

Inishowen



Credit Union

Let's Grow Together

INISHOWEN CREDIT UNION

2025 COMMITTEE REPORTS

**MONDAY DECEMBER 15TH
2025 AT 7.30PM**

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Report of the Finance, Audit and Remuneration Committee

The Finance, Audit and Remuneration Committee is responsible, on behalf of the Board of Directors, for overseeing and reporting on the financial management of Inishowen Credit Union's assets, liabilities and reserves. It is also responsible for the operation of the internal audit function. The Committee also makes recommendations to the Board of Directors on staff remuneration.

The balance sheet of Inishowen Credit Union is in a very strong position, with total assets of €117.7 million and total reserves of €19.5 million, well in excess of the 10% minimum amount required by the Central Bank for all Irish credit unions.

Credit demand has increased in the year to 30 September 2025 with growth in loans of 15.27%. 89% of this loan growth was funded by member shares which increased by 5.15% during the year.

Interest income from members' loans has also increased, a positive trend, and reflective of the work of the lending team. Investment income has also increased, reflecting the positive reinvestment rates for maturing funds alongside positive returns on short-term deposits.

It is predicted that the ECB will keep interest rates steady for now, however the outlook for investment income remains uncertain due to political and economic instability. It is unlikely that interest rates, in the short to medium term, will return to the low levels of the past which resulted in negative interest being charged on short term funds.

Overall Expenditure has increased during the year, mainly due to increase in Loan Provisions and Loan Offsets, Loan & Life protection insurances and salaries and related expenditure.

The Committee have also assessed the potential impact of macro-economic events on our loan book and continue to hold a bad debt provision which we deem adequate given the level of uncertainty in the economy and inflation pressures being felt by our members. Bad debt recoveries have remained very strong and bad debt offsets are steady, reflecting the good work completed by our Credit Control team.

Your Credit Union has returned a surplus of €1.38 million in this financial year. It is important that the Credit Union continues to make responsible and prudent decisions to further strengthen the organisation to meet the future needs of our members when they need us. We are, however, recommending the payment of an appropriate dividend and loan interest rebate to members.

The Committee is also pleased to report that the internal auditors carried out their inspections as established in internal audit plans and that any recommendations made were implemented appropriately to strengthen the governance and internal control framework of Inishowen Credit Union.

In relation to the Committee's remuneration responsibilities, the Committee made appropriate recommendations to the Board of Directors in respect of staff remuneration.

We would like to express our thanks to the Board of Directors, volunteers, external auditor, internal auditor, management, and staff of Inishowen Credit Union for their assistance and co-operation during the year.

Finally we want to express our thanks to Kevin Helferty who spent many years on the FAR committee and as Treasurer of the Credit Union and retired from the FAR committee at end of August 2025.

Signed: Paul Brogan, Colm McColgan, Catherine Gillespie (appointed September 2025), Kevin Helferty (retired August 2025)

Report of Board Oversight Committee 2025

Under Section 76M of the 1997 Credit Union Act, the role of the Board Oversight Committee is to assess whether the Board of Directors has operated in accordance with Part 4 and Part 4A of the 1997 Act, which parts relate to the Management of Credit Unions, and any regulations made under Part 4 or Part 4A of the 1997 Act. In general, the functions of the Board Oversight Committee relate to assessment, evaluation and reporting on whether the Board of Directors has operated in accordance with Part 4 and Part 4A of the 1997 Act.

This year the Board Oversight Committee has continued to monitor the activities of Inishowen Credit Union. As a general overview, this work reflects well on the governance of your Credit Union. We can report to the members that the performance of the Board of Directors during the past year has been compliant with Parts 4 and 4A of the Credit Union Act 1997 (as amended).

The findings of the BOC were reviewed at our monthly meetings which were held both remotely via Teams and at the Inishowen Credit Union Buncrana office. Board Oversight Committee members attended Board of Directors meetings throughout the year and met with Board members 4 times during the year to deliver our results and discuss the Boards performance.

We can report that the Inishowen Credit Union Board maintains a robust financial strategy and ensures that policies and procedures are appropriate for the success of the Credit Union. We believe the Board of Directors, Management and Staff of Inishowen Credit Union carry out their duties with the ethos of the Credit Union and have the overall sound financial welfare of the Members at the heart of each decision.

The BOC can report that the environmental, social governance (ESG) committee continues to implement successful schemes.

We acknowledge the ongoing challenges presented by the Central Bank and appreciate the professional manner in which the Board of Directors and management team respond.

