



COMMUNITY IS OUR UNITY

2024

Annual General Report

peoplefirstcu.ie

Notice

Notice is hereby given that the Annual General Meeting (AGM) of People First Credit Union will take place on

Wednesday, 29th January 2025
Clanard Court Hotel
Registration 7.15pm | AGM 7.30pm SHARP

AGM begins 7.30pm SHARP.

Members are requested to bring their members books or Photo ID for registration and to enter prize giving's at our AGM. Members without books or Photo ID will be excluded from prize giving's and any member queries from the floor.

For GDPR Purposes we are informing our members that the AGM will be audio recorded on the night for minute taking purposes and Credit Union records.

Brigid Lalor, Secretary

AGM Agenda

- | | |
|-------------------------------------------|---------------------------------------------|
| 1. Credit Union Invocation | 14. Report of the Credit Control Committee |
| 2. Acceptance of proxies (if any) | 15. Report of the Board Oversight Committee |
| 3. Ascertainment of quorum | 16. Report of the Nominations Committee |
| 4. Adoption of standing orders | 17. Announcement of Student Scholarship |
| 5. Chairman's address/Report of Directors | 18. Motions |
| 6. David Malone address, CEO, ILCU | 19. Appointment of tellers |
| 7. CEO Report & Consideration of Accounts | 20. Elections and balloting |
| 8. Declaration of dividend | 21. Community Champions Award |
| 9. Auditor's report | 22. Cash Draw Winners Announcement |
| 10. Report of the Credit Committee | 23. Any other business |
| 11. Marketing Report | 24. Results of the elections |
| 12. Cash Draw Winners | 25. Close Meeting |
| 13. Report of the Membership Committee | |

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Update Your Account

In compliance with Criminal Justice Act 2010, People First Credit union are legally required to obtain identification documents from a member to verify their identity. This applies to members whose ID has expired.

Please provide the necessary documents to verify your ID and Proof of Address.

- Evidence of Identification (must contain date of birth and photo)
 - Valid Passport
 - Valid Driver's Licence
- Proof of Address (must show your full name, current address and be dated within the past 6 months)
 - Original Utility Bill (mobile phone bills not accepted)
 - Bank or Credit Card statement original or e-statement
 - Letter from Government Department



Board of Directors || Left to Right Back Row: Seán Dunne (CEO), Julian Nagi, Caroline Clarke, Gerald Preteau, Kevin Slattery
Front Row: Bridget Lalor (Secretary) , Clive Davis (Chair), Evelyn Dunne
Missing from image: Michéal Scully (BOC), Billy Fitzpatrick (BOC), Mary Crowley (BOC), JJ Carey (Vice-Chair), Mary Carmody

Dear Valued Members,

As Christmas approaches, I hope this message finds you and your loved ones in good health and spirits, the past few years have presented us with many challenges, but there's a growing sense of optimism for a brighter future. Sadly, unrest and division continue to impact many people across the globe, including here in Ireland, so it is crucial that we stand united against such negativity and embrace positivity and unity.

Locally, the Central Bank has placed increased emphasis on maintaining strong reserves to safeguard your finances against unforeseen events. As a Credit Union, our strength lies in our members, so I urge you to become ambassadors of our benefits and promote them to your family and friends, which will foster growth and solidify our position as a trusted financial partner for our community.

People First Credit Union is deeply committed to supporting our community through various initiatives. One notable recent event was our sponsorship of the Laois Volunteer Awards in October, where we celebrated the remarkable contributions of local volunteers who go above and beyond to make a difference. We are proud to have been a part of this initiative and look forward to the second year of the Community Champions Award, where we will grant €10,000 to an

outstanding project within our Common Bond. The high standard of applications we received this year is a testament to your unwavering commitment to supporting your community.

Volunteerism is the backbone of our Credit Union. On behalf of our members, I extend my heartfelt gratitude to the Board of Directors for their dedicated and selfless service. Their invaluable time and expertise ensures our continued success. To maintain diverse representation and fresh perspectives, I encourage you to consider volunteering for our Board or one of our Committees. Your involvement will be instrumental in shaping the future of our Credit Union. I also want to express my sincere appreciation to our CEO, Sean Dunne, and our staff for their unwavering commitment and tireless efforts.

Finally, I want to thank you, our valued members, for your ongoing support. Together, we can achieve our goals and build a more resilient community. We are stronger, together.

Wishing you and your family all the very best,

Clive Davis
Chairperson People First Credit Union

AGM Standing Orders

VOTING

1. Each Member shall be entitled to one vote irrespective of his/her shareholding in accordance with Standard Rule 104.

ELECTION PROCEDURE

2. Nominations may no longer be accepted from the floor.
3. Elections to the Board of Directors, to the Board Oversight Committee and to the position of Auditor shall be by majority vote and by secret ballot.
4. A Ballot Paper for the election of the Board of Directors and the Board Oversight Committee where applicable will be distributed to each Member at the AGM.

MOTIONS

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

MISCELLANEOUS

11. The Chairperson of the Board of Directors shall be the Chairperson of any general meeting, except where he/she is not available,

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

12. The Chairperson may at his discretion, extend the privilege of the floor to any person who is not a member.
13. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chairperson.
14. The Chairperson's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
15. In accordance with Rule 104, 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 shareholding, or the number of accounts in his name in the Credit Union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the Board of Directors.
16. Any matter to be decided upon by a vote of the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

SUSPENSION OF STANDING ORDERS

17. 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.

ALTERATION OF STANDING ORDERS

18. 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.

ADJOURNMENTS

19. Adjournments of the AGM shall take place only in accordance with Standard Rule 99.

Motions

Motion No. 1

That this Annual General Meeting in accordance with Rule 30 of the CU Standard Rules the proposal of dividend on shares of €129,048 (0.1%) in respect of the financial year ended 30th of September 2024.

Motion No. 2

That this Annual General Meeting the proposal to transfer €70,000 to our Community Funding Reserve, to be used by the credit union for social, cultural and charitable purposes in accordance with Section 44 of the Credit Union Act (as amended).

Credit Committee Report

This committee is appointed by the Board of Directors at their first meeting after the AGM. Until 1st October this committee consisted of Board of Directors but with new regulations introduced, this now consists of 3 staff members, one being CEO Sean Dunne. The committee meets monthly to review loan applications for the previous month, assess how the loan book is growing year on year and discuss new lending products and services to People First Credit Union. The Committee meet with Credit Control committee Yearly to review loans in arrears and discuss any trends and areas of concern. As the AGM report shows total gross loan books at €45,770,094. This is an increase of 16% in the year.

LOANS ISSUED YEAR 2023/24

We received 5305 in loan applications totalling €31,761,733. We approved 4565 applications totalling €25,831,917. We issued 4545 loans totalling €25,019,429, an increase of 18% on previous year. We want to say YES to as many

loan applications as we can. We approved 81% of applications in the past year. Online applications continue to be very popular with members. On average, two thirds of all loan applications were submitted Online from the app or online banking. Household Items and Car Purchase loans remain the most popular applications we received during the year. There has been an 8% increase in our mortgage loan book during the year and we continue to support our members to purchase their homes or switch from an existing provider.

MEMBERS BORROWING

Without loans we, as a Credit Union, wouldn't exist. Members who borrowed from People First Credit Union in 2023/24 compared to 2022/23 shows an increase of 1.7%. We will continue to proactively market our full loan suite to all members but also ask that all members to promote our loans to your friends and family. This is vital to the continued viability of our Credit Union as you can see in percentage of borrowing members has increased from 14.70% to 15.42% over this year.

Thank you for supporting your local Credit Union.

Scholarship awards

We give away €1,000 to one recently graduated Leaving Cert student from each of our seven secondary schools!

