



Annual Report 2024

Accounts & Notice of AGM 2024


Date:


Tuesday, 10th December 2024

Venue:

Virtual Meeting @ 8pm

 029-60426

 info@newmarketcu.ie

 www.newmarketcu.ie

NOTICE OF VIRTUAL ANNUAL GENERAL MEETING

NOTICE • NOTICE • NOTICE

Notice is hereby given that a **Virtual Annual General Meeting** of the members of Newmarket Credit Union Limited will take place on **Tuesday, 10th December 2024 at 8pm sharp.**

The AGM will be held online.

The AGM will be held by virtual platform on ZOOM.

Further instructions are contained on page 1 of the attached Newmarket Credit Union AGM 2024 Report.

In order to attend, you are required to register your intention to join the meeting, together with your name and member number, by email to

agm@newmarketcu.ie by 5pm on Friday, 6th December, 2024.

We wish to advise members that a generic email address (for example: info@emailaddress) will not be acceptable.

A link with your invitation, and details of how to attend will be sent in due course.



Richard Allen,
Honorary Secretary

MEMBERS ARE REQUESTED TO ATTEND

NOTICE OF ELECTIONS

Elections will be held to fill

- 4 Vacancies on the Board of Directors
- 1 Vacancy on the Board Oversight Committee
- Position of auditor

GO PAPERLESS REDUCE OUR CARBON FOOTPRINT

It is time to go Paperless and reduce our carbon footprint. Newmarket Credit Union posts out thousands of Annual Reports and paper statements. This information can be sent to you electronically.

By signing up for eAGM and eStatements today, you will help to significantly reduce the volume of paper used in this credit union, which helps the environment and also saves your credit union money.

Scan the QR Code or visit the link

<https://newmarketcu.ie/services/go-paperless> to update your consents.



Zoom Login Instructions

Please note the following in relation to this Virtual AGM:

- The “Zoom” platform will be used to allow this virtual AGM – each member will be provided with their own unique access link - **do not** share this with others to allow you to be identified at the Virtual AGM.
- Members can email agm@newmarketcu.ie to receive a registration link – if possible, use the email you have registered with Newmarket Credit Union for this. **Members should register by 5pm on Friday, 6th December, 2024, providing their name, member number and member email address.**
- You may have to provide proof of your identity/membership of the credit union including your membership number.
- Any voting will take place before the Virtual AGM - again this will be via a unique link that is not to be shared - **voting must be completed by 12 Noon on Tuesday, 10th December 2024.**
- Questions can be put forth via the “Q&A” function of Zoom during the AGM.

USING ZOOM

Zoom has a very simple user interface and has become very familiar to the public since the Covid 19 pandemic.

Zoom ensures security as each registered member will be sent an individual link and settings will ensure each person can only access from one device. A passcode will be assigned for the meeting.

A video tutorial for all features of Zoom can be accessed at:

<https://support.zoom.us/hc/en-us/articles/201362193>

ONLINE VOTING

To allow for the collation and counting, voting will take place before the Virtual AGM.

Each registered member will be sent a unique secure online link to allow them to vote. This will ensure a secure and accurate election result.

**Voting must be completed
by 12 noon on
Tuesday,
10th December 2024**

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THE YEAR AT A GLANCE - 2024

PROTECTION for MEMBERS



Providing FREE DBI Insurance to eligible members with €79,950 paid in insurance claims this year.

SOCIAL IMPACT FUND OF €30,000 APPROVED AT THE 2023 AGM TO BE USED TO SUPPORT LOCAL CLUBS, SOCIETIES AND ORGANISATIONS.



36 SOLAR PANELS INSTALLED IN THE NEWMARKET OFFICE IN JUNE 2024



SUPPORTING OUR COMMUNITY



THROUGH SPONSORSHIP, DONATIONS & BURSARIES WITH €15,102 ISSUED DURING THE YEAR TO 16 LOCAL ORGANISATIONS.

2336 MEMBERS HAVE SIGNED UP FOR E-STATEMENTS AND E-NOTICES, HELPING US TO REDUCE OUR CARBON FOOTPRINT.



Issued 490 Loans totalling €5,885,783

145 NEW MEMBERS
Membership grew by 1.04% to 5,824

Member's Shares
€44,943,676

Member's Loans
€12,523,319

Total Assets
€57,063,700

Dividend to Members: 0.5% equating to €222,215 will be returned to our membership, (to be approved by members at the AGM)

AGENDA

1. The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons:
2. Ascertainment that a quorum is present
3. Adoption of standing orders;
4. Reading and approval (or correction) of the minutes of the last annual general meeting
5. Report of the Board of Directors/ Chairperson's Address
6. Consideration of accounts;
7. Report of the Auditor
8. Declaration of dividend and rebate of interest (if any); The following resolution will be proposed by the AGM. The dividend (if any) shall be reduced by the sum of €1 per adult member to cover Irish League of Credit Unions affiliation fees for the year 2024.
9. Report of the Credit Committee
10. Report of the Credit Control Committee
11. Report of the Board Oversight Committee
12. Report of the Nomination Committee
13. Report of the Strategic Planning Committee
14. Report of the Membership Committee
15. Appointment of Tellers
16. Election of Auditors
17. Election to fill vacancies on the Board Oversight Committee
18. Election to fill vacancies on the Board of Directors
19. Amendments to Standard Rules
20. Any other Business
21. Announcement of Election Results
22. Adjournment or Close of Meeting

The members assembled at any Annual General Meeting may suspend the order of business upon a two-thirds vote of the members present at the meeting.

Amendment to Rule 34(5)

'That this Annual General Meeting amends Rule 34(5) of the Standard Rules for Credit Unions (Republic of Ireland) to read as follows:

The credit union may make loans to persons ceasing to have the common bond required of members of the credit union provided the total amount outstanding in respect of all such loans shall not exceed 25 per cent., or such larger percentage as may be approved by the Bank, of the total amount outstanding in respect of all loans made by the credit union to its members.

STANDING ORDERS

1. Voting

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

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

Any voting will take place before the Virtual AGM – this will be via a unique link that is not to be shared – voting must be completed by **12 noon on Tuesday, 10th December 2024**.

2. Election Procedure

Elections to the Board of Directors, to the Board Oversight Committee and the position of Auditor shall be by majority vote and by secret ballot. Due to the fact that this year's AGM will be a virtual meeting, voting on motions and elections will be by electronic means.

3. Voting will take place before the virtual AGM – this will be via a unique link that is not to be shared – voting must be completed by **12 noon on Tuesday, 10th December 2024**. The results of the voting will be reviewed by the tellers and the results shall be announced by the chair.

4 - 5. Motions

4. This year's AGM will be held online. Members will be welcome to submit questions to the board in advance of the AGM. Questions can also be put forth via the "Q&A" function of Zoom during the AGM. The board will address these during the AGM, and same will be included in the minutes of the AGM. Attendees may be elevated to a participant and can then address the AGM and items may be proposed and seconded via the "Raise Hand" function in Zoom.

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

6 - 10. MISCELLANEOUS

6. The Chairperson of the credit union shall be the Chairperson of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chair, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chair of any general meeting.

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

8. Matters not covered by the Agenda may be introduced under 'Other Business' at the discretion of the Chairperson. At a virtual AGM, this may not be practical, however, the option may be invoked if required.

9. No member shall have more than one vote on each question at any general meeting of

the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union, provided, however, that the chairperson shall have a second or casting vote in addition to his/her own vote on matters other than voting at elections where there is an equality of votes (Standard Rule 99 (1)).

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

11. Suspension of Standing Orders

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

12. Alteration of Standing Orders

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

13. Adjournments

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

14 The AGM will be recorded for the purpose of maintaining minutes.

Credit Union Invocation

LORD, make me an instrument of Thy peace
Where there is hatred, let me sow love;
where there is injury, pardon;
where there is doubt, faith;
where there is despair, hope;
where there is darkness, light;
and where there is sadness, joy.

ODIVINE MASTER, grant that I may
Not so much seek to be consoled as to console;
to be understood as to understand;
to be loved as to love;
for it is in giving that we receive'
it is in pardoning that we are pardoned,
and it is in dying that we are born to eternal life.

Directors' Report for the financial year ended 30th. Sept. 2024

CHAIRMAN'S ADDRESS

I would like on behalf of the Board of Directors and myself to extend a warm welcome to all of you to this, the 52nd Annual General Meeting of Newmarket Credit Union Ltd.

It has been another very busy and successful year for Newmarket Credit Union with significant increases in member savings, loans to members and investment income. The credit union continues to serve the community in the not for profit, not charity, but for service ethos of the credit union movement. The Credit Union (Amendment) Act 2023 has been integrated in stages and the credit union implements these amendments to adapt to the changing financial and regulatory requirements.

The priority of the Board of Directors of Newmarket Credit Union is to continue to ensure a safe, strong and secure credit union for our members into the future. In order to ensure the long-term viability of the credit union, we ask that you consider your local financial institution as your first option to meet your borrowing needs. A loan from Newmarket Credit Union is of huge benefit to the local community.

