

Swilly Mulroy Credit Union Ltd



**Annual Accounts and Financial Statement
For the year ended 30th September 2025**



**Notice of Annual General Meeting
in Old School Community Centre Kerrykeel
on Thursday 29th January 2026 at 8.00pm.**



**Ireland
Registered Number 413 CU**



Agenda AGM 2025 29th January 2026

- (1) The acceptance by the board of directors of the authorised representatives of members that are not natural persons
- (2) Ascertainment that a quorum is present
- (3) Adoption of Standing Orders
- (4) Reading and Approval of the minutes of the last AGM and any intervening special general meeting
- (5) Chairman's Address
- (6) Report of the Board of Directors
- (7) Statement of Directors responsibilities
- (8) Statement of Supervisory committee responsibilities
- (9) Auditor's Report and Financial Reports
- (10) Financial Reports
- (11) Declaration of dividend and rebate of interest
- (12) Supervisory Committee Report
- (13) Credit Committee report and Credit Control Committee report
- (14) Membership report
- (15) Nominations Committee Report
- (16) Reports of other Committees
- (17) Motions for Swilly Mulroy Credit Union AGM 29th January 2026

Motion No 1

That this AGM approves a donation of €500 to the I.L.C.U Foundation Fund

- (18) Elections:
 - (a) Appointment of Tellers
 - (b) Election of Auditor
 - (c) Election to fill vacancies on Board of Directors
 - (d) Election to fill vacancies on Board Oversight Committee
- (19) Amendments of Rules
- (20) Any Other Business
- (21) Announcement of election results
- (22) Adjournment or close of business



Standing Orders for AGM

1. VOTING.

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with Standard Rule 140.

2-3 ELECTION PROCEDURE.

2. Elections to the Board of Directors, to the Supervisory Committee and the position of Auditor shall be by majority vote and by secret ballot.
3. A Ballot Paper for the election of the Board and Supervisory Committee, where applicable, will be distributed to each member at the AGM.

4. - 10. MOTIONS.

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

11-16 MISCELLANEOUS.

11. The Chairman of the Board of Directors shall be the Chairman of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chairman, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chairman of any general meeting.
12. The Chairman may at his/her discretion, extend the privilege of the floor to any person who is not a member.



Swilly-Mulroy Credit Union Limited



13. Matters not covered by the Agenda may be introduced under 'Other Business' at the discretion of the Chairman.
14. The Chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
15. In accordance with Standard Rule 133 (1) no member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the president 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. Refer to Standard Rule 138 also re election procedure.
16. Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.
17. **SUSPENSION OF STANDING ORDERS.**
Any one of these Orders or all of these Standing Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.
18. **ALTERATION OF STANDING ORDERS.**
Standing Orders may be amended or altered at a general meeting and only if a motion to this effect has received a two-thirds majority of those present and voting.
19. **ADJOURNMENTS.**
Adjournments of the AGM shall take place only in accordance with Standard Rule 133.



Swilly-Mulroy Credit Union Limited



Swilly Mulroy Credit Union Ltd

Financial statements

for the financial year ended 30th September 2025

Registered Number : 413 CU



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Directors Report

The directors present their report and the financial statements for the financial year ended 30th September 2025 for consideration at the Annual General Meeting.

Results

The results for the year ended 30th September 2025 are on pages 6 to 9.

Events since the balance sheet date

There are no material events after the balance sheet date to disclose.

Dividends

The directors recommend a dividend of 0.00% for the year ended 30th September 2025 amounting to €0 and a loan interest rebate of 0% amounting to €0. The proposed dividend and the proposed loan interest rebate will be submitted for approval at the 2025 Annual General Meeting.

Directors Interests

The Directors have had no material interest in any contract with the Credit Union during the year other than those disclosed in the accounts.

Auditor

Peter McDonnell & Co. have expressed their willingness to continue as Auditors in pursuant to S.115 of the Credit Union Act 1997 (as amended).

Risks/Uncertainties

The directors continue to address the key risks and uncertainties that may arise. In light of the current economic climate, we assess the level of risks and manage those risks so as to ensure the continued future of the credit union. Key risks identified are the financial risk of losses on investments and potential bad debts.

