THE ROSSES
CREDIT UNION LIMITED



NOTICE TO MEMBERS

The Rosses Credit Union Limited 2026 Annual General Meeting

Ionad Teampall Chróine, Dungloe

Monday 30th November 2026 at 6pm.

(074) 952 2323 | www.rossescu.ie

THE ROSSES
CREDIT UNION LIMITED

AGENDA

Each member is invited to attend.

Order of Business

Credit Union Invocation

Standard Rule 96 (4): The business at annual general meetings of the members shall be:

(a) The acceptance by the board of directors of the authorised representatives of members that are not natural persons,
(b) Ascertainment that a quorum is present,
(c) Adoption of Standing Orders*,
(d) Reading and approval (or correction) of the minutes of the last annual general meeting,
(e) Report of the Board of Directors,
(f) Consideration of accounts,
(g) Report of the Auditor,
(h) Report of the Board Oversight Committee,
(i) Declaration of dividend and rebate of interest (if any),
(j) Report of the Credit Committee,
(k) Report of Credit Control Committee,
(l) Report of Membership Committee,
(m) Report of any Sub-Committee,
(n) Report of the Nomination Committee,
(o) Election of Auditor,
(p) Election to fill vacancies on the Board Oversight Committee,
(q) Election to fill vacancies on the Board of Directors,
(r) Notice of Motion – Amendment to Rules
(s) Any other business,
(t) Announcement of election results,
(u) Adjournment or close of meeting.

Light refreshments will be available for members present from 5.30pm in advance of the AGM.
A free draw will take place for all members in attendance following the AGM.

CREDIT UNION INVOCATION

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

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

Notice of Elections

Elections will be held to fill the following positions:

- Three (3) vacancies on the Board of Directors
- One (1) vacancy on the Board Oversight Committee
- The position of Auditor

In accordance with the Fitness and Probity requirements set out under the Central Bank Reform Act 2010, all nominations for the positions of Director or Board Oversight Committee Member must be submitted in advance of the Annual General Meeting (AGM) to allow for the necessary due diligence to be conducted on each candidate.

As outlined in Section 56(b) of the Credit Union Act 1997 (as amended), all nominations must be processed through the Nominations Committee.

NEWS

In 2025/2026, The Rosses Credit Union supported the local community of the Rosses through the following:

- Dividend of €43,903 issued to members in 2025/2026
- Interest Rebate of €36,054 repaid to members with loans in 2025/2026
- 15 local students availed of our Bursary in 2026
- Credit Union Art Competition with local primary & second levels schools
- Credit Union Quiz for local primary schools
- Sponsorship of signage at all soccer and GAA clubs in our Common Bond
- Donations to local charities/organisations:
  - Annagry NS Schoolovision
  - Burtonport Community Bazaar
  - Burtonport St Patrick's Day Celebrations
  - Cruit Island Golf Club
  - Donegal Underage League
  - Donegal Women's Soccer League
  - Dungloe Easter Parade
  - Dungloe Mental Health Services
  - Forbairt na Rosann
  - ILCU International Foundation
  - Keadue NS Polytunnel
  - Keadue Rovers U12 Girls jerseys
  - Maghery Community Festival
  - Mary from Dungloe International Festival
  - Meenacross Agricultural Show
  - Mullaghduff Band Quiz Night
  - Pobalscoil Gaoth Dobhair Robotics Team
  - RCS Golf Classic
  - RCS Musical
  - Relay for Life Donegal
  - Rosses Anglers Association Charity Competition
  - Scoil Chróine
  - Scoil Róisín Christmas Draw
  - The Banks goes to Hollywood
  - WAAR
  - West Donegal Association of Parents & Friends of Piermont House

STANDING ORDERS FOR CREDIT UNIONS FOR - ANNUAL GENERAL MEETING (ROI)

Reference: Recommendation 41 (b) of the Planning Committee.

1. Voting

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

2 – 3 Election Procedure

2. Elections to the board of directors, to the board oversight committee and the position of auditor shall be by majority vote and by secret ballot.

3. When nominations are announced tellers shall be appointed by the chair and ballot papers shall be distributed. Nominations shall be in the following order:

(a) nominations for auditor,

(b) nominations for members of the board oversight committee,

(c) nominations for directors.

When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot and by majority vote. When the votes have been counted by the tellers, the results shall be announced by the chair. In the event that all vacancies are not filled by the first ballot further ballots shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure one further ballot shall be taken and should that ballot fail to determine the issue, the vacancies shall be filled by lot from among such candidates having an equality of votes.

4 – 9 Motions

4. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.

5. A proposer of a motion may speak for such period as shall be at the discretion of the chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.

6. In exercising his/her right of reply, a proposer may not introduce new material.

7. The seconder of a motion shall have such time as shall be allowed by the chair to second the motion.

8. Members are entitled to speak on any such motion and must do so through the chair. All speakers to any motion shall have such time as shall be at the discretion of the chair.

9. The chair 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.

10 – 15 Miscellaneous

10. The chair of the board of directors shall be the chair of any general meeting, except where he/she is not available, in which case it shall be the vice-chair, except where he/she is not available, in which case the board shall decide amongst themselves who shall act as chair of any general meeting.

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

12. Matters not covered by the agenda may be introduced under "Other Business" at the discretion of the chair.

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

14. No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the 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.

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

16. Suspension of Standing Orders

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

17. Alteration of Standing Orders

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

18. Adjournments

Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act, 1997 (as amended).

OFFICERS & COMMITTEES OF THE ROSSES CREDIT UNION

BOARD OF DIRECTORS

Directors	Tony Forrestal (Chairperson) Adrian Bonner (Vice-Chairperson) Tara Duddy (Secretary) Pat Connaghan Dara MacShane Ronan Sharkey Jackie Casey Lisa Brennan Catherine Bonner
Board Oversight Committee	Maeve McGee Elaine Boyle O'Donnell Noreen Boyle
Credit Union Number	465CU
Address	Upper Main St. Dungloe Co Donegal F94 NAT2.
Auditors	Moore Ireland Audit Partners Limited, Registered Auditors, Galway Financial Services Centre, Moneenageisha Road, Galway
Bankers	Bank of Ireland Main Street Falcarragh Co Donegal

RULE AMENDMENT

There were no amendments to the Standard Rules for Credit Unions (Republic of Ireland) ("the Standard Rules") arising from League AGM 2026.

The Board of Directors of The Rosses Credit Union Limited wish to update the following rule in our Standard Rules:

Rule 7. Registered office

(1) The registered office of the credit union shall be

Upper Main St., Dungloe, Co Donegal, F94 NAT2

or such other place as may from time to time be determined by the board of directors.

CHAIRPERSON'S REPORT 2026

On behalf of the Board of Directors, I warmly welcome you to our 2026 Annual General Meeting and thank you for your continued trust and support of The Rosses Credit Union.

I am pleased to report a surplus of €370,580 this year, despite rising costs. This strong performance allows us to maintain healthy reserves to meet Central Bank requirements and helps us to continue putting our members first.

Our loan book grew by 9%, with 609 loans issued totalling almost €5.4 million in 2026. These loans provide vital support to our members and help strengthen our local economy. We have also enhanced our digital services, enabling members to complete the entire loan application process online.