Savings - Total savings now stand at €44.94 million and Newmarket Credit Union has total assets of €57.06 million.

Investments - The past financial year yielded earned investment income of €839,244, which is an increase from the income of 2022/2023. The Credit Union continues to be guided by the best financial advice. Investments are always managed in a prudent and conservative manner.

Loans - Loans to members stood at €12.52 million which is a significant increase on last year. This is despite the continued issues related to the cost of living, as the economy currently deals with many challenges. A Special Green Loan Rate is available to members as we continue to promote loans to benefit the environment.

Members can avail of the online loan application facility where you can apply for loans online using the Mobile App or through the Newmarket Credit Union website. This service enhances the loan process considerably, where members upload their required documents and submit them directly to the credit union.

The financial landscape continues to change, with the continued reduction of bank branches and a growing emphasis on online banking. I would encourage all members to consider Newmarket Credit Union when they are applying for a loan. The rates are very competitive and flexible. We encourage members to call to the credit union office to discuss your requirements with a member of staff.

The provision for Bad and Doubtful Debts is €893,586. Arrears are low and we thank members for their efforts in this regard.

Regulatory Reserve - Our Regulatory Reserve stands at 12.58% of Total Assets, ahead of the legal requirement of 10% an indication of the continued strength of Newmarket Credit Union.

Dividend - This year the Board of Directors are recommending a dividend of 0.5% which equates to €222,215. The dividend is subject to D.I.R.T. Tax and this will be deducted at source from members. There are still exemptions available to members aged over 65. I would urge all members who qualify to please complete the required forms which are available in Newmarket Credit Union.

Challenges - The year ahead will continue to present challenges. Ongoing issues include the cost of inflation, the effects of tragic wars throughout the world, the continuing impact of Brexit and the costs associated with compliance and regulatory fees and levies. As a result of prudence over the years, Newmarket Credit Union remains in a strong position with substantial reserves. Our 3-year Strategic Business Plan (2024-2026) is constantly under review and this will guide and help the credit union remain on target. Emphasis will remain on the growth of the loan book, an integral source of income for Newmarket Credit Union. The credit union is very much reliant on loan income and, again, we would encourage you to choose Newmarket Credit Union for your borrowing needs.

Amalgamation - The challenges outlined above are common across the credit union sector. Some smaller credit unions have opted to amalgamate with larger credit unions, to enable them to continue to provide a service to their membership. The Board of Newmarket Credit Union is not averse to such amalgamation, provided of course, that it would be in the best interest of the Credit Union and its membership.

Member Services - I would recommend that members avail of the credit union's online banking services, which are extremely beneficial. Online services continue to be upgraded, for members' convenience. Members can avail of the Mobile Phone App which includes the loan application functionality and also enables members to view balances online as well as transfer funds between accounts or transfer funds externally to a bank account. Members can also make lodgements to their specific credit union accounts by setting up a Standing Order. The provider of electronic payments changed to Payac during the year, a seamless transition, that had no impact on members.

Combatting Climate Change - The current strategic plan clearly sets out the board's commitment to reducing carbon emissions. Solar Panels were installed on the roof of the Newmarket office last June and the beneficial impact was immediate in terms of energy savings. We would encourage all members to play your part in the global efforts to combat climate change.

I would strongly encourage members to 'sign-up' to get their annual reports and statements online, this will result in better efficiencies and large savings for the Credit Union in terms of photocopying costs, postage and administrative costs, as well as the knock-on effect of reduced carbon footprint and environmental benefits.

A "Green Loan" with a reduced loan interest rate is available for green purposes, for

example electric/ hybrid car or certain home improvements.

In order to enhance the presence and profile of Newmarket Credit Union on Facebook and Instagram, we would ask all our members to "follow" our social media pages.

We are constantly looking for volunteers who have a contribution to make to their credit union and to their community. Volunteers serve on committees and on the Board. If you are interested, please contact a member of the Board or a staff member.

I would like to thank my fellow directors, the Board Oversight Committee and the other committees for their excellent contribution and efforts during the year. On behalf of the Board, I would also like to thank the manager and staff for their work and commitment during the year.

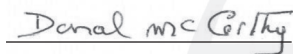
I would like to thank, on behalf of the Board and all the officers of Newmarket Credit Union, Richard Allen who has decided to step down from his role and thank him for his service to the Board.

To the families of our members who have died during the year I wish to express our sincere sympathy on your loss.

We especially remember former director and founding member of Newmarket Credit Union, John Buckley, who sadly passed away this year. John gave phenomenal service in numerous roles in the 52 years since Newmarket Credit Union was established and played a major part making the credit union the success it has become today. John served in all positions on the Board, was an outstanding Chairman for many years, instrumental in procuring a permanent office for Newmarket Credit Union, guided the Credit Union from humble beginnings over fifty years ago to what it is today. After stepping aside from the Board he gave his time as a volunteer up to this year. May John rest in peace.

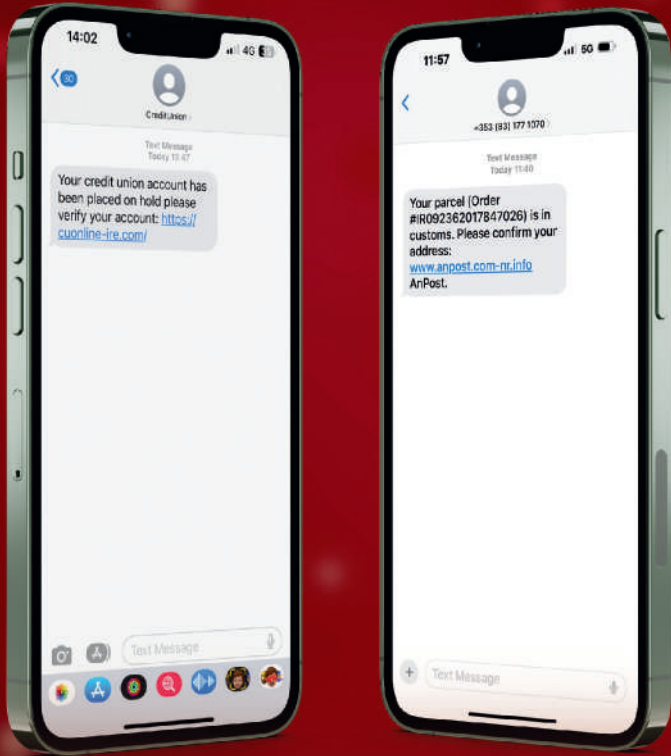
We also wish a speedy recovery to any member who is ill at present.

Finally, I would like to thank you, the members, for your loyalty to the credit union during the year.



Donal McCarthy, Chairman

BEWARE OF SCAMS THIS CHRISTMAS!



Stay alert and be cautious of scams / fraudulent activity online! Protect yourself by being aware of suspicious messages, calls and websites.
Your online safety is important!

Your Credit Union will NEVER contact you to ask for personal details, passwords, account or card numbers.

If you receive an unusual call/ text that claims to be us, block the number and please contact us directly.

DIRECTORS AND OTHER INFORMATION

Directors:

Donal McCarthy	Chairman
Conor Fitzpatrick	Vice Chairman
Richard Allen	Secretary
Eileen Daly	
Con O'Shea	
Ellen Feehan	
Liam Moynihan	
Joan Ann Brosnan	
Maire Moynihan	
Katherine Walshe	
Mary Ahern	

Board Oversight Committee Members

Denis O'Leary	Chairman
Margaret Clarke	Secretary
Jeremiah (Derry) Drew	

Staff

Dorothy Barrett	Manager
Conor O'Sullivan	Assistant Manager
Sheila O'Sullivan	
Jackie King	
Catherine Cashin	
Darren Murphy	
Georgina McNamara	
Caroline O'Carroll	

Volunteers:

Philip O'Connor
John Buckley (RIP)
Micheál Angland
Margaret O'Callaghan
Jerry Fitzgerald
Tim Galvin
Catherine Culloty
Brian Barry

Auditor:

BKK
Chartered Accountants and
Statutory Audit Firm,
Heritage Business Park,
Bessboro Road, Blackrock, Cork
T12P1HX
Ireland

Business Address:

Church Street,
Newmarket,
Co. Cork
Ireland

Bankers:

AIB Bank
35 Strand Street
Kanturk, Co. Cork, Ireland

Danske Bank (Ireland)

International House,
3 Harbourmaster Place,
I.F.S.C., Dublin

DIRECTOR'S REPORT for the financial year ended 30 September 2024

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

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

Authorisation: The credit union is authorised as follows:

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

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

Dividends and Loan Interest Rebates:

The surplus for the financial year is set out in the income and expenditure account. The Board of Directors are proposing a dividend in respect of the year ended 30th September 2024 of €222,215 (0.5%).

Principal Risks and Uncertainties:

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

Credit Risk: Credit Risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss. In order to manage this risk, the Board of Directors regularly reviews and approves the credit unions' Loans Policy. All loan

applications are assessed with reference to the Loans 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: 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. The credit union provides lending products to its Members and promotes these products through various marketing initiatives.

