mary Brigid Duffy	
Ann Gray	
Jim Kearns	<i>Stepped down Dec 2023</i>
Mary McMahan	<i>Stepped down Dec 2023</i>
Matthew Carolan	<i>Joined Dec 2023</i>
Rachael Roycroft	<i>Stepped down May 2024</i>
Fiona Burke	<i>Joined May 2024</i>

BOARD OVERSIGHT COMMITTEE MEMBERS

Darragh Smith	<i>Chairperson</i>	<i>Stepped down Sept 2024</i>
Mary McMahan	<i>Chairperson*</i>	<i>Joined Dec 2023</i> <i>(*became Chairperson Sept 2024)</i>
Niamh Martin	<i>Secretary</i>	
Matthew Carolan		<i>Stepped down Dec 2023</i>
Tom Farrell		<i>Joined Nov 2024</i>

CEO *Angela Rice*

Registered Office *Main Street, Kingscourt, Co. Cavan.*

Auditors *J.P Rundle & Co., Moore Hall, Ardee, Co. Louth.*

Bankers *Bank of Ireland, Main Street, Bailieborough, Co. Cavan*

*Intesa Sanpaolo Group Services,
Filialw Financial Institutions, Via Langhirano, 1
43125 Parma, Italy.*

Solicitors *Patrick J. Carolan & Co., Market Square,
Kingscourt, Co. Cavan.*



MODEL STANDING ORDERS FOR CREDIT UNIONS

Virtual Annual General Meeting (ROI)

1. VOTING

1. Each member is entitled to one vote irrespective of their shareholding, and only the first named member on joint accounts, in accordance with section 82(2) of the Credit Union Act, 1997 (as amended). Since this year's AGM will be a virtual meeting, all voting will be by electronic means. Each member registered for and attending the virtual AGM, will be given the opportunity to exercise their vote electronically during the meeting.

2. ELECTION PROCEDURE - ELECTRONIC VOTING

2. Following the announcement of nominations, attendees will be given the opportunity to vote electronically "Yes" or "No" for each candidate. Those in attendance will be given 30 seconds to record their vote. The mechanics of the electronic voting process will be explained in more detail at the AGM by the Chair. Elections shall be in the following order:
 - a. Elections for Auditor
 - b. Elections for membership of the Board Oversight Committee
 - c. Elections for membership of the Board of Directors
3. The votes will be tallied electronically. When all elections have been completed and results become available, the Chair will announce the results.

4-8 MOTIONS

4. Members will be permitted to move motions from the floor but should give the credit union advance notice in order to permit a smooth and efficient management of this process, as the meeting is being held remotely. Please send any motions by email to agm2024@linkcu.ie before 1.30pm on Saturday 14th December 2024.
5. Members will be invited to submit questions to the board via "Q&A" button on the toolbar in the Zoom Webinar and the board will address these during the AGM.
6. All reports to the membership must be proposed and seconded by members present at the AGM.
7. A proposer of a motion may speak for such period as shall be at the discretion of the Chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
8. The Chair shall have the absolute right to decide at any time when a motion has been sufficiently discussed.

9-13 MISCELLANEOUS

9. The Chair of the Board of Directors shall be the Chair of any general meeting, except where they are not available, in which case it shall be the Vice-Chair, except where they are not available, in which case the board shall decide amongst themselves who shall act as Chair of any general meeting.
10. The Chair may at their discretion, extend the privilege of the floor to any person who is not a member.
11. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chair.

12. The Chair shall have the absolute right to decide at any time when a topic has been sufficiently discussed.
13. No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of their shareholding or the number of accounts in their name in the credit union provided, however, except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors. Proxies must be received by 1.30pm on Saturday 14th December 2024.

14-15 SUSPENSION/ALTERATION OF STANDING ORDERS

14. Any one of these Standing Orders or all of these Standing Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.
15. Standing Orders may be amended or altered at a general meeting and only if a motion to this effect has received a two-thirds majority of those present and voting.

16 ADJOURNMENTS

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

17-22 VIRTUAL MEETING ITEMS

17. All non-presenting participants will be muted and have their cameras switched off to allow the smooth running of the meeting.
18. A member shall only address the meeting when called upon by the Chair to do so, when invited to contribute.
19. All members are asked to utilise the "Q&A" button on the bottom of the toolbar in Zoom Webinar to ask questions.
20. All members are reminded to conduct themselves in a professional manner. Please refrain from sharing any explicit, violent or inappropriate content.
21. Provision shall be made for the protection of the Chair from vilification (personal abuse).
22. All members are asked to turn their mobile phone on silent as even the vibrate setting can cause disruptions.
23. The AGM will be recorded.

NOTICE OF ELECTIONS

Elections will be held to fill the following vacancies:

- 4 vacancies on the Board of Directors
- 1 vacancy on the Board Oversight Committee
- The position of Auditor

During the course of the year the Nomination Committee identified candidates to stand for the above positions and they have been assessed under the Fitness and Probity Regime, as required by the Central Bank, with satisfactory results. If you are interested in standing for the Board of Directors or Board Oversight Committee, please contact the Nominations Committee on: volunteer@linkcu.ie



DIRECTORS REPORT

FOR THE YEAR ENDING 30th September 2024

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

PRINCIPLE ACTIVITY

The principal activity of the business continues to be the operation of a Credit Union.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

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

DIVIDENDS

The directors are proposing a loan interest rebate of 5.00% in respect of the financial year ended 30th September 2024.

PRINCIPLE RISKS AND UNCERTAINTIES

The principal risks and uncertainties faced by the Credit Union are:

Credit Risk: the risk that a borrower will default on their contractual obligations relating to repayments to the Credit Union, resulting in loss.

Lack of Loan Demand: lending is the principal activity of the Credit Union and the Credit Union is reliant on it for generating income to cover costs and generate a surplus.

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

Liquidity Risk: the risk that the Credit Union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded.

Operational Risk: the risk of loss resulting from inadequate or failed processes or systems of the Credit Union, any failure by persons connected with the Credit Union or from external events.

Global Macro Economic Risk: there is an economic and operational risk relating to rising inflation rates, disruption to global supply chains and general uncertainty in the markets as a result of the pandemic, the on-going war in Eastern Europe and the potential impacts on the economy resulting from recent political changes.

These risks and uncertainties are managed by the Board of Directors as follows:

Credit Risk: the Board of Directors regularly review and approve the Credit Union's credit policy. All loan applications are assessed with reference to the credit policy in force at the time. Subsequently, loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

Lack of Loan Demand: the Credit Union provide lending products to its members and promote these products through various marketing initiatives.

Market Risk: the Board of Directors regularly reviews and approves the Credit Union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

Liquidity Risk: the Credit Union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due.

Operational Risk: this is managed through the employment of suitably qualified staff to ensure appropriate processes, procedures and systems are implemented and are further supported with a robust reporting structure.

Global Macro Economic Risk: the Board of Directors and management closely monitor the developments of rising inflation rates and disruption to global supply chains and markets, and

continue to take appropriate actions to mitigate any possible adverse effects on the Credit Union.

ACCOUNTING RECORDS

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act 1997, as amended with regard to employing accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The books of the Credit Union are maintained at the Credit Union's premises at Main Street, Bailieborough, Co. Cavan.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Credit Union since year end.

AUDITORS

The auditors, J.P. Rundle & Co, have indicated their intention to resign as auditors as of the date of the AGM. In accordance with guidance from the Central Bank of Ireland, that all credit unions should rotate the office of auditor and in accordance with Section 117 of the Credit Union Act, following a tender process to select a replacement audit firm, the board is nominating DHKN to be appointed as replacement auditors also effective as of the date of the AGM. The Board thanks J.P. Rundle & Co for their service over the years.

