

€37,900
Bumper
Member Cash
Draw taking
place on the
night

2022 ANNUAL REPORT

Mortgages

5 x €50
Gift card
prizes and 20
spot prizes
given away on
the night

Cultivate

Financing
farmers

Current
Account
& Debit
Card

APPLY FOR
LOAN IN
4 WAYS!

Via the App
Phone A Loan
Face to Face
Website

Business
Loans

Youth

Debit Card
Launching Soon

24TH JANUARY 2023

ABBEYLEIX
MANOR HOTEL


People
CREDIT UNION
First
We're Stronger Together

NOTICE

Notice is hereby given that the Annual General Meeting (AGM) of People First Credit Union will take place on Tuesday, 24th January 2023 at 8pm in the Abbeyleix Manor Hotel.

Members are requested to bring their member books as identification and to enter the draw. Members without books on the night will be excluded from the draw, prizegivings, and any member queries from the floor.

Members are encouraged to use Local Link public transport where possible. 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.

Mary Crowley
Secretary

AGM AGENDA

1. Credit Union Invocation
2. Acceptance of proxies (if any)
3. Ascertainment of quorum
4. Adoption of standing orders
5. Chairman's address/Report of Directors
6. CEO Report & Consideration of Accounts
7. Declaration of dividend
8. Auditor's report
9. Report of the Credit Committee
10. Marketing Report
11. Report of the Membership Committee
12. Report of the Credit Control Committee
13. Report of the Board Oversight Committee
14. Report of the Nominations Committee
15. Motions
16. Appointment of tellers
17. Elections and balloting
18. Any other business
19. Results of the elections
20. Close Meeting

5 x €50 Gift card prizes and 20 spot prizes given away on the night
€37,900 Bumper Member Cash Draw taking place on the night, enter now
peoplefirstcu.ie/services/cash-draw for just €4.33 p/m



IMPORTANT NOTICE

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

1. **Evidence of Identification** (must contain date of birth and photo)
 - Valid Passport
 - Valid Driver's Licence
2. **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

MESSAGE FROM THE CHAIR

Dear Members,
I hope this finds you and your family safe and well. We've all been through a very challenging couple of years, and I don't think there's a family I know that haven't been impacted by Covid in a very personal way. I would like to take this opportunity to sincerely thank our own front-line workers who kept



our Credit Unions doors open to provide a vital service in unprecedented times, we all owe them an enormous debt of gratitude.

We continue to face uncertain times due to the ongoing global effects resulting from the war in Ukraine, and the associated spiralling rates of inflation that affect us all; the closure of the ILCU Defined Benefit Pension Scheme earlier this year has also had a detrimental effect on our own Credit Unions performance, which means that we must become much more prudent with the costs within our Credit Union.

The impact means we that will unfortunately not be in a position to pay a dividend this year, but we remain confident and optimistic that our strategic foresight and understanding of risk will allow us to grow exponentially in 2023 and beyond. Membership is the backbone of this cooperative and we all need to utilize our Credit Union for our financial needs, to enable it to grow and prosper – which benefits our entire community.

Some of you might not yet have heard that our Credit Union now offers debit cards, an online banking app and website, in addition to a suite of loans that can assist in the purchase of your first laptop, changing your car, taking a holiday, through to SME and Agri Loans, and even mortgages - we have developed this range of products conscious of the

needs of all of our members, to become the financial service of choice for everyone.

Over the past 7 years we have developed into the alliance that is now known as People First Credit Union by extending our common bond and increasing our membership to over 40,000 members. It was this strategic planning that has made it possible for

us all to weather the stormy waters we find ourselves in today, and I'd like to pay tribute to the People First Credit Union Board and Management for their wisdom and clear foresight.

I would also like to shine a light on our volunteers, who are the backbone of this organisation; they selflessly give of their time and skills to ensure that the governance of this Credit Union is supported and upheld. In October we were delighted to support the Laois Volunteer awards through our Community Fund, which showcased the commitment we all share to supporting and nurturing the community we all live in.

Last, but by no means least, I would like to thank my fellow directors for their time and commitment over the past year – I look forward to working with you for many years to come in the service of People First Credit Union. I would also like to invite all of our members to the People First Credit Union AGM, which will be held in Abbeyleix on the 24th of January. If I can ever be of assistance, please feel free to contact me.

A handwritten signature in black ink, appearing to read 'Clive Davis', written over a horizontal line.

Clive Davis
Chairperson
People First Credit Union

AGM STANDING ORDERS AND MOTIONS

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

MOTION 1:

That this Annual General Meeting agrees to amend Rule 53(1) of the Standard Rules, that the membership of the Board Oversight Committee to consist of 3 members.

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.

MOTION 2:

That this Annual General Meeting agrees to amend Rule 40(2) of the Standard Rules, that the membership of the Board of Directors to consist of 9 members, all of whom will be members of the credit union.

CREDIT COMMITTEE REPORT FOR AGM 2022

CREDIT COMMITTEE

- This committee is appointed by the Board of Directors at their first meeting after the AGM.
- The committee meets on a monthly basis 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 quarterly to review loans in arrears and discuss any trends and areas of concern.
- As the AGM report shows total loans granted for 2021/22 was €14,645,659 million and represents a increase on our 2020/21 loans.
- Loan Book at year end was € 34,863,338.