The Board Oversight Committee commends the Board of Directors, Management and Staff of Inishowen Credit Union who continue to work efficiently to provide a very high level of service and we are happy to report that staff morale is very high.

We appreciate the support provided by the Board of Directors, Management and Staff in assisting us to carry out our duties throughout 2025.

Signed: Shane Crossan, Aeidin McCarter, Kevin Helferty and Anne Parker

Credit Committee Report 2025

Inishowen Credit Committee is happy to report that during the financial year ended 30th of September 2025; they issued loans totalling €20,685,665 to our members. Our gross loan book grew by 15.26% in the past year, standing at over €40 million at year end.

As this is a new milestone for Inishowen Credit Union it shows a proactive approach by the credit union to support the Community in a competitive market. Inishowen Credit Union now have over 5000 active loans which supports the local community & our members.

The credit committee would also like to highlight a number of successes this year.

- An additional €2.03 million in loans issued compared to 2024.
- As above our loan book grew to over €40 million
- Continued growth on member's using the Open Banking and DocuSign Options.
- The number of first-time borrowers has increased by a further 476 in 2025.
- Cultivate loan has continued to be a great success within the farming community
- We have introduced a new green loan product at a rate of 6.25% in line with our ESG commitments.

We encourage all our members to look to your credit union for your borrowing needs.

Members can meet a Loans Officer in the Buncrana, Moville and Carndonagh offices, where they can take your application and help you with any additional documentation that may be required.

We continue to invest in our online services which allows our members to apply online, upload supporting documentation, sign the credit agreement and have the funds electronically sent to them. Members can do this without having to visit the office.

Members can apply:

- Online
- Through the mobile app
- By emailing loans@inishowencu.ie
- By calling the office on (074) 9361017

Unlike other financial institutions, Inishowen Credit Union continues to offer many additional benefits:

- Free loan protection insurance included for eligible members*
- No hidden charges
- No penalties for early repayment of loan
- Competitive variable interest rates
- A choice of attractive repayment options

**Terms and Conditions apply*

We issued the following types of loans during the year:

	2025	2024
Standard rate loan 10.51% APR	6,227,915	5,824,344
Car rate loan 7.78% APR	6,509,049	6,211,640
First Time Borrowers/Back-to-School 8.84%	97,100	107,550
Secured rate loan 6.18% APR	3,418,220	3,019,424
Student rate loan 6.18% APR	339,450	305,300
Home Improvement loans 7.19%/8.25% APR	3,125,000	2,738,000
Christmas 10.51% APR	32,800	52,750
Low-Cost/COVID 19 5.12%APR	-	
Black Friday 6.11%	6,100	20,500
Cultivate (Agri) 6.55%	841,000	368,000
Green Loan 6.25%	89,031	
Total loans issued	20,685,665	18,647,508

The Credit Committee wish to stress the importance of members disclosing their full financial situation to us when applying for a loan. This will allow the credit union to make an informed decision that will avoid financial stress in the future for members. Members should be aware that proof of PPS number is required for loan applications.

It is regrettable that we had to reject some applications this year, however as the cost-of-living continues to rise, where there is no clear repayment capacity, it is our duty not to add any further financial pressure to a member's income.

Finally, the credit committee would like to thank the Members, Board, Management, Staff and Volunteers of Inishowen Credit Union for their assistance during the year.

Signed: Paul Brogan, Jonathan Coyle & Joanne Mc Cormick.

Credit Control Committee Report 2025

The role of the Credit Control Committee in Inishowen Credit Union is to monitor loans to ensure that borrowers are repaying according to their credit agreement and to liaise with the Credit Committee and staff to ensure that policies and practices in relation to credit control are effective. The Committee meets regularly to review accounts in arrears and to discuss the appropriate action to take in relation to these accounts. We recognise our duty of care to safeguard our members' funds.

A total of €122,748 was offset during the year but it is our firm commitment, wherever possible, to recover this over the next few years. In the past year €119,782 has been recovered. We provide for loans where we believe there is a possibility that all or part of the loan may not be recovered. At the year-end, our bad debt provision was €2,126,980.

We invest a lot of time and resources in communicating with our members in arrears. We believe that early intervention is key in recovering loans and we find that most arrears cases are resolved following initial contact from our credit control team. We employ a variety of methods to contact members, including telephone calls, letters, email and face to face meetings.