This report was approved by the Board on 15th December 2025 and signed on its behalf by

John Joe McGowan

Elizabeth Sweeney



Directors Responsibilities Statement

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 its Income and Expenditure for that period. In preparing those financial statements, the directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make adjustments that are reasonable and prudent;
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and to enable them to ensure that the financial statements comply with the Credit Union Act, 1997 (as amended).

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.

Signed on behalf of the Directors

John Joe McGowan

Elizabeth Sweeney

Statement of Oversight Committee's Responsibilities

The Credit Union Act 1997 (as amended) requires the appointment of an Oversight Committee which will oversee directors in the performance of their functions. The board oversight committee shall have access, at all times, to the books and documents of the Credit Union to enable it to carry out its functions under the acts.

Signed on behalf of the Oversight Committee

Noel Mullaney



Independents auditor's report to the members of Swilly Mulroy Credit Union Ltd.

Opinion

We have audited the financial statements of Swilly Mulroy Credit Union Ltd for the financial year ended 30th September 2025 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Credit Union's affairs as at 30th September 2025 and of its income and expenditure for the year then ended;
- have been prepared in accordance with Generally Accepted Accounting Practice in Ireland; 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 described below in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

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

Other Information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Independents auditor's report to the members of Swilly Mulroy Credit Union Ltd. (continued)

Other matters prescribed by the Credit Union Act 1997 (as amended)

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

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

RESPECTIVE RESPONSIBILITIES

Responsibilities of Directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Responsibilities of Auditors for the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: www.iaasa.ie under "Description of auditor's responsibilities for audit". This description forms part of the Auditor's Report.



**Independents auditor's report to the members of
Swilly Mulroy Credit Union Ltd. (continued)**

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

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

Peter McDonnell (FCCA)

**For and on behalf of
Peter McDonnell & Co
Chartered Certified Accountants
& Statutory Auditors
Tirconnail Street
Donegal Town
Co Donegal**

Date : 15th December 2025



**Statement of Comprehensive Income
for the year ended 30th September 2025**

		30/09/25	30/09/24
		€	€
INCOME	Schedule		
Interest on Members Loans		565,045	528,564
Other Interest Receivable and Similar Income	1	278,845	259,197
Net Interest Income		843,890	787,761
Other Income	2	32,849	4,317
TOTAL INCOME		<u>876,739</u>	<u>792,078</u>
EXPENDITURE			
Salaries		422,049	259,871
Other Management Expenses	3	509,464	543,320
Depreciation		17,725	22,476
Bad Debts Recovered		(23,516)	(38,898)
TOTAL EXPENDITURE		<u>925,722</u>	<u>786,769</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(48,983)</u>	<u>5,309</u>

There were no recognised gains or losses other than the income and expenditure for the above financial periods.

On behalf of the Credit Union

Manager: _____ Date: 15/12/2025
Anne Quinn

Member of the Board of Directors: _____ Date: 15/12/2025
John Joe McGowan



Balance Sheet
As at 30th September 2025

	Notes	2025 €	2024 €
ASSETS			
Cash and Balances at Bank	14	740,028	689,589
Tangible assets	7	362,714	380,438
Investments	6	14,490,513	14,302,449
Debtors & Prepayments	8	182,217	95,789
Loans to Members	10	8,085,409	6,988,423
Less : Provision for Bad and Doubtful Debts	12	(480,243)	(469,137)
TOTAL ASSETS		<u>23,380,638</u>	<u>21,987,551</u>
MEMBERS LIABILITIES			
Members' Shares	16	18,921,443	17,662,215
OTHER LIABILITIES			
Other Liabilities and Charges	15	260,511	77,666
		19,181,954	17,739,881
MEMBERS' RESOURCES			
Regulatory Reserves		2,689,298	2,638,506
Operational Risk Reserve		118,020	115,110
Other Reserves		-	-
Retained Earnings			
Realised Reserves		1,391,366	1,494,054
Un-Realised Reserves		-	-
		<u>23,380,638</u>	<u>21,987,551</u>

On behalf of the Credit Union

Manager: _____ Date: 15/12/2025
Anne Quinn

Member of the Board of Directors: _____ Date: 15/12/2025
John Joe McGowan

The notes on pages 10 to 19 form part of these financial statements.