- We want to say YES to as many loan applications as we can.
- We approved 92% of applications in the past year.
- Online applications proving very popular with members. On average, half of all loan applications were submitted Online or from the Phone app.
- To enable decisions be decided as efficiently as possible we would ask members to submit last 3 months bank statements and their last 2 payslips, where applicable.

MEMBERS BORROWING

- Without loans we, as a Credit Union, wouldn't exist.
- The graph below outlines the percentage of members who borrowed from People First Credit Union in 2021/22 compared to 2020/21, an increase of 0.69%.



LOANS ISSUED YEAR 2021/22

- There was a total of 4130 loans issued totalling €19,645,659 for the year, an increase of 14.72% on previous year.

- 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 13.74% to 14.43% over this year.



NEWS FOR YEAR 2021/22

- New Loan products introduced.
- HSE Cross Boarder Directive loan. This loan is to assist members who are on HSE waiting lists, to obtain their medical procedures abroad. The loan is taken by the member with the loan repaid within 12 weeks by HSE. Member pays the loan whilst waiting for refund and loan should

be cleared by HSE funds. Terms and conditions apply.

- Home Loans with two variable rates on offer ; 4.5% up to €100k and 3.5% from €100-200k.
- Cultivate Agri Loan – Loans up to €75k over 7 years for multiple purposes. Rate 6.55%.
- Overdrafts available on MYCU account from €200 to €5k.

TO MAKE APPLYING EASY

- Members have 4 ways to apply for a loan; Phone, On the App, Online and in person.
- We have offices across the common bond open 6 days per week and you can apply from the comfort of your home or phone 24/7.
- To enable decisions be decided as efficiently as possible, members should make sure that your personal details are up to date.
- You will be required to supply us with the following when applying for a personal loan or overdraft:
 - Your last 2 payslips
 - Your last 3 months Bank Statements (including Revolut if applicable)
 - Further documents are required for Business, Agri and Home Loans. Please contact us for further information.
- We will continue to proactively market our 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 there has been an increase in members borrowing and loans issued in the last year. Thank you to those members who chose PFCU as their trusted lender.

THANK YOU

- The committee would like to thank all Staff, Management Team, other Committee's and Board of Directors for all their assistance during the year.
- Committee members: Billy Fitzpatrick, Brigid Lalor and Clive Davis, along with Jane Watts, Board Oversight Committee and Lorna Maher, our new PFCU Secretary.



People First
We're Stronger Together

Irish Life

Irish Life Financial Services helping
People First Credit Union Members build better futures.
We are an insurance intermediary that can review
your protection, retirement, savings and investment needs.
**Visit your local Credit Union branch
or website to find out more.**

Irish Life Financial Services is a member of the Financial Services Regulatory Authority (FSA) and provides insurance services. Irish Life Financial Services is not a member of the Central Bank of Ireland.

Out with the old, in with the New, Is Your Financial Future in need of a review? This is a great time of the year to review and plan for your Financial wellbeing.

At People First CU, we want to support and help you plan for your financial future but we know this can be a daunting process. Where do I start? Who should I ask for advice? What questions should I ask?

People First CU have partnered with Irish Life Financial Services, an insurance intermediary tied to Irish Life Assurance, so we can refer you for invaluable trusted service. This service is free to our members so you can get advice on ways to protect your family's income, or plan for your retirement, and ensure you are making the most of your savings and investments.

Why not take advantage of this opportunity and start planning for your financial future today? Pop into one of our branches in Portlaoise, Abbeyleix, Athy or Stradbally or visit peoplefirstcu.ie/services/financial-planning to find out more

ANNUAL REPORT OF THE BOARD OVERSIGHT COMMITTEE (BOC) 2022

The Role of the Board Oversight Committee is to monitor the activities of the board 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 board 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 secretary then sends a report of the monthly board meeting to the chairperson of the board.

The BOC also reports to the board 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 board 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.

In the past twelve months the BOC has met with the board on four occasions to present quarterly reports and has found that the board is acting in compliance with part four of the Act.

The BOC has also recently examined the operation of the nomination committee and found that it is compliant with the Act and has been very successful in sourcing new volunteers to serve on the board and on committees.

Signed:



Chairperson BOC

COMMITTEE MEMBERS:

Brendan O'Sullivan (Chair)

Frank Delaney (Secretary)

Clodagh Finlay

APPLY FOR YOUR LOAN IN 4 WAYS!



Via the App



Phone A Loan

Call 057 862 2594



Face to Face

Call into our office and speak with a Lending Officer



Online

Visit our website
www.peoplefirstcu.ie

CEO REVIEW OF 2021/2022

The staff, management and I hope you and your family are keeping well during these continuing challenging times.

While the shadow of COVID-19 may now be behind us, worldwide pressures from rising inflation, war in Ukraine along with forecasted recessions in US/UK is a daily reminder of how challenging these times are. There is no doubt our economy faces headwinds in the coming year.

Your credit union has had a solid performance for 2021/2022 despite our own significant challenges arising during the year.

MEMBERS

PFCU has continued to focus on our member needs.