Investment income increased from €231,641 to €242,833, reflecting improved market conditions and prudent financial management. Membership also continued to grow, with 158 new members joining during the year. Our digital account management and card payment services remain popular, and we will continue investing in convenient, accessible services.

The Board is this year recommending a 10% loan interest rebate to our borrowing members. Instead of a dividend this year, we plan to introduce a two-year fixed-term deposit in January 2027, offering members an interest rate of 2.5%. Further details are available online and in our office. This approach balances a return to members with our responsibility to protect the Credit Union's long-term financial strength.

Our Strategic Plan continues to guide our commitment to affordable, ethical financial services and decisions made locally, in the best interests of our members.

Supporting our community remains central to our purpose. Throughout 2026, we were proud to support local clubs, community groups and charities. Our Annual Art and Quiz Competitions, together with our Third Level Bursary, now benefiting 15 students, continue to make a meaningful contribution.

Credit unions offer a people-first alternative to traditional banking. As bank branches close, our combination of personal service, local knowledge and improving digital options is more important than ever.

Finally, I sincerely thank our staff, volunteer Board members, Board Oversight Committee and internal auditors – Michael, Marguerita and Sandra of Internal Audit Services. I also welcome our new external auditors, Caoimhin and John of Moore Ireland and thank them for their work this year.

On behalf of the Board, I wish you and your families a peaceful Christmas and a happy, healthy New Year. We look forward to serving you throughout 2027 with care, integrity and a continued commitment to our community.

Thank you.

Tony Forrestal

Tony Forrestal
Chairperson, The Rosses Credit Union

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 30TH SEPTEMBER 2026

The Credit Union Act, 1997 (as amended) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union and of the income and expenditure of the Credit Union for that financial year. In preparing these financial statements the directors are required to:

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

The directors confirm that they have complied with the above requirements in preparing the financial statements. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and enable them to ensure that the financial statements are prepared in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland, including the standards issued by the Financial Reporting Council, and in particular FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". They are responsible for safeguarding the assets of the Credit Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In so far as the directors are aware:

- there is no relevant audit information (information needed by the Credit Union's auditor in connection with preparing the auditor's report) of which the Credit Union's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Credit Union's auditor is aware of that information.

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

Tony Forrestal
Tony Forrestal
Member of the Board of Directors

Tara Duddy
Tara Duddy
Member of the Board of Directors

Date: 04/11/2026

STATEMENT OF BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES

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

Approved on behalf of the Board Oversight Committee

Maeve McGee
Maeve McGee
Member of the Board Oversight Committee
Date: 04/11/2026

Noreen Boyle
Noreen Boyle
Member of the Board Oversight Committee

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE ROSSES CREDIT UNION LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Rosses Credit Union Limited for the financial year ended 30 September 2026 which comprise the Revenue Account, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law including FRS 102 ''The Financial Reporting Standard applicable in the UK and Republic of Ireland'' issued in the United Kingdom by the Financial Reporting Council and the Credit Union Act, 1997 (as amended).

In our opinion the financial statements:

- give a true and fair view of the state of the assets, liabilities, and financial position of the Credit Union as at 30 September 2026 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 *''The Financial Reporting Standard applicable in the UK and Republic of Ireland''*; and
- have been properly prepared in accordance with the requirements of the Credit Union Act, 1997 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Credit Union's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF THE ROSSES CREDIT UNION LIMITED

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

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

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

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities as set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Moore

MOORE IRELAND AUDIT PARTNERS LIMITED
Registered Auditors
Galway Financial Services Centre
Moneenageisha Road
Galway

Date: 4/11/2026

REVENUE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2026

	Schedule / Notes	2026	2025
REVENUE		€	€
Interest on members' loans	4	778,362	723,480
Other interest income and similar income	5	242,883	231,641
NET INTEREST INCOME		1,021,245	955,121
Other revenue	7	34,304	672
TOTAL REVENUE		1,055,549	955,793
EXPENDITURE			
Employment costs	8	264,224	273,528
Other management expenses (Schedule 4)		487,243	432,132
Depreciation		9,235	11,275
Net (losses) / recoveries on loans to members	12.4	(75,733)	(61,091)
TOTAL EXPENDITURE		684,969	655,844
Surplus of revenue over expenditure		370,580	299,949
Other comprehensive income		–	–
Total comprehensive income		370,580	299,949

The financial statements were approved, and authorised for issue, by the Board on 04/11/2026 and signed on its behalf by:

Dara MacShane

Dara MacShane
CEO

Tony Forrestal

Tony Forrestal
Director

Date: 4/11/2026

STATEMENT OF FINANCIAL POSITION

As at 30 September 2026

	Notes	2026 €	2025 €
ASSETS			
Cash and cash equivalents	10	3,975,387	3,850,779
Property, plant and equipment	11	75,340	84,575
Loans to members	12	11,682,301	10,709,202
Provision for bad debts	12	(292,711)	(362,488)
Prepayments and other receivables	13	24,641	32,709
Accrued income	13	142,860	107,077
Deposits and investments	14	8,418,207	8,360,781
TOTAL ASSETS		24,026,025	22,782,635
LIABILITIES			
Members' shares	15	20,275,174	19,324,098
Trade payables and accruals	16	24,758	23,430
Other payables	16	4,972	4,609
TOTAL LIABILITIES		20,304,904	19,352,137
NET ASSETS		3,721,121	3,430,498
MEMBERS' RESOURCES			
Regulatory reserve	17	2,740,000	2,520,000
Realised reserve	17	906,121	828,050
Operational risk reserve	17	75,000	75,000
Unrealised income reserve	17	–	7,448
TOTAL MEMBERS' RESOURCES		**3,721,121**	**3,430,498**

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

Dara MacShane
Dara MacShane
CEO

Tony Forrestal
Tony Forrestal
Director

Date: 4/11/2026

STATEMENT OF CHANGES IN RESERVES

for the financial year ended 30 September 2026

	Regulatory reserve	Realised reserve	Operational risk reserve	Unrealised income reserve	Total reserves
	€	€	€	€	€
At 1 October 2024	2,400,000	723,722	75,000	7,448	3,206,170
Dividends paid during the financial year	-	(40,830)		-	(40,830)
Loan interest rebate paid during the financial year		(34,791)			(34,791)
Surplus allocation in financial year	120,000	179,949			299,949
At 30 September 2025	**2,520,000**	**828,050**	**75,000**	**7,448**	**3,430,498**
At 1 October 2025	2,520,000	828,050	75,000	7,448	3,430,498
Dividends paid during the financial year		(43,903)		-	(43,903)
Loan interest rebate paid during the financial year		(36,054)			(36,054)
Surplus allocation in financial year	220,000	150,580	-	-	370,580
Other movement in reserves	-	7,448	-	(7,448)	-
At 30 September 2026	**2,740,000**	**906,121**	**75,000**	**-**	**3,721,121**

Note

(1) The Regulatory Reserve of the Credit Union as a % of the total assets as at 30th September 2026 was 11.40% which is in excess of the Credit Union's Regulatory Reserve requirement of 10%.