Apply Now

www.peoplefirstcu.ie



Board Oversight Committee Report

The Role of the Board Oversight Committee (BOC) is to monitor the activities of the Board of Directors (BOD) to ensure that they carry out their responsibilities as set out in the Credit Union Act, and in particular that the board complies with Part 4 of the Act. The role of the BOC is not to question or criticise decisions taken by the BOD after discussion at a board meeting, but to ensure that the decisions are compliant with the Act. At least one member of the BOC attends every board meeting as an observer, but they do not take part in the discussions unless invited to speak by the Chairperson of the board and then it's usually on a point of information.

The BOC reports to the BOD on a quarterly basis giving an appraisal of how the board is performing in a particular area of governance. These appraisal reports are presented to the BOD immediately before a scheduled Board meeting four times per year. Board members can ask questions and comment on the contents of the report and the Chairperson gives a written response to the BOC.

The BOC can also attend as an observer at any meeting of the various committees of the credit union. BOC members have to complete annual mandatory training like all other officers and volunteers in the credit union.

The BOC 2024 comprised three members: Chairperson, Secretary and Ordinary Member. In the past 12 months the BOC has attended a cross section of Committee meetings in an observational capacity. The BOC meets on a regular basis and has met with the board on four occasions to present quarterly reports. The BOC has found that the Board is acting in compliance with part four of the Act.

Mary Crowley
Chairperson BOC



EXCLUSIVE CREDIT UNION MEMBERS OFFERS 2025

- ✓ Bed & Breakfast ✓ Evening Meals
- ✓ Free Access to Leisure Facilities ✓ Free Entertainment

FEBRUARY SPECIALS

2 nights B&B + 2 Evening Meals Arrive: 11 th , 12 th or 26 th Feb '25	from €175pps
4 nights B&B + 3 Evening Meals Arrive: 9 th or 10 th Feb '25	from €289pps

Terms & Conditions apply, Standard cancellation policies apply. Subject to availability,
For single occupancy bookings: €26 Single Supplement per night.

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Membership Committee Report

The membership committee is made up of six staff members who represent all offices. The membership committee's main role is to oversee and approve all new membership applications. The committee meet quarterly to discuss any issues that may arise and to review and make recommendations for PFCU's membership policy.

To be eligible to become a member of People first Credit Union, you must be either living, working, or studying within our Common bond. This Common bond consists of a radius of 11.26KM from Athy, 9.6km from Abbeyleix, 9.6km from Portlaoise and Stradbally.

All new membership applications are thoroughly checked to ensure compliance with Data Protection and anti-money Laundering legislation as well as PFCU Membership Policy.

We would like to take this opportunity to thank all our existing members for assisting us in updating their accounts for the compliance of anti-money laundering legislation purposes in the past year. During 2023/2024 we welcomed 1325 new members to the Credit Union, of which 288 were Minors. Both the Onboarding which is our online application process and counter applications continue to be popular and are screened and processed by our Member Services Team. Trish Farrell reviews and approves new online membership and new current account Applications which saw 461 new accounts this year. We are continuing to focus on reactivating dormant accounts and have reactivated or reopened 717 accounts during the year. Apart from our saving services, the other main reason to become a member is our lending facilities. We now offer Mortgages up to 350k, Cultivate Farming loans and Business loans, along with our very popular personal, car and home improvements loans.

Of the 1325 new members welcomed during the past year, 212 have availed of our lending facilities and currently hold loans to the value of €2.1 million.

To conclude, I would like to thank all the staff, the Board of directors and the Board Oversight Committee for their assistance over the past year. I would also like to thank the committee for all their hard work and support throughout the year. The committee members are Trish Farrell, Claire Brophy, Sandra Bergin, Grainne Ryan, Tina McGuirk, and Rachel Whelan.



Marketing Report

As we reflect on the past year, I am proud to share the successes and milestones achieved by the Marketing Department at People First Credit Union. This has been a year of remarkable growth, deepened community connections, and enhanced services for our members.

GROWTH IN THE LOAN BOOK

Our targeted campaigns and promotional efforts have driven substantial growth in our loan book:

TOTAL GROSS LOAN BOOK €45,770,094

INCREASE COMPARED TO 2023 16.73%

THE LAUNCH OF OUR STUDENT 360 LOAN

COMMUNITY LOAN LAUNCHED



WE RAISED OUR MORTGAGE LENDING TO **€350,000** HELPING MORE MEMBERS ACHIEVE THEIR HOMEOWNERSHIP DREAMS

YEAR ON YEAR GROWTH **18%**



YOUTH ENGAGEMENT

This year, we placed a strong emphasis on empowering and supporting young people in our community:

- At last year's AGM, we awarded **7 x €1,000 scholarships** to deserving students, and we look forward to helping another **7 students** at this year's AGM.
- In **April**, we hosted a **free evening for students and parents**, titled "Preparing for Leaving Cert and Going to College". This event provided valuable insights into the CAO process, managing finances, and preparing for college life, featuring expert speakers and engaging discussions.
- To complement these efforts, we launched the **Student 360 Loan**, providing flexible financing for education-related expenses.



COMMUNITY SUPPORT

People First Credit Union remains steadfast in our commitment to supporting local communities:

- We proudly sponsored the **Community and Voluntary Awards** again in **November 2023**, where we announced a **€10,000 award** with Portlaoise Tidy Towns picking up the award at last year's AGM.

THIS YEAR'S FINALISTS ARE
Abbeyleix Community Garden
Athy Sing & Sign
Ballinakill Community Development CLG
 The winner will be revealed at the AGM.

- Our **Community Funding Program** provided **€37,883.25** to **26 local community groups** and an additional **€14,000** to our **Community Champion Winner and Finalists**.

MEMBER FOCUS: ABBEYLEIX

We dedicated a significant focus to engaging our members in **Abbeyleix**, hosting:

- A coffee morning at Polly's Abbeyleix with free coffee and exciting competitions.
- A membership drive day at the Abbeyleix Branch, featuring face painting, ice cream for kids, and a warm welcome for new members.
- Distribution of thousands of promotional leaflets to Abbeyleix homes and surrounding areas, highlighting our wide range of services.
- Surveying our Abbeyleix Membership.
- We also gave money back to local community groups, for every new account that was opened we gave €10 to a local club of the members choice.

SERVICES

This year saw the launch of new services designed to provide additional value to our members:

- We announced a **collaboration with Allianz**, offering members exclusive savings on car, home, and pet insurance with big discounts across all areas.
- We also introduced **Community Loans**, enabling members to access financing for local initiatives and projects, further demonstrating our commitment to building stronger communities.

MEMBER ENGAGEMENT INITIATIVES

This year saw the launch of new services designed to provide additional value to our members:

Engaging with our members remains at the heart of everything we do:

- We launched our first **bi-monthly newsletter**, emailed to thousands of members featuring updates, competitions, and useful financial tips. Members can sign up via our website at www.peoplefirstcu.ie/newsletter or in their local branch.
- Our **Annual Art Competition** received a record number of entries from both primary and secondary school students, showcasing the immense talent in our community.



AWARDS AND RECOGNITION

We were proud to achieve the following milestones this year:

- **No.1 in the CXi Award for 10 consecutive years**, reflecting our commitment to exceptional member experiences.
- Finalist in the **All Ireland Credit Union Awards** for our **Community Champion Initiative**, a testament to our impactful work in supporting local projects.

LOOKING AHEAD

As we move into 2025, we remain committed to innovation, community support, and member engagement. Together, we will continue to grow and strengthen People First Credit Union as the trusted financial partner for our community.

Carol Murphy
Marketing Manager
People First Credit Union

Business Development

BUSINESS DEVELOPMENT

This year we saw the launch of our Community Loan which is designed specifically for community groups. For larger scale finance projects, we can co-fund in collaboration with Community Finance Ireland. We want to remind groups that we support projects across a wide range of areas, including: Sports & Recreation, Culture & Heritage Arts, Health of the Community, Youth, Welfare & Amenities and groups involved with the Natural Environment.