**Statement of changes in Retained Earnings
Financial year ended 30th September 2025**

	2025	2024
As at 1st October 2024	-	-
Total Comprehensive Income for the year	(48,983)	5,309
As at 30th September 2025	<u>(48,983)</u>	<u>5,309</u>

MOVEMENT IN RESERVES

	Retained Earnings Realised	Regulatory Reserve	Dividend Reserve	Other Reserve	Operational Risk Reserve	Total
As at 1st October 2024	1,294,176	2,638,506	104,668	95,209	115,110	4,247,669
Surplus for year	(48,983)					48,983
Dividend and Loan Interest Rebate Paid	-					-
Transfer to Regulatory Reserve	(50,792)	50,792				-
Transfer to Operational Risk Reserve	(2,910)				2,910	-
As at 30th September 2025	<u>1,191,491</u>	<u>2,689,298</u>	<u>104,668</u>	<u>95,209</u>	<u>118,020</u>	<u>4,198,686</u>



Statement of cash flows
Financial year ended 30th September 2025

	2025 €	2024 €
Opening Cash and Investments	14,992,038	15,173,323
Receipts		
Members Shares	8,202,468	6,435,113
Members Loans Repaid	3,584,315	2,956,012
Members Loan Interest Repaid	565,045	528,564
Investment Interest Received	397,434	326,046
Bad Debts Recovered	23,516	38,898
Other Receipts	32,849	4,317
TOTAL	<u>12,805,627</u>	<u>10,288,950</u>
Disbursements		
Members Shares Withdrawn	6,943,240	6,084,359
Members Loans Granted	4,689,042	3,539,394
Dividends and Loan Interest Rebate Paid	-	-
Operating Expenses	934,842	846,482
Fixed Assets Purchased	-	-
TOTAL	<u>12,567,124</u>	<u>10,470,235</u>
Closing Cash and Investments	<u>15,230,541</u>	<u>14,992,038</u>



Notes to the financial statements
Financial year ended 30th September 2025

1. Statement of compliance

Swilly Mulroy Credit Union is established under the Credit Union Act, 1997 (as amended). Swilly Mulroy Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with FRS 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are prepared on the historical cost basis.

The financial statements are prepared in Euro, which is the functional currency of the entity.

Going concern

The directors of Swilly Mulroy Credit Union believe that is appropriate to prepare the financial statements on the going concern basis.



Notes to the financial statements (continued)

Financial year ended 30th September 2025

Income

Interest on Members Loans' in accordance with FRS 102 and accounting practice generally is recognised using the effective interest method and accrued on a daily basis.

Investment Income

Investment Income is accounted for differently depending on how the different investments are designated at the outset and based on meeting certain criteria. The credit union uses the following accounting methods:

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. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.

Held to Maturity investments

Investments designated on initial recognition as held-to-maturity are investments that the credit union intends, and is able to, hold to maturity. These are carried at amortised cost using the effective interest method. The fair value of some investment products will change during their life, but they will have a fixed maturity value at some future date. When designated as held-to-maturity, any change in the fair value during the term of the investment is ignored, with the credit union only accounting for interest received. Gains and losses are recognised in income when the investments are derecognised or impaired, as well as through the amortisation process. Investments intended to be held for an undefined period are not included in this classification.

Central Bank Deposits

Credit Unions are obliged to maintain certain deposits with the Central Bank. These deposits are technically assets of the credit union but to which the credit union has restricted access. The funds on deposit with the Central Bank attract nominal interest and will not ordinarily be returned to the credit union while it is a going concern. In accordance with the direction of the Central Bank the amounts are shown as current assets and are not subject to impairment reviews.