(2) In accordance with section 45 of the Credit Union Act, 1997 (as amended) The Rosses Credit Union Limited put in place an Operational Risk Reserve.

(3) Following the commencement of Section 13 of the 2012 Act, the requirement for Credit Unions to transfer 10% of their annual surplus to their Statutory Reserve (now known as the Regulatory Reserve) each financial year has been removed. Notwithstanding this the Board of The Rosses Credit Union Limited has transferred €220,000 of its current financial year surplus to its regulatory reserve.

STATEMENT OF CASH FLOWS

for the financial year ended 30 September 2026

	Notes	2026 €	2025 €
Opening cash and cash equivalents		3,850,779	3,208,108
Cash flows from operating activities			
Loans repaid		4,382,696	3,960,001
Loans granted		(5,373,108)	(4,830,184)
Loan interest income		776,109	724,378
Investment income		242,883	231,641
Other revenue received		34,304	672
Bad debts recovered		23,269	20,072
Dividends paid		(43,903)	(40,830)
Loan interest rebate		(36,054)	(34,791)
Operating expenses		(751,467)	(705,660)
Movement in other assets		(25,462)	(2,216)
Movement in other liabilities		1,691	927
Net cash used in operating activities		(769,042)	(675,990)
Cash flows from investing activities			
Purchase of property, plant and equipment		–	(16,025)
Net cash flow from other investing activities		(57,426)	100,465
Net cash (used in)/generated from investing activities		(57,426)	84,440
Cash flows from financing activities			
Members' shares received		10,831,060	9,727,789
Members' shares withdrawn		(9,879,984)	(8,493,568)
Net cash generated from financing activities		951,076	1,234,221
Net increase in cash and cash equivalents		124,608	642,671
Cash and cash equivalents at end of financial year	10	3,975,387	3,850,779

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30th September 2026

1. Legal and regulatory framework

The Rosses Credit Union Limited is established under the Credit Union Act, 1997 (as amended). The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is Upper Main St., Dungloe, Co. Donegal.

2. Accounting policies

The following principal accounting policies have been applied;

2.1. Statement of compliance and basis of preparation

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

2.2. Currency

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

2.3. Going concern

The directors have prepared the financial statements on a going concern basis. They consider the basis appropriate because the Credit Union:

- Is generating annual surpluses;
- Maintains an appropriate level of liquidity; and
- Has reserves that are currently above the minimum requirements of the Central Bank.

2.4. Revenue recognition

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

Interest on members' loans

The Credit Union Act 1997 (as amended) requires that Interest on Members' Loans is recognised when payment is received (i.e. on a cash basis). This is not in accordance with accounting practice generally but is consistent with normal practice for Irish credit unions. FRS 102 and accounting practice generally would require that interest be recognised using the effective interest method accrued on a daily basis. The Credit Union accounts for interest on members' loans using the effective interest method and is accrued on a daily basis. Interest on members' loans is included in the financial statements in the period in which it is earned.

Investment income

Investment income is recognised when received or irrevocably receivable. Investments are recognised at cost less any permanent diminution in capital value but ignoring any increase in capital value or encashment value until realised in the form of cash or cash equivalents.

Other revenue

Other Income such as transactional charges and foreign exchange services arises in connection to specific transactions. Income relating to individuals transactions is recognised when the transaction is completed.

For the year ended 30th September 2026

2.5. Dividend and loan interest rebate

Dividends are made from current year's surplus. The Board's proposed distribution to members each year is based on the dividend and loan interest rebate policy of the Credit Union. The Board in determining the level of distribution considers its ongoing operating expenses, capital requirements and financial risks. Dividends are accounted for when members ratify such payments at the Annual General Meeting. No liability to pay a distribution is recognised in the financial statements until the majority of members vote at the AGM.

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

- the risk profile of the Credit Union, particularly in its loan and investment 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 rebates of loan interest when members ratify such payments at the Annual General Meeting.

2.6. Investments

Investment income is recognised on an accrual basis.

Fixed-term deposit accounts
Term deposits and fixed interest investment bonds with fixed maturity dates are valued at the lower of cost or encashment value and interest is recognised in the income statement when it is received or irrevocably receivable.

Bonds and treasury bills
With profit bonds with capital guaranteed are valued at cost. Declared bonuses are recognised in the income statement when irrevocably receivable or earlier if the bond becomes realisable in the form of cash or cash equivalents in a secondary market. Terminal bonuses are recognised in the income statement when the Credit Union becomes irrevocably entitled to receive them.

Commodities and other bonds
Income is recognised once it is "locked in" and irrevocably receivable. The capital value of the bond is tested annually for impairment and impairment losses are taken to the income statement. Impairment gains which reverse a previous impairment loss are taken to the income statement with any gains in excess of the cost of the product ignored until the bond matures.

Held at amortised cost
Investments designated on initial recognition as held at amortised cost are measured at amortised cost using the effective interest method less impairment. This means that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount, minus, in the case of a financial asset, any reduction for impairment or un-collectability. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.

Central Bank deposits
Credit Unions are obliged to maintain certain deposits with the Central Bank but may also hold an excess over the regulatory minimum. These deposits are technically assets of the credit union but to which the Credit Union has restricted access. The funds on deposit

with the Central Bank attract nominal interest and will not ordinarily be returned to the credit union while it is a going concern. Funds held with the Central Bank in excess of the regulatory minimum requirements are fully available to the credit union and therefore treated as cash equivalents and included with other on demand cash deposits with banks. The amounts are stated at the amount deposited plus accrued income and are not subject to impairment reviews.

Investments at fair value
Investments held for trading and investment in stock market shares (i.e. non-convertible preference shares and non-puttable ordinary shares or preference shares) are included in this category. Financial assets at fair value are classified as held for trading if they are acquired for sale in the short term. They are valued at fair value (market value) at the financial year end date and all gains and losses are taken to the income and expenditure account. The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no active market these assets will be carried at cost less impairment.

2.7. Property, plant and equipment and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	2% Straight line
Office furniture	15% Straight line
Fixtures, fittings and equipment	10% Straight line
Computer equipment	20% Straight line

2.8. Impairment of tangible fixed assets

At each reporting end date, the Credit Union reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income and Expenditure account.

2.9. Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition.

2.10. Financial instruments

The Credit Union has elected to apply the provisions of Section 11 `Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Credit Union becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

2.11. Basic financial assets

Basic financial assets are initially measured at the transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method. Basic financial instruments include the following:

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

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.

Investments held at amortised cost
Investments held at amortised cost are measured at amortised cost using the effective interest method less impairment. This means that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount; minus, in the case of a financial asset, any reduction for impairment or un-collectability. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.

Held to Maturity investments
Investments designated on initial recognition as held-to-maturity are investments that the credit union intends, and is able to, hold to maturity. These are carried at amortised cost using the effective interest method. The fair value of some investment products will change during their life, but they will have a fixed maturity value at some future date. When designated as held-to-maturity, any change in the fair value during the term of the investment is ignored, with the credit union only accounting for interest received.

