

ANNUAL REPORT

2023

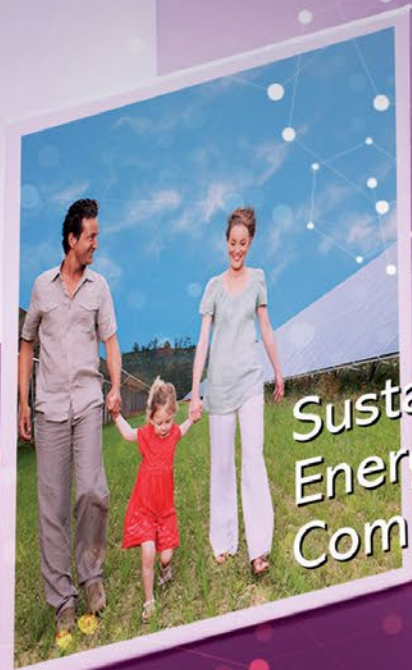
WHERE
COMMUNITY
MATTERS



Credit Union Limited
where community matters



Digital
Transformation



Sustainable
Energy
Community



Community
Support



Member
Education

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Synergy Credit Union
Wins Best Innovation
Project Award



Credit Union Limited

Connect accounts with OPEN BANKING

SECURE | SIMPLE | SPEEDY



Security

Your bank statements are securely shared with us. No need to print or send them to us.



Simplicity

Share your statements in a couple of clicks. No need to print or order statements from your bank.



Speedy

Instant access to your statements reduces delays for faster approval and drawdown of your loan.



making loan applications easier

www.synergycu.ie

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Agenda

Topic

- (a) The acceptance by 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) Notice of Motions (Rule Amendments)
- (e) Approval (or correction) of the minutes of the 2022 annual general meeting (as circulated)
- (f) Report of the Board of Directors
- (g) Consideration of the accounts to 30th September 2023
- (h) Declaration of dividend and interest rebate
- (i) Report of the Auditor
- (j) Report of the Board Oversight Committee
- (k) Report of the Nomination Committee
- (l) Election of Auditor
- (m) Election to fill vacancies on the Board Oversight Committee and the Board of Directors
- (n) Report of the Credit Committee
- (o) Report of the Credit Control Committee
- (p) Report of the Membership Committee
- (q) Announcement of election results
- (r) Any other business
- (s) Close of meeting

Notice of Motion – Amendment to Rules

Board Oversight Committee Membership and General provisions

Rule 53(1) of Synergy Credit Union Limited is hereby amended to read “the credit union shall have a board oversight committee which shall consist of 3 members”

Please note that there has been one amendment to the Standard Rules for Credit Unions arising from the League AGM 2023. The wording of the rule amendment is set out below.

Rule 30 (1)(a)

That this Annual General Meeting amends Rule 30 of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of the following Rule 30 (1)(a)

(1) (a) Provided a share dividend has been declared in accordance with the Act, the directors may recommend to the annual general meeting for approval a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.

And by the insertion of the following Rule 30 (1)(a) to read:

(1) (a) The directors may recommend to the annual general meeting for approval a refund to the members on record as of the end of each financial year who have been borrowers during such year of a percentage of interest which such borrowers have paid during such year, and such rate of refund shall apply to all such member borrowers. Where a credit union operates a system whereby different rates of interest are charged for different classes of loans, the board of directors may recommend a different rate of refund applicable to each class of loan. Such refunds shall apply to all member borrowers in each class of loan.

Standing Orders for A.G.M.

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).

Since this year's AGM (Annual General Meeting) will be a virtual meeting, voting on motions and elections will be by electronic means. Each member will be given the opportunity to exercise their vote electronically during the meeting.

2. Election Procedure - Electronic Voting

- Following the announcement of nominations attendees will be given the opportunity to vote electronically "Yes" or "No" for each candidate. Those in attendance will be given one (1) minute to record their vote. The mechanics of the electronic virtual voting process will be explained in more detail at the AGM by the Chair. Elections shall be in the following order:
 - Position of auditor
 - Members of the board oversight committee
 - Board of Directors

The votes will be tallied electronically. When all elections have been completed and results become available the chair will announce the results.

3 - 4 Motions

- In order to ensure the smooth running of the meeting, members can email any motions in advance to the Chairperson Pa O'Driscoll agm@synergycu.ie.
As such, there will be no motions accepted from the floor during the course of the AGM.
Participants at the meeting can use an inbuilt Questions & Answer function to ask a question of the main speakers and presenters.
- The Chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.