We are aware that some of our members may find themselves in difficult financial circumstances and we would ask members to let us know, as early as possible, of any change in circumstances which affects their ability to repay as promised. We can assist members to find a solution which allows them to meet their loan obligations and addresses their difficult circumstances. Please be assured that our staff deal with any such problems in a sympathetic manner and in total confidence. Our aim is to help all our members to manage their own finances effectively.

We are pleased that the vast majority of members continue to meet their loan repayments however, there is still a minority of members who do not take their responsibility seriously. In such cases, we seek recovery of any debt due from those who can pay but won't pay through legal channels. Members who are in arrears must realise that the money they borrowed is the hard-earned savings of their fellow members and all measures within the law may be taken to recover the debt.

The Committee wishes to acknowledge the hard work and co-operation of colleagues and staff whom we have worked closely with during the year.

We look forward to your continued co-operation and loyalty to your Credit Union.

Signed: Eva Quinn, Orla Devlin & Helen Douglas

Report of the Membership Committee 2025

Inishowen Credit union continued to grow in 2025 with membership standing at 26912-year-end 30th September 2025.

Our members are spread across Inishowen, as illustrated below:

Where Members Live	No	%
Buncrana & Surrounding area	13664	51%
Carndonagh & Surrounding area	3524	13%
Moville & Surrounding area	4173	16%
Muff & Surrounding area	2694	10%
Malin & Surrounding area	1961	7%
Outside Inishowen	896	3%
Total	26912	100%

The age profile of our members is also spread across the generations, as illustrated below:

Member Age Range	No	%
0 - 18	4153	16%
19 - 24	2246	8%
25 - 44	8550	32%
45 - 64	8039	28%
65 - 69	1421	5%
70 + Years	2503	11%
Total	26912	100%

Our credit union exists to serve our members – not to profit from their needs. Please encourage your families and friends to join us and experience the credit union experience for themselves!

Credit unions offer several unique services which are not available anywhere else. One is free life savings and loan protection insurance – see the Insurance Report in this booklet for more information on this important benefit. Another unique facility that credit unions offer is the ability for members to nominate someone else to receive their credit union savings plus insurance in the event of their death, without having to go through a lengthy probate process. This nomination is subject to a maximum of €27,000. If you would like to complete a nomination, or indeed update an existing nomination, please speak to a member of staff who will be happy to help you.

We would like to advise our members that we are currently updating our account details, and we may need to obtain the following information from you:

- Photographic ID (driving license or passport)
- Proof of Address (official document such as a utility bill dated within the last six months)

It is a regulatory requirement that we hold this information and access to your account may be restricted without it. We apologise for any inconvenience that this may cause. We would like to thank you in advance for your co-operation.

We would like to thank the Board of Directors, management, and staff of Inishowen Credit Union for their assistance and support throughout the year.

Signed: Claire Grant, Deirdre Forbes & Josephine Doherty

Annual Report of the Marketing Committee 2025

The Marketing Committee is responsible for guiding and supporting Inishowen Credit Union's marketing activities, providing regular updates to the Board on progress in line with the approved Marketing Plan. Our main objective is to recommend initiatives that promote the credit union, engage existing members, and attract new members.

Key Areas of Focus:

Promotion of Services and Products:

We work to ensure that members and the wider community are aware of the full range of services offered by Inishowen Credit Union. Expanding both membership and loan services remains a priority, helping us to support more people in the region.

Community Engagement:

Supporting local clubs, organisations, and initiatives continues to be a central part of our work. Our aim is to foster strong relationships within the community while contributing to the social and economic wellbeing of Inishowen.

Monitoring and Reporting:

The committee monitors marketing activities to ensure they align with the credit union's strategic objectives. Regular reporting allows us to track progress, make informed decisions, and refine our initiatives.

Highlights from 2025

Over the past year, Inishowen Credit Union has continued to sponsor a variety of local organisations and community projects. Each decision is made with fairness and inclusivity in mind, ensuring that support reaches as many groups as possible.

Key activities this year included:

- Two Members' Prize Draws, with top prize of €10,000 and prize funds of over €50,000 in both draws
- Art Competition
- School Quiz
- Junior Saver's Week
- Student Bursary Awards, 233 entries and 11 winners in 2025
- International Credit Union Day celebrations
- Attendance at local trade shows
- Kit sponsorship competitions
- €50,000 Community fund for defibrillators in Inishowen

We were pleased to host **Member Appreciation Day** in our Carndonagh Branch, which was warmly received by our members. This provided an excellent opportunity to engage directly with the community and celebrate our members in that area.