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

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

Operational Risk: Operational Risk is the risk of loss resulting from inadequate or failed processes or systems of the credit union, any failure by persons connected

DIRECTOR'S REPORT (CONT.) for the financial year ended 30 September 2024

with the credit union or from external events. The operational risk 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.

Accounting Records: The Directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate

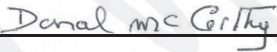
resources to the financial function. The books of account of the credit union are maintained at the credit union's premises at Church Street, Newmarket, Co. Cork.

Events after the End of the Financial Year

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

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

This report was approved by the Board on 6th November 2024 and signed on its behalf by:



Donal McCarthy

Chairperson of the Board of Directors
6th November 2024



Richard Allen

Member of the Board of Directors
6th November 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES for the financial year ended 30 September 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 financial year. In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and 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.

Approved by the Board of Directors and signed on its behalf by:

Member of the Board of Directors: Donal mcCarthy (Donal McCarthy)

Member of the Board of Directors: Richard Allen (Richard Allen)

Date: 6th November 2024

Statement of Board Oversight Committee's Responsibilities

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

Approved on behalf of the Board Oversight Committee

Member of the Board Oversight Committee: Doris O'Leary

Member of the Board Oversight Committee: Margie Clarke

Date: 6th November 2024

INDEPENDENT AUDITORS' REPORT to the Members of Newmarket Credit Union Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Newmarket Credit Union Limited for the financial year ended 30 September 2024 which comprise the Income & Expenditure Account, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows 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 including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council and the Credit Union Act, 1997 (as amended).

In our opinion the financial statements:

- give a true and fair view of the state of the assets, liabilities, and financial position of the Credit Union as at 30 September 2024 and of its surplus for the financial 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 the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties

relating to events or conditions that, individually or collectively, may cast significant doubt on the Credit Union's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other Information

The directors are responsible for the other information. The other information comprises 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper accounting records have been kept by the Credit Union.
- Properly audited 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 Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors' are responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at:
www.iaasa.ie/wp-content/uploads/2022/10/Description_of_auditors_responsibilities_for_audit.pdf.
The description forms part of our Auditor's Report.

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

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

BKK

Chartered Accountants and Statutory Audit Firm
Heritage Business Park,
Bessboro Road,
Blackrock,
Cork
T12P1HX
Ireland

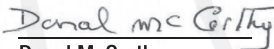
Date: 6th November 2024

INCOME & EXPENDITURE ACCOUNT
for the financial year ended 30 September 2024

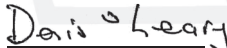
	Notes	2024 €	2023 €
INCOME			
Interest on members' loans	4	779,670	638,801
Other interest income and similar income	5	839,244	665,509
Net interest income		1,618,914	1,304,310
Other income	7	5,001	4,688
Total Income		1,623,915	1,308,998
Expenditure			
Employment costs	8	350,826	316,367
Other management expenses (Schedule 4)		731,986	660,520
Depreciation		27,846	31,710
Net (recoveries) or losses on loans to members	12.4	(10,363)	15,723
Total expenditure		1,100,295	1,024,320
Surplus of income over expenditure		523,620	284,678
Other comprehensive income		-	-
Total comprehensive income		523,620	284,678

The financial statements were approved and authorised for issue, by the Board of the Directors on 6th November 2024 and signed on its behalf by:

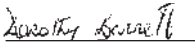
Member of Board of Directors


Donal McCarthy

Member of the Board Oversight Committee


Denis O'Leary

Manager


Dorothy Barrett

Date: 6 November 2024

BALANCE SHEET

for the financial year ended 30 September 2024

	Notes	2024 €	2023 €
ASSETS			
Cash and cash equivalents	10	226,647	137,514
Property, plant and equipment	11	304,008	309,454
Loans to members	12	12,523,319	10,845,121
Provision for bad debts	12	(893,586)	(917,844)
Prepayments and other debtors	13	1,072,062	1,056,876
Accrued income	13	22,926	16,593
Deposits and investments - Cash Equivalents	14	9,459,427	8,347,395
Deposits and investments - Other	14	34,348,897	35,924,738
Total Assets		57,063,700	55,719,847
LIABILITIES			
Members' shares	15	44,943,676	43,956,146
Money Management Accounts	16	9,876	9,876
Bank overdraft		-	117,146
Trade creditors and accruals	17	242,368	184,883
Other creditors	17	19,515	19,211
Total Liabilities		45,215,435	44,287,262
Net Assets		11,848,265	11,432,585
MEMBERS' RESOURCES			
Regulatory reserve	18	7,179,890	7,099,890
Dividend reserve	18	555,872	441,597
Operational risk reserve		456,510	445,759
Marketing reserve		50,000	50,000
Climate change reserve		69,025	70,000
Social impact reserve		30,000	30,000
Other reserves – Realised		3,259,020	3,160,843
Other reserves - Unrealised		247,948	134,496
Total Members' Resources		11,848,265	11,432,585

Approved by the Board of Directors and signed on its behalf by:

Member of Board of Directors

Donal m c Carthy
Donal McCarthy

Member of the Board Oversight Committee

Denis O'Leary
Denis O'Leary

Manager

Dorothy Barrett
Dorothy Barrett

Date: 6 November 2024

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 30 September 2024

	Regulatory reserve	Dividend reserve	Other reserves	Unrealised income reserve	Marketing reserve	Climate change reserve	Social impact reserve	Operational Risk reserve	Total
At 1 October 2022	€ 7,022,707	€ 333,582	€ 3,160,843	€ 46,893	€ 50,000	€ 70,000	€ 30,000	€ 433,882	€ 11,147,907
Surplus allocation in financial year	77,183	108,015	-	87,603	25,805	-	-	11,877	310,483
Other movement in reserves	-	-	-	-	(25,805)	-	-	-	(25,805)
At 30 September 2023	7,099,890	441,597	3,160,843	134,496	50,000	70,000	30,000	445,759	11,432,585
At 1 October 2023	7,099,890	441,597	3,160,843	134,496	50,000	70,000	30,000	445,759	11,432,585
Dividends paid during the financial year	-	(107,940)	-	-	-	-	-	-	(107,940)
Surplus allocation in financial year	80,000	222,215	-	113,452	28,293	-	-	10,751	454,711
Other movement in reserves	-	-	98,177	-	(28,293)	(975)	-	-	68,909
At 30 September 2024	7,179,890	555,872	3,259,020	247,948	50,000	69,025	30,000	456,510	11,848,265

The Regulatory Reserve of the Credit Union as a % of the total assets as at 30th September 2024 was 12.58% which is more than the Credit Union's Regulatory Reserve requirement of 10%.

In accordance with section 45 of the Credit Union Act 1997 (as amended), Newmarket Credit Union Limited put in place an Operational Risk Reserve. The board has approved a transfer of €10,751 for the year ended 30 September 2024. The reserve as a % of the total assets of the credit union as at 30 September 2024 was 0.8% (2023: 0.8%).

At 30 September 2023, the credit union specific Marketing Reserve amounted to €50,000 which may be used in future years for the payment of marketing costs. During the year ended 30 September 2024, the credit union spent €28,293 and therefore a transfer in this amount was made from the Marketing Reserve to General Reserves, the credit union decided to increase the Marketing Reserve to €50,000 with a transfer of €28,293 to the Reserve for future costs.

At 30 September 2023, the credit union transferred €70,000 to a Climate Change Reserve and €30,000 to a Social Impact Reserve for use in future years. The Climate Change Reserve has reduced to €69,025 as a result of investment in solar panels during 2024, therefore the related depreciation charge has been allocated to Climate Change Reserve at 30 September 2024. Social Impact Reserve remains at €30,000 at 30 September 2024.

Approved by the Board of Directors and signed on its behalf by:

Donal mc Carthy

Member of the Board of Directors

Date: 6 November, 2024

Denis Leahy

Member of the Board Oversight Committee

Aislinn Sweet

Manager

CASH FLOW STATEMENT
for the financial year ended 30 September 2024

	Notes	2024 €	2023 €
Opening cash and cash equivalents		8,367,763	7,108,569
Cash flows from operating activities			
Loans repaid		4,159,538	3,659,991
Loans granted		(5,885,783)	(5,829,179)
Loan interest income		773,337	636,386
Investment income		839,244	665,509
Other income received		5,001	4,688
Bad debts recovered		34,151	84,659
Dividends paid		(107,940)	-
Operating expenses		(1,082,812)	(976,887)
Movement in other assets		(15,186)	(1,013,666)
Movement in other liabilities		57,789	1,566
Net cash used in operating activities		(1,222,661)	(2,766,933)
Cash flows from investing activities			
Purchase of property, plant and equipment		(22,400)	(978)
Net cash flow from other investing activities		1,575,842	2,382,589
Net cash generated from investing activities		1,553,442	2,381,611
Cash flows from financing activities			
Members' shares received		19,635,859	19,393,089
Members' shares withdrawn		(18,648,329)	(17,748,537)
Members' deposits withdrawn		-	(36)
Net cash (used in)/generated from financing activities		987,530	1,644,516
Net increase in cash and cash equivalents		1,318,311	1,259,194
Cash and cash equivalents at end of financial year	10	9,686,074	8,367,763

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 September 2024

1 LEGAL AND REGULATORY FRAMEWORK

Newmarket Credit Union Limited is established under the Credit Union Act 1997, (as amended). The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of business is Church Street, Newmarket, Co. Cork.