We expanded our staffing to assist members who need to switch their accounts from the banks to our fully operational Current Account (MYCU). This has worked very well, and PFCU has over 800 members now using MYCU. In May and June 2022, we launched Apple Pay and Google Pay options for our MYCU account holders. And we are just about to launch our new MYCU youth card for members aged 12+ to equip and teach them the skills of how to handle money.

I would like to take this opportunity to ask all members who are paying bank charges to take a look at your our MYCU offering. There are no hidden charges, and you could save yourself money.

We have been busy out and about meeting members. Our marketing team, led by Carol Murphy, have held coffee mornings and meet & greets on the streets of the towns we serve. Again, our Community Committee has distributed circa €30,000 to good causes within our community, for the betterment of our members. Check out our Marketing report to for more information.

Through our collaboration with Metamo, PFCU has rolled out a Financial Advisory Service in partnership with Irish Life. We are asking all members to consider taking one hour of your time and engaging in a financial review. Members should see this as a health



check for their finances and all reviews are done on a non-committal basis. This could be the best 60 minutes spent for your peace of mind!

LENDING

Thank you to all our members who took out a loan with your Credit Union in the last 12 months. Our gross loan book has grown by 9.31% and it is only by your continued support

can we grow as a Credit Union.

Our Loans offering has been greatly expanded and PFCU now offer Mortgage, SME & Agri loan applications. These loans are helping us drive long term loan growth while meeting a societal need for finance in these areas. We have partnered with Cultivate Finance to offer loans up to €75k over 7 years to our Agri members.

To promote our activities, our newly appointed Business Development Officer, Belinda Gyves, has been proactively calling to businesses and business groups within our common bond. We had a stand at the Ploughing Championships and have been present at many business functions locally and nationally. If you are a self-employed member, please consider PFCU for your business finance.

The launch of our Mobile Loan Application has boosted our members personal loan applications, and we have received very positive feedback from users of the service. We have made it easier than ever to apply for a loan as you can apply over the phone, face to face in our offices, online or through our app.

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

ILCU DEFINED BENEFIT PENSION SCHEME CLOSURE

In January 2022, the ILCU Defined Benefit Pension Scheme gave notice of closure, and it closed on 31st March 2022. When the scheme had been set up in the early 1970's, DB Pension Schemes were considered the norm and there were circa 1500 across the country.

The ILCU DB scheme performed well up until recent years. Lately, the cost of maintaining the scheme spiralled making the decision to close it inevitable.

For PFCU this resulted in a Legal requirement for the credit union to fund our commitment to the scheme. PFCU made a payment of €1,477,648 in 2022 to settle this liability and, as you will see, this has had an adverse effect on PFCU's performance for 2021/22.

FINANCIALS

The financials for 2021/2022 are adversely affected by the pension liability that has arisen. As a result, PFCU has posted a loss of €841,895 for the year ending 30th September 2022.

This loss would have been much higher only for a refund of €647,501 that was received from an ILCU Support Fund. Our investment income dropped during 2022 and expenses rose in line with those in the wider economy.

On a positive note, our loan book has grown by €2,968,222 and this trend is continuing. Added to this the number of members borrowing from PFCU is growing. This will boost our loan interest income in the coming years. Recent movement by the European Central Bank (ECB) to raise interest rates across Europe has increased the opportunity to get a better return on our investments as they fall due for reinvestment.

I would like to reassure members that your credit union is strong and viable with Reserves of €20,087,641 and total assets of €152,583,953.

COMPLIANCE & RISK MANAGEMENT

PFCU continues to build our Compliance and Risk functions to ensure we meet all regulatory and legislative requirements headed by Emer Conroy, Compliance Officer and Mariea Ryan, Risk Officer leading the teams.

IT DEVELOPMENTS

PFCU are continuously seeking to improve our IT offering to our members. We have expanded our App offerings and we have made it easier for new members to join

PFCU 24/7 without having to visit an office. This is possible using facial recognition software that matches photo ID (from a Passport or Drivers Licence) with a selfie picture taken. These are then uploaded, with the proof of address, and the members account is opened. Look out for further future IT advancements in the next 12 months.

OUR TEAM

I would like to acknowledge our volunteers and staff for their performance and effort during a very challenging 2021/2022.

I would like to welcome our new staff to the organisation and compliment them on their seamless integration. While the shadow of Covid remains, the staff have gone about their duties with great professionalism. As CEO, I thank all staff for your dedication.

I would also like to thank our Portlaoise staff member, Anne Blanchfield, who retired during the year after many dedicated years of service.

CLIMATE AND PFCU

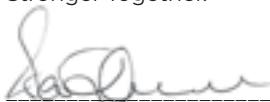
We continue to request that all members sign up for our emailed AGM pack as a greener alternative to posting out a pack. Please help us to do more.

CONCLUSION

People First remains a strong credit union committed to the financial wellbeing of its members.

We face into 2023 in a strong position to build on our success. It is our continued aim to step into the financial services gap left by the Banks and help our members when you need us most.

I ask all members to consider People First CU as your first choice for all your financial requirements from Current Account, Loans to Financial Advice. By doing this, we are Stronger Together.