Impairment of loans to members
The Rosses Credit Union Ltd assesses, at each balance sheet date, if there is objective evidence that any of its loans to members are impaired. The loans are assessed collectively in groups that share similar credit risk characteristics except for individually significant loans which are assessed on a loan by loan basis for impairment. In addition, if, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Any impairment losses are recognised in the Income and Expenditure account, as the difference between the carrying value of the loan and the net present value of the expected cash flows.

2.12. Bad debt provision

Allowances for impaired loans represent reserves and/or provisions made during the financial year less amounts utilised or realised charged against the surplus for the financial year. Amounts are created after a detailed review of individual loans and groups of loans. Allowances are established by reviewing the credit worthiness of individual borrowers and the value of collateral underlying the loan. General allowances are measured based on Resolution 49 of the Irish League of Credit Unions. Bad debts in the Credit Union are recognised when there is a reasonable doubt that the full amount of principal will not be collected, or the financial capacity of the borrower has deteriorated such that the recovery of the whole or part of an outstanding loan advanced is in doubt. In all cases where it is impractical to estimate the recoverable amount the carrying amount is reduced to zero.

2.13. Basic financial liabilities

Basic financial liabilities are initially recognised at the transaction price, including transaction costs, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities are subsequently carried at amortised cost using the effective interest method.

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

For the year ended 30th September 2026

Other payables
Other payables are classified as current liabilities if payment is due within one year or less. Other payables are recognised initially at transaction price.

2.14. Holiday pay

The costs of short-term employee benefits, including holiday pay, are recognised as a liability and as an expense (unless those costs are required to be recognised as part of the cost of fixed assets) over the period they are earned.

2.15. Pensions

The Credit Union operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Credit Union. Annual contributions payable to the Credit Union's pension scheme are charged to the Revenue Account in the period to which they relate.

The Rosses 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. The ILCU is the principal employer of the Scheme, and The Rosses Credit Union Limited is a participating employer.

The Scheme is a multi-employer defined benefit scheme and there is insufficient information for The Rosses Credit Union Limited 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 The Rosses Credit Union Limited will fund a past service deficit, The Rosses Credit Union Limited shall recognise a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit).

2.16. Employee benefits

The Rosses Credit Union Ltd. also participates in a defined contribution pension scheme, to which some of it's employees are members. Pension benefits are funded over the employees' period of service byway of defined contributions paid to an approved fund held with New Ireland Assurance Company PLC. Contributions are based on a fixed percentage of an employee's annual salary and the charge to the Income and Expenditure Account reflects contributions paid and payable in respect of the year ended 30 September 2026.

2.17. Distribution

The Rosses Credit Union Limited's policy is to pay a reasonable rate of dividend and loan interest rebate subject to covering operating expenses and meeting reserve requirements as set out in the Credit Union's Reserve Management Policy.

2.18. Reserves

Regulatory reserve
The Credit Union Act, (Regulatory Requirements)(Amendment) Regulations 2018 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 financial reserves that are unrestricted and nondistributable.

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.

Other reserves
Other Reserves are the accumulated surpluses to date and Reserves arising on the Transfer of Engagements that have not been declared as dividends returnable to members. The Other Reserves are subdivided into realised and unrealised. 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. Interest on Loans receivable at the balance sheet date is also classified as "unrealised" and is not distributable. All other income is classified as "realised".

3. CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES

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

Impairment losses on loans to members
The Credit Union's accounting policy for impairment of financial assets is set out in accounting policies. 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.

Depreciation of Property, plant & equipment
The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of perspective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have an impact on depreciation and amortisation charges for the period. Details of the useful economic lives is included in the accounting policies.

Pensions
The Rosses 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 Rosses Credit Union Limited has sufficient information to enable it to account for the Scheme as a defined benefit scheme. An assessment has been performed of the information currently available and The Rosses 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.

4 Interest on Members' Loans

	2026 €	2025 €
Closing accrued loan interest receivable	19,900	17,647
Loan interest received in financial year	776,109	724,378
Opening accrued loan interest receivable	(17,647)	(18,545)
Total interest on members' loans	778,362	723,480

5 Other interest income and similar income

	2026 €	2025 €
Investment income received	143,420	142,211
Investment income receivable within 12 months	99,463	89,430
Total investment income	242,883	231,641

For the year ended 30th September 2026

6 INTEREST PAYABLE AND DIVIDENDS

The interest expense for the Credit Union comprises of interest payable on deposits, and was as follows for the current and prior financial year:

Dividends and loan interest rebate

	2026 %	2026 €	2025 %	2025 €
Dividends on shares	0.25	43,903	0.25	40,830
Loan interest rebate	5.00	36,054	5.00	34,791
		79,957		75,621

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

Proposed dividends and loan interest rebate

At the financial year-end the directors have allocated the amount of €906,121 to the Realised Reserve which may be returned to the members by way of dividend and a loan interest rebate by way of resolution by a majority of the members at the annual general meeting. The proposed distribution is as follows:

	2026 %	2026 €	2025 %	2025 €
Dividends on shares	–	–	0.25	46,526
Loan interest rebate	10.00	71,288	5.00	36,219
		71,288		82,745

7 OTHER REVENUE

	2026 €	2025 €
Other fees received	408	672
ECCU rebate	33,896	–
Total other income	34,304	672

For the year ended 30th September 2026

8 EMPLOYEES AND REMUNERATION

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

	2026 Number	2025 Number
Manager	1	1
Other staff	5	5
Total	6	6

The staff costs comprise:	2026 €	2025 €
Wages and salaries	219,837	234,351
Social security costs	22,727	21,732
Pension costs	21,660	17,445
Total employment costs	**264,224**	**273,528**

9 Key management personnel

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

	2026 €	2025 €
Short term employee benefits	126,071	77,825
Payments to defined contribution pension schemes	12,607	2,455
Total key management personnel compensation	**138,678**	**80,280**

As part of an operational restructure within The Rosses Credit Union, the number of staff members that are considered to be 'key management' has increased from two in 2025 to three in 2026

10 Cash and cash equivalents

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

	2026 €	2025 €
Cash and balances at bank	720,480	882,192
Cash and cash equivalents	3,254,907	2,968,587
	3,975,387	**3,850,779**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30th September 2026

11 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings freehold	Office furniture	Fixtures, fittings and equipment	Computer equipment	Total
	€	€	€	€	€
Cost					
At 1st October 2025	131,240	19,885	53,043	317,821	521,989
Depreciation					
At 1st October 2025	67,000	18,016	50,892	301,506	437,414
Charge for the year	2,625	700	301	5,609	9,235
At 30th September 2026	69,625	18,716	51,193	307,115	446,649
Net book value					
At 30th September 2026	61,615	1,169	1,850	10,706	75,340
At 30th September 2025	64,240	1,869	2,151	16,315	84,575

12 Loans to members – financial assets

12.1 Loans to members

	Note	2026 €	2025 €
As at 1 October		10,709,202	9,855,028
Advanced during the financial year		5,373,108	4,830,184
Repaid during the financial year		(4,382,696)	(3,960,001)
Loans written off		(17,313)	(16,009)
Gross loans to members	12.2	11,682,301	10,709,202
Impairment allowances The provision for bad debts is analysed as follows;			
Individually Assessed Loans		(292,711)	(362,488)
Loan provision	12.3	(292,711)	(362,488)
As at 30 September	12.2	**11,389,590**	**10,346,714**