5 - 9 Miscellaneous

- The Chairperson of the credit union shall be the Chairperson 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.
- The Chairperson may at his/her discretion, extend the privilege of the floor to any person who is not a member.
- Matters not covered by the agenda may be introduced under "Other Business" at the discretion of the Chairperson. At a virtual AGM, this may not be practical, however, the option may be invoked, if required.
- The Chairperson shall have a second or casting vote in addition to his/her own vote on matters other than voting at elections where there is an equality of votes (Standard Rule 99(1)).
- Any matter to be decided upon by a vote at the AGM shall, unless otherwise expressly provided for by law or the rules be decided upon by majority vote.

10. Adjournments

- Adjournments of the AGM shall take place only in accordance with sections 81(1) and 80A of the Credit Union Act, 1997 (as amended).

11-16 Virtual Meeting Items

- Members shall keep their microphones muted and video cameras off for the duration of the meeting, except for when requested to make contributions to the meeting.
- A member shall only address the meeting when called upon by the Chair to do so for a maximum time period of 3 minutes. A countdown clock will be used. When a speaker has 30 seconds left, the clock will appear briefly on the screen. If you exceed the allotted speaking time you may be muted at the discretion of the Chair.
- All members are asked to utilise the Q&A button on the bottom of the toolbar in Zoom to ask questions.
- All members are reminded to conduct themselves in a professional manner. Please refrain from sharing any explicit, violent, or inappropriate content.
- Provision shall be made for the protection of the Chair from vilification (personal abuse).
- All members are asked to keep their mobile phone silent. The vibrate setting can also cause disruptions. If you must take urgent calls, please ensure that your microphone is muted.

Directors' Report

For the financial year ended 30 September 2023

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2023.

Principal activity

The principal activity of the business continues to be the operation of a credit union.

Authorisation

The credit union is authorised as follows:

- Insurance, reinsurance or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018.
- Entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.
- To act on behalf of a payment institution in providing payment services.

Business review

The directors acknowledge the results for the year and the year-end financial position of the credit union. The directors expect to develop and expand the credit union's current activities and they are confident of its ability to continue to operate successfully in the future.

Dividends and loan interest rebates

The directors are not proposing a dividend or loan interest rebate in respect of the financial year ended 30 September 2023. (2022: The directors did not propose a dividend or loan interest rebate).

Principal risks and uncertainties

The principal risks and uncertainties faced by the credit union are:

Credit risk

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss.

Lack of loan demand

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

Market risk

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

Liquidity risk

Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed processes or systems of the credit union, any failure by persons connected with the credit union or from external events.

Global macro-economic risk

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

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

Credit risk

In order to manage this risk, the board of directors regularly reviews and approves the credit union's credit lending policy. All loan applications are assessed with reference to the credit lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

Lack of loan demand

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

Market risk

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

Directors' Report (continued)

For the financial year ended 30 September 2023

Liquidity risk

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

Operational risk

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

Global macro-economic risk

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

Accounting records

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the credit union are maintained at the credit union's premises at 27/29 Patrick Street, Fermoy, Co. Cork.

Events after the end of the financial year

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

Auditors

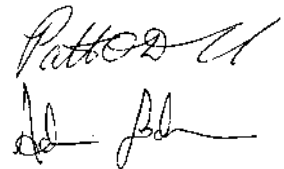
In accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Grant Thornton offer themselves for re-election.

Chairperson of the Board of Directors: Pa O'Driscoll

Date: 24th November 2023

Member of the Board of Directors: Adrian Godwin

Date: 24th November 2023



Directors' Responsibilities Statement

For the financial year ended 30 September 2023

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

In preparing those financial statements the directors are required to:

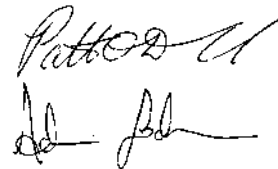
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reason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

The directors are responsible for ensuring that the credit union keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the credit union, enable at any time the assets, liabilities, financial position and income and expenditure of the credit union to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Credit Union Act, 1997 (as amended) and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the credit union's website.

On behalf of the Board:

Chairperson of the Board of Directors: Pa O'Driscoll
Date: 24th November 2023

Member of the Board of Directors: Adrian Godwin
Date: 24th November 2023



Chairperson's Address

On behalf of the Board of Directors, I present the annual report and financial statements for the year ended 30th September 2023.

Income at €3,533,769 was up 2.63% on the income to 30th September 2022. When the 2022 once off refund from the ILCU (Irish League of Credit Unions) Savings Protection Scheme of €422,495 is excluded, net income increased by 18.65%. Income from the Interest on Members' loans was up 7.16% to €2,621,328 and other interest income was up 78.71% to €836,463.