Tangible assets

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

Depreciation is provided to write off the cost of each item of property, equipment and computers, less its estimated residual value, on a reducing balance basis. The categories of property, equipment and computers are depreciated as follows:

Freehold Premises	2%
Office Equipment	20%
Computers	33.3%



Notes to the financial statements (continued)

Financial year ended 30th September 2025

Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, loans and advances to banks with maturity of less than or equal to three months.

Financial assets - loans and advances to members

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

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

Impairment of bad debts

Swilly Mulroy Credit Union assesses, at each balance sheet date, if there is objective evidence that any of its loans to members are impaired. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised.

Any bad debts/impairment losses are recognised in the Income and Expenditure Account, as the difference between the carrying value of the loan and the net present value of the expected cash flows.

Financial liabilities members' shares and deposits

Members' shareholdings and deposits in Swilly Mulroy Credit Union are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at the nominal amount.

Employee benefits

Defined contribution plans: The amounts charged as expenditure for the defined contribution plan are the contributions payable by the credit union for the relevant period.

Other employee benefits: Other short and long term employee benefits, including holiday pay, are recognised as an expense over the period they are earned.

Reserves

Regulatory Reserve

The Credit Union Act 1997 (Regulatory Requirements) Regulations 2016 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10% of the assets of the credit union.

Operational Risk Reserve

The Credit Union has established an Operational Risk Reserve which is separate, distinct and in addition to the Reserves in the Credit Union is required to hold in its Regulatory Reserve. The amount held in the Operational Risk Reserve is the predicted impact of Operational Risk events that may have a material impact on the Credit Union's business.

Other Reserves - Realised Reserves

Realised Reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members.



Notes to the financial statements (continued)

Financial year ended 30th September 2025

3. Use of estimates and judgements

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying Swilly Mulroy Credit Union's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are discussed below:

Impairment losses on loans to members

Swilly Mulroy Credit Union assesses, at each balance sheet date, if there is objective evidence that any of its loans to members are impaired. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised.

Any bad debts/impairment losses are recognised in the Income and Expenditure Account, as the difference between the carrying value of the loan and the net present value of the expected cash flows.

4. Loan Arrears and Doubtful Debts

The current provision in the financial statements is €480,243 (2024 €469,137) representing 5.9% (2024:6.7%) of the total loan book. Loans rescheduled or refinanced during the year amount to €0.

5. Key Management Remuneration

Payments to key management personnel amounted to €263,544 (including workplace compensation). Key management personnel are determined based on the personnel in the credit union holding Central Bank Pre-Approval Controlled functions (PCFs).

	2025	2024
	€	€
Payments to key management personnel	263,544	108,210
Total key management personnel compensation	<u>263,544</u>	<u>108,210</u>

6. Deposits and Investments

Swilly Mulroy Credit Union have the following investments

	2025	2024
	€	€
Accounts in Authorised Credit Institutions	14,109,238	13,921,174
Central Bank Minimum Reserve	<u>381,275</u>	<u>381,275</u>
Total	<u><u>14,490,513</u></u>	<u><u>14,302,449</u></u>



Notes to the financial statements (continued)
Financial year ended 30th September 2025

7. Tangible assets

	Freehold property	Computers	Office Equipment	Total
	€	€	€	€
Cost				
At 1st October 2024	575,817	280,033	227,805	1,083,655
Additions	-	-	-	-
Disposals	-	-	-	-
At 30th September 2025	<u>575,817</u>	<u>280,033</u>	<u>227,805</u>	<u>1,083,655</u>
Depreciation				
At 1st October 2024	234,774	257,292	211,151	703,217
Charge for the financial year	6,821	7,572	3,331	17,724
Disposals	-	-	-	-
At 30th September 2025	<u>241,595</u>	<u>264,864</u>	<u>214,482</u>	<u>720,941</u>
Carrying amount				
At 30th September 2025	<u>334,222</u>	<u>15,169</u>	<u>13,323</u>	<u>362,714</u>

8. Debtors and Prepayments

	2025	2024
	€	€
Bank Interest Prepaid	118,589	66,849
Prepayments	63,628	28,940
Total	<u>182,217</u>	<u>95,789</u>



Notes to the financial statements (continued)
Financial year ended 30th September 2025

9. Dividends and Loan Interest Rebate

The following distributions were made during the year.