AGRICULTURAL LOAN

Our Cultivate Agricultural loans is proving a very popular option for farmers. Throughout the year we saw growth in the amount of loan applications received and the average loan value increased to €33,133 in comparison to €23,859 on the previous year. We provided more loans to dairy farmers with Spring time been our busiest period. The most popular purpose for Cultivate Agri loans was for stocking & working capital, highlighting the ongoing pressures facing farmers due to sustained

high input costs. Our agri loan offers farmers another option when it comes to farm finance, the rate is fixed no security required and no penalties for early or lump-sum repayments.

BUSINESS LOANS

In relation to our SME Business Loans we saw further growth, as the average loan value increased to €15,625 in comparison to €11,000 on the previous year. People First want to help more businesses throughout our area and as a result we engaged with business owners and networking groups in getting our message out there! Your local Credit Union offers business loans of up to €200,000 at a competitive fixed rate with no admin fees, penalties or charges. If you are a sole trader, a partnership or a limited company, talk to us about a great value, flexible business loan. Throughout the year Business Development has worked on many research campaigns using the Holmes member analysing software. This was particularly useful for the Abbeyleix marketing campaign, which was rolled out during the summer. The campaign's focus was to increase membership and loan uptake for the Abbeyleix area.

CEO Review



The staff, management and I would like to wish all our members a very happy and prosperous 2025. I am glad to be able to report that your credit union had a positive 2023/24 and we continue to build a stronger credit union on your behalf. Your credit union remains the strong non-profit, non-discriminatory, democratic and member owned institution we have always been. And while most banks don't want you to call to their offices, if they have an office, PFCU is always happy to welcome our members in office or online.

MEMBERS

2023/24 has been another busy year for member services. We have continued to promote and develop our Current Account offering. Our Financial Advisory Service (in partnership with Irish Life) has been well received by members borrowing from PFCU and in June 2024 we launched our Home, Pet and Car Insurance in association with Allianz. With our commitment to financially educate our membership, PFCU recommends that all members should undertake a financial health check every couple of years.

So, why not contact a member of PFCU staff and we can arrange this free non-committal review for you.

Unfortunately, financial Fraud is growing, and PFCU is doing our bit to remind our members to be alert. During the year PFCU has run Fraud Awareness training weeks to help members identify fraudulent activity. The criminals are getting more and more sophisticated year on year and sadly more people are getting caught. As a credit union we ask our members to contact us immediately if they think their financial information has been compromised. Our website also carries good guidance on fraud awareness under the "Community" tab.

Again, this year we have been busy out and about meeting members. Our marketing manager Carol Murphy will report on this separately. 2024 has been a very busy year in lending and we have seen our loan book grow by €6,388,941 to stand at €45,384,467. This will have a very positive impact on future income for PFCU allowing us issue dividends and to develop further. We continue to expand and develop our mortgage applications, SME loan applications and Agri loan applications. These loans are helping us drive loan growth while meeting a societal need for finance in these areas. Our Business Development Officer Belinda Gyves continues to promote our activities calling to farmers and businesses within our common bond. And PFCU once again took a stand at the ploughing championships 2024. If you are a self-employed or are a farming member, please consider PFCU for your business finance. If you are looking to purchase a family home, please also consider your Credit Union.

PFCU continues to maintain a savings cap of €30,000 on member's shares. We will need to maintain this cap for the foreseeable future to ensure we meet our Regulatory Reserve requirements. It is hoped, as we continue to build our reserves, in the coming years we will be able to lift the cap.

Thank you for your continued support and we hope to engage with you in office, online or on our app over the coming year.

OUR OFFICES

It was with great relief we finally managed to remove the scaffolding from the front of Portlaoise office revealing our new Granite facade. Abbeyleix office front has been repainted and we also repainted our Athy offices inside and out. We are also making changes to our Stradbally office early in 2025 so watch our social media for more information on this.

FINANCIALS

The financials show it was another solid year for PFCU with a surplus achieved being €689,188 for the year ending 30th September 2024. All key indicators are pointing in the right direction with both loan interest and investment returns growing. PFCU continues to experience high costs for doing business in Ireland. We continue to see rises in employment costs (due to Ireland's near full employment market) and IT costs as our business develops. Central Bank levies and Member insurance remain large expenses.

I would like to reassure members that your credit union is strong and viable with Reserves of €21,059,698 and total assets of €160,076,224.

COMPLIANCE, RISK MANAGEMENT AND DATA PROTECTION

PFCU continues to develop our Compliance, Risk and Data Protection functions insuring we meet all regulatory and legislative requirements. Workload in these areas continues to increase and we can confirm that we have the necessary resources in place to meet our obligations.

IT DEVELOPMENTS

Development of a new Mobile App and Online platform are well advanced with delivery to commence in early 2025. We are committed to the roll out of digital signing pads in all offices so as to reduce our paper usage and this should also roll out early in 2025.

OUR TEAM

I would like to acknowledge and thank our volunteers and staff for their performance and effort during 2023/24. PFCU recruited two new staff members during the year, and I would like to welcome them to the credit union and compliment

them on their seamless integration. We also said a fond farewell to three long term staff being Susan Cooney (Athy Office), Myra Duff (Abbeyleix Office) and Deirdre Walsh (Portlaoise Office). We wish them well in the next chapter of their life.

CLIMATE AND PFCU

PFCU's Climate Action Committee continues to build momentum working on Green initiatives within the credit union. We had energy audits carried out on our Athy and Portlaoise offices and have recently upgraded our heating system in Portlaoise office on the back of these findings. PFCU is currently exploring options for Solar panels and battery back-up and intend to move on these in 2025. Members can help PFCU meet our Green commitments by signing up for our emailed AGM pack. Help us to help the climate.

CONCLUSION

PFCU has had a good performance in 2024 and remains a strong credit union committed to the financial wellbeing of its members. Our loan book is growing well, and we will continue to build on this success. We continue to broaden our financial services offering and to offer in-person or online engagement to you, our members. Log into our website at www.peoplefirstcu.ie for full information on all our services, or phone our Member Services Team on 057 862 2594 who will be happy to help you.

We thank you our members, for engaging with us and making use of our services, we cannot develop and grow without the help of our members. So, we ask you all of you to contact us for all your financial service needs and spread the good word about People First Credit Union.

Thank you.



Seán Dunne
CEO

Members Cash Draw Report 2023/2024

Members Draw Income and Expenditure Account

Income	€10,122
Opening Balance 1st Oct 2023	
Members Entry fees	€220,440
Expenditure	
Prizes to Cash Draw Winners	€214,100
Less spot Prizes at cash draw event & Marketing Material	€1,077
Less Marketing expenses	
Closing Balance 30th Sept 2024	€15,386
Balance as per TB	€15,386

Closing Balance of €15,300 will be used at our Annual Bumper Draw.

Top Prize Winners of Members Draw

Month	Name
October 2023	David O'Connor
November 2023	Patrick Kennedy
December 2023	Danya Graham
January 2024	Hazel Gorman
February 2024	Bernadette Fennell
March 2024	Pauline Lynch
April 2024	Antony Conroy
May 2024	Sandra O'Neill
June 2024	William Harrington Jnr
July 2024	Sheila Carter
August 2024	Eoghan Fennelly
September 2024	Ma Luisa O'Neill



General Information

Directors	Clive Davis (Chair) Evelyn Dunne Mary Carmody Julian Nagi JJ Carey (Vice-Chair) Caroline Clarke Gerald Preteau Kevin Slattery	Registered Office	James Fintan Lalor Avenue, Portlaoise, Co. Laois
Board Secretary	Brigid Lalor	Auditors	Grant Thornton, Mill House, Henry Street, Limerick, V94 K6HH, Ireland
Board Oversight Committee	Mary Crowley Micheál Scully Billy Fitzpatrick	Bankers	AIB Bank, Lyster Square, Portlaoise
Company Number	137CU	Solicitors	Bolger, White, Egan and Flanagan, Lismard Court, Portlaoise, Co. Laois



Directors' 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 acknowledge 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

The directors are proposing a dividend in respect of the financial year ended 30 September 2024 of €129,048 (0.10%) (2023: €130,010 (0.10%)).