2 ACCOUNTING POLICIES

The following principal accounting policies have been applied;

Statement of compliance and basis of preparation

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

Currency

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

Going Concern

After reviewing the Credit Union’s projections, the directors have reasonable expectation that the Credit Union has adequate resources to continue in operational existence for the foreseeable future. The Credit Union therefore continues to adopt the going concern basis in preparing its financial statements. The directors of Newmarket Credit Union Limited believe this is appropriate as the Credit Union:

- is generating annual surpluses;
- maintains an appropriate level of liquidity; and
- has reserves that are currently above the minimum requirements of the Central Bank.

Income recognition

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

(i) Interest on members' loans

Interest on Members’ Loans is recognised using the effective interest rate method, and is calculated and accrued on a daily basis.

(ii) Investment income

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

(iii) Other income

Investment income is recognised on an accruals basis.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 September 2024 (Contd.)

Taxation

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

Investments

Held at amortised cost

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

Central Bank deposits

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

Investments at fair value

Investments that are not regarded as basic are measured at market value.

Property, plant and equipment and depreciation

Tangible fixed assets comprise of 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 over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

Land and buildings freehold	2% Straight line
Fixtures, fittings and equipment	12.5% Straight line
Computer equipment	25% Straight line

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

Impairment of tangible fixed assets

At each reporting end date, the Credit Union reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 September 2024 (Contd.)

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.

The 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 deposits and investments with a maturity of less than or equal to three months.

Basic financial assets

Loans to members

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

Other Debtors

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

De-recognition of financial assets

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 September 2024 (Contd.)

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

Bad debt provision

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors.

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

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

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

The impairment reversal is recognised in the Income and Expenditure account.

Basic financial liabilities

Members Shares

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

Other creditors

Short-term other liabilities, creditors and accruals 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 measured at transaction price.

De-recognition of financial liability

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

Holiday pay

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 September 2024 (Contd.)

Pensions

The Credit Union operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Credit Union, in independent administered funds. Employer contributions payable to the Credit Union's pension scheme are charged to the Income and Expenditure Account in the period to which they relate.

Distribution

Newmarket Credit Union Limited's policy is to pay a reasonable rate of dividend and loan interest rebate subject to covering operating expenses and meeting reserve requirements as set out in the Credit Union's Reserve Management Policy. Dividends and loan interest rebates are made from current year's surplus or the dividend reserves set aside for that purpose.

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

- (i) the risk profile of the Credit Union, particularly in its loan and investment portfolios;
- (ii) the Board's desire to maintain a stable rather than a volatile rate of dividend each year; and
- (iii) members' legitimate dividend and loan interest rebate expectations;

All dominated by prudence and the need to sustain the long-term welfare of the Credit Union.

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

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

Reserves

Regulatory reserve

The Credit Union is required to establish and maintain a minimum Regulatory reserve of at least 10% of the assets of the Credit Union in accordance with the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

Operational risk reserve

Section 45(5)(a) of the Credit Union Acts 1997, (as amended) requires each credit union to maintain an additional reserve that it has assessed is required for operational risk having regard to the nature, scale and complexity of the credit union. Credit Unions are required to maintain a minimum operational risk reserve having due regard for the sophistication of the business model. The directors have considered the requirements of the Act and have considered an approach to the calculation of the operational risk reserve. Newmarket Credit Union Limited will hold an operational risk reserve which will at a minimum equal .8% of the total assets of the credit union.

NOTES TO THE FINANCIAL STATEMENTS for the financial year ended 30 September 2024 (Contd.)

Other reserves

Other Reserves is the cumulative surplus that has not been allocated to any other reserve.

Dividend reserve

Dividend reserves 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, Operational Risk or other reserves.

General Reserve

General reserve is 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, Operational Risk or Other reserves.

Unrealised Income Reserve

Investment income that has been recognised in the financial statements but will not be received within 12 months of the Balance Sheet date is classified as unrealised and is not distributable as a dividend in accordance with Section 31 of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

A reclassification between non-distributable and distributable is made as investments come to within 12 months of maturity date.

Marketing Reserve

Newmarket Credit Union Limited have allocated surplus to marketing reserve to be used against payment of future marketing costs.

Climate Change Reserve

Newmarket Credit Union Limited have allocated surplus to climate change reserve to be used in the future for the payment of costs associated with, but not limited to, energy conservation upgrades/installations to the credit union offices.

Social Impact Reserve

Newmarket Credit Union Limited have allocated surplus to social impact reserve to be used in the future for sponsorship / donations or similar payments to support organisations, clubs and societies within the common bond of Newmarket Credit Union Limited, such amount of individual sponsorship / donation/ similar payment to be determined by the Board of Directors of Newmarket Credit Union Limited.

3 CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of financial statements requires the use of certain accounting estimates. It also requires the directors to exercise judgement in applying the Credit Union's accounting policies. The areas requiring a higher degree of judgement, or complexity where assumptions or estimates

are most significant to the financial statements is disclosed below:

Bad debts provisions

The Credit Union's accounting policy for impairment of loans is set out in accounting policy in Note 2. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the Credit Union is exposed, and, other external factors such as legal and regulatory requirements.

The provision for bad debts in the financial statements was €893,586 (2023: €917,844) representing 7.14% of the gross loan book (2023: 8.46%).

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. Newmarket Credit Union Limited calculates its minimum operational risk reserve at .8% of its Total Assets (2023: .8%).

The operational risk reserve of the credit union at the year-end was €456,510 (2023 - €445,759).

Adoption of the going concern basis for financial statements preparation

The directors have prepared projections and cash flows for a period of at least twelve months from the date of approval of the financial statements which demonstrate that there is no material uncertainty regarding the credit union's ability to meet its liabilities as they fall due, and to continue as a going concern.

On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the credit union was unable to continue as a going concern.

4. INTEREST ON MEMBERS' LOANS

	2024	2023
	€	€
Closing accrued interest receivable	22,926	16,593
Loan interest received in financial year	773,337	636,386
Opening accrued loan interest receivable	(16,593)	(14,178)
	779,670	638,801

5. OTHER INTEREST INCOME AND SIMILAR INCOME

	2024	2023
	€	€
Investment income receivable after 12 months	113,452	87,603
Other interest received	446,117	396,424
Other interest receivable	279,675	181,482
	839,244	665,509

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

6. INTEREST PAYABLE AND DIVIDENDS

Dividends

The following distributions were made during the financial year:

	2024 %	2024 €	2023 %	2023 €
Dividends on shares	0.25	107,940	-	-

The above dividends refer to those paid out in those financial years from the surplus earned in previous financial years.

Proposed dividends

At the financial year-end the directors have allocated the amount of €555,872 to the Distribution Reserve which may be returned to the members by way of dividend and a loan interest rebate by way of resolution by a majority of the members at the annual general meeting. The proposed distribution is €222,215 for 2024 (2023: €108,015).

	2024 %	2024 €	2023 %	2023 €
Dividends on shares	0.50	222,214	0.25	108,015

7. OTHER INCOME

	2024 €	2023 €
Foreign exchange commission	5,001	4,688
	5,001	4,688

8. EMPLOYEES AND REMUNERATION

The average monthly number of employees during the financial year was:

	2024 Number	2023 Number
Manager	1	1
Other Staff	7	7
	8	8

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

The staff costs comprise:	2024	2023
	€	€
Wages and salaries	338,367	304,514
Pension costs	12,459	11,853
	<hr/>	<hr/>
	350,826	316,367
	<hr/>	<hr/>

9. KEY MANAGEMENT PERSONNEL

The directors of Newmarket Credit Union Limited are all unpaid volunteers. The management personnel compensation is as follows:

	2024	2023
	€	€
Short term employee benefits	171,319	158,005
Payments to pension scheme	9,293	9,775
	<hr/>	<hr/>
Total key management personnel compensation	180,612	167,780
	<hr/>	<hr/>

10. CASH AND CASH EQUIVALENTS

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

	2024	2023
	€	€
Cash and bank balances	226,647	137,514
Bank overdrafts	-	(117,146)
Deposits and investments	9,459,427	8,347,395
	<hr/>	<hr/>
	9,686,074	8,367,763
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

11. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings freehold €	Fixtures. fittings and equipment €	Computer equipment €	Total €
Cost				
At 1 October 2023	579,152	110,894	288,571	978,617
Additions	-	20,227	2,173	22,400
At 30 September 2024	579,152	131,121	290,744	1,001,017
Depreciation				
At 1 October 2023	292,713	105,218	271,232	669,163
Charge for the financial year	10,783	2,643	14,420	27,846
At 30 September 2024	303,496	107,861	285,652	697,009
Net book value				
At 30 September 2024	275,656	23,260	5,092	304,008
At 30 September 2023	286,439	5,676	17,339	309,454

12. LOANS TO MEMBERS - FINANCIAL ASSETS

12.1 LOANS TO MEMBERS

		2024 €	2023 €
As at 1 October		10,845,121	8,677,643
Advanced during the financial year		5,885,783	5,829,179
Repaid during the financial year		(4,159,538)	(3,659,991)
Loans written off		(48,047)	(1,710)
Gross loans to members	12.2	12,523,319	10,845,121
Impairment allowances			
The provision for bad debts is analysed as follows;			
Individually significant loans		(136,779)	(82,943)
Collectively assessed loans		(756,807)	(834,902)
Loan provision	12.3	(893,586)	(917,845)
As at 30 September	12.2	11,629,733	9,927,276

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

12.2 CREDIT RISK DISCLOSURES

The credit union complies with Section 12 of the Credit Union Act (Regulatory Requirements) Regulations 2017. This regulation:

- (i) restricts the concentration of lending by the credit union within certain sectors or to connected persons or groups (concentration limits);
- (ii) restricts the absolute amount of lending to certain sectors to a set percentage of the regulatory reserve (large exposure limit);
- (iii) restricts the loan duration of certain loans to specified limits (maturity limits)
- (iv) required 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 Newmarket Credit Union Limited's maximum exposure to credit risk. The following table provides information on the credit quality of loan repayments.