Seán Dunne
CEO

MONTHLY CASH DRAW

PFCU MEMBERS CASH DRAW REPORT 2021/2022

MEMBERS DRAW INCOME AND EXPENDITURE ACCOUNT

INCOME

Opening Balance	€ 33,447
Members Entry Fees	€ 215,491

EXPENDITURE

Prizes to Cash Draw Winners	€ -228,000
Less Spot Prizes at Cash Draw Event	-
Less Marketing Expenses	-

CLOSING BALANCE € 20,938

BALANCE AS PER TB € 20,938

TOP PRIZE WINNERS OF MEMBERS DRAW FOR 2021/2022 €10,000 PRIZE

Oct-21: *Padraig Chambers*
Nov-21: *Sarah McCormack*
Dec 21 & Bumper AGM Draw: *William Perse, Gertrude Halpenny*
Jan-22: *Thomas Delaney*
Feb-22: *Joseph Doyle*
Mar-22: *Agnes Gleeson*
Apr-22: *Francis McGoohan*
May-22: *Anne O'Shea*
Jun-22: *Josephine Mulhare*
Jul-22: *Pat O'Hara*
Aug-22: *Geraldine Farrell*
Sep-22: *Agnieszka Lechicka*

CLOSING BALANCE OF €20,900 WILL BE USED AT CHRISTMAS BUMPER DRAW



Our April 2022 Winner Francis McGoohan and our December 2021 winner, William Perse with Staff Member Susan Cooney presenting both cheques

Switch Your Current Account to **People First Credit Union**

Apply Online for a MYCU Debit Mastercard® & Current Account at <https://peoplefirstcu.ie/services/mycu-current-account>



GENERAL INFORMATION

Directors

Clive Davis (Chair)
Evelyn Dunne (Vice-Chair)
Mary Carmody
Billy Fitzpatrick
Julian Nagi
John Whelan
JJ Carey
Micheál Scully
Mary Crowley
Ger Loughnane
Brigid Lalor

Board Oversight Committee

Brendan O'Sullivan (Chair)
Frank Delaney (Secretary)
Clodagh Finlay

Secretary

Mary Crowley

Company Number 137CU

Registered Office

James Fintan Lalor Avenue,
Portlaoise,
Co. Laois

Auditors

Grant Thornton,
Mill House,
Henry Street,
Limerick, V94 K6HH,
Ireland.

Bankers

Ulster Bank
Laois Shopping Centre,
Portlaoise,
Co. Laois

Solicitors

Bolger, White, Egan
and Flanagan,
Lismard Court,
Portlaoise, Co. Laois

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2022.

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:

- Insurance, reinsurance or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018.
- Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended).
- 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 AND LOAN INTEREST REBATES

The directors are not proposing a dividend or loan interest rebate in respect of the financial year ended 30 September 2022 (2021: The directors did not propose a dividend or loan interest rebate).

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 rising inflation rates, disruption to global supply chains and a general uncertainty in the markets as a result of the pandemic and the on-going war in Eastern Europe.

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 developments of rising inflation rates and disruption to global supply chains and markets, and continue to take appropriate actions to mitigate any possible adverse effects on the credit union.

ACCOUNTING RECORDS

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to 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.

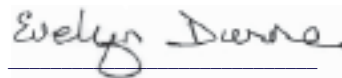
AUDITORS

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
Clive Davis



Member of the Board of Directors
Evelyn Dunne

Date: 5th December 2022

**NEED A NEW
CURRENT
ACCOUNT?**

Switch Your Current Account to People First Credit Union

Make the switch to our current account today and avail of just some of these services: Current Account, Debit Cards, Online Banking, Mobile App, Mortgages, Insurance and Investment Referral, SME & Agri Loans, Bill Pay. Make the switch www.peoplefirstcu.ie/switch



Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated. The MYCU Debit Card is issued by UAB PayrNet pursuant to license by Mastercard International Inc. Terms and conditions apply. People First Credit Union Limited is regulated by the Central Bank of Ireland.

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

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

On behalf of the board:

Clive Davis



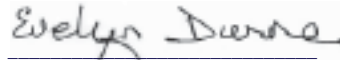
Chairperson of the Board of Directors

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.

Evelyn Dunne



Member of the Board of Directors

Date: 5th December 2022

BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

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:

Brendan O'Sullivan



Chairperson of the Board Oversight Committee

Date: 5th December 2022

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, which comprise the income and expenditure account, the statement of other comprehensive income, the balance sheet, the statement of changes in reserves and the statement of cash flows for the financial year ended 30 September 2022, and the related notes to the financial statements, including the summary of significant accounting policies.

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 "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 2022 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 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; and
- the financial statements contain all primary statements, notes and significant accounting policies required to be included in accordance with section 111(1) 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, 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 judgment 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



Convenient Loans

Members can enjoy flexible loans at tailor-made schedules with no early repayment penalties. Try the loan calculator on our website and choose a repayment option to suit your need.



Insurance Benefits

We offer a free financial review through Irish Life Financial Services. Irish Life Financial Services is an insurance intermediary that can review your protection, retirement, savings and investment needs, and they offer a full financial review with one of their Qualified Financial Advisers. This can be done online or over the phone at a time and place that suits you.



Member Owned

At PFCU you're not a customer you're a member of a modern financial not for profit co-op with surpluses being returned to the members. When we save and borrow together, we have even more in common – a stake in our community's prosperity.