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.

Lack of loan demand

Lending is the principle activity of the credit union and the credit union is reliant on it for generating income to cover costs and generate a surplus.

Market risk

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

Liquidity risk

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.

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 with the credit union or from external events.

Global macro-economic risk

There is an economic and operational risk relating to disruption to global supply chains and a general uncertainty in the markets as a result of the changing geopolitical landscape.

These risks and uncertainties are managed by the board of directors as follows:

Credit risk

In order to manage this risk, the board of directors regularly reviews and approves the credit union's credit lending policy. All loan applications are assessed with reference to the credit 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.

Lack of loan demand

The credit union provide lending products to its members and promote these products through various marketing initiatives.

Market risk

The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

Liquidity risk

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due.

Operational risk

The operational risk of the credit union is managed through the employment of suitably qualified staff to ensure appropriate processes, procedures and systems are implemented and are further supported with a robust reporting structure.

Global macro-economic risk

The board of directors and management closely monitor the disruption to global supply chains and markets and continue to take appropriate actions to mitigate any possible adverse effects on the credit union.

Accounting records

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of

account of the credit union are maintained at the credit union's premises at James Fintan Lawlor Avenue, Portlaoise, Co. Laois.

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 Grant Thornton offer themselves for re-election.

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



Chairperson of the board of directors



Member of the board of directors

Date: 18th December 2024



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We offer mortgages up to €350,000 and a dedicated Mortgage Advisor with you every step of the way.

 **Apply Now**
www.peoplefirstcu.ie

Directors' responsibilities statement

For the financial year ended 30 September 2024

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations. The directors have elected to prepare the financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). The directors are also responsible for preparing the other information included in the annual report. The Credit Union Act, 1997 (as amended) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the credit union and of the income and expenditure of the credit union for that period.

In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reason for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.

The directors are responsible for ensuring that the credit union keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the credit union, enable at any time the assets, liabilities, financial position and income and expenditure of the credit union to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Credit Union Act, 1997 (as amended) and enable the financial statements to be audited. They are also responsible for

safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the credit union's website.

On behalf of the board:



Chairperson of the board of directors



Member of the board of directors

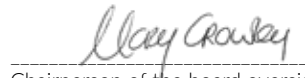
Date: 18th December 2024

Board oversight committee's responsibilities statement

For the financial year ended 30 September 2024

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

On behalf of the board oversight committee:



Chairperson of the board oversight committee

Date: 18th December 2024

Independent auditor's report to the members of People First Credit Union Limited

Opinion

We have audited the financial statements of People First Credit Union Limited for the financial year ended 30 September 2024, which comprise:

- the Income and expenditure account;
- the Statement of other comprehensive income;
- the Balance sheet;
- the Statement of changes in reserves;
- the Statement of cash flows; and
- the related notes 1 to 30, including a summary of significant accounting policies as set out in note 2.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law including the Credit Union Act, 1997 (as amended) and accounting standards issued by the Financial Reporting Council including FRS 102 (as amended) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, People First Credit Union Limited's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2024 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements

in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 director's use of 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

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

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

Independent auditor's report to the members of People First Credit Union Limited (continued)

Other information(continued)

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 on the other information, 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.

Matters on which we are required to report by the Credit Union Act, 1997 (as amended)

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

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

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial

statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102 (as amended), and for such internal control as they determine 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 intends to liquidate the credit union or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 their 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.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgement and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the credit union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the credit union's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future

events or conditions may cause the credit union to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

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

This report is made solely to the credit union's members, as a body, in accordance with section 120 of the Credit 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.



Michael Nolan FCA
for and on behalf of Grant Thornton
Chartered Accountants & Statutory Audit Firm
Limerick
Date: 18th December

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INCOME & EXPENDITURE ACCOUNT

For the financial year ended 30 September 2024

	Schedule	2024 €	2023 €
Income			
Interest on members' loans	1	3,323,002	2,958,688
Other interest income and similar income		<u>1,668,285</u>	<u>1,329,216</u>
Net interest income		4,991,287	4,287,904
Other income	2	<u>108,215</u>	<u>189,085</u>
Total income		<u>5,099,502</u>	<u>4,476,989</u>
Expenditure			
Employment costs		1,869,054	1,810,994
Other management expenses	3	2,184,526	2,180,293
Depreciation		102,554	94,698
Net impairment loss/(gain) on loans to members (note 5)		<u>254,180</u>	<u>(52,191)</u>
Total expenditure		<u>4,410,314</u>	<u>4,033,794</u>
Surplus for the financial year		<u>689,188</u>	<u>443,195</u>

The financial statements were approved and authorised for issue by the board and signed on behalf of the credit union by:



Member of the board of directors
Date: 18th December 2024



CEO

STATEMENT OF OTHER COMPREHENSIVE INCOME

For the financial year ended 30 September 2024

	2024 €	2023 €
Surplus for the financial year	689,188	443,195
Other comprehensive income	-	-
Total comprehensive income for the financial year	<u>689,188</u>	<u>443,195</u>

The financial statements were approved and authorised for issue by the board and signed on behalf of the credit union by:



Member of the board of directors
Date: 18th December 2024



CEO

The notes on pages 30 to 45 form part of these financial statements.

BALANCE SHEET

As at 30 September 2024

	Notes	2024 €	2023 €
Assets			
Cash and balances at bank	6	3,209,591	3,573,742
Deposits and investments – cash equivalents	7	31,447,570	22,500,531
Deposits and investments – other	7	79,348,128	90,331,103
Loans to members	8	45,384,467	38,995,526
Provision for bad debts	9	(2,163,547)	(2,000,417)
Members' current accounts overdrawn	15	6,752	6,147
Tangible fixed assets	10	1,554,128	1,590,992
Equity investment	11	40,000	-
Investments in associates	12	296,250	265,000
Debtors, prepayments and accrued income	13	<u>952,885</u>	<u>915,276</u>
Total assets		<u>160,076,224</u>	<u>156,177,900</u>
Liabilities			
Members' shares	14	134,254,208	131,444,521
Members' deposits	15	4,433,692	3,549,781
Members' current accounts	16	310,854	639,505
Other liabilities, creditors, accruals and charges	17	<u>17,772</u>	<u>13,932</u>
Other provisions			
Total liabilities		<u>139,016,526</u>	<u>135,647,739</u>
Reserves			
Regulatory reserve	19	16,817,539	16,817,539
Operational risk reserve	19	2,120,417	2,120,417
Other reserves			
- Realised reserves	19	1,877,152	1,384,422
- Unrealised reserves	19	<u>244,590</u>	<u>207,783</u>
Total reserves		<u>21,059,698</u>	<u>20,530,161</u>
Total liabilities and reserves		<u>160,076,224</u>	<u>156,177,900</u>

The financial statements were approved and authorised for issue by the board and signed on behalf of the credit union by:



Member of the board of directors
Date: 18th December 2024



CEO

The notes on pages 30 to 45 form part of these financial statements.

STATEMENT OF CHANGES IN RESERVES

For the financial year ended 30 September 2024

	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
As at 1 October 2022	16,578,616	2,122,917	1,212,587	173,521	20,087,641
Surplus for the financial year	238,923	-	170,010	34,262	443,195
Payment from reserves	-	-	(675)	-	(675)
Transfers between reserves	-	(2,500)	2,500	-	-
As at 1 October 2023	16,817,539	2,120,417	1,384,422	207,783	20,530,161
Payment of dividends	-	-	(129,058)	-	(129,058)
Surplus for the financial year	-	-	652,381	36,807	689,188
Payment from reserves	-	-	(30,593)	-	(30,593)
As at 30 September 2024	16,817,539	2,120,417	1,877,152	244,590	21,059,698

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2024 was 10.51% (2023: 10.77%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2024 was 1.32% (2023: 1.36%).