	2025	2024
	€	€
Dividend on shares	-	-
Loan Interest Rebate	-	-

The directors are proposing a dividend in respect of the year ended 30th September 2025 of 0.00% which amounts to €0 (2024: €0 (0.00%)) and are proposing a loan interest rebate of 0% amounting to €0 (2024:€0 (0%)).

10. Loans and advances to members - financial assets

	2025	2024
	€	€
As at 1st October 2024	6,988,423	6,420,185
Advanced during the year	4,689,042	3,539,394
Repaid during the year	(3,584,315)	(2,956,012)
Gross loans and advances to members	8,093,150	7,003,567
Impairment losses/bad debts	(7,741)	(15,144)
Recovery Adjustment	-	-
Groups of financial assets/ loans	-	-
As at 30th September 2025	<u><u>8,085,409</u></u>	<u><u>6,988,423</u></u>



Notes to the financial statements (continued)
Financial year ended 30th September 2025

11. Credit risk disclosures

The Credit Union complies with Section 12 of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. This Regulation :

- restricts the concentration of lending by the credit union within certain sectors or to connected persons or groups
- restricts the absolute amount of lending to certain sectors to a set percentage of the regulatory reserve
- restricts the loan duration of certain loans to specified limits
- requires specified lending practices to be in place where loans are made to certain sectors such as community, commercial or to another credit union.

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

	2025	2024
	€	€
Loans not Impaired		
Not Past Due	6,913,120	5,896,284
Impaired Loans		
Not Past Due	997,074	895,294
Up to 9 Weeks Past Due	108,659	97,447
Between 10 and 18 Weeks Past Due	12,440	56,299
Between 19 and 26 Weeks Past Due	2,661	3,530
Between 27 and 39 Weeks Past Due	16,984	3,760
Between 40 and 52 Weeks Past Due	30,594	35,809
53 or More Weeks Past Due	3,877	-
Total Impaired Loans	<u>1,172,289</u>	<u>1,092,139</u>
Total Loans	<u>8,085,409</u>	<u>6,988,423</u>

12. Bad debts/ impairment losses

	2025	2024
	€	€
As at 1st October 2024	(469,137)	(452,228)
Allowance for losses made during the year	-	-
Allowances reversed during the year	(11,106)	(16,909)
Increase in allowances during the year	-	-
As at 30th September 2025	<u>(480,243)</u>	<u>(469,137)</u>



Notes to the financial statements (continued)
Financial year ended 30th September 2025

13. Impairment losses/ bad debts recognised for the year

	2025	2024
	€	€
As at 1st October 2024	-	-
Impairment of individual loans	7,741	15,144
Increase in impairment during the year	-	-
Reversal of impairment where debts recovered	11,106	16,909
Total impairment losses recognised for the year	<u>18,847</u>	<u>32,053</u>

14. Cash and cash equivalents

	2025	2024
	€	€
Cash at bank and in hand	<u>740,028</u>	<u>689,589</u>

15. Other Liabilities

	2025	2024
	€	€
Creditors & Accruals	260,511	77,666
Total	<u>260,511</u>	<u>77,666</u>

16. Members shares

	2025	2024
	€	€
Regular Share Accounts	18,921,443	17,662,215
Total as per Balance Sheet	<u>18,921,443</u>	<u>17,662,215</u>



Notes to the financial statements (continued)
Financial year ended 30th September 2025

17. Financial instruments

1:) Financial risk management

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

2:) Credit risk

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

3:) Liquidity risk

Swilly Mulroy 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 objective of the Credit Union's liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise. Note 2 provides further details about the impact of the maturity mismatch on the going concern status for Swilly Mulroy Credit Union.

4:) Market risk

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

5:) Interest rate risk

Swilly Mulroy Credit Union's main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a credit union's operations. The Credit Union considers rates of interest receivable when deciding on the dividend rate payable on members' shares. Swilly Mulroy Credit Union does not use interest rate options to hedge its own positions.