Where loans are not impaired it is expected that the amounts repayable will be received in full.

	2024 €	2024 %	2023 €	2023 %
Gross loans not impaired				
Not past due	2,522,138	20.14	618,331	5.70
Gross loans individually impaired				
Not past due	51,872	0.41	83,232	0.77
Up to 9 weeks past due	52,018	0.42	-	-
Between 10 and 18 weeks past due	27,886	0.22	-	-
Between 19 and 26 weeks past due	-	-	21,015	0.19
Between 27 and 39 weeks past due	18,294	0.15	18,291	0.18
Between 40 and 52 weeks past due	15,330	0.12	15,619	0.14
53 or more weeks past due	45,462	0.36	34,048	0.31
Total	210,862	1.68	172,205	1.59
Gross loans collectively impaired				
Not past due	9,790,319	78.18	10,015,411	92.35
Up to 9 weeks past due	-	-	38,104	0.35
53 or more weeks past due	-	-	1,070	0.01
Total	9,790,319	78.18	10,054,585	92.71
Total gross loans	12,523,319	100.00	10,845,121	100.00

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

	2024 €	2024 %	2023 €	2023 %
Impairment allowance				
Individually significant loans	(136,779)		(82,943)	
Collectively assessed loans	(756,807)		(834,902)	
Total carrying value	11,629,733		9,927,276	

12.3 LOAN PROVISION ACCOUNT FOR IMPAIRMENT LOSSES

	2024 €	2023 €
As at 1 October	917,844	819,172
Allowances reversed during the financial year	(24,258)	98,672
Increase in loan provision during the financial year	(24,258)	98,672
As at 30 September	893,586	917,844

12.4 NET RECOVERIES OR LOSSES RECOGNISED FOR THE FINANCIAL YEAR

	2024 €	2023 €
Bad debts recovered	(34,151)	(84,659)
Increase/Reduction	(24,259)	98,672
Loans written off	(58,410) 48,047	14,013 1,710
Net (recoveries)/losses on loans to members recognised for the financial year	(10,363)	15,723

12.5 ANALYSIS OF GROSS LOANS OUTSTANDING

	2024 Number of loans	2024 €	2023 Number of loans	2023 €
Less than one year	104	199,746	110	159,609
Greater than 1 year and less than 3 years	331	1,858,455	320	1,898,765
Greater than 3 years and less than 5 years	379	4,566,923	350	4,190,240
Greater than 5 years and less than 10 years	154	5,898,195	134	4,596,507
	968	12,523,319	914	10,845,121

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

13. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2024	2023
	€	€
Prepayments	65,395	50,209
Other debtors	1,006,667	1,006,667
Accrued income	22,926	16,593
	<u>1,094,988</u>	<u>1,073,469</u>

Other debtors of €1,006,667 relate to BlackBee Investments Limited (In Liquidation) Protected Note 8 Investment which matured in June 2023 and is being held on deposit in Citibank, N.A London under the Joint Liquidators control.

14. DEPOSITS AND INVESTMENTS

	2024	2023
	€	€
Deposits and investments - cash equivalents		
Accounts in authorised credit institutions - cash equivalents	9,459,427	8,347,395
Deposits and investments - other		
Accounts in authorised credit institutions - other	14,066,806	17,088,713
Irish and EEA state securities	2,979,760	2,488,799
Bank bonds	16,949,725	15,814,630
Central Bank deposits	352,606	532,596
Total deposits and investments - other	<u>34,348,897</u>	<u>35,924,738</u>

15. MEMBERS' SHARES - FINANCIAL LIABILITIES

	2024	2023
	€	€
As at 1 October	43,956,146	42,311,594
Received during the financial year	19,635,859	19,393,089
Repaid during the financial year	(18,648,329)	(17,748,537)
As at 30 September	<u>44,943,676</u>	<u>43,956,146</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

16. MONEY MANAGEMENT ACCOUNTS

	2024	2023
	€	€
As at 1 October	9,876	9,912
Repaid during the financial year	-	(36)
As at 30 September	<u>9,876</u>	<u>9,876</u>

17. OTHER CREDITORS AND ACCRUALS

	2024	2023
	€	€
PAYE/PRSI	19,515	19,211
Trade creditors	62,241	49,644
Accruals	180,127	135,239
	<u>261,883</u>	<u>204,094</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

18. RESERVES

	Regulatory reserve	Dividend reserve	Other reserves	Unrealised income reserve	Marketing reserve	Climate change reserve	Social impact reserve	Operational Risk reserve	Total
	€	€	€	€	€	€	€	€	€
At 1 October 2022	7,022,707	333,582	3,160,843	46,893	50,000	70,000	30,000	433,882	11,147,907
Surplus allocation in financial year	77,183	108,015	-	87,603	25,805	-	-	11,877	310,483
Other movement in reserves	-	-	-	-	(25,805)	-	-	-	(25,805)
At 30 September 2023	7,099,890	441,597	3,160,843	134,496	50,000	70,000	30,000	445,759	11,432,585
At 1 October 2023	7,099,890	441,597	3,160,843	134,496	50,000	70,000	30,000	445,759	11,432,585
Dividends paid during the financial year	-	(107,940)	-	-	-	-	-	-	(107,940)
Surplus allocation in financial year	80,000	222,215	-	113,452	28,293	-	-	10,751	454,711
Other movement in reserves	-	-	98,177	-	(28,293)	(975)	-	-	68,909
At 30 September 2024	7,179,890	555,872	3,259,020	247,948	50,000	69,025	30,000	456,510	11,848,265

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 September 2024

Regulatory reserve

The Credit Union Act 1997 (Regulatory Requirements) Regulations 2016 requires Credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10% of the total assets of the credit union. This reserve is to be perpetual in nature; freely available to absorb losses; realised financial reserves that are unrestricted and non-distributable..

Dividend Reserve

The credit union maintains a dividend reserve that may be used in future years for the payment of dividends.

Other reserves

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.

Marketing Reserve

The credit union maintain a specific marketing reserve that may be used in future years for the payment of marketing costs.

Climate Change Reserve

Newmarket Credit Union Limited maintain a climate change reserve to be used in the future for the payment of costs associated with, but not limited to, energy conservation upgrades / installations to the credit union offices.

Social Impact Reserve

Newmarket Credit Union Limited maintain a social impact reserve to be used in the future for sponsorship / donations or similar payments to support organisations, clubs and societies within the common bond of Newmarket Credit Union Limited, such amount of individual sponsorship / donation/ similar payment to be determined by the Board of Directors of Newmarket Credit Union Limited.

19. FINANCIAL INSTRUMENTS

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

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024

The main financial risks arising from Newmarket 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.

	2024	2023
	€	€
Financial Assets		
Financial assets measured at amortised cost	53,456,835	52,349,379
Financial assets measured at market value	2,004,148	2,004,138
	55,460,983	54,353,517
Financial Liabilities		
Financial liabilities measured at amortised cost	45,215,435	44,287,262

Credit Risk:

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to Newmarket Credit Union Limited, resulting in financial loss to the Credit Union. In order to manage this risk the Board of Directors approves the Credit Union'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 risk on members' loans is disclosed in Note 12.2.

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

Liquidity Risk:

Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day-to-day running costs and repay members' savings when demanded. The Credit Union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The Credit Union adheres to the minimum liquidity ratio and the minimum short-term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) (Amendment) Regulations 2018.

Market Risk:

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

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2024 (Contd.)

Interest Rate Risk:

The Credit Union's main interest rate risk arises from the 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 shares and on any loan interest rebate.

19.1 INTEREST RATE RISK DISCLOSURE

	2024	Average	2023	Average
	€	interest rate	€	interest rate
		%		%
Financial assets				
Gross loans to members	12,523,319	6.73	10,845,121	6.64
Financial liabilities				
Members' shares	44,943,676	-	43,956,146	-

The interest rates applicable to loans to members are fixed and range from 5% to 9.95%.