The notes on pages 30 to 45 form part of these financial statements.



STATEMENT OF CASH FLOWS

For the financial year ended 30 September 2024

	Notes	2024 €	2023 €
Opening cash and cash equivalents		26,074,273	20,614,618
Cash flows from operating activities			
Loans repaid by members	8	18,244,861	16,816,371
Loans granted to members	8	(25,019,429)	(21,163,401)
Interest on members' loans		3,323,002	2,958,688
Other interest income and similar income		1,668,285	1,329,216
Bad debts recovered and recoveries	5	294,577	330,372
Other receipts		108,215	95,473
Members' current account lodgements	15	23,410,065	19,926,055
Members' current account withdrawals	15	(22,528,286)	(18,218,684)
Operating expenses		(4,052,053)	(3,991,287)
Payment of dividends	23	(129,058)	-
Other disbursements		(30,593)	(675)
Movement in other assets and liabilities		(362,420)	61,737
Net cash flows from operating activities		(5,072,834)	(1,856,135)
Cash flows from investing activities			
Fixed asset (purchases)/disposals	10	(65,690)	58,417
Equity investment	11	(40,000)	-
Investments in associates	12	(31,250)	-
Net cash flow from other investing activities		10,982,975	5,985,434
Net cash flows from investing activities		10,846,035	6,043,851
Cash flows from financing activities			
Members' shares received	14	71,699,104	64,195,222
Members' deposits received	14	(68,889,417)	(62,923,283)
Net cash flow from financing activities		2,809,687	1,271,939
Net increase in cash and cash equivalents		8,582,888	5,459,655
Closing cash and cash equivalents	6	34,657,161	26,074,273

The notes on pages 30 to 45 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

1. Legal and regulatory framework

People First Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at James Fintan Lawlor Avenue, Portlaoise, Co. Laois.

2. Accounting policies

2.1 Basis of preparation of financial statements

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 United Kingdom and the Republic of Ireland and Irish statute comprising of the Credit Union Act, 1997 (as amended). The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Euro (€) which is also the functional currency of the credit union.

The following principal accounting policies have been applied:

2.2 Statement of compliance

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

2.3 Going concern

After reviewing the credit union's projections, the directors have a 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.

2.4 Income

Interest on members' loans

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

Deposit and investment income

Deposit and investment income is recognised on an accruals basis using the effective interest method.

Other income

Other income is recognised on an accruals basis.

2.5 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.

2.6 Deposits and 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 uncollectability.

Central Bank deposits

Credit unions are obliged to maintain certain minimum deposits with the Central Bank but may also hold an excess over the regulatory minimum. The regulatory minimum deposits are technically assets of the credit union but to which the credit union has restricted access. The regulatory minimum portion will not ordinarily be returned to the credit union while it is a going concern and is separately identified in note 7, Deposits and investments - other. Funds held with the Central Bank in excess of the regulatory minimum requirements are fully available to the credit union and are therefore treated as cash equivalents and

are separately identified in note 7, Deposits and investments – cash equivalents. The amounts held on deposit with the Central Bank are not subject to impairment reviews.

Investments at fair value

Investments designated on initial recognition as non basic are recognised at fair value. They are subsequently measured at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account.

2.7 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.

Loans are derecognised when the right to receive cash flows from the asset has expired, usually when all amounts outstanding have been repaid by the member.

2.8 Provision for bad debts

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of economic factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt 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.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The credit union adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the credit union. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the income and expenditure account during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold premises

2% straight line per annum

Short leasehold property

Over the lesser of the useful economic life and the remaining term of the lease

Fixtures and fittings

15% straight line per annum

Office equipment

20% straight line per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income and expenditure account.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 September 2024

2. Accounting policies (continued)

2.10 Equity investment

For the financial year ended 30 September 2024

Equity investment made by the credit union is accounted for at cost less impairment.

2.11 Investments in associates

Investments in associates are accounted for at cost less impairment.

2.12 Impairment of assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income and expenditure account. If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income and expenditure account.

2.13 Other receivables

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

2.14 Financial liabilities – members' savings

Members' savings are redeemable and therefore are classified as financial liabilities. They are initially

recognised at the amount of cash deposited and subsequently measured at amortised cost.

2.15 Financial liabilities – members' current accounts

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

2.16 Other payables

Short term other liabilities, creditors, accruals and charges are measured at the transaction price.

2.17 Pension

People First Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme) ("the Scheme"). This is a funded defined benefit scheme with assets managed by the Scheme's trustees. The ILCU is the principal employer of the Scheme and People First Credit Union Limited is a participating employer. The Scheme is a multi-employer defined benefit scheme and there is insufficient information for the credit union to separately identify its share of the Scheme's underlying assets and liabilities. Consequently, the Scheme is currently accounted for as a defined contribution plan. If an agreement is entered into with the Scheme that determines how People First Credit Union Limited will fund a past service deficit, the credit union shall recognise a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit). Refer to note 27 for further detail.

The credit union also operates a defined contribution pension scheme. The assets of this scheme are held separately from those of the credit union in independently administered funds. Employer contributions to the scheme are charged to the income and expenditure account in the period to which they relate. The amount payable at the year end in respect of same was €12,681 (2023: €12,794).

2.18 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.

2.19 Derecognition of financial liabilities

Financial liabilities are derecognised when the obligations of the credit union specified in the contract are discharged, cancelled or expired.

2.20 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 per cent of the assets of the credit union. In instances where the credit union has been approved for long term lending, a minimum of 12.5 per cent is required. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

2.21 Operational risk reserve

Section 45(5)(a) of the Credit Union Act, 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 calculated the operational risk reserve requirement by reference to the predicted impact of operational risk events that may have a material impact on the credit union's business.

In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

2.22 Other reserves

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are subdivided into realised and unrealised. The credit union has established a community fund reserve to be used by the credit union for social, cultural and charitable purposes in accordance with section 44 of the Credit Union Act, 1997 (as amended) and this is included in realised reserves. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as unrealised and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that interest on loans receivable at the balance sheet date and the balance of the SPS refund receivable is also classified as unrealised and is not distributable. All other income is classified as realised.

2.23 Distribution policy

Dividends and loan interest rebates are made from the current year's surplus or reserves set aside for that purpose. The board's proposed dividends and loan interest rebates to members each year is based on the distribution policy of the credit union.

The rate of dividends and loan interest rebates recommended by the board will reflect:

- the risk profile of the credit union, particularly in its loan and investments portfolios;
 - the board's desire to maintain a stable rather than a volatile rate of dividend each year; and
 - members' legitimate dividend and loan interest rebate expectations;
- all dominated by prudence and the need to sustain the long-term welfare of the credit union.

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

NOTES TO THE FINANCIAL STATEMENTS

(continued)

For the financial year ended 30 September 2024

2. Accounting policies (continued)

The credit union accounts for dividends and loan interest rebates when members ratify such payments at the Annual General Meeting.

2.24 Taxation

The credit union is not subject to income tax or corporation tax on its activities.

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

For the financial year ended 30 September 2024

Preparation of the financial statements requires the directors to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the year end was €1,554,128 (2023: €1,590,992).

Provision for bad debts

The credit union's accounting policy for impairment of loans is set out in note 2.8. 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 at the year end was €2,163,547 (2023: €2,000,417) representing 4.77% (2023: 5.13%) of the total gross loan book.

Investments in associates

The investments in associates represents the credit union's investment in MetaCU Management Designated Activity Company. This investment was made for operational purposes. The credit union holds 6.25% Redeemable A Ordinary shares in the company and through the terms of the shareholders agreement agreed between each of the participating credit unions, the credit union is deemed to have influence over the operations of this company. Therefore the investment has been accounted for as an investment in an associate.

Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have developed an approach to the calculation of the operational risk reserve. In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended). The operational risk reserve of the credit union at the year end was €2,120,417 (2023: €2,120,417).

Pension

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

- Scheme assets are not segregated or tracked by contributing employers. There is insufficient information to appropriately allocate the assets to individual employers as contributions paid are pooled in a single fund and none of the contributing employers have separately segregated asset pools.
- Orphan members are those members (including pensioners) who previously contributed to the scheme where their employer has paid an exit cost and as a result has no further liability to the scheme. A pension liability continues to exist for these individual members. There is uncertainty around where the obligation rests in respect of orphan members currently and into the future.
- The Funding Plan calculations are based on each employer's share of liabilities at a point in time. This does not infer that each employer is contributing towards its liabilities. The determination of the contribution rate is a point in time assessment and is not updated subsequently for changes in the employers' liability that may occur in the future.

4. Key management personnel compensation

The directors of the credit union are all unpaid volunteers. The key management personnel compensation is as follows.

	2024	2023
	€	€
Short term employee benefits paid to key management	513,921	492,729
Payments to pension schemes	46,121	41,156
Total key management personnel compensation	560,042	533,885

5. Net impairment loss/(gain) on loans to members

	2024	2023
	€	€
Bad debts recovered	(265,199)	(301,768)
Impairment of loan interest reclassified as bad debt recoveries	(29,378)	(28,604)
Movement in bad debts provision during the year	163,130	63,339
Loans written off during the year	385,627	214,842
Net impairment loss/(gain) on loans to members	254,180	(52,191)

6. Cash and cash equivalents

	2024	2023
	€	€
Cash and balances at bank	3,209,591	3,573,742
Deposits and investments – cash equivalents (note 7)	31,447,570	22,500,531
Total cash and cash equivalents	34,657,161	26,074,273

Subsequently, as the profile of the scheme continues to change, there will continue to be a natural cross subsidisation.

Consequently, People First Credit Union Limited continues to account for the plan as a defined contribution plan.

Adoption of going concern basis for financial statements preparation

The credit union continues to closely monitor developments within the global macro-economic environment. The directors have prepared projections and cash flows for a period of at least twelve months from the date of the 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 30 September 2024

7. Deposits and investments

For the financial year ended 30 September 2024

	2024 €	2023 €
Deposits and investments – cash equivalents		
Accounts in authorised credit institutions (Irish and non-Irish based)	13,610,520	8,010,520
Central Bank deposits	1,577	19,713
Irish and EEA state securities	17,835,473	8,528,159
Other investments	-	5,942,139
Total deposits and investments – cash equivalents	<u>31,447,570</u>	<u>22,500,531</u>
Deposits and investments – other		
Accounts in authorised credit institutions (Irish and non-Irish based)	32,000,000	51,000,000
Bank bonds	42,099,800	35,112,385
Central Bank deposits	1,251,724	1,228,588
Other investments	3,996,604	2,990,130
Total deposits and investments – other	<u>79,348,128</u>	<u>90,331,103</u>
Total deposits and investments	<u>110,795,698</u>	<u>112,831,634</u>

The rating category of counterparties with whom the investments were held at 30 September 2024 and 30 September 2023 is as follows:

	2024 €	2023 €
Aaa	-	5,942,139
Aa2	17,835,473	9,528,159
Aa3	17,870,660	9,277,879
A1	41,823,177	53,842,522
A2	9,986,267	13,983,292
A3	11,018,308	9,000,000
Baa1	5,000,000	5,000,000
Baa2	5,004,237	-
Baa3	-	5,009,342
NR	1,004,275	-
Central Bank	1,253,301	1,248,301
Total	<u>110,795,698</u>	<u>112,831,634</u>



8. Financial assets – loans to members

	2024 €	2023 €
As at 1 October	38,995,526	34,863,338
Loans granted during the year	25,019,429	21,163,401
Loans repaid during the year	(18,244,861)	(16,816,371)
Gross loans and advances	<u>45,770,094</u>	<u>39,210,368</u>

Bad debts

Loans written off during the year	(385,627)	(214,842)
As at 30 September	<u>45,384,467</u>	<u>38,995,526</u>

9. Provision for bad debts

	2024 €	2023 €
As at 1 October	2,000,417	1,937,078
Movement in bad debts provision during the year	163,130	63,339
As at 30 September	<u>2,163,547</u>	<u>2,000,417</u>

The provision for bad debts is analysed as follows:

	2024 €	2023 €
Grouped assessed loans	2,163,547	2,000,417
Provision for bad debts	<u>2,163,547</u>	<u>2,000,417</u>

10. Tangible fixed assets

	Freehold Premises €	Short leasehold property €	Fixtures and fittings €	Office equipment €	Total €
Cost					
1 October 2023	1,991,540	20,066	635,601	1,179,464	3,826,671
Additions	-	-	-	65,690	65,690
Disposals	-	-	-	-	-
As at 30 September 2024	<u>1,991,540</u>	<u>20,066</u>	<u>635,601</u>	<u>1,245,154</u>	<u>3,892,361</u>
Depreciation					
1 October 2023	558,187	20,066	612,266	1,045,160	2,235,679
Charge for the year	39,831	-	11,361	51,362	102,554
Disposals	-	-	-	-	-
As at 30 September 2024	<u>598,018</u>	<u>20,066</u>	<u>623,627</u>	<u>1,096,522</u>	<u>2,338,233</u>
Net book value					
As at 30 September 2024	<u>1,393,522</u>	<u>-</u>	<u>11,974</u>	<u>148,632</u>	<u>1,554,128</u>
As at 30 September 2023	<u>1,433,353</u>	<u>-</u>	<u>23,335</u>	<u>134,304</u>	<u>1,590,992</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 30 September 2024

11. Equity investment For the financial year ended 30 September 2024

Cost	€
As at 1 October 2023	0
Initial investment	40,000
As at 30 September 2024	40,000

Accumulated impairment

As at 1 October 2023 and 30 September 2024	-
--------------------------------------------	---

Net book value

As at 30 September 2024	40,000
--------------------------------	---------------

As at 30 September 2023

The equity investment represents an investment made by the Credit Union in CU Mortgage Services Designated Activity Company, a company with registered number 755686, and having its registered office at Suite 28, Morrison Chambers, 32 Nassau Street, Dublin, D02 XF22.

12. Investments in associates

Cost	€
As at 1 October 2023	265,000
Additions	31,250
As at 30 September 2024	296,250

Accumulated impairment

As at 1 October 2023 and 30 September 2024	-
--------------------------------------------	---

Net book value

As at 30 September 2024	296,250
--------------------------------	----------------

As at 30 September 2023

	265,000
--	---------

Interests in associate

The credit union has interests in the following associate:

Associate	Registered Address	Type of shares held	Proportion held %	Net Assets €	Profit €
MetaCU Management Designated Activity Company	14 Ely Place Dublin 2 Ireland	Redeemable A Ordinary	6.25%	4,056,303	8,098

The above financial information in respect of MetaCU Management Designated Activity Company was extracted from the audited financial statements for the year ended 31 December 2023.