On behalf of the Credit Union Board

Michael Donohoe

Chairperson

13th November 2024

David Donagh

Secretary

13th November 2024

STATEMENT OF DIRECTORS RESPONSIBILITIES

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

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgements and estimates that are reasonable and prudent;
- (iii) 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 which enable them to ensure that the financial statements are prepared in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland, including the standards issued by the Financial Reporting Council, and in particular FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". They are responsible for safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board of Directors

Michael Donohoe

Chairperson

13th November 2024

David Donagh

Secretary

13th November 2024



STATEMENT OF BOARD OVERSIGHT COMMITTEES RESPONSIBILITIES

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

On behalf of the Board Oversight Committee

Mary McMahon

Chairperson

13th November 2024

CHAIRPERSONS REPORT

As Chairperson of Link Credit Union, I warmly welcome you all to our 2024 Annual General Meeting.

Looking back on the past year, Link Credit Union has much to be proud of.

This year we achieved an overall surplus in excess of €1.3 million and saw a 12% increase in our loan book. Building on the expansion of our loan offering in recent years, we were especially pleased to introduce our Greenify loan product.

Aligned with our Environmental, Social and Governance (ESG) Strategy, Greenify is a home energy upgrade loan that enables members to borrow at a reduced rate of 6.5% (6.69% APR) to support their home retrofitting projects. These projects include upgrades to attic insulation, exterior wall insulation and boiler replacement, as well as the installation of heat pumps and solar panels.

To help promote this new loan product, we hosted several successful information evenings across our common bond and established strong partnerships with Active8 Solar Energies, Kore Retrofit, Breffni Eco Group and SPV Energy. These collaborations underscore Link Credit Union's dedication to supporting local businesses that align with our values. To date we have issued over €2m in Greenify loans, which now account for over 5% of our overall loan book.

In addition to our personal loan options for cars, holidays, and home improvements, we offer the Cultivate loan, tailored specifically to meet the needs of our farming members. This loan can be used for new or pre-owned machinery, farm building or yard facility upgrades, or the purchase of additional livestock. Members can borrow up to €50,000 with flexible terms up to seven years at a highly competitive rate of 6.55% (6.75% APR). Currently, Cultivate loans represent 3.8% of our overall loan portfolio.

While our loan book continues to grow and diversify, we want to remind you, as in past years, that we still have significant capacity for further growth throughout 2025. With 36% of our loans now being applied for online, accessing our loan services has never been more convenient.

Although inflation and loan interest rates have begun to decline across the Eurozone, it may take some time before we see a positive impact on our finances. Therefore, if you are facing financial difficulties, we encourage you to reach out and speak with us.

As we have noted in recent years, savings levels across the Credit Union movement continue to increase and the Board of Directors is closely monitoring this trend.

On a positive note, the Board of Directors are proposing an allocation of €100,000 to establish a community fund aimed at supporting projects within our common bond. This fund is set to launch in 2025.

We are also proposing a loan interest rebate of 5%, to give back to members who contribute to the income of this credit union.

I'd like to take this opportunity to remind you of our online services, which provide 24/7 access to your accounts all year round. Additionally, ATMs are available outside each of our three branches, accepting all current account bank cards. I strongly encourage you to consider opening a Link Credit Union current account, available to members at a very highly competitive rate of just €4 per month, offering the same services as traditional banks. Switching your current account to us is simple, so please reach out to us today for assistance.

We are excited to announce our involvement in a project to offer a debit card specifically for our junior members, ages 8 to 15. We anticipate launching this new offering in the summer of 2025.

For an unprecedented tenth consecutive year, credit unions have ranked first for customer experience in Ireland according to the 2024 Customer Experience Insight (CXI) Report. This recognition reflects the dedication and hard work of credit union staff and volunteer directors throughout the country, who prioritise supporting their members and communities. This commitment is what sets the credit union movement apart from traditional banks and makes it truly unique.

I would like to thank the management and staff for their continued hard work, dedication and commitment throughout 2024. For staff who are undertaking exams in the year ahead, I wish you all continued success in achieving your qualifications.

I extend my gratitude to my fellow Directors and members of the Board Oversight Committee for their commitment and dedication to Link Credit Union during the year.

In particular I would like to recognise the effort and commitment of Rachael Roycroft, who resigned from the Board of Directors, and Darragh Smith, who resigned from the Board Oversight Committee

I extend a warm welcome to Fiona Burke who has joined the Board of Directors during the year and Tom Farrell who joined the Board Oversight Committee in November. Fiona and Tom, together with several other volunteers are putting themselves forward for election at tonight's AGM.

We would like to take a moment to remember all members and past volunteers who passed away during the year and we extend our heartfelt condolences to their families.

Finally, we would like to thank you for your continued support and custom throughout 2024.

We wish all our members a safe and peaceful Christmas and New Year. We look forward to meeting your financial needs in 2025.

Michael Donohoe
Chairperson



CREDIT COMMITTEE REPORT

The Credit Committee is appointed by the Board to oversee the development and implementation of Link Credit Union's lending policy and makes a written report to the Board of Directors monthly.

2024 has been a busy year for Link Credit Union with regard to lending. This year we issued €20,037,627 loans which is an increase of 10.7% on the prior year. Our loan book for 2024 has grown by over €4.3m to €40,806,117. We hope to continue this growth and are looking at every opportunity to help us achieve this.

Our Loan from Home offering is fully operational and very popular, with over 36% of loans being applied for online. This allows you to apply for and draw down your loan online, giving you a seamless loan experience from the comfort of your own home.

We have a Welcome Loan Rate for any new member or members who haven't borrowed from us in the last three years at 7.9% (8.19% APR), together with a very competitive interest rate for loans greater than €10,000.

Our Cultivate farming loan has proved to be very popular with the farming community, with a very competitive rate and easy application process, which can be used for a variety of purposes including purchase of farm machinery, stocking or general farm investment.

In January 2024, we introduced our Greenify Loan to finance your home energy upgrades to help members improve the energy efficiency of their homes, which is competitively priced for loans up to €75,000.

Don't forget our lowest loan rate is 4.9% (5% APR) for Savings Secured loans. This is where you can let your savings work for you. You can borrow up to the amount of your savings, on this low rate, with the comfort of knowing your savings are safe and secure. This is an easy loan to draw down as it is instant due to no loan documentation being required.

So, if you are thinking of upgrading your car or planning a home improvement project, consider Link Credit Union as your loan provider. The benefits of borrowing from us are:

- Free Loan Protection Insurance (for eligible members)
- No set up fees
- No early repayment fees
- Flexible repayments options, including Direct Debits, Wage Deduction, Debit Card or Counter payments or via our express lodgement boxes.
- Full online loans process, including applying for and drawing down your loan funds.

Our loan application process is simple with a variety of ways of applying:

- You can apply online via our Link Credit Union Mobile app or via our website www.linkcu.ie, once you have registered for the service. Loan documents can be uploaded securely through the on-line platform.
- Alternatively, members can download a loan application form from our website and email the scanned copy with the required documents back to the lending unit on lending@linkcu.ie.
- Members can also avail of our loan packs which are available in the loan stands in our offices. The loan form can be completed and returned with all required documents in the envelope provided. This can then be dropped into our express drop/lodgment boxes without the need to queue at the counter.

As part of our ongoing efforts to streamline the loan application process, we are excited to introduce our Open Banking platform. This new feature enables members to securely share their bank statements directly with us, eliminating the need to print, save, or email documents.

A member of our Lending Team will contact you with a loan decision, usually within 24 to 48 hours of receiving all the required loan documentation.

To contact our lending team, you can:

- Email our lending unit at lending@linkcu.ie, or
- Phone our team directly on 042 9675000 by choosing Option 3

On behalf of the Credit Committee I would like to thank our Lending Team and all our Staff for their co-operation and assistance throughout the year.

Finally, we want to thank you, our members, for your support and loyalty by choosing us for meeting your financial needs, as our loan income is essential for the continued operation of the credit union. We hope that you will consider Link Credit Union for your future lending requirements.

Angela Rice
Chairperson

CREDIT CONTROL COMMITTEE REPORT

The Credit Control Committee is appointed by the Board of Directors and our role is to ensure that loans are repaid by members in accordance with the terms of their credit agreements.

We continue to support our members who find themselves in financial difficulties, to find a solution to ensure loans are being repaid and are not placing additional stress on members.