19.2 LIQUIDITY RISK DISCLOSURE

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

20. PENSION SCHEME

Newmarket Credit Union Limited operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the credit union in an independently administered fund. Pension costs amounted to €12,459 (2023: €11,853).

21. RELATED PARTY TRANSACTIONS

During the year loans were advanced to directors and the management team of the Credit Union (to include their family members or any business in which the directors or management team had a significant shareholding) in the amount of €24,000 (2023: €102,000). These loans were approved in accordance with the Standard Credit Union rules and the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

The loans outstanding from these parties at 30th September 2024 was €120,320 (2023: €194,009). These loans amounted to 0.96% of total gross loans due at 30th September 2024 (2023: 1.79%). Provisions against loans due from related parties at 30th September 2024 was €6,764 (2023: €17,042).

22. INSURANCE AGAINST FRAUD

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

23. CAPITAL COMMITMENTS

There were no capital commitments either contracted for or approved by the Board at the current or prior year-ends.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 September 2024 (Contd.)

24. POST-BALANCE SHEET EVENTS

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

25. CONTINGENT LIABILITY

In June 2018, Newmarket Credit Union Limited invested €1,000,000 with BlackBee Investments Limited (In Liquidation) in a Protected Note 8 Investment, which was a capital protected investment, with an expected maturity in June 2023. On 19 May 2023, following an application by the Central Bank of Ireland, the High Court appointed Mr. Luke Charleton and Mr. Colin Farquharson of EY as Joint Official Liquidators to BlackBee Investments Limited. Mr. Charleton and Mr. Farquharson had previously been appointed as Joint Provisional Liquidators on 8 May 2023. On 10th October 2024 Mr. Alan Large was appointed as Joint Liquidator replacing Mr. Colin Farquharson.

The Joint Official Liquidators have confirmed, in accordance with BlackBee Investments Limited (In Liquidation) records, on 25 June 2018, Newmarket Credit Union Limited invested €1,000,000 in the Protected Note 8 investment with an expected maturity on 20 June 2023. They also confirm that the money invested in Protected Note 8 matured in June 2023 and is being held on deposit by Citibank, N.A. London, where the Joint Official Liquidators control BlackBee Investments Limited (In Liquidation) bank account.

Regulation 49 of the Investment Firms Regulations sets out the requirements as regards segregation of client assets and sets out that an investment firm shall not use client assets for any purpose other than for the sole account of that client. Newmarket Credit Union Limited have no reason to believe that the matured Protected Note 8 investment funds being held on deposit by Citibank, N.A. London as confirmed by the Joint Official Liquidators, have been intermingled with any other BlackBee Investments Limited (In Liquidation) funds.

In line with the above confirmation from the Joint Official Liquidators, Newmarket Credit Union Limited have presented €1,006,667 in Other Debtors to represent the amount which Newmarket Credit Union Limited deem as owing to the Credit Union. At 30 September 2024, the matured funds have not yet been returned to Newmarket Credit Union Limited, however the Credit Union are satisfied the investment has matured and will be returned to Newmarket Credit Union Limited in due course. The timing of when these funds are expected to be returned is not yet known. Newmarket Credit Union Limited are aware that under MiFID regulations, the Joint Official Liquidators can in certain circumstances, seek to deduct reasonable costs from investment funds in the fulfilment of their assignment. At 30 September 2024, there has been no indication that the Joint Official Liquidators will apply to deduct costs. However, Newmarket Credit Union Limited have deemed it appropriate to include this Contingent Liability note as a possible but uncertain obligation is in existence.

At 30 September 2024, Newmarket Credit Union Limited are not in a position to estimate a potential financial impact to the matured Investment if any, and no provision has been made in relation to any potential liabilities in relation to costs at 30 September 2024, as there is no certainty in relation to costs arising in respect of this matured investment, if any.

26. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board of Directors on 6th November 2024.

SCHEDULES TO THE INCOME & EXPENDITURE ACCOUNT
for the financial year ended 2024

Schedule 1 - Interest on Loans

	2024 €	2023 €
Interest on Loans		
Interest on members loans	756,744	622,208
Interest on members loans receivable	22,926	16,593
	<u>779,670</u>	<u>638,801</u>

Schedule 2 - Investment Income

Investment Income		
Investment income receivable after 12 months	113,452	87,603
Bank interest received	446,117	396,424
Income Government Bond	27,586	40,687
Income Senior Bank Bond	<u>252,089</u>	<u>140,795</u>
	<u>839,244</u>	<u>665,509</u>

Schedule 3 - Other Income

Other Income		
Foreign exchange commission	5,001	4,688
	<u>5,001</u>	<u>4,688</u>

Schedule 4 - Other Management Expenses

Other Management Expenses		
Rates	2,845	7,199
General insurance	24,948	24,116
Share and loan insurance	107,012	94,522
Death benefit insurance	90,253	88,690
Light and heat	7,815	15,124
Repairs and renewals	17,095	9,494
Computer and equipment maintenance	84,616	81,933
Printing, postage and stationery	18,371	16,930
Promotion and education	64,894	42,904
Telephone	6,231	5,570
AGM expenses	8,314	5,240
Chapter expenses	-	500
Travelling and subsistence	1,997	1,318
Legal and professional fees	113,193	124,219
Audit fees	24,600	25,677
Bank interest and charges	40,037	22,919
Miscellaneous expenses	4,012	2,998
Affiliation fees	9,917	12,809
Credit Institution Resolution Fund Levy	5,539	13,056
Regulatory levies and charges	100,297	65,302
	<u>731,986</u>	<u>660,520</u>

PRIVACY NOTICE / DEPOSIT GUARANTEE SCHEME INFORMATION

In keeping with our commitment to reducing paper usage, thus reducing our carbon footprint, we are not including a copy of the credit union's privacy notice in the AGM booklet. They can be accessed by scanning the QR code below, calling into our offices and asking a member of staff for a copy, or ringing our office and asking for a copy to be sent out. We would encourage members to avail of the electronic option, where possible.



IMPORTANT INFORMATION REGARDING DIRT (Deposit Interest Retention Tax)

The DIRT rate in 2024 for Dividend Interest is 33%

Please note that major changes were made to the taxation of dividend in Budget 2014, the main effects of which was that all credit union share accounts are now subject to DIRT (unless the individual member is exempt from DIRT).

Change to the Taxation of Regular Shares Dividend

DIRT at the prevailing rate must be deducted from dividends paid to members with Regular Share accounts after 01st January 2014. For dividends paid before this date the old rules applied i.e. dividend was paid gross and it was the members' responsibility to declare this dividend to the Revenue Commissioners.

Regular & Special Share Accounts

From 2014, the treatment of both accounts is the same. Credit Unions must deduct DIRT from dividend paid unless the member is exempt from DIRT.

Please note that the only members who can be exempt are those aged Over 65 (and qualify for exemption) or those who are Permanently Incapacitated. Children are NOT exempt. It is important that if you qualify for an exemption, that you notify your Credit Union office as soon as possible, to fill the required form.

INSURANCE COVER

Newmarket Credit Union Limited makes available Life Saving’s & Loan Protection insurance cover on the lives of eligible saving and borrowing members at no additional cost.

How does Loan Protection Insurance work?

If a credit union member who is eligible for insurance cover dies with a loan outstanding, the loan balance is paid in full by the insurance company. Terms and Conditions apply.

How does Life Savings & Loan Protection Insurance work?

Maximum life savings insurable balance is €3,000. Every eligible member is covered as follows (Terms & Conditions apply).

Age	Savings Lodged	Cover
Before age 55	and not withdrawn	Provides 100%
During age 55 to 59 incl	and not withdrawn	Provides 75%
During age 60 to 64 incl	and not withdrawn	Provides 50%
During age 65 to 70 incl	and not withdrawn	Provides 25%

Death Benefit Insurance (D.B.I.)

This insurance is payable on bereavement to eligible members (in the case of a joint account – eligible first named member) and is in addition to the existing Life Savings and Loan Protection cover noted above, provided they were a member of this credit union **before their 70th birthday** and meet the relevant terms and conditions.

The cover is currently €1,950, however this may be reduced or withdrawn by the board.

Details available from the office.

Terms and Conditions apply.

ASSISTED DECISION MAKING (CAPACITY) ACT 2015

The Assisted Decision-Making (Capacity) Act 2015 was commenced in April 2023. The purpose of the Act is to provide a statutory system of supports for adults who have decision-making difficulties. The Decision Support Service has been set up to promote the rights and interests of people who may need support with decision-making. Information can be found at their website www.decisionsupportservice.ie

REMINDER ON MINOR ACCOUNTS

When a child is aged 7 or over, they have full access to the funds in their account. From the age of 7, only the child can authorise a withdrawal from the account and all withdrawals have to be signed for in person by the child.

Once a member reaches the age of 18, we require up-to-date ID and address verification to be provided to up-date their account. We would ask such members to contact us once you reach 18 to get details of the necessary documentation.