The effect of including this investment as if it had been accounted for using the equity method would be as follows:

	Share of net assets
	€
As at 1 October 2023	253,012
Share of profit for the financial year after tax	506
As at 30 September 2024	253,518

13. Debtors, prepayments and accrued income

	2024	2023
	€	€
Prepayments	201,153	249,081
Other debtors	64,750	64,750
Accrued investment income	589,566	522,866
Loan interest receivable	97,416	78,579
As at 30 September	952,885	915,276

14. Members' savings

	2024	2023
	€	€
As at 1 October	131,444,521	130,172,582
Received during the year	71,699,104	64,195,222
Withdrawn during the year	(68,889,417)	(62,923,283)
As at 30 September	134,254,208	131,444,521

15. Members' current accounts

	2024	2023
	€	€
As at 1 October	3,543,634	1,836,263
Lodgements during the year	23,410,065	19,926,055
Withdrawals during the year	(22,528,286)	(18,218,684)
Provision movement	1,527	-
As at 30 September	4,426,940	3,543,634

	2024	2024	2023	2023
	No. of	Balance of	No. of	Balance of
	Accounts	Accounts	Accounts	Accounts
Debit	68	9,402	66	7,270
Debit (net of provision)	68	6,752	66	6,147
Credit	1286	4,433,692	989	3,549,781
Permitted overdrafts	33	25,350	27	18,900

16. Other liabilities, creditors, accruals and charges

	2024	2023
	€	€
Prize draw	15,386	10,122
Other liabilities and accruals	263,324	596,839
PAYE/PRSI	32,144	32,544
As at 30 September	310,854	639,505

17. Other provisions

	2024	2023
	€	€
Holiday pay accrual		
As at 1 October	13,932	9,148
Charged to the income and expenditure account	3,840	4,784
As at 30 September	17,772	13,932

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 September 2024

18. Financial instruments

18a. Financial instruments – measured at amortised cost

	2024 €	2023 €
Financial assets		
Financial assets measured at amortised cost	157,168,550	154,259,248
Financial liabilities		
Financial liabilities measured at amortised cost	139,016,526	135,647,739

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans, other debtors, accrued investment income, equity investment, investments in associates and members' current accounts overdrawn.

Financial liabilities measured at amortised cost comprise of members' savings, members' current accounts, other liabilities, creditors, accruals and charges and other provisions.

18b. Financial instruments – fair value measurements

FRS 102 requires fair value measurements to be disclosed by the source of inputs, using a three level hierarchy:

- Quoted prices for identical instruments in active market (level 1);
- Prices of recent transactions for identical instruments and valuation techniques using observable market data (level 2); and
- Valuation techniques using unobservable market data (level 3).

The table below sets out fair value measurements using the fair value hierarchy:

	Total €	Level 1 €	Level 2 €	Level 3 €
At 30 September 2024				
Accounts in authorised credit institutions	1,014,977	-	1,014,977	-
Total	1,014,977	-	1,014,977	-
At 30 September 2023				
Accounts in authorised credit institutions	-	-	-	-
Total	-	-	-	-

There was a fair value adjustments of €4,275 recognised in the income and expenditure account for the year ended 30 September 2024 (2023: €nil).

19. Reserves

	Balance 01/10/23 €	Payment of dividends €	Payments from reserves €	Appropriation of current year surplus €	Balance 30/09/24 €
Regulatory reserve	16,817,539	-	-	-	16,817,539
Operational risk reserve	2,120,417	-	-	-	2,120,417
Other reserves					
Realised					
General reserve	1,341,412	(129,058)	-	582,381	1,794,735
Community reserve	43,010	-	(30,593)	70,000	82,417
Total realised reserves	1,384,422	(129,058)	(30,593)	652,381	1,877,152
Unrealised					
Investment income reserve	78,579	-	-	18,837	97,416
Interest on loans reserve	64,454	-	-	17,970	82,424
SPS reserve	64,750	-	-	-	64,750
Total unrealised reserves	207,783	-	-	36,807	244,590
Total reserves	20,530,161	(129,058)	(30,593)	689,188	21,059,698

20. Credit risk disclosures

In line with regulatory requirements, the credit union:

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

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



NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 30 September 2024

Note 20. Credit risk disclosure (continued)

For the financial year ended 30 September 2024

	2024		2023	
	€	%	€	%
Loans not impaired				
Total loans not impaired, not past due	<u>42,700,396</u>	<u>94.09%</u>	<u>36,545,879</u>	<u>93.72%</u>
Impaired loans:				
Not past due	81,515	0.18%	83,946	0.22%
Up to 9 weeks past due	1,797,168	3.96%	1,571,622	4.03%
Between 10 and 18 weeks past due	223,758	0.49%	315,182	0.81%
Between 19 and 26 weeks past due	275,728	0.61%	133,200	0.34%
Between 27 and 39 weeks past due	139,678	0.31%	107,928	0.28%
Between 40 and 52 weeks past due	59,631	0.13%	56,480	0.14%
53 or more weeks past due	<u>106,593</u>	<u>0.23%</u>	<u>181,289</u>	<u>0.46%</u>
Total impaired loans	<u>2,684,071</u>	<u>5.91%</u>	<u>2,449,647</u>	<u>6.28%</u>
Total loans	<u>45,384,467</u>	100.00%	<u>38,995,526</u>	100.00%

21. Related party transactions

21a. Loans

	2024		2023	
	No. of Loans	€	No. of Loans	€
Loans advanced to related parties during the year	4	45,000	4	59,300
Total loans outstanding to related parties at the year end	9	209,991	11	215,681
Total provision for loans outstanding to related parties		7,010		8,712

The related party loans stated above comprise of loans outstanding to directors and the management team (to include their family members or any business in which the directors or management team had a significant shareholding). Total loans outstanding to related parties represents 0.46% of the total loans outstanding at 30 September 2024 (2023: 0.55%).

21b. Savings

The total amount of savings held by related parties at the year end was €324,370 (2023: €296,762).

22. Additional financial instruments disclosures

22a. Financial risk management

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

Credit risk: Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss. In order to manage this risk the board of directors regularly reviews and approves the credit union's credit lending policy. Credit risk mitigation may include the requirement to obtain collateral as set out in the credit union's loan policy. Where collateral or guarantees are required, they are usually taken as a secondary source of repayment in the event of the

borrower's default. The credit union maintains policies which detail the acceptability of specific classes of collateral. The principal collateral types for loans are: an attachment over members' pledged shares; personal guarantees; and charges over assets. The nature and level of collateral required depends on a number of factors such as the term of the loan and the amount of exposure. All loan applications are assessed with reference to the credit lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit union is also exposed to counterparty credit risk pertaining to its deposit and investment portfolio. In order to manage this risk the board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

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

Interest rate risk: The credit union's main interest rate risk arises from adverse movements in interest rates receivable which would affect investment income. The credit union reviews any potential new investment product carefully to ensure that minimum funds are locked in low yielding long term investments yet at the same time maximising investment income receivable.

22b. Liquidity risk disclosures

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.

22c. Interest rate risk disclosures

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

	2024		2023	
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	<u>45,384,467</u>	<u>7.95%</u>	<u>38,995,526</u>	<u>8.17%</u>

Any distributions payable are at the discretion of the directors and are therefore not a financial liability of the credit union until declared and approved at the AGM.



NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 30 September 2024

23. Dividends

For the financial year ended 30 September 2024

The following distributions were paid during the year:

	2024		2023	
	%	€	%	€
Dividend on shares	0.10%	129,058	-	-

The directors propose the following distributions in respect of the year:

	2024		2023	
	%	€	%	€
Dividend on shares	0.10%	129,048	0.10%	130,010

24. Events after the end of the financial year

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

25. 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).

26. Capital commitments

There were no capital commitments at 30 September 2024.

27. Commitments under operating leases

	2024	2023
	€	€
Less than 1 year	10,215	-
1 to 5 years	35,753	-
As at 30 September	45,968	-

28. Comparative information

Comparative information has been reclassified where necessary to conform to current year presentation.

29. The Irish League of Credit Unions Republic of Ireland Pension Scheme

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

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

At the date of closure of the Scheme, there was a past service deficit which was allocated to each participating credit union based on the total benefits earned by staff in each credit union. People First Credit Union Limited's allocation of that past service deficit was €1,477,648. This cost was included in

the income and expenditure account for the financial year ended 30 September 2022. The deficit amount was paid to the trustees of the Scheme during the financial year ended 30 September 2022. As this is a pooled pension scheme, People First Credit Union Limited remains liable to cover the cost of their share of any future increase in the total cost of providing the pension payments to credit union employees who were part of the Scheme. People First Credit Union Limited could exit the Scheme and therefore never have to make a potential additional payment requirement but exiting the Scheme may incur a substantial additional cost.