The Credit Control Committee has an obligation to ensure that every effort is made to:

- Minimise the level of charged off loans
- Maximise the recovery of previous charged off loans
- Reduce the risk of loan delinquency; and
- Make adequate provision for non-performing loans.

We are pleased to report that the loan repayment performance of our members is both positive and encouraging.

The bad debt charged off figure has increased this year to €193,074. It is important to note that the charged off loans are pursued vigorously and, where members fail to engage with us, these accounts will be referred to our Debt Collection Services. Accounts sent to collections are liable for the expenses incurred during the recovery process, and we make every effort to ensure these costs are repaid in full. Bad debt recoveries for the year remained strong at €215,644.

As a committee, we ensure that the credit control team engages proactively with members in arrears, especially in the early stages of default. We strongly encourage any members facing financial challenges to contact us immediately, as we are dedicated to supporting those in genuine financial difficulty.

Members should be aware that missed payments are reported to the Central Credit Register, which may impact their ability to secure future loans. Therefore, it is crucial for members experiencing financial hardship to reach out to us as soon as possible."

We would like to thank the Board of Directors, Board Oversight Committee, Management and Staff, especially the Credit Control staff, for their assistance throughout the year, and to you our members for your continued support.

On behalf of the Credit Control Committee

Catherine Finnegan
Chairperson



MEMBERSHIP COMMITTEE REPORT

This year, we welcomed a total of 539 new members to Link Credit Union, amongst these, 199 were minor accounts. Our total membership now stands at 24,120. We are delighted to welcome our new members and hope they enjoy a long and successful relationship with us.

In addition to providing in-branch services, Link Credit Union offers a suite of online products including our loan from home, bill payments and full-service current account, with Mastercard Debit Card®, which offers Apple Pay, Google Pay™ and Goggle Wallet™.

Regrettably, we received notifications of the passing of 90 of our members during the year. Our deepest sympathy and condolences go out to the families of these members, and we would now like to take a moment to remember all those members who passed away during the year.

To help us continue reaching as many individuals in our community as possible, we kindly ask that you encourage your friends and family to become part of Link Credit Union.

FORM OF NOMINATION

We would like to remind members you can make a nomination on your account. This is separate arrangement from a Will and applies specifically to the distribution of your savings held with the Credit Union after your passing.

DORMANT ACCOUNTS

An account is flagged as dormant if there has been no member-initiated transaction for three years, in accordance with the Standard Rules for Credit Unions. We notify members in advance of this potential change to their account status. To prevent your account from becoming dormant or to reactivate a dormant account, the following documentation is required:

- up to date photographic ID.
- proof of address (must be dated within the last 6 months).
- evidence of PPS number if not already held on file.
- Members are also required to complete a transaction.

All members are asked to provide the credit union with up-to-date identification periodically. Members who are registered for our Online Banking services can now do this by uploading documents in our secure online area, that will be validated by a credit union officer.

MINIMUM SHARE BALANCE

Link Credit Union has a minimum shares requirement of €10, for membership. If a members share balance falls below this figure, they are no longer deemed a member and their account will be closed. It is the members responsibility to ensure they maintain a balance of €10 in their share account. There is an annual deduction of €1.00 from their Share account after our AGM, towards the Affiliation Fee payable to the Irish League of Credit Unions.

FUTURE FOCUS

Moving forward, our focus remains on enhancing the member experience and expanding our reach within the communities we serve. We are continuously seeking to introduce innovative solutions and services to better serve our members. Our priority is to provide seamless online experiences, giving members easy access to our services, while also offering personalised support through our branch network for face-to-face assistance.

We will continue to explore opportunities to make a positive impact on our community, both through financial services and community engagement.

The Membership Committee would like to thank the Board of Directors, Board Oversight Committee, Management and Staff for their assistance throughout the year, and to you our members for your continued support.

On behalf of the Membership Committee

Mairead McGuirk

Chairperson

HAVE YOU MADE A NOMINATION?

A nomination on your account relates to the process for release of your funds in the event of your death. All members should consider completing an up to date nomination.

- The statutory maximum amount that can pass under a nomination is currently €27,000
- A nomination must be in writing – you can get a nomination form in any of our offices or on our website
- A nomination is not revocable or variable by the terms of your will or a codicil to your will
- A nomination is automatically revoked when your nominee dies before you
- A nomination is automatically revoked by your subsequent marriage
- If your marital status changes (e.g. divorce or separation) you should review your nomination
- A person under 16 years of age cannot make a valid nomination
- You can check who your nominee is at any of our offices. If you need to change your nomination you can complete a new form and we will update your account
- Nomination forms must be witnessed by 2 people

ARE YOUR ACCOUNT DETAILS UP TO DATE?

We ask members to ensure that their identification documentation is on file and kept up to date. By law we are required to have both up-to-date valid Photo ID and Address Verification for all our members.

We require the following:

- Photo ID - current driving licence or passport.
- Proof of Address – utility bill/bank statement/Government letter dated within the last 6 months.
- PPS number (if not already held on file) – pay slip/P45/Government Letter. We cannot accept the Public Services Card.

You can present your documents to any of our offices and staff will update your records. Alternatively, you can go to our online banking and upload your documentation from the comfort of your own home.

**Scan the QR code to
Register for Online Banking**





DEATH BENEFIT INSURANCE

A member must retain a Share Account balance of €25 to be considered for this cover (additional T&Cs apply). The level of cover is currently €1,300, and is provided to our Members at no additional cost. Payment will be made directly to the individual who settles the Members funeral costs.



CENTRAL CREDIT REGISTER INFORMATION

In line with the introduction of the new Central Credit Register Database, Link Credit Union Limited is obliged to obtain and report data relating to all loan applicants with a loan balance of €500 or more. Link Credit Union Limited is obliged to run a Central Credit Register enquiry on all loans of €2,000 and over. In order for Link Credit Union Limited to fulfil its regulatory requirements we must obtain proof of a members PPSN. Please note Link Credit Union Limited have strong controls in place to ensure sensitive data, such as your PPSN information, are protected.



GENERAL DATA PROTECTION REGULATION

Link Credit Union Limited is required to ensure that current and accurate information is recorded and retained for our members. You may be asked to provide us with up to date forms of identification, or proof of address to assist us in meeting this requirement, and we appreciate your co-operation with this.



ANNUAL AFFILIATION FEE TO ILCU

After our AGM, the sum of €1 is debited from all adult members' Share Accounts, to meet this cost. Members will need to ensure that they maintain the Minimum Share requirements for DBI & LP/LS benefits*.



MINIMUM SAVINGS REQUIREMENT

Members are required to maintain a minimum balance of €10 in their Share Account to retain membership of Link Credit Union Limited. If your share balance falls below this amount, your membership will cease and the account will be closed. By retaining this balance, the member may be eligible for Loan Protection & Life Savings cover*.



LOAN PROTECTION

Eligible members are provided with this cover, at no additional cost (*T&C apply). The Loan Protection Insurance will cover the reducing balance of your loan account, in the event of your death.



DORMANT ACCOUNTS

If a members account has had no member-initiated transactions, for a period of 3 years, it will be flagged as dormant. The member will be notified by letter, to their last known address on file. To re-activate the account the member must call into any Link Credit Union Limited office with up to date photographic ID, proof of address and evidence of their PPS Number and must complete a transaction on their account. Please allow sufficient time to undertake this process at the counter.

DONATIONS WORKING GROUP REPORT

We assess requests made for sponsorship and donations received by the credit union. We aim to help and support our local organisations, clubs, charities and community groups which provide you with services and activities. We are proud to be involved with these organisations and to give back to our local communities.

In this financial year, we donated €19,172.27 to organisations and groups which have been spread throughout our local areas. Donation and Sponsorship request forms are available in our offices or can be downloaded from our website. This year we again donated to each of the local St Patricks Day Parades in Mullagh, Kingscourt, Bailieborough and Cootehill. We provided banners and posters advertising our Current Account. All local committees were very appreciative of the sponsorship.