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.

Denise O'Connell FCA
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Audit Firm
Limerick

Date: 5th December 2022



Beat The Queues

We know that your time is precious and that you might prefer not having to make trips to the office. We have now opened up member onboarding so your family and friends can become a member online, we also have a mobile app and online banking so you never need to attend the office if you're short on time!



Online Banking

You now have 24/7 access to your credit union account. Apply for a loan, transfer money to and from another bank account, order foreign exchange and more!



Current Account

Our MYCU Current Account & Debit card powered by Mastercard®, it can be used anywhere in the world, this year we have the added benefits of Apple Pay & Google Pay to the card.

INCOME AND EXPENDITURE ACCOUNT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

	Schedule	2022 €	2021 €
Income			
Interest on Members' loans		2,694,900	2,538,973
Other interest income and similar income	1	773,129	1,218,545
Net interest income		3,468,029	3,757,518
Other income	2	711,085	78,563
Total income		4,179,114	3,836,081
Expenditure			
Employment costs		1,689,498	1,699,724
Other management expenses	3	1,863,365	1,675,391
Pension funding deficit		1,477,648	-
Depreciation		109,785	126,044
Net impairment gains on loans to members (note 5)		(119,287)	(344,931)
Total expenditure		5,021,009	3,156,228
(Deficit)/surplus for the financial year		(841,895)	679,853

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



Clive Davis
Member of Board of Directors



Brendan O'Sullivan
Chair of the Board Oversight Committee



Sean Dunne
CEO

Date: 5th December 2022

STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

	2022 €	2021 €
(Deficit)/surplus for the financial year	(841,895)	679,853
Other comprehensive income	-	-
Total comprehensive income/(loss) for the financial year	(841,895)	679,853

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



Clive Davis
Member of Board of Directors



Brendan O'Sullivan
Chair of the Board Oversight Committee



Sean Dunne
CEO

Date: 5th December 2022

The notes on pages 22 to 33 form part of these financial statements.

BALANCE SHEET

AS AT 30 SEPTEMBER 2022

	Notes	2022 €	2021 €
Assets			
Cash and balances at bank		4,066,395	4,208,564
Deposits and investments – cash equivalents	7	16,548,223	13,127,327
Deposits and investments – other	7	96,316,537	103,729,967
Loans to Members	8	34,863,338	31,895,116
Provision for bad debts	9	(1,937,078)	(1,820,595)
Members' current accounts overdrawn	14	722	-
Tangible fixed assets	10	1,650,495	1,720,266
Investments in associates	11	265,000	265,000
Debtors, prepayments and accrued income	12	810,321	877,262
Total assets		152,583,953	154,002,907
Liabilities			
Members' savings	13	130,172,582	132,615,367
Members' current accounts	14	1,836,985	34,079
Other liabilities, creditors, accruals and charges	15	477,597	360,451
Other provisions	16	9,148	28,579
Total liabilities		132,496,312	133,038,476
Reserves			
Regulatory reserve	18	16,578,616	16,578,616
Operational risk reserve	18	2,122,917	2,125,000
Other reserves			
- Realised reserves	18	1,212,587	2,074,272
- Unrealised reserves	18	173,521	186,543
Total reserves		20,087,641	20,964,431
Total liabilities and reserves		152,583,953	154,002,907

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



Clive Davis
Member of Board of Directors



Brendan O'Sullivan
Chair of the Board Oversight Committee



Sean Dunne
CEO

Date: 5th December 2022

The notes on pages 22 to 33 form part of these financial statements.

STATEMENT OF CHANGES IN RESERVES

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
As at 1 October 2020	16,578,616	1,870,000	1,680,228	161,539	20,290,383
Surplus for the financial year	-	255,000	384,322	40,531	679,853
Payments from reserves	-	-	(5,805)	-	(5,805)
Transfers between reserves	-	-	15,527	(15,527)	-
As at 1 October 2021	16,578,616	2,125,000	2,074,272	186,543	20,964,431
Deficit for the financial year	-	-	(924,261)	82,366	(841,895)
Payments from reserves	-	-	(34,895)	-	(34,895)
Transfers between reserves	-	(2,083)	97,471	(95,388)	-
As at 30 September 2022	16,578,616	2,122,917	1,212,587	173,521	20,087,641

• The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2022 was 10.87% (2021: 10.77%).

• The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2022 was 1.39% (2021: 1.38%).

The notes on pages 22 to 33 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 €	2021 €
Opening cash and cash equivalents		17,335,891	19,010,790
Cash flows from operating activities			
Loans repaid by members	8	16,556,395	16,577,604
Loans granted to members	8	(19,645,659)	(17,124,999)
Interest on members' loans		2,694,900	2,538,973
Other interest income and similar income		773,129	1,218,545
Bad debts recovered and recoveries		356,812	386,569
Other income		711,085	78,563
Members' current account lodgements	14	5,931,016	63,463
Members' current account withdrawals	14	(4,129,955)	(29,384)
Operating expenses		(5,029,388)	(3,375,115)
Other disbursements		(34,895)	(5,805)
Movement in other assets and liabilities		164,656	(164,517)
Net cash flows from operating activities		(1,651,904)	163,897
Cash flows from investing activities			
Fixed asset (purchases)/disposals		(40,014)	(23,466)
Net cash flow from other investing activities		7,413,430	1,206,257
Net cash flows from investing activities		7,373,416	1,182,791
Cash flows from financing activities			
Members' savings received	13	59,044,122	60,967,450
Members' savings withdrawn	13	(61,486,907)	(63,989,037)
Net cash flow from financing activities		(2,442,785)	(3,021,587)
Net increase/(decrease) in cash and cash equivalents		3,278,727	(1,674,899)
Closing cash and cash equivalents	6	20,614,618	17,335,891

The notes on pages 22 to 33 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

1. LEGAL & 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 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

2. ACCOUNTING POLICIES (continued)

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 environmental 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 within 'other gains' or 'other losses' in the income and expenditure account.