Sustainability Initiatives

In line with our commitment to environmental responsibility, the Marketing Committee has actively promoted:

- Online and app-based loan applications to reduce paper usage and improve convenience.
- E-statements and online AGM registration to minimise paper consumption while maintaining accessibility and engagement.
- Student Bursary- online applications through our website. 183 out of 233 came in online.

Acknowledgements

We would like to thank the Board of Directors, Volunteers, Management and staff for their continued support throughout the year. Their collaboration has been essential to the success of the Marketing Committee's initiatives.

Signed: *Catherine Gillespie (Chairperson), Elizabeth Lynch (Secretary), Mairead Diggin, Eoghan Gleeson, Kevin Helferty, Carol Irwin, Jamie Gallagher, Gary Monagle & Joanne McCormick.*

Nomination Committee AGM report 2025

The committee operates according to its terms of reference to ensure that an effective succession planning framework is in place and to identify suitably qualified and competent individuals to serve on the board and committees of Inishowen Credit Union.

During the year members of the committee meet regularly in order:

- To review the skills, knowledge and experience of board members and to identify any gaps in order to secure strong governance.
- To engage in a transparent and rigorous recruitment process in line with the Central Bank of Ireland's (CBI) fitness and probity regime for credit unions.
- To conduct appropriate due diligence in order to assess the suitability of individuals for their roles.
- To assist in the identification and provision of training to ensure all Directors and volunteers meet their Continuing Professional Development (CPD) obligations.

During the year one director stepped down to become a member of the Board Oversight Committee (BoC) and a member of the Board Oversight Committee (BoC) was co-opted to the Board as a Director. Both of those candidates will be seeking elections.

One member of the Board Oversight Committee is stepping down after completing their term of office resulting in a vacancy for which a candidate is proposed.

The Nomination Committee are confident that the candidates proposed to the members for election have the necessary skills and experience to contribute to the continued effective governance of Inishowen Credit Union.

Furthermore, they can confirm that all remaining Board members not due for re-election continue to be eligible and are able to serve as Directors for a further year.

Finally, the Nomination Committee would like to thank all our volunteers for the valuable contribution they make working alongside our dedicated and skilled staff team to secure the ongoing success and development of Inishowen Credit Union.

Paul Brogan (Chairperson) Catherine Gillespie (Secretary) Brid McGinley (Director)

Report of the Risk and Compliance Committee 2025

As Inishowen Credit Union continues to grow the principal function of the Risk & Compliance Committee is to adopt a prudent approach to risk management and compliance, and to report to the Board of Directors. The Committee, along with the Board of Directors, recognise the importance of protecting members' savings and safeguarding the reputation of Inishowen Credit Union.

The Committee promotes a strong risk and compliance culture at all levels within the Credit Union, the risks encountered are ever evolving and the work of risk management is a journey, rather than a destination. In this regard the committee work closely with the Risk Management Officer, the Money Laundering Reporting Officer and the Compliance Officer. During the year, the Committee monitored their work and ensured that appropriate actions were put in place by the management team to mitigate risks where necessary and ensure compliance with regulation.

The Committee would like to express our thanks to the management team and all the staff in Inishowen Credit Union for their work and commitment on behalf of our members in ensuring that we continue to meet our regulatory requirements and responsibilities.

Signed: Nadean Cavanagh, Victoria Coleman and David Doherty

OCTOBER 2025

Report of the Strategy Committee

The vision of Inishowen Credit Union is:

To grow and maintain a safe and sound credit union that all members can be justifiably proud of, as our lasting legacy to future generations of members in the 21st century.

Our mission is:

As a member owned not for profit financial co-operative embedded in the local Inishowen community, our mission is to build lifelong beneficial relationships with our members by offering financial services that meet their needs.

The Strategy Committee is responsible for considering strategies to sustain Inishowen Credit Union's success, putting these to the Board of Directors for approval in the form of a strategic plan, monitoring the implementation of the strategic plan, and reporting on progress to the Board of Directors.

Throughout 2024/25, the Strategy Committee together with the CEO/Management team developed a new three-year plan 2024-2027 which has set out a new strategy building upon our strong foundations and the growing strength of the Inishowen Brand.

Our broad strategic goal has remained the same namely to support and improve the wellbeing of our members by offering a range of financial services suitable for their needs, either in person or digitally, and to support the wider community of Inishowen. We also continue to focus on reacting and taking advantage of technology improvements and changed market conditions to provide a best-in-class service offering to our members.