DORMANT ACCOUNTS

- As per Rule 20 of the Standard Rules, where there has been no member-initiated transaction on the account for a period of 3 years, the account will go “dormant” and no transactions can be carried out on the account until such time as the member calls in person to the credit union to carry out a lodgement or withdrawal.
- To reactivate the account at that time, we require that you bring the following items with you
 - Photographic ID (either a current valid Driving License or Passport)
 - Address Verification (a valid utility bill, bank statement dated within previous 6 months)
 - PPS Number Verification

YOUR CO-OPERATION WOULD BE APPRECIATED

WHO HAVE YOU NOMINATED TO RECEIVE YOUR MONEY?

- Completing the Nomination Form will ensure that on your death, your shares and insurance (to a maximum of €27,000, applicable since 22nd February 2024) will be speedily disbursed to your beneficiaries.
- A nomination may be cancelled or changed at any time and will automatically be cancelled by marriage.
- Check at the office for further details.
- Unless a lower figure is specified the nomination will cover all monies held up to the current regulatory maximum of €27,000. Members should note that the maximum may be changed by the Department of Finance from time-to-time.

REPORT OF THE CREDIT COMMITTEE

It was another busy year for the Credit Committee, with a total of 490 loans issued during the year to the 30th September 2024, totalling €5,885,783. The total value of loans outstanding was €12,523,319 a substantial increase of €1,678,198 from 2023.

Loans to members is a key service offered by Newmarket Credit Union. Loan interest is one of the main sources of income for Newmarket Credit Union. We would like to thank the members who borrow from the credit union and encourage our members to use the credit union for your borrowing needs, in order to ensure the continued success of Newmarket Credit Union.

A strong and healthy loan book will ensure a continuous flow of income for the Credit Union. We welcome the opportunity to lend to members who meet the required criteria. Newmarket Credit Union is here to meet members’ borrowing needs and to be lender of choice within our common bond.

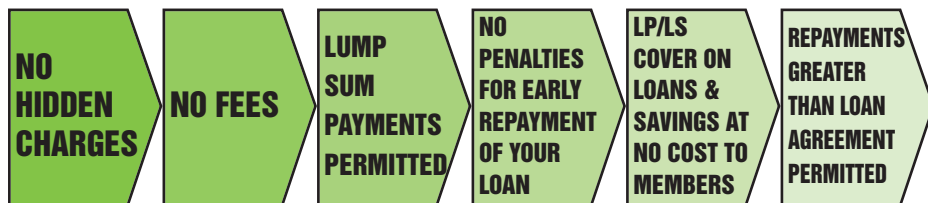
The Central Bank has laid down regulations that require the Credit Union to apply prudent lending standards to the granting of all new loans or top-ups of existing loans. Lending officers and the Credit Committee have to make sure that each application is fully assessed to demonstrate the borrower’s ability to repay the loan. In this regard, Newmarket Credit Union must be fully appraised of the borrower’s financial position before granting a loan.

The primary consideration in lending is that members have the repayment capacity to repay the loan, supported by previous credit and savings’ history. To enable us to assess a member’s loan application, we are required under regulation to carry out a Central Credit Register (CCR) Report. Members are entitled to seek a copy of their own CCR Report by applying directly to the Central Credit Register.

A large number of loan applications are now made through the website and Mobile App facility and we would encourage members to avail of this service, where possible.

A member of staff will be happy to discuss the various loan rates available and documentation necessary when applying for a loan. Alternatively, you can get information from the website www.newmarketcu.ie where a built-in loan calculator is another useful tool for assessing your options. Loan approval is subject to terms and conditions.

Amongst the many benefits of a credit union loan are:



I would like to thank the Manager, Loan Officers and Staff for their co-operation during the year and I would like to thank my fellow committee members for their continued service during the year.



Jerry Fitzgerald
(Chairman of the Credit Committee)

2024

LOANS ISSUED

490

VALUE OF LOANS ISSUED

€5,885,783

VALUE OF LOAN BOOK

€12,523,319

2023

LOANS ISSUED

520

VALUE OF LOANS ISSUED

€5,829,179

VALUE OF LOAN BOOK

€10,845,121

Year	Number of Loans Issued	Value	Total Loan Book
2021	413	€4,472,878	€8,459,399
2022	439	€4,157,810	€8,677,642
2023	520	€5,829,179	€10,845,121
2024	490	€5,885,783	€12,523,319

REPORT OF THE CREDIT CONTROL COMMITTEE

The role of the Credit Control Committee is to review loan repayments and to ensure the repayments made by members of the credit union are in accordance with the credit agreement. The Committee met on a regular basis throughout the year in accordance with the requirements of the Credit Union Act 1997, as amended, and the Credit Control Policy of Newmarket Credit Union.

Our management, staff and credit committee take great care in approving members' borrowings to ensure that members will be able to repay. The majority of loans granted by the credit union are non-problematic and are repaid on time. We would like to thank those members for their timely repayments. However, some members through carelessness miss repayments on a regular basis. Unfortunately, these members may have difficulty in securing future credit, as the credit union is required to report to the Central Credit Register on members' adherence to loan repayments.

The Central Credit Register is a centralised system for collecting personal and credit information on consumer loans and is operated by the Central Bank of Ireland. The information collected allows us to get a more detailed picture of a member's credit history, which helps us to make decisions about loan applications. The information also assists the Central Bank in its role of safeguarding stability and protecting consumers.

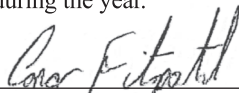
Even when a credit agreement is entered into in good faith, unforeseen circumstances can arise and the member may not be able to keep up repayments. If this occurs, do not ignore the problem, contact us early and the issue will be easier to manage. Members will be treated with courtesy and we will explore all possibilities and endeavour to come to an agreed solution.

In these uncertain times, we are extremely conscious that the increases in the cost of living and in particular the cost of energy, home heating, transport costs, etc., will put added strain on some of our members to keep up repayments and, as stated above, if you are encountering difficulties please contact us.

It is the policy of the Credit Control Committee and the Board of Directors to pursue the recovery of all non-performing loans through all means necessary. Each year a very small number of debts require legal action on the part of the credit union and this is always the last course of action. Unfortunately, if all other options have failed then we are left with no choice. We have a duty of care to protect the savings which members deposit with the credit union, some of which is then used for lending to other members.

The amount of debt written down this year is €48,047. Bad debts that are put into recovery are still legally due to be repaid by the member and the credit union makes every effort to collect these debts. This year €21,766 of bad debts and €12,386 of doubtful debts was recovered, totalling €34,152. The policy of pursuing bad debts will continue to be a priority for Newmarket Credit Union. The provision for bad & doubtful debts is €893,586.

We would like to thank our fellow directors, the Manager and staff for their continued support during the year.



Conor Fitzpatrick
Chairman

BOARD OVERSIGHT COMMITTEE REPORT

The Credit Union Act, 1997 (as amended) requires the appointment of a Board Oversight Committee (B.O.C.) to oversee the running of the Credit Union, to ensure that all actions and decisions taken by the Board of Directors relating to the affairs of the Credit Union follow the regulations and laws relating to Credit Unions.

The members of Newmarket Credit Union have elected Denis O’Leary, Margie Clarke and Derry Drew to serve on the Board Oversight Committee.

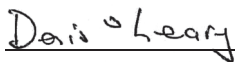
During the year the committee has fulfilled its duties by meeting at least once a month to review board meeting minutes and other aspects of Newmarket Credit Union’s activities. We also held quarterly meetings with the Board to facilitate assessment of the Board. At least one member of the Committee attended each of the monthly Board Meetings and various other meetings of the Board.

With a view to ensuring they were functioning in accordance with legal and regulatory requirements, the Committee attended meetings of subcommittees of the Board, including the Credit Control, Investment, Membership, Strategic Planning, Risk and Compliance, Marketing, Nomination and Credit Committees. Regular contacts occurred between the Risk and Compliance Officer and the Board Oversight Committee. Members of the Committee attended meetings between the Board and the Internal Auditors and External Auditors. Full CPD training was completed by the Committee members.

The Board Oversight Committee having completed the above tasks and reviewed the procedures in place at Newmarket Credit Union, would like to assure members that the Board of Directors has operated in accordance with Part IV (Management of Credit Unions) and Part IVA (Board Oversight Committee) Credit Union Act 1997, and any associated regulations.

The committee is also satisfied that the Board continues to act in the best interest of Newmarket Credit Union and its members.

We wish to extend our thanks to the Board of Directors, the Manager and Staff of the Credit Union for their co-operation and assistance to us throughout the year.



Denis O’Leary, Chairperson
Margie Clarke, Secretary
Derry Drew, Member

REPORT OF THE NOMINATIONS COMMITTEE for year ended 30th September 2024.

Section 56(B) of the Credit Union Act, 1997 (as amended) requires the establishment of a Nomination Committee which shall consist entirely of Directors.

The role of the Nominations Committee includes:-

- Identifying candidates to be nominated for appointment to the Board of Directors
- Accepting nomination of candidates proposed to be appointed by the Board of Directors
- Proposing, candidates for election by a general meeting, to be members of the Board
- Assisting the Credit Union in meeting its obligations in respect of part 3 of the Central Bank Reform Act 2012
- Ensuring there is an appropriate Succession Plan in place for the Board of Directors
- Ensuring each Director is given appropriate induction and training
- Ensure no material conflict of interest exists and where any potential conflict could arise.