Our annual Step-Up Grants was popular again this year for students transitioning from 6th class to 1st year in secondary school. We gave 10 Step-Up grants at €200 each, and the students came into the offices to collect a certificate and get photos. Our annual Third Level Scholarships also ran, awarding €1,000 each to 10 students including two who had taken an Educational Loan with us. Congratulations to all our lucky winners and we hope that it can help towards reducing your educational costs.

We ran our Annual Art Competition which showcased some fantastic pieces of art. We are very proud of the local young artists in our area, and we love being able to nurture this talent. Many thanks to the teachers in local schools who encourage the students to take part. Congratulations to all our winners this year.

We run monthly campaigns promoting our various range of services available in our offices and online. In January we launched our new Greenify Home Loan Product, which is a good value rate and has proven very popular this year.

Our Current Account continues to be a priority as it remains one of the cheapest on the market at €4 a month. We offer both a secure mobile app and 3 physical offices for face-to-face service to further enhance this offering. Link Credit Union can meet all your banking needs. For more information on this visit our website: www.linkcu.ie.

Our Cultivate Farm Finance loan remains very popular amongst our farming members. We again took the opportunity to attend the Virginia Show, in conjunction with Cavan Credit Union, which we felt was beneficial to promote our Cultivate Loan.

Our annual School Quiz was back again in January and was held in Kingscourt on Friday 26th January. We had 23 schools with over 180 children participating. Thanks to Jim Kearns who was our fantastic Quizmaster and the staff and Board members who assisted on the night. Our winning A and B team went through to the Chapter level, but were not successful. We look forward to the School Quiz again in the new year. Our Calendar Competition ran again this year, and we had a great input from members across the common bond sending in their photos. Calendars will be available in all offices for members to collect.

We continue to promote the use of our Link Credit Union App where members can access their statements, apply for a loan, arrange direct debit and more. We encourage members to download the app if they have not done so already.

Finally, the Donations Working Group would like to thank the Board of Directors, Board Oversight Committee, Management and Staff especially our Marketing and Youth Officers, for their assistance throughout the year, and to you our members for your continued support.

On behalf of the Donations Working Group

Patricia Wakely
Chairperson



CAR DRAW WINNERS



Irene Crosby
October 2023 Winner



Barry Lynch
December 2023 Winner



Bennie Owens
February 2024 Winner



Sonya McMahon
April 2024 Winner



Brendan O'Reilly
June 2024 Winner



Brid Smith
August 2024 Winner

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF LINK CREDIT UNION LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the Financial Statements of Link Credit Union Limited for the year ended 30th September 2024, which comprise the Income and Expenditure Account, Balance Sheet, Statement of Changes in Reserves and Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

IN OUR OPINION THE FINANCIAL STATEMENTS:

- Give a true and fair view of the state of the Credit Union's affairs as at 30th September 2024 and of its income and expenditure and cash flows for the year then ended,
- Have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- Have been properly prepared in accordance with the requirements of the Credit Union Act 1997, as amended.

BASIS FOR OPINION

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

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

CONCLUSION RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

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



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

We have nothing to report in this regard.

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

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

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

RESPECTIVE RESPONSIBILITIES

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, 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 controls as they determine is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

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

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

Purpose of our audit work and to whom we owe our responsibilities

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

Paul Rundle FCCA - Statutory Auditor

For and on behalf of

J.P. Rundle & Co.

Chartered Certified Accountants and Statutory Auditors,

Moore Hall,

Ardee,

Co. Louth.

4th December 2024

APPENDIX TO THE INDEPENDENT AUDITORS' REPORT

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland) we exercise professional judgement 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 controls.
- 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.

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.



FINANCIAL STATEMENTS

Income & Expenditure Account For the year ended 30th September 2024

Income	Schedule	2024 €	2023 €
Interest on members' loans	1	2,971,271	2,621,719
Other interest and similar income	2	1,935,945	1,256,256
Net interest income		4,907,216	3,877,975
Other income	3	270,577	251,123
Total Income		5,177,793	4,129,098

Expenditure

Salaries, pension and other wage costs		1,429,928	1,232,650
Pension scheme deficit (note 25)		(183,842)	-
Other management expenses	4	2,275,490	2,059,870
Depreciation		39,236	38,106
Net impairment losses/(gains) on loans to members (note 6)		286,256	64,645
Total Expenditure		3,847,068	3,395,271

Statement of comprehensive income For the year ended 30th September 2024

	2024 €	2023 €
Surplus for the financial year	1,330,725	733,827
Other comprehensive income	-	-
Total comprehensive income for the year	1,330,725	733,827

On behalf of the Credit Union on 13th November 2024

Michael Donohoe
Chairperson of the
Board of Directors

Angela Rice
CEO

FINANCIAL STATEMENTS

Balance Sheet

As at 30th September 2024

Assets	Notes	2024 €	2023 €
Cash and balances at bank	7	4,340,447	8,113,247
Deposits and investments – Cash Equivalents	7	30,487,765	22,998,301
Deposits and investments – other	8	96,927,965	100,977,532
Loans to members	10	40,806,117	36,432,929
Less: Impairment of Bad and Doubtful Debts	11	(3,373,381)	(2,996,328)
Members' overdrawn current accounts	16	3,092	1,250
Tangible Fixed Assets	13	1,109,983	1,094,051
Prepayments and Accrued Income	14	175,059	159,541
Total Assets		170,477,047	166,780,523
Other Liabilities			
Other Liabilities and Charges	15	1,245,921	3,151,022
Bank Overdraft		151,619	205,654
		1,397,540	3,356,676
Members' Liabilities			
Members' Savings	16	119,988,423	119,937,732
Members' EFT Accounts	16	19,715,538	16,181,830
Members' Current Accounts	16	5,096,692	4,160,521
Total Liabilities		146,198,193	143,636,759
Members Resources/Reserves			
Regulatory reserves		19,000,000	17,369,794
Operational risk reserve		725,000	650,000
MPCAS Reserve		200,000	200,000
Other reserves Retained Earnings			
- Realised reserves		4,210,037	4,762,115
- Unrealised reserves		143,817	161,855
Total Reserves		24,278,854	23,143,764
Total Liabilities and Reserves		170,477,047	166,780,523

On behalf of the Credit Union on 13th November 2024

Michael Donohoe
Chairperson of the
Board of Directors

Angela Rice
CEO



FINANCIAL STATEMENTS

Statement of changes in reserves

For the year ended 30th September 2024

MOVEMENT IN RESERVES

	Regulatory Reserve €	MPCAS Reserve €	Operational Risk Reserve €	Dividend Reserve €	Unrealised Reserves €	Unallocated Surplus €	Total Reserves €
As at 1 October 2022	13,129,156	200,000	500,000	255,833	64,227	3,855,285	18,004,501
Total comprehensive income for the year	-	-	-	-	-	733,827	733,827
Dividends paid during the year (Note 9)	-	-	-	-	-	-	-
Loan Interest rebate paid during the year (Note 9)	-	-	-	-	-	-	-
Arising on Transfer							
Transfer between reserves	4,240,638	-	150,000	-	16,794	(1,996)	4,405,436
	-	-	-	-	80,834	(80,834)	-
Closing Balance at 30 September 2023	17,369,794	200,000	650,000	255,833	161,855	4,506,282	23,143,764
Opening Balance at 1 October 2023	17,369,794	200,000	650,000	255,833	161,855	4,506,282	23,143,764
Total comprehensive income for the year	-	-	-	-	-	1,330,725	1,330,725
Dividends paid during the year (Note 9)	-	-	-	(59,622)	-	-	(59,622)
Loan Interest rebate paid during the year (Note 9)	-	-	-	-	-	(136,013)	(136,013)
Arising on Transfer	-	-	-	-	-	-	-
Transfer between reserves	1,630,206	-	75,000	-	(18,038)	(1,687,168)	-
Closing Balance at 30th September 2024	19,000,000	200,000	725,000	196,211	143,817	4,013,826	24,278,854

1. The Regulatory reserve of the credit union as a % of total assets as at 30 September 2024 was 11.15% (2023: 10.41%) which is in excess of the 10% required limit.
2. In accordance with Section 45 of the Credit Union Act 1997 as amended, Link Credit Union Limited put in place an Operational Risk Reserve. (This represents 0.43% of Total Assets)
3. In accordance with Central Bank Requirements Link Credit Union Limited put in place an MPCAS Operational Risk Reserve. (This represents 0.12% of Total Assets)
4. Transfer of engagements are accounted for using the acquisition method of accounting. This involves recognising identifiable assets and liabilities of the acquired credit unions at fair value. In applying the acquisition of accounting for these business combinations, the member interests transferred by the credit union represents the consideration transferred for the net asset acquired. This consideration has been estimated as equivalent to the acquisition date fair value of the members' interests in the transferor credit union (the fair value of the transferor credit union) at the date of the transfer, and is reflected as an adjustment in reserves.