2.10 INVESTMENTS IN ASSOCIATES

Investments in associates are accounted for at cost less impairment.

2.11 IMPAIRMENT OF ASSETS

At each reporting date assets are reviewed to determine whether there is any

2. ACCOUNTING POLICIES (continued)

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.

2.12 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.

2.13 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.

2.14 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).

2.15 OTHER PAYABLES

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

2.16 PENSION COSTS

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). Please 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 €26,206 (2021: €nil).

2.17 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.

2.18 DERECOGNITION OF FINANCIAL LIABILITIES

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

2.19 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. This reserve is to be perpetual in nature, freely available to absorb losses, realised

2. ACCOUNTING POLICIES (continued)

financial reserves that are unrestricted and non-distributable.

2.20 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).

2.21 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.

2.22 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.

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

2.23 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

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 €1,650,495 (2021: €1,720,266).

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 €1,937,078 (2021: €1,820,595 representing 5.56% (2021: 5.71%) 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 €2,122,917 (2021: €2,125,000).

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. 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 continue 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.

4. KEY MANAGEMENT PERSONNEL COMPENSATION

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

	2022	2021
	€	€
Short term employee benefits paid to key management	456,187	455,895
Payments to pension schemes	41,521	46,479
Total key management personnel compensation	497,708	502,374

5. NET IMPAIRMENT GAINS ON LOANS TO MEMBERS

	2022	2021
	€	€
Bad debts recovered	(327,233)	(355,275)
Impairment of loan interest reclassified as bad debt recoveries	(29,579)	(31,294)

Movement in bad debts provision during the year	116,483	(38,681)
Loans written off during the year	121,042	80,319
Net impairment losses/(gains) on loans to Members	(119,287)	(344,931)

6. CASH AND CASH EQUIVALENTS

	2022	2021
	€	€
Cash and balances at bank	4,066,395	4,208,564
Deposits & investments – cash equivalents (note 7)	16,548,223	13,127,327
Total cash and cash equivalents	20,614,618	17,335,891

7. DEPOSITS AND INVESTMENTS

	2022	2021
	€	€
Deposits and investments – cash equivalents		
Accounts in authorised credit institutions (Irish and non-Irish based)	8,121,159	8,100,594
Central Bank deposits	6,430,090	5,026,733
Irish and EEA state securities	1,996,974	-
Total deposits and investments – cash equivalents	16,548,223	13,127,327

Deposits and investments – other

Accounts in authorised credit institutions (Irish and non-Irish based)	57,000,000	62,500,000
Irish and EEA state securities	-	2,006,022
Bank bonds	35,143,062	35,050,032
Central Bank deposits	1,185,499	1,188,052
Other investments	2,987,976	2,985,861
Total deposits and investments – other	96,316,537	103,729,967
Total deposits and investments	112,864,760	116,857,294

8. FINANCIAL ASSETS – LOANS TO MEMBERS

	2022	2021
	€	€
As at 1 October	31,895,116	31,428,040
Loans granted during the year	19,645,659	17,124,999
Loans repaid during the year	(16,556,395)	(16,577,604)
Gross loans and advances	34,984,380	31,975,435

Bad debts

Loans written off during the year	(121,042)	(80,319)
As at 30 September	34,863,338	31,895,116

The provision for bad debts is analysed as follows:	2022	2021
	€	€

Grouped assessed loans	1,937,078	1,820,595
Provision for bad debts	1,937,078	1,820,595

9. PROVISION FOR BAD DEBTS

	2022	2021
	€	€
As at 1 October	1,820,595	1,859,276
Movement in bad debts provision during the year	116,483	(38,681)
As at 30 September	1,937,078	1,820,595

10. TANGIBLE FIXED ASSETS

	Freehold premises	Short leasehold property	Fixtures and fittings	Office equipment	Total
	€	€	€	€	€
Cost					
1 October 2021	2,350,290	20,066	626,302	1,058,996	4,055,654
Additions	-	-	8,081	31,933	40,014
At 30 September 2022	2,350,290	20,066	634,383	1,090,929	4,095,668
Depreciation					
1 October 2021	773,151	20,066	577,173	964,998	2,335,388
Charge for year	47,005	-	18,480	44,300	109,785
At 30 September 2022	820,156	20,066	595,653	1,009,298	2,445,173
Net book value					
At 30 September 2022	1,530,134	-	38,730	81,631	1,650,495
At 30 September 2021	1,577,139	-	49,129	93,998	1,720,266

11. INVESTMENTS IN ASSOCIATES

Cost	€
At 1 October 2021 and 30 September 2022	265,000

Accumulated impairment

At 1 October 2021 and 30 September 2022	-
---	---

Net book value

At 30 September 2022	265,000
At 30 September 2021	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 or (loss)
			%	€	€
Metacu Management Designated Activity Company	14 Ely Place Dublin 2 Ireland	Redeemable A Ordinary	6.25%	4,030,007	4,607

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 2021.