The Nomination Committee are satisfied that the roles set out above have been fulfilled during the period 1st October 2023 to 30th September 2024.

All credit unions must comply with Fitness & Probity standards as set out by the Central Bank of Ireland. This means that potential new candidates for the Board of Directors or Board Oversight Committee must be assessed by the Nomination Committee to ensure they meet the Fitness & Probity Standards prior to their proposal to the membership at AGM.

Fitness relates to an individual's competence and capability. Probity means acting honestly, ethically, with integrity and being financially sound.

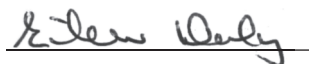
The Committee must be satisfied that having thoroughly assessed each applicant through due diligence, questionnaire and interview that each new candidate proposed meets the Fitness & Probity requirements as set out by the Central Bank.

- | | |
|---------------------------|---|
| Board of Directors | - The composition of the Board is 11 members as required under legislation. |
| Board Oversight Committee | - 3 members on the Board Oversight Committee. |
| Auditor | - BBK Statutory Audit Firm, Accountants, were elected to act as Auditor for the financial year to the 30th September 2024. They will be proposed at the 2024 AGM to act to the year ending 30th September 2025. |

Eileen Daly, Chairperson

Joan Ann Brosnan, Secretary

Eileen Feehan, Nomination Committee.



REPORT OF STRATEGIC PLANNING COMMITTEE

The Strategic Planning Committee is responsible for preparation of the credit union's Strategic Plan, in accordance with all legislative and regulatory requirements and is responsible for the ongoing monitoring of the implementation of the plan. The Committee works with the management team to bring board approved strategies to fruition.

The committee, board and management are committed to achieving the goals set out in the strategic plan, however the success of the plan is ultimately in the hands of you, our members.

Our credit union can only grow and be sustained by our members using our services and facilities. The committee met at least four times over the past year and spearheaded the preparation of the most up-to-date Strategic Plan, which focuses on growing our loan book, through new initiatives, with the goal of making Newmarket Credit Union the lender of choice within our common bond.

Member Services: Services are continually upgraded and include our core savings and loan products plus a range of online services, including electronic services such as Electronic Fund Transfers, which allows members to transfer funds electronically to a designated bank account. Newmarket Credit Union members continue to avail of the online loan applications facility, where members can apply remotely, online, for loans either through the Newmarket Credit Union website or Mobile App. Amongst the developments scheduled for 2025 is SEPA instant, which will enable members to ensure verification of a payee and check for a match on receiving IBANs and Account Name prior to submitting a payment.

Members can avail of online access by visiting the website and Register for Online Access or call to the office where a member of staff will complete the process.

Online Payments System: This electronic-payments service enables members to have payments such as wages/salaries, pensions and other social welfare entitlements paid directly into their credit union account. The provider of the system changed to Payac during this year, a seamless transition that had no impact on members.

Social Media: We would encourage members to follow Newmarket Credit Union through social media as well as the Newmarket Credit Union website to keep up to date with all the latest news, information, promotions and various competitions. Newmarket Credit Union have well established Facebook and Instagram pages.

Combating Climate Change: Newmarket Credit Union clearly sets out in its Strategic Plan that it is committed to playing its part in combating the risks associated with climate change. Solar panels were installed last June, on the roof of the building in Newmarket, and the beneficial impact was immediate. Board packs are provided electronically each month to the Board of Directors and Board Oversight Committee, which has resulted in a vast reduction in paper usage in the credit union.

A "Green Loan" product is available to members, where a reduced loan interest rate is available for green purposes, for example electric/ hybrid car or certain home improvements or Agri/Business Loans.

REPORT OF STRATEGIC PLANNING COMMITTEE (Contd.)

We encourage all members to register for e-Statements and the Electronic AGM Report as this provides a major cost reduction on producing vast volumes of paper on a regular basis and also the ever-increasing outlay on postage as well as the obvious benefits to the environment.

Social Impact Fund: Newmarket Credit Union launched a Social Impact Fund during the year, which made financial contributions to successful applications from various clubs, societies, voluntary organisations from communities within the common bond.

Sponsorships: Newmarket Credit Union proudly supported various initiatives within the common bond over the past year and will continue to do so in the year ahead. We would remind members that this is one of the many benefits to having a credit union in the area. By making us your lender of choice, you are enabling us to give back to the common bond.

Student Grant Awards: Congratulations to Leanne Browne (Coláiste Treasa, Kanturk), Jessica O’Keeffe (Boherbue Comprehensive School), Clodagh Roche (Boherbue Comprehensive School) and Adam Keane (Coláiste Treasa, Kanturk) who won this year’s Student Grants worth €700 each. These awards continue to reflect the importance Newmarket Credit Union places upon education for our young people who are our future.

Schools Quiz: Congratulations, to Kiskeam National School who won this year’s Credit Union quiz, held last January. Kiskeam National School went on to perform admirably in the next stage at Chapter level. Well done to all involved and all who helped and participated in our quiz this year.

CXi Consumer Experience Awards: For a record tenth successive year, in 2024, Credit Unions have been voted the best brand in Ireland for customer experience and overall winners of the CXi Customer Experience Awards. This is further indication that credit unions remain committed to their local communities and are well placed to provide a range of services to members.

The RepTrak Sustainable Index 2024 Study: Credit Unions have been voted Ireland’s MOST SUSTAINABLE ORGANISATION. Amongst the factors where Credit Union’s were placed first included, having a positive influence on society, being fair in the way they do business, being open, transparent and ethical, making a positive economic contribution to society and supporting local communities.

Our team are always available to speak with you personally, which is a service we are very pleased to offer, and we thank you for your continued support.

Finally, we would like to thank the Board & staff for their help & co-operation during the year.

Committee Member



Liam Moynihan

REPORT OF THE MEMBERSHIP COMMITTEE

Welcome to all the new members who joined Newmarket Credit Union in the past year.

A total of 145 new members joined Newmarket Credit Union in the twelve month period, consisting of 103 Adults, 35 Juveniles and 7 Groups. Total membership of Newmarket Credit Union now stands at 5824.

Membership is open to all persons who reside or work within our Common Bond.

Membership shall be limited to and consist of the signatories to the application to register the credit union and such other persons having the following common bond: Of Residence or Employment in any of the parishes or postal districts of Newmarket, Boherbue, Ballydesmond, Meelin, as presently constituted.

To open an account with Newmarket Credit Union, new members are required to produce the 3 following items in document form.

Photographic ID
Current Valid Driving
Licence or Passport

Evidence of Address
Verification within the
last 6 months ***

Evidence of
PPS Number

€10 minimum deposit for your savings account

*****Evidence of Address Verification Bank Statement or Utility Bill, within the last 6 months**

Existing members may be required to provide up-to-date Photo ID, Address Verification and PPS numbers, in cases where the credit union does not already have these requirements in place, in order to comply with regulations.

If you have changed address recently, please notify the Credit Union to ensure that you continue to receive your statements and any other postage correspondence.

Members are strongly encouraged (where possible) to sign up to receive your correspondence by email (rather than by post), in order to reduce significant outlay on postage and the associated costs on a regular basis. This has obvious benefits to the environment. Please sign-up online or contact the office to arrange for online services.

Members can avail of other online services including our mobile phone app, transfer of funds and Loan Applications. **Members are warned to be alert at all times in relation to Fraud. Never click on links or share personal information. Always report suspicious activity to avoid fraud.**

Members' Shares with Newmarket Credit Union Ltd are protected by the Deposit Guarantee Scheme, while members also benefit, where eligible, for Death Benefit Insurance and Insurance Cover on their shares.

Credit Unions work to best serve their members and have for the tenth year running, won the best customer experience award in the annual CXi survey. The accessibility of credit unions and the ability to provide services to members and communities, make them unique.

The membership committee would like to thank the membership officer, staff and the board for their support and co-operation throughout the year.

Membership Committee

Conor O'Sullivan

Conor O'Sullivan

2024
NEW MEMBERS
145
TOTAL MEMBERS
5,824

2023
NEW MEMBERS
140
TOTAL MEMBERS
5,764



HELP US GO GREEN!

At Newmarket Credit Union, we are working hard to reduce our carbon footprint and you, our members can help us do so. There are certain notices that we are obliged to provide to members, such as our AGM report and annual statements.

We're asking you to help us reduce our carbon footprint by signing up to receive your AGM booklet, Statements and other member notices electronically via email.

Scan the QR code below to go paperless and help us go green!

SCAN
ME! >>>



 029 60426

 info@newmarketcu.ie

 newmarketcu.ie



WHETHER IT'S A NEW CAR,
BATHROOM OR GOING GREEN,
WE HAVE THE LOAN PRODUCT
FOR YOU...



THINK OF NEWMARKET CREDIT UNION FOR
ALL YOUR LENDING NEEDS!



Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future. T&Cs Apply. All loans are subject to approval. Newmarket Credit Union Limited is regulated by the Central Bank of Ireland.