FINANCIAL STATEMENTS

Cash Flow Statement

For the year ended 30th September 2024

		2024	2023
	Notes	€	€
Cash flows from operating activities			
Operating Surplus		1,330,725	733,827
Depreciation	13	39,236	38,106
Impairment of bad and Doubtful debts	11	570,127	394,572
Profit disposal on Fixed Asset		-	(57,632)
Net cash inflow from trading activities		1,940,088	1,108,873
Cash flows from investing activities			
New loans to members	10	(20,037,627)	(18,097,360)
Repayment of members loans	10	15,471,365	13,274,272
Dividend and interest rebate		(195,635)	-
Net movement in other assets		(15,518)	(19,074)
Net movement in other creditors		(1,905,101)	293,207
Net movement in EFT accounts	16	3,533,708	4,051,473
Net movement in current accounts	16	934,329	1,247,441
Net cash flows from operating activities		(274,391)	1,858,832
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(55,168)	(24,991)
Sale proceeds of Sale property		-	215,356
Net movement in investments		4,049,567	15,809,782
Net cash generated from investing activities		3,994,399	16,000,147
Cash flows from financing activities			
New shares by members	16	49,550,489	43,599,481
Repayment of shares	16	(49,499,798)	(43,909,519)
Net cash generated from financing activities		50,691	(310,038)
Net increase/(decrease) in cash and cash equivalents		3,770,699	17,548,941
Cash and cash equivalents from transfer of engagements		-	2,187,370
Cash and cash equivalents at 1st October		30,905,894	11,169,583
Closing cash and cash equivalents at 30th September		34,676,593	30,905,894



NOTES TO THE FINANCIAL STATEMENTS

For year ended 30th September 2024

1. LEGAL AND REGULATORY FRAMEWORK

Link Credit Union Limited is established under the Credit Union Act 1997, as amended. Link Credit Union Limited is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is Main Street, Kingscourt, Co. Cavan.

2. ACCOUNTING POLICIES

Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with FRS 102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland). The financial statements are prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

Currency

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

Going concern

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

Income

Interest on Members' Loans

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

Investment Income

Investment income is recognised on the accruals basis.

Other Income

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

Dividends to members and loan interest rebates

Dividends are made from current year's surplus or the dividend reserve set aside for that purpose. The Board's proposed distribution to members each year is based on the Distribution Policy of the Credit Union.

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

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

all dominated by prudence and the need to sustain the long-term welfare of the Credit Union. For this reason the Board will seek to build up the reserves to absorb unexpected shocks and still remain above the minimum regulatory requirements.

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

Taxation

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

Tangible fixed assets

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

Land	No Depreciation	
Buildings	50 years	2% Straight line
Fixtures & Fittings	5 years	20% Straight line
Computer	3 years	33.33% Straight line

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

Impairment of tangible fixed assets

At each reporting date, Link Credit Union Limited 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 fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income and Expenditure account.

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and loans and advances to banks (i.e. cash deposited with banks and bonds) with maturity of less than or equal to three months.

Financial instruments

The Credit Union has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Credit Union becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial assets

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



Loans to members - Financial Assets

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

Investments

Investments are accounted for differently depending on how the different investments are designated at the outset and based on meeting certain criteria. The Credit Union uses the following accounting methods:

- a. Held at Amortised Cost
Investments held at amortised cost are measured at amortised cost using the effective interest method less impairment. This means that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount; minus, in the case of a financial asset, any reduction for impairment or un-collectability. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.
- b. Investments at Fair Value
Investments held which are considered non-basic financial instruments under Section 11 of FRS 102 and investment in stock market shares (i.e. non-convertible preference shares and non-puttable ordinary shares or preference shares) are included in this category. They are valued at fair value (market value) at the year-end date and all gains and losses are taken to the Income and Expenditure Account. The fair value of quoted investments is determined by reference to bid prices at the close of business on the Balance Sheet date.
- c. Central Bank Deposits
Credit Unions are obliged to maintain certain minimum deposits with the Central Bank but may also hold an excess over the regulatory minimum. The regulatory minimum deposits are technically assets of the Credit Union but to which the Credit Union has restricted access. The regulatory minimum portion will not ordinarily be returned to the Credit Union while it is a going concern and are separately identified in note 8. Funds held with the Central Bank in excess of the regulatory minimum requirements are fully available to the credit union and are therefore treated as cash equivalents and included with other on demand cash deposits with banks. The amounts held on deposit with the Central Bank are not subject to impairment reviews.

Other receivables

Other receivables such as prepayments are initially measured at transaction price including transaction costs and are subsequently measured at amortised cost using the effective interest method. Other income such as commission receivable on insurance products and foreign exchange services arise in connection to specific transactions. Income relating to individual transactions is recognised when the transaction is completed. Other income also includes current account fees.

Impairment of financial assets

Link Credit Union Limited assesses, at each balance sheet date, if there is objective evidence that any of its financial assets are impaired. That means 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. In the case of impairment of loans to members, the loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Any impairment losses are recognised in the Income and Expenditure Account as the difference between the carrying value of the loan and the net present value of the expected cash flows. If there is a decrease in the impairment loss arising from an event occurring after the

impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the Income and Expenditure Account.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Credit Union transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. In the case of loans to members, loans are de-recognised when the right to receive cash flows from the asset have expired, usually when all amounts outstanding have been repaid by the member. Link Credit Union Limited does not transfer loans to third parties.

Basic financial liabilities

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

Financial liabilities - members' shares

Member's shareholdings in Link Credit Union Limited 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.

Members' current accounts

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

Other payables

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

De-recognition of financial liabilities

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

Employee benefits

Pension scheme

Link Credit Union Limited operates individual defined contribution pension schemes for certain employees. The assets are held separately from those of the credit union in independently administered funds. Employer contributions to the pension scheme are charged to the income and expenditure account in the period to which they relate.

Short Term Employee Benefits

The cost of short term employee benefits, including holiday pay, are recognised as a liability and as an expense 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.

Reserves

Reserves/retained earnings are the accumulated surpluses to date that have not been declared as dividends returnable to members. The reserves are subdivided into realised and unrealised in accordance with the Central Bank Guidance Note for Credit Unions on Matters Relating to Accounting for Investments and Distribution Policy.

**Regulatory reserve**

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

Operational risk reserve

Section 45(5)(a) of the 1997 Act requires each Credit Union to maintain an additional reserve that it has assessed is required for operational risk having regard to the nature, scale and complexity of the Credit Union. Credit Unions are required to maintain a minimum operational risk reserve having due regard for the sophistication of the business model. The definition of operational risk is the risk of losses stemming from inadequate or failed internal processes, people and systems or from external events. Link Credit Union Limited uses the Basic Indicator Approach as set out in the operational risk measurements proposed under Basel II capital adequacy rules for banking institutions in calculating the Operational Risk Reserve which will at a minimum equal 15% of the average gross income for the previous three years. For any year which there was a deficit, this will be excluded from the calculation.

Dividend reserve, General reserve and unallocated surplus

The dividend reserve and unallocated surplus are the accumulated surpluses to date that have not been declared as dividends or loan interest rebate returnable to members or set aside to the Regulatory or Operational Risk reserves.