12.2 Credit risk disclosures

	2026		2025	
	€	%	€	%
Gross loans Not impaired:				
Not past due	11,103,614	95.05	9,384,722	87.65
Gross loans individually impaired				
Not past due	117,262	1.00%	904,426	8.45%
Up to 9 weeks past due	293,556	2.51%	236,522	2.21%
Between 10 and 18 weeks past due	38,143	0.33%	27,184	0.25%
Between 19 and 26 weeks past due	2,482	0.02%	38,202	0.36%
Between 27 and 39 weeks past due	57,900	0.50%	50,217	0.46%
Between 40 and 52 weeks past due	8,216	0.07%	15,880	0.14%
53 or more weeks past due	61,128	0.52%	52,049	0.48%
Total	578,687	4.95%	1,324,480	12.35%
Total gross loans	11,682,301	100%	10,709,202	100%

Impairment allowance	**2026 €**	**2025 €**
Individually significant loans	(292,711)	(362,488)
Total carrying value	11,389,590	10,346,714

12.3 Loan provision account for impairment losses

	2026 €	2025 €
As at 1st October	362,488	419,516
Allowances reversed during the financial year	(69,777)	(57,028)
(Decrease) in loan provision during the financial year	(69,777)	(57,028)
As at 30th September	292,711	362,488

12.4 Net recoveries or losses recognised for the year

	2026 €	2025 €
Bad debts recovered	(23,269)	(20,072)
Increase	(69,777)	(57,028)
	(93,046)	(77,100)
Loans written off	17,313	16,009
Net (recoveries) / losses on loans to members recognised for the year	(75,733)	(61,091)

12.5 Analysis of Gross Loans Outstanding

	2026 Number of Loans	€	2025 Number of Loans	€
Less than one year	134	194,109	129	164,048
Greater than 1 year and less than 3 years	345	2,090,807	392	2,053,557
Greater than 3 and less than 5 years	326	4,105,578	296	3,805,279
Greater than 5 years and less than 10 years	175	5,291,807	176	4,686,318
	980	11,682,301	993	10,709,202

13 Receivables, Prepayments And Accrued Income

	2026 €	2025 €
Prepayments	24,641	25,261
Other debtors	–	7,448
Accrued income	142,860	107,077
	167,501	139,786

For the year ended 30th September 2026

14 Deposits and investments

	2026 €	2025 €
Fixed-term deposit accounts	3,100,000	8,292,574
Bonds and treasury bills	5,240,000	–
Central Bank minimum reserve	78,207	68,207
Total other	8,418,207	8,360,781

	2026 €	2025 €
Deposits and investments – cash equivalents		
Fixed term deposits	3,254,907	2,968,587

Deposits and investments– Continued

The category of counterparties with whom the deposits and investments were held was as follows:

	€	€
Deposits and investments		
A1	4,520,000	4,597,534
Aa2	1,620,000	509,128
Aa3	1,680,000	1,379,598
A2	–	1,295,579
Baa1	520,000	510,735
Total deposits and investments	**8,340,000**	**8,292,574**

15 Members' Shares – financial liabilities

	2026 €	2025 €
As at 1st October	19,324,098	18,089,877
Received during the financial year	10,831,060	9,727,789
Repaid during the financial year	(9,879,984)	(8,493,568)
As at 30th September	20,275,174	19,324,098

Members' shares are repayable on demand except for shares attached to loans. The breakdown of the shares between attached and unattached is as below;

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30th September 2026

15 Members' Shares – financial liabilities (Continued)

	2026 €	2025 €
Unattached shares	17,608,051	16,752,202
Attached shares	2,667,123	2,571,896
Total members' shares	20,275,174	19,324,098

16 Other payables

	2026 €	2025 €
PAYE/PRSI	4,972	4,609
Other accruals	24,758	23,430
	29,730	28,039

17. CREDIT UNION RESERVES

	Regulatory reserve	Realised reserve	Operational, risk reserve	Unrealised reserves reserve	Total
	€	€	€	€	€
At 1st October 2025	2,520,000	828,050	75,000	7,448	3,430,498
Distribution in financial year	–	(79,957)	–	–	(79,957)
Surplus allocation in financial year	220,000	150,580	–	–	370,580
Other movement in reserves	–	7,448	–	(7,448)	–
At 30th September 2026	2,740,000	906,121	75,000	–	3,721,121

For the year ended 30th September 2026

18 FINANCIAL INSTRUMENTS

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

The main financial risks arising from The Rosses Credit Union's activities are credit risk, liquidity risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Credit Risk:
Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to The Rosses Credit Union Ltd., resulting in financial loss to the Credit Union. In order to manage this risk the Board approves the Credit Union's credit policy, and all changes to it. All loan applications are assessed with reference to the credit policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The credit risk on members' loans is disclosed in the relevant note to the financial statements.
The Credit Union's investments are also exposed to credit risk and the Credit Union mitigates the risk by only placing investments with financial institutions where the counterparties have strong credit ratings and using investment products authorised by the Central Bank.

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. The Credit Union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) Amendment Regulations 2018.

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

Interest Rate Risk:
The Credit Union's main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a Credit Union's operations. The Credit Union considers rates of interest receivable on investments and members' loans when deciding on the dividend rate payable on shares and on any loan interest rebate.

For the year ended 30th September 2026

18.1 Interest Rate Risk Disclosure

	2026 €	Average interest rate %	2025 €	Average interest rate %
Financial assets				
Gross loans to members	11,682,301	6.95	10,709,202	7.00
Financial liabilities				
Members' shares	20,275,174	–	19,324,098	–

18.2 Liquidity Risk Disclosure

All of the financial liabilities of the Credit Union are repayable on demand except for some members' shares attached to loans.

19 Pension Scheme

The Rosses 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 ceased to accrue and although staff retained all the benefits that they had earned in the Scheme to that date, The Rosses Credit Union Limited and the 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 individual credit union based on the total benefits earned by staff in each credit union. The Rosses Credit Union Limited's allocation of that past service deficit is €38,000. This total cost was included in the profit and loss account for the year ended 30 September 2022.

As this is a pooled pension scheme, The Rosses Credit Union Limited remains liable to cover the cost of their share of any future increase in the total cost of providing the pension benefits to credit union employees who were part of the Scheme. The Rosses Credit Union Limited could exit the Scheme and therefore never have to make a potential additional payment requirement however exiting the Scheme may incur a substantial additional cost.

If credit unions exit the Scheme, they are required to pay to the trustees the exit amount which the trustees determine is required to fund benefits in respect of their active, deferred and pensioner members on a "no risk" basis. The exiting credit union thereby settles any liability they have to contribute to the Scheme in the future without increasing the risk for remaining credit unions.

The Scheme is a multi-employer scheme and there is pooling of the assets, and the sharing of risks associated with the liabilities for all participating employers. Judgement is required to assess whether The Rosses Credit Union Limited has sufficient information to provide an appropriate allocation of pension assets and liabilities. An assessment has been performed of the information available and The Rosses Credit Union Limited has determined that there is currently insufficient information available. Consequently, The Rosses Credit Union Limited continues to account for the plan as a defined contribution plan.