This plan was approved by the Board of Directors and Inishowen Credit Unions performance against this Strategic Plan 2024-2027 is measured on a monthly basis and is reported to the Board regularly.

The committee would like to thank volunteers, management, and staff for the successful delivery against the strategy plan and look forward to their input and support with our evolving strategic planning process.

Signed: Kevin Helferty (left committee), Catherine Gillespie, Nadean Cavanagh, Aeidin McCarter and Jonathan Coyle.

Insurance Report 2025

Inishowen Credit Union provides insurance for free to all eligible members – Life Savings Insurance and Loan Protection Insurance. A brief description of each type of insurance is given below:

Life Savings Insurance – currently we provide cover for all our eligible members up to a maximum savings balance limit of €10,200. Provided an account is opened before the age of 70, it will attract an insurance payment following the death of the member. The maximum insurance payment added to the member's share balance is €10,200.

Please see below how the insurance amount is calculated.

The Life Savings Insurance is calculated as follows:

1. The member's shares (subject to the maximum savings balance limit) at age 55 which are not withdrawn thereafter are insured at a rate of 100%.
2. Amounts lodged to the account between the ages of 55 and 60 (subject to the maximum savings balance limit) which are not withdrawn thereafter are insured at a rate of 75%.
3. Amounts lodged to the account between the ages of 60 and 65 (subject to the maximum savings balance limit) which are not withdrawn thereafter are insured at a rate of 50%.
4. Amounts lodged to the account between the ages of 65 and 70 (subject to the maximum savings balance limit) which are not withdrawn thereafter are insured at a rate of 25%.

The insurance is paid on the death of a member, and terms & conditions apply. In all instances, after the age of 55 when a member dies the calculation is based on the lowest amount of savings in the account. To summarise, if a member had €10,200 or more in their account at age 55 and this was not withdrawn before the member died, the amount that would be paid out on death is the total in the account plus the insurance payment of €10,200. Therefore, it may be more beneficial to borrow what you need at a fair and reasonable interest rate (6.18% APR for secured loans) and not to withdraw your savings.

Loan Protection Insurance – covers the life of the borrowing member. When a member dies their outstanding loan, balance is covered and may be paid off in full under the scheme. Terms & conditions apply.

Inishowen Credit Union during the year ended 30th September 2025, had 112 insurance claims settled in respect of members who died.

- Eight (8) of these claims included Loan Protection & Life Savings Insurance,
- Five (5) of these claims included Loan protection Insurance only
- Ninety-Nine (99) of these claims included Life Savings Insurance only

A total of €45830.75 was received from ECCU Assurance Company to clear outstanding loan balances at the date of death, and a total of €245300.93 was received from ECCU Assurance Company on deceased members' savings.

The total premium paid by Inishowen Credit Union during the year for Loan Protection and Life Savings Insurance amounted to €433662.00.

Signed: Brendan Malone, Claire Grant & Josephine Doherty

OCTOBER 2025

Report of the ESG (Environmental, Social & Governance) Committee

Inishowen Credit Union is committed to embedding and fostering a sustainable and responsible approach into every aspect of our business. We recognise the importance of ESG factors in ensuring the long-term success of the credit union and contributing positively to the well-being of our members, employees, and the communities we serve.

Whilst the Board retain the overall responsibility for this policy, the ESG Committee has delegated authority for the development and co-ordination of ESG as part of the overall governance framework

In this financial year the ESG committee has accomplished a number of key tasks

- We continue to work towards Inishowen Credit Union ESG framework consisting of four main pillars. (The concept refers to the environmental, social and governance characteristics and the impact on our credit union).
- Remain committed to our ESG Policy to align our Business strategy to be consistent with and contribute to our members needs and society's goals as expressed in the Credit Union Operating Principles and the UN Sustainable Development goals.
- Evaluated and made recommendations to the Board of Directors in relation to the credit unions ongoing climate and ESG related initiatives.
- Assisted in promoting and raising awareness of ESG factors within the credit union.
- Supported the investment committee in moving towards sustainable investments.

The committee would like to thank volunteers, management, and staff for the successful delivery against the ESG framework and look forward to their input and support with our evolving ESG journey.

Signed: David Doherty, Colm McColgan, Jonathan Coyle, Liam Grant, Gemma Gallagher, Brenda McGrenaghan & Joanne McCormick.