Unrealised reserves

Investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as 'unrealised' and is not distributable as a dividend in accordance with the Central Bank direction. All other income is classified as 'realised'. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date.

Transfer of engagements

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

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 judgment in applying Link Credit Union Limited's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below:

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The useful lives are regularly reviewed and changed if necessary to reflect current conditions. In determining these useful lives, technological change, patterns of consumption, physical condition and expected economic utilisation of the assets are considered. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year.

Impairment losses on loans to members

The Credit Union's accounting policy for impairment of financial assets is set out in the accounting policies. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and

international economic climates, conditions in various sectors of the economy to which the Credit Union is exposed, and, other external factors such as legal and regulatory requirements. Credit risk is identified, assessed and measured with the emphasis on weeks in arrears and other observable credit risk metrics. Loan loss provisioning is monitored by the Credit Union, and the Credit Union assesses and approves its provisions and provision adequacy on a quarterly basis. Key assumptions underpinning the Credit Union's estimates of collective provisions for loans with similar credit risk characteristics and Incurred But Not Reported provisions (IBNR) are based on the historical experiences of the Credit Union along with the Credit Union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the Credit Union operates. If a loan is impaired, the impairment loss is the difference between the carrying amount of the loan and the present value of the expected cash flows discounted at the asset's original effective interest rate taking account of pledged shares and other security as appropriate. 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.

Operational risk reserve

The directors have considered the requirements of the Credit Union Act 1997, as amended and have considered an approach to the calculation of the operational risk reserve based on the indicative guidance issued by the Central Bank.

4. TRANSFER OF ENGAGEMENTS

On 11th November 2022 Link Credit Union (LCU) accepted the transfer of Cootehill Credit Union (CCU). The assets and liabilities of CCU at the date of transfer were incorporated into the balance sheet of LCU at that date. LCU did not pay any consideration in respect of the transfers of engagements. On the date of transfer, the members of CCU became members of LCU, and thereby became entitled to member interest associated with such membership.

In applying the acquisition method of accounting for this business combination, the members' interests transferred by LCU represents the consideration transferred for the net assets acquired. This consideration has been estimated as equivalent to the acquisition date fair value of the members' interests in CCU at the date of transfer and is reflected as an adjustment in reserves in note 17.

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

Fair Value acquired by LCU

Tangible fixed assets	614,791
Cash on hand and at bank	2,187,370
Deposits and investments	25,015,155
Central Bank Deposits	1,563,839
Debtors, prepayments and accrued income	45,022
Loans to members	12,221,896
Provision for bad debts	(1,214,254)
Members' savings	(34,272,529)
Deficit pension scheme	(751,700)
Pension exit costs	(515,300)
Other liabilities, creditors, accruals and charges	(488,854)

Total Net Assets Transferred	4,405,436
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**5. KEY MANAGEMENT REMUNERATION**

The Directors of Link Credit Union Limited are all unpaid volunteers. Remuneration of the key management team for Link Credit Union Limited is as follows:

	2024	2023
	€	€
Short term employees benefits paid to key management	390,833	391,834
Payments to defined contribution/benefit pension scheme	63,586	36,632
Total key management personnel compensation	454,419	428,466

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

	2024	2023
	€	€
Bad Debts recovered	(215,644)	(284,173)
Impairment of loan interest reclassified as bad debt recoveries	(68,227)	(45,754)
Movement in loan provisions for the year	377,053	270,814
Loans charged off	193,074	123,758
Net impairment (gains)/loss on loans to members	286,256	64,645

7. CASH AND CASH EQUIVALENTS

	2024	2023
	€	€
Cash balances	4,340,447	8,113,247
Deposits and investments cash equivalents	30,487,765	22,998,301
Total cash & cash equivalents	34,828,212	31,111,548
Less Bank overdraft	(151,619)	(205,654)
Total cash & cash equivalents	34,676,593	30,905,894

Deposits and investments included under cash and cash equivalents above are those with maturity of less than or equal to 3 months.

8. DEPOSITS AND INVESTMENTS

	2024	2023
	€	€
The credit union has the following investments:		
Irish and EEA State Securities	2,290,834	2,301,642
Accounts in Authorised Credit Institutions	89,682,897	85,420,989
Bank bonds	30,779,016	29,892,021
Other	3,380,156	4,428,354
Central Bank deposits	1,282,827	1,932,827
Total deposits and investments	127,415,730	123,975,833
Less: Deposits and investment cash equivalents	(30,487,765)	(22,998,301)
Deposits and Investments - Other	96,927,965	100,977,532

9. DIVIDEND AND LOAN INTEREST REBATE

The dividends and loan interest rebate paid for the current and prior year periods are detailed below:

	2024 %	2024 €	2023 %	2023 €
Dividend on Shares	0.05%	59,622	0.00%	-
Loan interest rebate	5.00%	136,013	0.00%	-

The dividends and loan interest rebate proposed for the current and prior year periods are detailed below:

	2024 %	2024 €	2023 %	2023 €
Dividend on Shares	0.00%	-	0.05%	60,108
Loan interest rebate	5.00%	150,735	5.00%	136,213

Any dividend and loan interest rebate are formally proposed by the directors after the year and are confirmed at an AGM of the members. Any proposed dividend or loan interest rebate for the current year does not represent a liability at the balance sheet date and the dividend included in the Statement of Reserves in the current year relates to dividends paid to members for the prior year.

10. FINANCIAL ASSETS – LOANS TO MEMBERS

	2024 €	2023 €
As at 1 October	36,432,929	19,511,703
Advanced during the year	20,037,627	18,097,360
Repaid during the year	(15,471,365)	(13,274,272)
Loans charged off during the year	(193,074)	(123,758)
Loans transferred from Cootehill Credit Union	-	12,221,896
Gross loans and advances	40,806,117	36,432,929
Impairment Losses		
Individual financial assets	(1,560,878)	(1,367,847)
Group financial assets	(1,812,503)	(1,628,481)
Loan provision	(3,373,381)	(2,996,328)
Net loans as at 30 September	37,432,736	33,436,601

11. MOVEMENT IN IMPAIRMENT FOR DOUBTFUL DEBTS

	2024 €	2023 €
Opening impairment	2,996,328	1,511,260
Bad debts incurred during the year	(193,074)	(123,758)
Increase/decrease in impairment	570,127	394,572
Bad debt provision transferred Cootehill Credit Union	-	1,214,254
Closing impairment	3,373,381	2,996,328

The current impairment in the financial statements is €3,373,381 (2023: €2,996,328), and represents 8.27% (2023: 8.22%) of the total loan book. The provision for bad debts is analysed in note 12.

**12. CREDIT RISK DISCLOSURES**

The majority of Link Credit Union Limited's loans to members are unsecured, except that there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding. A small number of loans are secured by property.

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

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

Gross Loans	2024	2024	2023	2023
Loans not impaired	€	%	€	%
Gross loans not impaired	30,838,813	75.57%	26,947,793	73.97%
GROSS LOANS IMPAIRED:				
Not past due	2,183,094	5.35%	1,844,119	5.06%
Up to 9 weeks past due	6,787,018	16.63%	6,635,054	18.21%
Between 10 and 18 weeks past due	291,046	0.71%	368,172	1.01%
Between 19 and 26 weeks past due	135,465	0.33%	111,333	0.31%
Between 27 and 39 weeks past due	259,816	0.64%	198,980	0.55%
Between 40 and 52 weeks past due	104,628	0.26%	48,919	0.13%
53 or more weeks past due	206,237	0.51%	278,559	0.76%
Total impaired loans	9,967,304	24.43%	9,485,136	26.03%
TOTAL GROSS LOANS	40,806,117	100.00%	36,432,929	100%
Impaired Allowance				
	2024	2024	2023	2023
	€	%	€	%
Individual financial assets	1,560,878	46.27%	1,367,847	45.65%
Group financial assets	1,812,503	53.73%	1,628,481	54.35%
Total carrying value	3,373,381	100.00%	2,996,328	100%