An actuarial review of the Scheme is normally carried out every three years by the Scheme's independent, professionally qualified actuary. The actuarial review considers the past

and future service liabilities of the Scheme. The last completed triennial actuarial review was carried out with an effective date of 1 March 2026, using the Attained Age valuation method. The assets and liabilities of the Scheme and the key assumptions are included in the table below at the respective dates of the latest triennial valuation date and the Funding Plan:

	1 March 2026 €'m	1 March 2023 €'m	31 March 2022 €'m
Assets	288.4	296.2	283.4
Liabilities	303.6	328.5	377.1
Deficit	15.2	32.3	93.7

Assumptions used	**1 March 2026**	**1 March 2023**	**31 March 2022**
Interest rate curve	Euribor interest rate swap rates (Single Equivalent Rate 2.89% per annum)	Euribor interest rate swap rates (Single Equivalent Rate 2.57% per annum)	N/A
Investment return in the period to retirement – not Exited	Interest rate curve plus 0.20% p.a.	Interest rate curve plus 1.40% p.a.	3.35%
Investment return while in receipt of pension – not Exited	Interest rate curve plus 0.20% p.a.	Interest rate curve plus 0.00% p.a.	0.25%
Investment return period pre and post retirement – Non-Retired Exited*	Interest rate curve less 0.25% p.a.	Interest rate curve less 0.50% p.a.	3.35%
Investment return – Retired Exited*	Interest rate curve less 0.00% p.a.	Interest rate curve less 0.50% p.a.	0.25%
Annual indexation of accrued pensions up to retirement	Euro HICPx inflation swap rates (Single Equivalent Rate 2.08% per annum) Plus 0.25% for exited liabilities	Euro HICPx inflation swap rates (Single Equivalent Rate 2.73% per annum)	2.05%
Annual increases to pension in payment	3%/0%	3%/0%	3%/0%
Life expectancy** 65 year old male lives to age 65 year old female lives to age	89.1 91.9	88.6 91.4	87 89
Amount of pension exchanged for tax-free cash at retirement	0%	0%	0%
*Exited refers to members whose sponsoring credit union has exited the scheme and is no longer a participating employer			
** 31 March 2022: Based on 58% of ILT15 (Males), 62% of ILT15 (Females) and annual improvement to annuity rates post-retirement of: Males: 0.30%, Females: 0.25% (improvements from 2014). 1 March 2023 & 2026: Based on 90% of PNMA00 (Males), 90% of PNFA00 (Females) and annual improvement post-retirement of 1.75% per annum from 2013.			

The 2026 funding valuation has been completed. Based on the funding level of 100.3% emerging from that valuation after making allowance for contributions due, the Trustees have determined not to seek further contributions from participating employers at this time.

The Rosses Credit Union Limited's liability in the Balance Sheet in respect of the Funding Plan based on outstanding contributions payable under the Funding Plan is set out in the table below:

	30 September 2026 €'m	30 September 2025 €'m
Retirement Benefit Liability	Nil	Nil

20. Related Party Transactions

The Credit Union is prohibited from making a loan to a related party which would provide that party with more favourable terms than a loan by the Credit Union to non-related parties (including, without limitation, terms as to credit assessment, duration, interest rates, amortisation schedules, collateral requirements). Officers of the Credit Union under arm's length transactions and in the normal course of business in their capacity as Members of the Credit Union, had the following balances at the year end.

Transactions with Related Parties
S.I. No. 1 of 2016, PART 8, requires the Disclosure of the total amount of Loans outstanding to Related Parties and the Loans to such persons as a percentage of the Total Loans Outstanding. According to the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016 Related Parties are (a) a Member of the Board of Directors or the Management Team of a Credit Union; (b) a Member of the family of a Member of the Board of Directors or the Management Team of a Credit Union; or (c) a Business in which a Member of the Board of Directors or the Management Team of a Credit Union has a significant shareholding (10%). A family member means in relation to any person, that person's father, mother, spouse or civil partner, cohabitant, son, daughter, brother, or sister.

	No. of loans	2026
Loans advanced to Related Parties during the financial year	11	96,200
Total loans outstanding to Related Parties at the financial year end	14	237,566
Total provisions for loans outstanding to Related Parties		(769)
Total share balances outstanding to Related Parties at the financial year end		107,770

During the year ended 30 September 2026, 11 loans were advanced to related parties, totaling €96,200. The total value of loans outstanding from related parties as a percentage of total gross loans at the balance sheet date amounted to 2.03% (2025: 2.19%).

21 Insurance Against Fraud

The Credit Union has insurance against fraud in the amount of €1,300,000 (2025: € 1,300,000) in compliance with Section 47 of the Credit Union Act 1997, as amended.

22 Capital Commitments Capital Commitments

The Credit Union had no material capital commitments, either contracted or non-contracted at the financial year-ended 30 September 2026.

23 Post-Balance Sheet Events

There have been no significant events affecting the Credit Union since the financial year-end.

24 Approval Of Financial Statements

The financial statements were approved, and authorised for issue, by the Board of Directors on 4th November 2026

SCHEDULE TO THE REVENUE ACCOUNT

For the year ended 30th September 2026

Schedule 1 – Interest on Loans

	2026 €	2025 €
Interest on Loans		
Interest on members loans	758,462	705,833
Interest on members loans receivable	19,900	17,647
	778,362	723,480

Schedule 2 – Investment Income

	2026 €	2025 €
Investment Income		
Investment income received	143,420	142,211
Investment income receivable within 12 months	99,463	89,430
	242,883	231,641

Schedule 3 – Other Revenue

	2026 €	2025 €
Other Revenue		
Other fees received	408	672
ECCU rebate	33,896	–
	34,304	672

SCHEDULE TO THE REVENUE ACCOUNT

For the year ended 30th September 2026

Schedule 4 – Other management expenses

	2026 €	2025 €
Training and seminars	4,694	8,979
Rent and rates payable	4,054	1,000
General insurance	18,391	19,106
Share and loan insurance	143,827	130,206
Light and heat	4,732	4,939
Repairs and renewals	1,437	4,392
Computer and equipment maintenance	127,335	92,470
Printing and stationery	3,632	3,684
Promotion and education	16,252	22,385
Telephone and postage	11,573	12,539
AGM expenses	3,479	2,462
Chapter expenses	267	259
Travelling and subsistence	860	593
Legal and professional fees	31,080	24,928
Risk management and internal audit fees	20,652	20,188
Audit fees	9,840	9,840
Bank interest and charges	45,130	31,522
Miscellaneous expenses	15,503	14,548
Subscriptions and donations	4,900	2,800
Affiliation fees	5,315	6,615
Saving protection scheme	2,772	754
Regulation levy	11,518	17,923
	487,243	432,132

REPORT OF CREDIT COMMITTEE

For year ended 30th September 2026

Each year, the Board of Directors appoints the Credit Committee to assess loan applications in accordance with the Credit Union's Lending Policy. The Committee meets regularly throughout the year to review applications and make lending decisions.