Other interest income mainly comprises of the returns received on the surplus funds i.e., funds not lent out to members, that are invested and reflect the changing interest rate environment that has prevailed over the last 12 months, which has had a positive impact on returns from investments.

Total expenditure for the year increased by 25.78% to €3,144,989. Within this, employment costs rose by 9.23% and other management expenses rose by 12.54%. Within other management expenses, the largest monetary increases were 'legal and professional fees' which increased by €85,699, 'computer and software maintenance' an increase of €58,181 and the 'deposit guarantee scheme' which increased by €29,766. The three largest components of 'legal and professional fees' were for risk management, loan assessment, and human resources.

There was also a reduction in the figure for net impairment (gains)/losses on loans to members which amounted to €47,780. Within this figure, bad debts recovered during the year by our Credit Control Department decreased by 24% to €247,179. Bad debts written off increased by 70.41% to €140,538.

The board continue to take a very prudent approach with regard to ensuring the Provision for Bad and Doubtful Debts is adequate given the continued economic uncertainty, in particular the cost-of-living crisis which may impact on members' ability to maintain their loan repayments. As a safeguard against this uncertainty the board has approved a Bad and Doubtful Debt Provision of €2,149,519, which is the equivalent of 6.56% of gross loans outstanding as at 30th September 2023, a decrease from the 7.13% of gross loans outstanding held at year end 2022.

As a result, Synergy Credit Union is reporting a surplus of €388,780 for the financial year ended 30th September 2023. This is down 58.77% on 2022 and can be explained by the once off refund in 2022 of €422,495 from the Savings Protection Scheme and the increased cost of delivery of services to members as a result of increasing costs from suppliers.

Total assets of Synergy Credit Union as of 30th September 2023 increased by 1.96% to €104,502,437. Loans to members increased by 12.6% to €32,763,871 and represented 31.35% of total assets, up from 28.39% in 2022. Deposits & Investments decreased by 2.23% to €68,771,389 to represent 65.80% of total assets, down from 68.63% in 2022.

Member shares increased by 1.61% to €87,058,558. The board are pleased to announce that the savings and monthly lodgement limits are no longer required, members may now hold savings to the maximum legislative limit.

The year to 30th September 2023 saw Synergy Credit Union achieve another solid performance with continued growth in our loan book. However, as highlighted at the 2022 AGM, our Credit Union continues to rely on a minority of members who are borrowing for the bulk of its income.

In the past year our borrowing members' loans, 31.35% of our asset base, generated 74.31% of income, down from 81.12% in 2022. The money that is not used to fund loans is invested. In the year to 30th September 2023 these invested funds, 65.80% of our asset base, together with other small income streams generated 23.67% of income.

A smaller stream of income comes from Members' Personal Current Account Services (MPCAS) which was up 49.55% to €61,155 reflecting the continued increase in the number of members who use Synergy Credit Union for their current account needs.

Synergy Credit Union continues to engage with other credit unions to enhance services available to members, through Metamo DAC, a collaboration between 16 credit unions and Fexco. During 2023, the credit union has revolutionised its lending service to members through the introduction of Personal Lending Automation through Metamo. Members can apply online, via mobile app or in branch and with open banking consent a loan decision is made in minutes. Open Banking is a secure platform operated by Plaid where members can consent to the sharing of their banking transactional data with the credit union, replacing the need to provide bank statements and pay slips and substantially decreasing the time to decision loan applications. Other credit unions have visited our offices in Fermoy to view the new platform and Synergy was recently nominated for, and awarded, the Best Innovation Award at the Credit Union Awards 2023. We look forward to the introduction of general insurances in December 2023.

The Climate Crisis has become a more critical issue for the financial sector and the Central Bank of Ireland requires all financial institutions to demonstrate their commitment to a culture that places emphasis on climate and other environmental, social and governance issues. A Sustainable Energy Community Committee has been established and is working with SEAI to develop a programme for Synergy Credit Union to lead a community project on sustainability. A Climate Champion has also been appointed on the Board to ensure that sustainability continues to be a key consideration in all strategic decisions of the Credit Union.

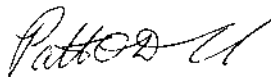
The Credit Union Amendment Bill is being progressed through the Oireachtas and is expected to become law during the next few months. This bill has the possibility to transform the credit union sector, in terms of governance and member engagement, and any progressive elements of the new law will be used by Synergy to enhance services for members.