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
€

At 1 October 2021

Share of profit/(loss) for the financial year after tax

251,587
288

At 30 September 2022

251,875

12. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2022	2021
	€	€
Prepayments	267,385	272,069
Other debtors	64,750	54,364
Accrued investment income	416,100	477,821
Loan interest receivable	62,086	73,008
	810,321	877,262

13. MEMBERS' SAVINGS

	2022	2021
	€	€
As at 1 October	132,615,367	135,636,954
Received during the year	59,044,122	60,967,450
Withdrawn during the year	(61,486,907)	(63,989,037)
As at 30 September	130,172,582	132,615,367

14. MEMBERS' CURRENT ACCOUNTS

	2022	2021
	€	€
As at 1 October	34,079	-
Lodgements during the year	5,931,016	63,463
Withdrawals during the year	(4,129,955)	(29,384)
Provision movement	1,123	-
As at 30 September	1,836,263	34,079

	No. of Accounts	Balance of Accounts, €
Debit	46	1,845
Debit (net of provision)	46	722
Credit	703	1,836,985
Permitted overdrafts	12	7,350

15. OTHER LIABILITIES, CREDITORS, ACCRUALS AND CHARGES

	2022	2021
	€	€
Prize draw	20,938	33,447
Other liabilities and accruals	417,496	290,494
PAYE/PRSI	39,163	36,510
	477,597	360,451

16. OTHER PROVISIONS

	2022	2021
	€	€
Holiday pay accrual		
At 1 October	28,579	24,508
Charged to the income and expenditure account	(19,431)	4,071
At 30 September	9,148	28,579

17. FINANCIAL INSTRUMENTS

17A. FINANCIAL INSTRUMENTS - MEASURED AT AMORTISED COST

Financial assets	2022	2021
	€	€
Financial assets measured at amortised cost	123,625,059	130,855,255

Financial liabilities	2022	2021
	€	€
Financial liabilities measured at amortised cost	132,496,312	133,038,476

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans, other debtors, accrued investment income, 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.

17B. 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).

17B. FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENTS (CONTINUED)

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

At 30 September 2022	Total €	Level 1 €	Level 2 €	Level 3 €
Accounts in authorised credit institutions	20,081,659	-	20,081,659	-
Bank bonds	8,835,470	-	8,835,470	-
Total	28,917,129	-	28,917,129	-

At 30 September 2021	Total €	Level 1 €	Level 2 €	Level 3 €
Accounts in authorised credit institutions	20,103,522	-	20,103,522	-
Bank bonds	5,807,470	-	5,807,470	-
Total	25,910,992	-	25,910,992	-

There was no fair value movement recognised in the income and expenditure account for the year ended 30 September 2022 (2021: €nil).

18. RESERVES

	Balance 01/10/21 €	Payments from reserves €	Appropriation of current year surplus €	Transfers between reserves €	Balance 30/09/22 €
Regulatory reserve	16,578,616	-	-	-	16,578,616
Operational risk reserve	2,125,000	-	-	(2,083)	2,122,917
Other reserves					
Realised					
General reserve	2,035,692	-	(924,261)	97,471	1,208,902
Community fund	38,580	(34,895)	-	-	3,685
Total realised reserves	2,074,272	(34,895)	(924,261)	97,471	1,212,587
Unrealised					
Interest on loans reserve	73,008	-	-	(10,922)	62,086
Investment income reserve	113,535	-	17,616	(84,466)	46,685
SPS reserve	-	-	64,750	-	64,750
Total unrealised reserves	186,543	-	82,366	(95,388)	173,521
Total reserves	20,964,431	(34,895)	(841,895)	-	20,087,641

19. 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 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.

	2022		2021	
	€	%	€	%
Loans not impaired				
Total loans not impaired, not past due	32,868,381	94.28%	29,015,329	90.97%
Impaired loans:				
Not past due	107,813	0.31%	856,994	2.69%
Up to 9 weeks past due	1,220,815	3.50%	1,382,641	4.33%
Between 10 and 18 weeks past due	182,980	0.53%	180,093	0.57%
Between 19 and 26 weeks past due	161,556	0.46%	131,228	0.41%
Between 27 and 39 weeks past due	97,630	0.28%	52,061	0.16%
Between 40 and 52 weeks past due	97,234	0.28%	37,554	0.12%
53 or more weeks past due	126,929	0.36%	239,216	0.75%
Total impaired loans	1,994,957	5.72%	2,879,787	9.03%
Total loans	34,863,338	100.00%	31,895,116	100.00%

20. RELATED PARTY TRANSACTIONS

20A. LOANS

	2022		2021	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	9	159,000	5	64,750
Total loans outstanding to related parties at the year end	11	220,966	9	89,969
Total provision for loans outstanding to related parties		9,713		3,453

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 0.63% of the total loans outstanding at 30 September 2022 (2021: 0.28%).