We are pleased to report that our loan book has grown to €11.7 million, reflecting the continued strong demand for our lending services. During the 2025/2026 financial year, almost €5.4 million was advanced to our members across 609 individual loans, with loan amounts ranging from €150 to €80,000.

Against the backdrop of an increasingly competitive lending market, this represents a strong level of lending activity. We are grateful to our members for continuing to choose The Rosses Credit Union for their borrowing needs and for the trust they place in us.

Loan Assessment Process
Every loan application is assessed individually, with consideration given to a number of factors, including the member's ability to repay, their credit history & their savings record with us.

We are proud to offer competitive loan rates along with a fully integrated online loan application service. Members can apply, receive approval, and draw down their loan from the comfort and convenience of their own home.

For members who prefer a face-to-face service, our office remains open, and our staff are available to assist with applications. We also provide a private meeting room for members who wish to discuss their financial circumstances or loan application in confidence.

All loan applications are handled with the strictest confidentiality and are carefully assessed on an individual basis.

Loan Rejections
While we aim to support our members wherever possible, there are circumstances where a loan application may not be approved. Such decisions are never taken lightly. They are made with the responsibility of protecting the Credit Union, our members' savings, and the financial well-being of the applicant.

We continue to invest in our lending services to make borrowing as straightforward, accessible and convenient as possible for our members.

Thank You
We would like to sincerely thank all our members for their continued loyalty and support throughout the year. The level of borrowing by our members plays an important role in the sustainability and growth of The Rosses Credit Union and enables us to continue providing the services and support our members value.

We also extend our appreciation to the Management, staff and Board of Directors for their continued cooperation, commitment and support throughout the 2025/2026 financial year.

REPORT OF THE CREDIT CONTROL COMMITTEE

For year ended 30th September 2026

The Credit Control Committee plays an important role in ensuring that loans are repaid in accordance with members' agreed credit terms. Our Credit Control Policy is reviewed and updated regularly to reflect best practice and any changes in regulatory requirements, with established procedures in place to ensure the policy is implemented effectively.

Throughout the year, the Committee meets with the Credit Control team to review the level of arrears and agree appropriate action where required. The Board of Directors receives detailed monthly reports on credit control activity, providing ongoing oversight of the Credit Union's loan book and arrears position.

Loan Book and Arrears Overview
As of 30 September 2026, the provision for bad debts stood at €292,711, in accordance with FRS 102 Accounting Standards. We consider this to be a prudent and appropriate level of provision, which is reviewed quarterly through independent assessments of the loan book.

Our total loan book currently stands at €11.7 million, with just 1.44% of loans in arrears by more than nine weeks at year end. This demonstrates that the overwhelming majority of our members continue to meet their repayment commitments on time.

During the 2025/2026 financial year:

- €23,269 was recovered from previously written-off bad debts.
- 4 loans were written off, with a combined value of €17,313.

It is important to note that loans which have been written off continue to be pursued for recovery in accordance with Board policy. Members are also reminded that failure to maintain loan repayments may adversely affect their credit rating and future access to credit.

Supporting Members Experiencing Financial Difficulty
We recognise and appreciate the commitment shown by members who continue to meet their repayment obligations, including those who may be experiencing financial difficulties.

If your financial circumstances change and you find yourself struggling to maintain your repayments, we strongly encourage you to contact our Credit Control team as early as possible. Our team is available to discuss your circumstances confidentially and work with you to identify the options available. Early communication can help to prevent arrears from increasing, protect your credit rating, reduce financial stress & minimise the risk of legal action. Our priority is to work with members wherever possible and to find appropriate solutions at an early stage.

Repayment Options
We continue to provide a range of convenient repayment options to meet the needs of our members, including payments in our office, card payments over the telephone, online banking through our website, Standing Orders & Direct Debits.

Acknowledgements
The Credit Control Committee would like to thank the Management team, staff and fellow Board members for their continued cooperation and support throughout the year.

Most importantly, we would like to thank our members for their continued commitment to meeting their loan repayments. Your commitment plays an important role in maintaining the financial strength and stability of The Rosses Credit Union, allowing us to continue to provide lending and other valuable services to our membership.

THE ROSSES
CREDIT UNION LIMITED

REPORT OF THE MEMBERSHIP COMMITTEE

For year ended 30th September 2026

As of the end of the 2026 financial year, The Rosses Credit Union had a total membership of 4602. During the year, we welcomed 158 new members — with 54% of new members being under the age of 30. This is a strong indicator of continued growth and relevance in the community, particularly among younger generations.

We are proud to serve the people of The Rosses, and we remain committed to being a vital part of the local area for many years to come.

Benefits of Membership

- Members of The Rosses Credit Union enjoy a range of benefits, including:
- Safe and secure savings
- Flexible, convenient loan options
- No account fees
- Online banking and loan applications
- Instant payments
- Branch open 6 days a week

Eligibility to Join

To become a member of The Rosses Credit Union, you must live or work within our Common Bond, which includes: Arranmore Island, Rutland, Dungloe, Maghery, Lettermacaward, Glenleehan, Gaffy, Fintown, Doochary, Crovey, and Annagry.



To join, you'll need to:

- Complete a Membership Application Form online or in the office
- Provide **proof of identity** (e.g., passport or driver's licence)
- Provide **proof of address** (dated within the last 3 months)
- Provide **evidence of your PPS number** (e.g., payslip, Revenue document)
- For **children's accounts**, we require:
  - Birth certificate or photo ID
  - Proof of PPSN
  - Parent's photo ID
  - Recent household bill

A once-off membership fee of €1.27 applies, and new members must hold a minimum share balance of €10.00.

Dividends and Interest Rebate

If a surplus is available at year-end, dividends on shares and an interest rebate may be paid into members' accounts. These payments are subject to member approval at the AGM, based on the surplus and the recommendation of the Board of Directors.

Nomination of Shares

Members aged 16 and over should complete a Nomination Form when opening their account. This allows for the distribution of your shares (up to €27,000) in the event of your death. If you wish to update your nomination or are unsure whether one is on file, please ask a member of our team.

Dormant Accounts

If there have been no member-initiated transactions on your account for three years, it will be classified as dormant.

To reactivate a dormant account, please visit our office with:

- Proof of identity
- Proof of address

You will also be asked to complete a transaction on the account to restore it to active status.

Keep Your Details Up to Date

Please inform us of any changes to your address, phone number, email, or personal circumstances. We may contact you to update your records if your documentation has expired or is incomplete.

Thank You

We would like to thank our loyal members for their continued support throughout 2026. To learn more about our full range of services, we invite you to visit our website: **www.rossescu.ie**

REPORT OF THE BOARD OVERSIGHT COMMITTEE

For year ended 30th September 2026

The Board Oversight Committee is responsible for ensuring that the Board of Directors operates in compliance with Part IV and Part IV(a) of the Credit Union Act 1997, as amended, together with all other relevant financial services legislation.

The Committee is elected at the Annual General Meeting (AGM) and operates independently of both the management team and the Board of Directors. It is required to meet at least once every two months and to meet with the Board of Directors at least four times annually. We are pleased to confirm that at least one member of the Committee attended every Board meeting held during the year.