If credit unions exit the Scheme, they are required to pay to the trustees the exit amount which the trustees determine is required to fund benefits in respect of their active, deferred and pensioner members on a "no risk" basis. The exiting credit union thereby settles any liability they have to contribute to the Scheme in the future.

30. Approval of financial statements

The board of directors approved these financial statements for issue on 18th December 2024.

SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2024

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 23 to 25.

Schedule 1 – Other interest income and similar income

	2024	2023
	€	€
Investment income received/receivable within 1 year	1,646,040	1,311,447
Investment income receivable outside of 1 year	17,970	17,769
Unrealised gain on investments	4,275	-
Total per income and expenditure account	1,668,285	1,329,216

Schedule 2 – Other income

	2024	2023
	€	€
Rental income	16,767	13,934
Commissions and other sundry income	29,670	32,111
MPCAS income	61,778	49,428
Gain on disposal of fixed assets	-	93,612
Total per income and expenditure account	108,215	189,085

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Schedules to the income and expenditure account (continued)
For the financial year ended 30 September 2024

	2024 €	2023 €
Schedule 3 – Other management expenses		
Training	22,019	17,693
Rent and rates	23,488	31,594
General insurance	97,021	68,114
Computer maintenance	299,357	224,947
Lighting, heating and cleaning	68,016	70,418
Repairs and maintenance	151,800	165,165
Printing and stationery	27,359	25,767
Advertising and promotion	99,439	80,244
Postage and telephone	54,547	50,616
Chapter expenses	-	(2,468)
Debt collection	75,006	74,910
AGM expenses	57,260	48,843
Share and loan insurance and DBI	371,954	378,449
Travel expenses	13,356	19,974
Audit fee	24,293	23,063
Internal audit	12,044	17,376
Legal and professional fees	85,639	76,090
Member and community initiatives	33,612	33,193
Bank interest and charges	107,184	96,984
Investment management fees	14,760	14,760
Uniforms	426	87
Affiliation fees	50,000	50,001
SPS contribution	11,924	10,679
Subscriptions	19,062	16,989
Regulatory levies	224,425	409,671
General expenses	13,463	12,541
MPCAS fees	88,800	91,005
Business development	136,745	73,588
Provision on current accounts	1,527	-
Total per income and expenditure account	<u>2,184,526</u>	<u>2,180,293</u>

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ESG Report

ESG refers to Environmental, Social and Governance; these are standards for organisations to operate in relation to both the planet and the population.

Central Bank regulators across the globe have tasked financial institutions to drive the climate change agenda and be both educators and enablers within our communities.

Credit unions are uniquely placed given their involvement in the community already and to help support these ESG Goals. During the year through the ILCU, Credit Unions were appointed Sustainable Development Goal Champions. As an SDG Champion, we are committed to raising public awareness of sustainability and protecting the future for the next generation of members. We established our ESG Committee during the financial year. This committee's sole responsibility is to drive People First's ESG journey. We first reviewed People First's within the 10 pillars of our Social Pearls;

- Access to financial Services
- Protection for Members
- Access to affordable credit
- Financial support to our community
- Not for Profit Financial Benefits
- Community Involvement
- Youth Engagement
- Volunteers
- Sense of Belonging
- Green Initiatives

The Committee meets regularly to review these pillars within our Framework and has implemented the ESG Sustainability Policy. The purpose of this Policy is to outline how we continue to make and can improve on making a positive impact Sustainability across all areas of PFCU business and within our wider communities.

2023/2024 is the beginning of our ESG journey as we "set out our stall" to achieving ESG targets and objectives for years to come. We report quarterly to the Board with updates.

What we have achieved to date include;

ENVIRONMENTAL

- SEAI Energy audits carried out across all branches
- Installation of LED & sensor lighting.
- Compositing waste storage facilities available in all branches.
- Installation of new more efficient heating system in Portlaoise office.
- Increased electronic communications and processes to reduce paper.
- Continually looking at ways to reduce waste and paper around all offices.
- Encouraged members to switch to paperless options for statements and AGM notifications.
- In 2024 we launched our new "Green Loan" – this will help our members achieve their own ESG goals!

SOCIAL

- Continually Investing monies and sponsorship back into our communities through our Community Fund
- Launched the Community Champions Award, giving back €10K to deserving community groups.
- PFCU is a main sponsor for the Laois Community & Voluntary Awards in partnership with Laois PPN & Laois County Council.
- Issued loans to members who need to avail of cross border medical treatments and introduced Green Car & Home Improvement Loans.
- Provided €7,000 through our Student Scholarship Awards.
- Continue to support the career development of Staff, Board and Volunteers through support for their education and development.
- Instead of closing branches we are committed to opening new branches within our common bond.

GOVERNANCE

- Developed an ESG policy and action plan in line with PFCU strategy.
- The Board of People First Credit Union are a diverse and independent board comprising of volunteers who are democratically elected, to represent the interests of our Members and our communities.
- The Board through example and adherence to relevant laws, regulations, and industry best practice, uphold the highest standards of governance and ethics to ensure transparency and accountability in their activities.

The ESG Committee are committed to implementing change within People First Credit Union throughout all our branches and the focus for the coming year will be on our people, our community and the environment.

Committee: Jane Watts (Chair), Belinda Gyves , Sean Dunne, Mariea Nolan, Sharon Drennan, Trish Farrell, Mary Sexton (Secretary), Mags Bilous, Tina McGuirk, Saoirse Meany, Celine Flavin, Niamh Ryan and Adrian Daly.





SEPA instant payments are coming...

The SEPA instant payments regulation comes into effect in 2025. This means you will be able to receive money into your account instantly from 9th January 2025 and be able to send instant payments in the coming months certainly by 9th October 2025. Payments will be made instantly and received within 10 seconds, 24 hours a day, 7 days a week, even at weekends and on bank holidays.

Making a payment will be easy, secure, and quick. It can be sent via an App on a phone, using any other device, or in branch. You decide.



**FOR
HOMES
NOT PROFIT**

People First
CREDIT UNION
We're Stronger Together
FOR YOU. NOT PROFIT



Portlaoise

Head Office
James Fintan Lalor Avenue
Portlaoise, Co Laois
R32 XE18

057 862 2594
info@peoplefirstcu.ie

Tuesday 9:15 - 17:00
Wednesday 10:00 - 17:00
Thursday 9:15 - 17:00
Friday 9:15 - 18:00
Saturday 9:15 - 13:00

Abbeyleix

Credit Union House
Main Street
Abbeyleix, Co Laois
R32 XHH0

057 862 2594
info@peoplefirstcu.ie

Tuesday 9:15 - 17:00*
Wednesday 10:00 - 17:00*
Thursday 9:15 - 17:00*
Friday 9:15 - 18:00
Saturday 9:15 - 12:45

*Closed for lunch Tuesday - Thursday
from 12:30 to 13:30

Athy

13-14 Emily Square
Athy, Co Kildare
R14 XV40

057 862 2594
info@peoplefirstcu.ie

Monday 9:30 - 17:00*
Tuesday 9:30 - 17:00*
Wednesday 10:00 - 17:00*
Thursday 9:30 - 17:00*
Friday 9:30 - 18:00

*Closed for lunch Monday - Thursday
from 12:30 to 13:30

Stradbally

Main Street
Stradbally, Co Laois
R32 V065

057 862 2594
info@peoplefirstcu.ie

Saturday 10:00 - 12:30

peoplefirstcu.ie

Terms and conditions apply. Loans are subject to approval. 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. People First Credit Union Limited is regulated by the Central Bank of Ireland. Information is correct as of 01/12/2024.