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

13. TANGIBLE FIXED ASSETS

	Land & Buildings	Fixtures & fittings	Computer equipment	Total
Cost	€	€	€	€
1 October 2023	1,159,359	252,119	434,265	1,845,743
Additions	-	-	55,168	55,168
Disposals	-	-	-	-
At 30 September 2024	1,159,359	252,119	489,433	1,900,911
DEPRECIATION				
1 October 2023	108,820	226,212	416,660	751,692
Charge for year	13,992	6,096	19,148	39,236
Disposals	-	-	-	-
At 30 September 2024	122,812	232,308	435,808	790,928
NET BOOK VALUE				
30 September 2024	1,036,547	19,811	53,625	1,109,983
30 September 2023	1,050,539	25,907	17,605	1,094,051

14. PREPAYMENTS AND ACCRUED INCOME

	2024	2023
	€	€
Sundry debtors and prepayments	36,912	29,979
SPS Refund	65,035	65,035
Accrued loan interest income	73,112	64,527
Total Prepayments & Accrued Income	175,059	159,541

15. OTHER LIABILITIES

	2024	2023
	€	€
PAYE/PRSI	28,677	24,044
Deficit pension scheme	-	1,233,042
Pension exits	-	751,700
Creditors and accruals	1,217,244	1,142,236
Total Other Liabilities	1,245,921	3,151,022

16. FINANCIAL LIABILITIES

	2024	2023
Members' Savings	€	€
As at 1 October	119,937,732	85,975,241
Received during the year	49,550,489	43,599,481
Repaid during the year	(49,499,798)	(43,909,519)
Members' savings transferred from Cootehill Credit Union	-	34,272,529
As at 30 September	119,988,423	119,937,732



Members' EFT accounts	2024	2023
	€	€
As at 1 October	16,181,830	12,130,357
Received during the year	45,481,259	40,420,074
Repaid during the year	(41,947,551)	(36,368,601)
As at 30 September	19,715,538	16,181,830

Members' Current accounts	2024	2023
	€	€
As at 1 October	4,159,271	2,911,830
Received during the year	25,579,324	20,825,642
Repaid during the year	(24,644,995)	(19,578,201)
	5,093,600	4,159,271
Members Overdrawn Current Accounts	3,092	1,250
As at 30 September	5,096,692	4,160,521

17. RESERVES

	Balance at 1 October 2023	Payment of Dividend and Loan Interest Rebate	Appropriation of Current Year Surplus	Transfers Between Reserves	Balance at 30 September 2024
	€	€	€	€	€
Regulatory Reserve	17,369,794	-	-	1,630,206	19,000,000
Operational Risk Reserve	650,000	-	-	75,000	725,000
MPCAS Reserve	200,000	-	-	-	200,000
Other Realised Reserves					
Undistributed Reserves	4,506,282	(136,013)	1,330,725	(1,687,168)	4,013,826
Other Realised Reserves					
Dividend Reserve	255,833	(59,622)	-	-	196,211
Total Realised Reserves	22,981,909	(195,635)	1,330,725	18,038	24,135,037
Unrealised Reserves					
Interest on loans reserve	64,527	-	-	8,585	73,112
Investment income reserve	32,293	-	-	(26,623)	5,670
SPS reserve	65,035	-	-	-	65,035
Total Unrealised Reserves	161,855	-	-	(18,038)	143,817
Total Reserves	23,143,764	(195,635)	1,330,725	-	24,278,854

18. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

18a. Financial risk management

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

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

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

Liquidity risk: Link Credit Union Limited's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The objective of the Credit Union's liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise. The Credit Union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

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

Interest rate risk: Link Credit Union Limited's main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a Credit Union's operations. The Credit Union considers rates of interest receivable on investments and members' loans when deciding on the dividend rate payable on members' shares and on any loan interest rebate. Link Credit Union Limited does not use interest rate options to hedge its own positions.

18b. Interest rate risk disclosures

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

	2024		2023	
	Amount	Avg Interest Rate	Amount	Avg Interest Rate
	€		€	
Financial Assets				
Loans to members	40,806,117	7.9%	36,432,929	8.00%
Financial Liabilities				
Members' Savings	119,988,423	0.05%	119,937,732	0.00%

The dividend payable is at the discretion of the Directors and is therefore not a financial liability of the Credit Union until declared and approved at the AGM.

**18c. Liquidity risk disclosures**

All of Link Credit Union Limited's financial liabilities are repayable on demand except for some members' shares attached to loans. The Credit Union retains, at all times, liquid assets amounting to a minimum of 20% of unattached savings.

18d. Fair value of financial instruments

Investments held which are considered non-basic financial instruments under Section 11 of FRS 102 are measured at fair value as set out in note 2 (Investments - b).

18e. Capital

The Credit Union maintains sufficient reserves to buffer itself against any losses on its members' loans and its investments. The current regulatory reserves are in excess of the minimum requirement set down by the Central Bank.

19. POST BALANCE SHEET EVENTS

There have been no significant events affecting the Credit Union since year end.

20. CONTINGENT LIABILITIES

There is a contingent liability included in the letter of authority held by Bank of Ireland with regard to Credit Card Services in the sum of €5,000, Electronic Funds Transfers €50,000 and Wages €60,000.

21. CAPITAL COMMITMENTS

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

22. RELATED PARTY TRANSACTIONS

	2024		2023	
	No of Loans	€	No of Loans	€
Loans advanced to related parties during the year	9	119,390	12	127,600
Total loans outstanding to related parties	13	179,339	20	197,246
Total provision for loans outstanding to related parties		9,084		9,237

The related party loans stated above comprise of loans to members of the board of directors, the management team and members of the family of the board of directors and the management team of Link Credit Union Limited.

The total loans outstanding to related parties represents 0.44% of the total loans outstanding at 30th September 2024 (2023: 0.54%).

The total amount of shares held by related parties at the year end was €1,101,038 (2023: €851,492).

23. INSURANCE AGAINST FRAUD

The Credit Union has insurance against fraud in the amount of €5,200,000 in compliance with Section 47 of the Credit Union Act 1997 as amended.

24. NON-AUDIT SERVICES

It is a requirement that any non audit services provided by the auditor be described in the financial statements. The auditor has provided assistance to the directors in respect of the preparation of these financial statements.

25. THE IRISH LEAGUE OF CREDIT UNIONS REPUBLIC OF IRELAND PENSION SCHEME

Until 30th November 2023 Link Credit Union Limited participated in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees.

On 31 March 2022, the defined benefit scheme closed to future accrual. At the date of closure of the Scheme, there was a past service deficit which was allocated to each participating credit union by ILCU based on the total benefits earned by staff in each credit union. Link Credit Union Limited's allocation of that past service deficit as provided by ILCU on behalf of the Trustees was €717,742. At the time of the transfer of engagements Cootehill Credit Union's allocation of the past service deficit as provided by ILCU on behalf of the trustees was €515,300. Full exit costs were accrued in Cootehill Credit Union Limited prior to the Transfer of Engagements to Link Credit Union Limited of €1,267,000. These amounts are included in the income and expenditure account for the financial year ended 30 September 2022, in accordance with the Central Bank year end circular. As at 30 September 2023, this had not been paid, as the pension deficit figure remains to be ratified. We engaged independent legal and pension advisors to undertake a full review of this and, in the interim we took the prudent approach outlined by the Central Bank "to the upfront recognition of associated financial impairments when credit unions have been advised of any pension deficits". Any excess in this amount, as a result of the independent review referred to above, would be offset against any potential future exit costs.

In November 2023, Link Credit Union Limited notified the trustees of its intention to cease participating in the defined benefit scheme and, as a result, was liable to pay an 'exit cost'. This exit cost was determined by the trustees and is the amount required to fund benefits in respect of the exiting credit union's active, deferred and pensioner members on a "no risk" basis. The amount paid was €1,800,900 and following this payment Link Credit Union was discharged from all future liability to the defined benefit scheme. The amount paid included the liability for Cootehill Credit Union's portion of the liabilities.