Throughout the year, Committee members participated in relevant training and development to further enhance their knowledge and understanding of their roles and responsibilities. In accordance with our annual work plan, the Committee also completed quarterly reviews of the work undertaken by the Board of Directors.

Following these reviews, we are satisfied that The Rosses Credit Union continues to operate in accordance with best practice and that the Board of Directors complies fully with the requirements of Part IV and Part IV(a) of the Credit Union Act 1997, as amended.

The Committee would like to conclude by expressing its sincere appreciation to the Board of Directors, the CEO and all staff of The Rosses Credit Union for their continued support, cooperation and assistance throughout the year.

Board Oversight Committee

REPORT OF THE NOMINATION COMMITTEE

For the year ended 30th September, 2026

The Nominations Committee plays an important role in ensuring that The Rosses Credit Union has suitably qualified individuals with the appropriate skills and experience to fill vacancies on the Board of Directors, in accordance with legislative requirements. The Committee consists of three Directors of The Rosses Credit Union.

The Committee's main responsibilities include:

- Identifying and recommending suitable candidates for election to the Board of Directors.
- Receiving and considering nominations from individuals seeking to join the Board.
- Supporting the Credit Union in completing Fitness and Probity assessments to ensure compliance with Section 21 of the Central Bank Reform Act 2010.
- Ensuring that an effective succession plan is in place for the Board of Directors.
- Ensuring that members of both the Board of Directors and the Board Oversight Committee receive appropriate training to enable them to carry out their duties effectively.

The Nominations Committee welcomes expressions of interest from members aged 18 and over who would like to contribute to the Credit Union by serving on the Board of Directors. Any member interested in putting themselves forward is encouraged to get in touch with the Committee, and a member will be happy to provide further information.

Members are reminded that nominations can no longer be accepted from the floor at the Annual General Meeting (AGM). All proposed nominees must undergo the required Fitness and Probity assessment before they can proceed to election.

Finally, the Nominations Committee wishes to express its sincere gratitude to the Board of Directors, the Board Oversight Committee, the CEO and all staff of The Rosses Credit Union for their continued support, assistance and cooperation throughout the year

THE ROSSES
CREDIT UNION LIMITED

Deposit Guarantee Scheme Depositor Information Sheet

Basic information about the protection of your eligible deposits.

Eligible deposits in The Rosses Credit Union Limited are protected by:	the Deposit Guarantee Scheme {"DGS"}. (1)
Limit of protection:	Eligible deposits up to €100,000 per depositor per institution.(2)
If you have more eligible deposits at The Rosses Credit Union Limited	All your eligible deposits at The Rosses Credit Union Limited: are 'aggregated' and the total is subject to the limit of €100,000. (2)
If you have a joint account with other person{s}:	The limit of €100,000 applies to each depositor separately. (3)
Reimbursement period in case of The Rosses Credit Union Limited's failure:	Within 10 working days (4)
Currency of reimbursement:	Euro
To contact The Rosses Credit Union Limited for enquiries relating to your account:	The Rosses Credit Union Limited, Upper Main St., Dungloe, Co. Donegal Tel. 074 9522323 Email: info@rossescu.ie Web: www.rossescu.ie
To contact the DGS for further information on compensation:	Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1. Tel: 0818 681 681 Email: info@depositguarantee.ie
More information:	www.depositguarantee.ie

Additional information

(1) Scheme responsible for the protection of your deposit
Your deposit is covered by a statutory deposit guarantee scheme. If insolvency should occur, your eligible deposits would be repaid up to €100,000.

(2) General limit of protection
If a covered deposit is unavailable because a credit institution is unable to meet its financial obligations, depositors are repaid by the DGS. This repayment covers at maximum €100,000 per person per credit institution. This means that all eligible deposits at the same credit institution are added up in order to determine the coverage level. If, for instance, a depositor holds a savings account with €90,000 and a current account with €20,000, he or she will only be repaid €100,000.

(3) Limit of protection for joint accounts
In case of joint accounts, the limit of €100,000 applies to each depositor. However, eligible deposits in an account to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor for the purpose of calculating the limit of €100,000.

In some cases eligible deposits which are categorised as "temporary high balances" are protected above €100,000 for six months after the amount has been credited or from the moment when such eligible deposits become legally transferable. These are eligible deposits relating to certain events which include:

(a) certain transactions relating to the purchase, sale or equity release by the depositor in relation to a private residential property;
(b) sums paid to the depositor in respect of insurance benefits, personal injuries, disability and incapacity benefits, wrongful conviction, unfair dismissal, redundancy, and retirement benefits;
(c) the depositor's marriage, judicial separation, dissolution of civil partnership, and divorce;
(d) sums paid to the depositor in respect of benefits payable on death; claims for compensation in respect of a person's death or a legacy or distribution from the estate of a deceased person.

More information can be obtained at www.depositguarantee.ie

(4) Reimbursement
The responsible deposit guarantee scheme is:

Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1. Tel: 0818 681 681. Email: info@depositguarantee.ie. Website: www.depositguarantee.ie.

It will repay your eligible deposits (up to €100,000); within 10 working days from 1 January 2026 to 31 December 2026; and within 7 days from 1 January 2026 onwards, save where specific exceptions apply.

Where the repayable amount cannot be made available within seven working days depositors will be given access to an appropriate amount of their covered deposits to cover the cost of living within five working days of a request. Access to the appropriate amount will only be made on the basis of data provided by the credit institution. If you have not been repaid within these deadlines, you should contact the deposit guarantee scheme.

Other important information

In general, all retail depositors and businesses are covered by the Deposit Guarantee Scheme. Exceptions for certain deposits are stated on the website of the Deposit Guarantee Scheme. Your credit institution will also inform you on request whether certain products are covered or not. If deposits are eligible, the credit institution shall also confirm this on the statement of account.

PLAN AHEAD WITH OUR

FIXED TERM DEPOSIT

2 YEARS

2.5%*







- ✓ Two-year fixed term
- ✓ Closing date: 31 January 2027
- ✓ Deposit starts: 1 February 2027
- ✓ Matures: 31 January 2029
- ✓ Total tranche: €1 million

PLAN YOUR NEXT CHAPTER

Talk to our team to find out more

THE ROSSES
CREDIT UNION LIMITED

* Interest is subject to DIRT where applicable.
The Rosses Credit Union Limited is regulated by the Central Bank of Ireland.

(074) 952 2323 | www.rossescu.ie



THE ROSSES
CREDIT UNION LIMITED

CHRISTMAS OPENING HOURS

Monday 21st December	9.30am to 4pm
Tuesday 22nd December	9.30am to 4pm
Wednesday 23rd December	9.30am to 4pm
Thursday 24th December	Closed
Friday 25th December	Closed
Saturday 26th December	Closed
Monday 28th December	Closed
Tuesday 29th December	9.30am to 4pm
Wednesday 30th December	9.30am to 4pm
Thursday 31st December	9.30am to 1pm
Friday 1st January	Closed
Saturday 2nd January	9.30am to 1pm
Monday 4th January	9.30am to 4pm

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