20B. SAVINGS

The total amount of savings held by related parties at the year end was €287,624 (2021: €276,819).

21. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

21A. 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.

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.

21B. 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.

21C. INTEREST RATE RISK DISCLOSURES

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

	2022		2021	
	€	Average interest rate %	€	Average interest rate %
Gross loans to Members	<u>34,863,338</u>	8.31%	<u>31,895,116</u>	8.29%

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

22. DIVIDENDS AND LOAN INTEREST REBATES

The following distributions were paid during the year:

	2022		2021	
	%	€	%	€
Dividend on shares	-	-	-	-
Loan interest rebate	-	-	-	-

The directors are not proposing a dividend or loan interest rebate in respect of the financial year ended 30 September 2022 (2021: The directors did not propose a dividend or loan interest rebate).

23. EVENTS AFTER THE END OF THE FINANCIAL YEAR

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

24. INSURANCE AGAINST FRAUD

The credit union has Insurance against fraud in the amount of €5,200,000 (2021: €5,200,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

25. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2022.

26. COMPARATIVE INFORMATION

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

27. 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 is €1,477,648. This cost is 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.

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 would 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.

29. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 5th December 2022.

Car Finance approval from your own home!

- Your interest is based on your **REDUCING BALANCE**
- There are **NO PENALTIES** for early repayment
- You **OWN THE CAR** from the beginning
- **NO HIDDEN FEES** or balloon payments

Apply online or in app,
over the phone
or in office



SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 15 to 17.

Schedule 1 – Other interest income and similar income

	2022	2021
	€	€
Investment income received/receivable within 1 year	788,891	993,885
Investment income receivable outside of 1 year	17,616	40,531
Realised gain/(loss) on investments	(33,378)	184,129
Total per income and expenditure account	<u>773,129</u>	<u>1,218,545</u>

Schedule 2 – Other income

	2022	2021
	€	€
ECCU rebate	17,489	51,287
SPS refund	647,501	-
Rental income	8,324	12,794
Commissions and other sundry income	21,086	13,970
MPCAS income	16,685	512
Total per income and expenditure account	<u>711,085</u>	<u>78,563</u>



NOTE RE: TOP-UP LOANS ACCRUED INTEREST REFUND

During the current financial year, a potential issue was identified by People First Credit Union Ltd in the calculation of the "Total Repayable" figure on a number of credit agreements for top-up loans issued between 2012 and 2017, where there was an accrued interest amount outstanding at the date of the top-up. The potential issue occurred because of the transfer of engagements of Athy credit union into People First credit union in January 2017 and only relates to top-up credit agreements issued by Athy Credit Union between 2012 & 2017.

Following a full review of all loans issued by

Athy Credit Union Limited, it was determined that no overcharging or over collection occurred. However, we do acknowledge that the credit agreement 'Total Repayable' figure did not include 'accrued interest' and this could have been misleading for our members. In light of this omission on our part, and as gesture of goodwill, we are going to refund accrued interest to all affected members. This refund will be made in the first quarter of 2023.

Should you have any questions in respect of the refund, please contact us, and we shall be happy to assist you.

SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

Schedule 3 – Other management expenses

	2022 €	2021 €
Training	6,603	13,244
Rent and rates	29,135	17,595
General insurance	64,978	62,663
Computer maintenance	230,238	167,121
Lighting, heating and cleaning	71,067	53,788
Repairs and maintenance	32,002	22,291
Printing and stationery	34,478	25,369
Advertising and promotion	96,805	50,227
Postage and telephone	52,346	60,125
Chapter expenses	2,100	2,100
Debt collection	80,500	82,635
AGM expenses	45,030	33,486
Share and loan insurance and DBI	425,378	568,102
Travel expenses	7,369	3,133
Audit fee	21,525	21,525
Internal audit	17,143	14,282
Legal and professional fees	32,839	2,141
Member and community initiatives	57,165	20,178
Bank interest and charges	106,951	87,238
Investment management fees	14,760	15,830
Uniforms	85	8,788
Affiliation fees	50,000	43,750
SPS contribution	11,161	9,497
Subscriptions	13,525	11,659
Regulatory levies	274,752	241,352
General expenses	14,256	6,522
MPCAS fees	70,051	30,750
Provision on current accounts	1,123	-
Total per income and expenditure account	<u>1,863,365</u>	<u>1,675,391</u>

A smiling family of three—a woman, a man, and a young girl—are sitting on a light-colored wooden floor. They are positioned in front of a white brick wall. A large, white, stylized house silhouette is superimposed over the scene, with the family members appearing to be inside it. The woman is on the left, holding a pencil, the man is on the right, and the girl is in the center. A large, semi-transparent blue arrow points from the top right towards the bottom left, partially overlapping the family and the house silhouette.

Mortgages to take you home.

Your Credit Union,
Your Trust, Our Experience

peoplefirstcu.ie

WARNING: Your home is at risk if you do not keep up repayments on a mortgage or any other loan secured on it. This is a variable rate loan. The payment rates on this home loan may be adjusted from time to time.

WARNING: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.

People First Credit Union is regulated by the Central bank of Ireland. Terms and Conditions apply.