6:) Interest rate risk disclosures

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

	2025		2024	
	€		€	
	Amount	Average Interest Rate	Amount	Average Interest Rate
Loans to members	8,085,409	7%	6,988,423	7.6%



Notes to the financial statements (continued)
Financial year ended 30th September 2025

7:) Liquidity risk disclosures

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

8:) Fair value of financial instruments

Swilly Mulroy Credit Union holds the following financial instruments at fair value:

	2025	2024
	€	€
Listed equity shares	-	-
Central Bank Minimum deposits	381,275	381,275
Term deposit accounts	14,109,238	13,921,174
Total	<u>14,490,513</u>	<u>14,302,449</u>

18. Post balance sheet events

There are no material events after the balance sheet date to disclose.

19. Related party transactions

Loans amounting to €300,400 in total, were granted to officers and related parties of the credit union during the year ended 30th September 2025. At 30th September 2025 the balance outstanding on loans to officers and related parties amounted to €427,021. At 30th September 2025 shares held by officers and related parties amount to €315,854.

20. Insurance against Fraud

The Credit Union has Insurance against fraud in the amount of €1,300,000 in compliance with Section 47 of the Credit Union Act, 1997 (as amended).



**Schedules To The Financial Statements
for the year ended 30th September 2025**

Schedule 1 - Other Interest Receivable and Similar Income

	<u>2025</u> €	<u>2024</u> €
Return on Investments	278,845	259,197
TOTAL PER INCOME AND EXPENDITURE ACCOUNT	<u>278,845</u>	<u>259,197</u>

Schedule 2 - Other Income

Membership & Entrance Fees	144	152
Grant - ICOB Donegal Co Co	-	1,666
Revenue - TWSS Refund	30,239	-
Commission	2,466	2,499
TOTAL PER INCOME AND EXPENDITURE ACCOUNT	<u>32,849</u>	<u>4,317</u>



**Schedules To The Financial Statements
for the year ended 30th September 2025**

Schedule 3 - Management Expenses

	<u>2025</u>	<u>2024</u>
	€	€
Staff & Board Training	7,152	11,912
General Insurance	17,806	14,195
Share and Loan Insurance	97,924	80,714
Death Benefit Insurance	26,243	27,716
Light, Heat & Cleaning	7,977	10,272
Repairs & Renewals	2,082	8,214
Computer Maintenance	62,929	70,372
CUSOP & PAYAC Expenses	25,081	34,377
Printing & Stationary	8,901	6,023
Promotions & Advertising	8,789	6,953
Regulatory and Other Levies	41,508	13,920
Postage & Telephone	17,670	15,507
Auditors Remuneration	11,685	11,685
Bank Charges	3,273	4,053
Specific Bad Debt Provision	11,106	16,909
Bad Debts Written Off	7,741	15,144
Travel & Subsistence	3,022	2,569
Security Costs	4,949	6,032
Rent & Rates	2,351	2,360
Donations and Sponsorship	2,278	2,519
AGM Expenses	(1,705)	4,744
Miscellaneous Expenses	12,994	6,405
Professional Fees	113,450	149,170
Debt Collection	5,079	3,941
Deposit Guarantee Scheme	-	11,643
Affiliation Fees	7,475	5,186
Savings Protection Scheme	1,704	785
	<u>509,464</u>	<u>543,320</u>



Swilly Mulroy Credit Union Ltd
Annual General Meeting in
Old School Kerrykeel
on Thursday 29th January
2026 at 8.00pm
All members welcome

Website - www.swillymulroycu.ie
Email - info@swillymulroycu.ie

Opening Hours :-

Bridge Street, Kerrykeel Tel. 074-9150188

Monday	10am to 4pm
Tuesday	10am to 4pm
Wednesday	10am to 4pm
Thursday	10am to 4pm
Friday	10am to 4pm
Saturday	10am to 3pm

Milford Office: Tel. 074-9163300

Friday :	10am to 1pm and 2pm to 4pm
Saturday:	10am to 2pm

Rathmullan Office: Tel. 074-9158700

Saturday:	10am to 2pm
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Card Payments by phone

Monday to Friday	10am to 4.30pm
Saturday	10am to 3.30m