As at 30 September 2023, Link Credit Union Limited had recognised total liabilities of €1,984,742 on the Balance Sheet (€1,233,042 in respect of the past service deficit at the date of closure of the defined benefit scheme to future accrual and €751,700 in respect of the Cootehill Credit Union full exit costs).[Given that the final exit cost paid was less than the amount already recognised on the Balance Sheet, there is a credit of €183,842 recognised in the Income and Expenditure account in the current financial year ending 30 September 2024.

26. PENSIONS

The Credit Union also operates a defined contribution scheme. The assets of the scheme are held separately from those of the Credit Union in an independently administered fund. Pension costs for the year amounted to €177,601 (2023 €97,045).

27. COMPARATIVES

The comparative figures have been restated where necessary on a basis consistent with the current year presentation.

28. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board on the 13th November 2024.

Schedule 1 – Interest on members' loans	2024	2023
	€	€
Closing accrued loan interest receivable	73,112	64,527
Loan interest received in the year	2,962,686	2,589,891
Opening accrued loan interest receivable	(64,527)	(32,699)
Total interest on members loans	2,971,271	2,621,719

**Schedule 2 – Other interest income and similar income**

	2024	2023
	€	€
Investment Income received and receivable within 1 year	1,934,689	1,249,104
Investment Income receivable after 1 year	1,256	7,152
Total investment income	1,935,945	1,256,256

Schedule 3 – Other Income

	2024	2023
	€	€
Commission	22,553	22,177
Business Account income	6,934	8,355
Fees	343	381
Cash over	246	395
Profit on disposal of property	-	57,632
Other income	240,501	162,183
Total other income	270,577	251,123

Schedule 4 – Other Management Expenses

	2024	2023
	€	€
Rent & Rates	17,184	19,391
Lighting, Heating and Cleaning	64,898	81,933
Repairs and Renewals	92,978	171,385
Printing, Stationery and Postage	54,339	57,058
Telephone	15,657	14,893
Donations and Sponsorship	32,697	30,872
Promotion and Advertising	46,715	35,019
Training Costs	25,514	11,544
Convention Expenses	2,757	2,029
AGM Expenses	43,909	27,421
Travel and Subsistence	15,163	10,803
Bank interest and charges	160,563	118,345
Audit Fee	21,525	21,870
General Insurance	86,801	68,020
LPLS and Death Benefit Insurance	344,624	312,880
Legal & Professional Fees	210,927	272,843
Computer Maintenance and Data Storage	440,522	433,528
Cash short	105	649
Miscellaneous Expenses	40,448	33,263
Affiliation Fees (Net)	44,226	62,696
SPS Contribution	9,397	11,260
SPS Repaid	8,483	13,208
Credit Institutions Resolution Fund Levy	29,969	37,453
Regulatory Levies	416,089	211,507
Strategic projects and member initiatives	50,000	0
Total	2,275,490	2,059,870

MOTIONS TO AMEND STANDARD RULES

Motion 1

That this Annual General Meeting agrees to amend Rule 40(2) of the Standard Rules for Credit Unions (Republic of Ireland) to read: "At the time of the adoption of these rules, the board of directors shall consist of 11 members, all of whom shall be members of the credit union".

Motion 2

That this Annual General Meeting agrees to amend Rule 53(1) of the Standard Rules for Credit Unions (Republic of Ireland) to read: "The credit union shall have a board oversight committee which shall consist of 3 members".

RULE CHANGES & MOTIONS

The standard rule book has been amended by Link Credit Union Ltd to incorporate legislative changes throughout 2024. Amendments to the standard rules have consequently been passed by board resolution to incorporate these changes. Unlike previous years, these proposed rule amendments do not require formal approval at the AGM.



Link Credit Union Ltd. Deposit Guarantee Scheme Depositor Information Sheet

Basic information about the protection of your eligible deposits

Eligible deposits in Link Credit Union Ltd are protected by:	The Deposit Guarantee Scheme ("DGS") ⁽¹⁾
Limit of protection:	€100,000 per depositor per credit institution ⁽²⁾
If you have more eligible deposits at the same credit institution:	All your eligible deposits at the same credit institution are 'aggregated' and the total is subject to the limit of €100,000 ⁽²⁾
If you have a joint account with other person(s):	The limit of €100,000 applies to each depositor separately ⁽³⁾
Reimbursement period in case of credit institution's failure:	7 working days ⁽⁴⁾
Currency of reimbursement:	Euro or, for branches of Irish banks operating in another member state of the EEA, the currency of that member state.
To contact Link Credit Union Ltd for enquiries relating to your account:	Link Credit Union Ltd Main Street, Kingscourt, Co. Cavan A82 Y5D5 Tel: 042 967 5000 Email: info@linkcu.ie
To contact the DGS for further information on compensation:	Deposit Guarantee Scheme, Central Bank of Ireland New Wapping Street, North Wall Quay, Dublin 1, D01 F7X3 Tel: 1890-777777 Email: info@depositguarantee.ie

OTHER IMPORTANT INFORMATION

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

1. **SCHEME RESPONSIBLE FOR THE PROTECTION OF YOUR DEPOSIT**
Your deposit is covered by a statutory deposit guarantee scheme. If insolvency should occur, your eligible deposits would be repaid up to €100,000.

2. **GENERAL LIMIT OF PROTECTION**

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

3. **LIMIT OF PROTECTION FOR JOINT ACCOUNTS**

In the case of joint accounts, the limit of €100,000 applies to each depositor. However, eligible deposits in an account to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor for the purpose of calculating the limit of €100,000. In some cases eligible deposits which are categorised as "temporary high balances" are protected above €100,000 for six months after the amount has been credited or from the moment when such eligible deposits become legally transferable. These are eligible deposits relating to certain events which include: certain transactions relating to the purchase, sale or equity release by the depositor in relation to a private residential property; sums paid to the depositor

in respect of insurance benefits, personal injuries, disability and incapacity benefits, wrongful conviction, unfair dismissal, redundancy, and retirement benefits, the depositor's marriage, judicial separation, dissolution of civil partnership, and divorce; sums paid to the depositor in respect of benefits payable on death; claims for compensation in respect of a person's death or a legacy or distribution from the estate of a deceased person.

4. **REIMBURSEMENT**

The responsible deposit guarantee scheme is: Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1, D01F7X3
Tel: 1890 - 777 777
Email: info@depositguarantee.ie
Website: www.depositguarantee.ie
It will repay your eligible deposits (up to €100,000) within 15 working days until 31 December 2020; within 10 working days from 01 January 2021 until 31 December 2023; within 7 working days from 01 January 2024 onwards, save where specific exceptions apply.
Where the repayable amount cannot be made available within seven working days depositors will be given access to an appropriate amount of their covered deposits to cover the cost of living within five working days of a request. Access to the appropriate amount will only be made on the basis of data provided by the credit institution. If you have not been repaid within these deadlines, you should contact the deposit guarantee scheme.

**WIN
A CAR**



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Code To Sign Up



CAR DRAW

BI-MONTHLY MEMBERS CAR DRAW



LINK CREDIT UNION

WIN A CAR EVERY 2 MONTHS with Link Credit Union

Join our members draw for €60 per year (€10 per draw)*

Car Draw Accounts:

	2024	2023
Car Draw	€	€
Opening Balance 1st October	-	170
Member Contributions	135,435	134,426
Prizes	(135,435)	(134,596)
Closing Balance 30th September	-	-

* Terms and Conditions apply

CHRISTMAS




OPENING HOURS

Monday 23 rd Dec	10am-1.30pm 2.30pm-5pm
Tuesday 24 th Dec	Closed
Wednesday 25 th Dec	Closed
Thursday 26 th Dec	Closed
Friday 27 th Dec	Closed
Saturday 28 th Dec	9.30am-1.30pm
Monday 30 th Dec	Closed
Tuesday 31 st Dec	Closed
Wednesday 1 st Jan	Closed
Thursday 2 nd Jan	10am-1.30pm 2.30pm-5pm
Normal opening hours resume.	

NEED TO GET IN TOUCH?

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