Chairperson's Address (continued)

The Board of Directors is obliged to consider the stability of the balance sheet, as well as identified risks, when deciding on any distribution to members. As mentioned above, the surplus for the year was €388,780. While this is a healthy surplus, there are risks that must be taken into consideration, including the continuing cost-of-living challenges; the necessity to maintain liquidity, reserves, and provisions; and the liquidation of Blackbee Investments Limited as outlined in the Contingent Liability Note 26b of the financial statements. Therefore, the Board is not recommending any distributions by way of a dividend to members or by way of an interest rebate to borrowing members. The Board is clear that should performances for the coming year meet projections and should the Blackbee Investments Limited liquidation complete in the financial year, the Board would be in a better position to recommend a distribution at AGM 2024.

On behalf of the Board and our members I thank our CEO, Martina Cotter, and the team of committed and loyal staff that she leads. They continue to offer all our members a top-class unparalleled service which should not be taken for granted and for which we must all be grateful. Credit Unions are now unique within the financial sector for continuing to provide front-of-shop member services. This comes at a cost, but it is a cornerstone of the credit union movement, and we will continue to provide this service to members.

I thank the volunteers who work tirelessly and spend long hours as members of sub-committees and/or members of the Board Oversight Committee and Board of Directors. It is a unique feature that has served this and other Credit Unions extremely well for over 50 years. I pay tribute to Betty Moore who is stepping down from the Board Oversight Committee after over three decades of volunteering with the credit union. Jim Sheehan and Patrick McGrath are also stepping down from the Board Oversight Committee, and Michael Savage is stepping down from the Board of Directors. I thank them all for their effort and commitment as volunteers and wish them well for the future. I also ask all members, who feel that they have something to contribute, to consider volunteering.



Pa O'Driscoll
Chairperson of the Board of Directors

Your Board of Directors 2023

Pa O'Driscoll	Chairperson
Adrian Godwin	Hon Secretary
Con Lawlor	Vice Chairperson
Julie Collins	
Kate Fenning	
Donal Kenneally	
Pat Leogue	
Una O'Neill	
Michael Savage	

Board Oversight Committee Report

The Credit Union Act, 1997, as amended, requires the appointment of a Board Oversight Committee (BOC) to assess whether the Board of Directors has operated in accordance with Part IV and Part IV (a) and any other regulations under the legislation and any other matter as prescribed by the Central Bank of Ireland.

The BOC works on behalf of the members of Synergy Credit Union to ensure the members' interests are protected. The Board Oversight are independent from the Board of Directors.

The committee has discharged its obligations during the year as follows:

- Held monthly BOC meetings.
- Reviewed reports and minutes of all board meetings.
- Observed at all Board meetings.
- Attended at subcommittee meetings.
- Attended and participated in relevant training courses.
- Assessed and met with the board of directors on four occasions during the year.

The Board Oversight Committee is satisfied to report that the actions and decisions of the board of directors of Synergy Credit Union are compliant with current legislation and regulation.

We have 3 members retiring from the BOC at the Annual General Meeting, Betty Moore after 33 years of service to the credit union in various roles. We are delighted that Betty will continue in her role as chapter delegate. Jim Sheehan retires after 3 years with BOC and Patrick McGrath after 4 years. I would like to take this opportunity to wish them well in the future and thank them for their time and contribution.

The BOC would like to acknowledge and thank the cooperation of the board of directors and the assistance of our CEO Martina Cotter and the staff of Synergy Credit Union in accommodating the BOC in our role during the year.

Board Oversight Committee members 2023 - Chairperson Joe Tobin, Secretary Anil Babu Yarlagadda, Betty Moore, Patrick McGrath, & Jim Sheehan.



Joe Tobin
Chairperson of the Board Oversight Committee

Board Oversight Committee's Responsibilities Statement

For the Financial Year Ended 30 September 2023

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

On behalf of the Board Oversight Committee:

Chairperson of the Board Oversight Committee: Joe Tobin



Date: 24th November 2023



where community matters



Where community matters

Independent Auditor's Report to the members of Synergy Credit Union Limited

Opinion

We have audited the financial statements of Synergy Credit Union Limited for the financial year ended 30 September 2023, which comprise:

- the Income and expenditure account;
- the Statement of other comprehensive income;
- the Balance sheet;
- the Statement of changes in reserves;
- the Statement of cash flows; and
- the related notes 1 to 28, including the summary of significant accounting policies as set out in note 2.

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

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

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2023 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of 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

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

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

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

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

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

Independent Auditor's Report (continued)

to the members of Synergy Credit Union Limited

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the auditor for the audit of the financial statements

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

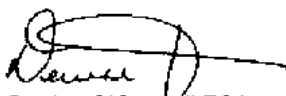
As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgement and maintain professional scepticism throughout the audit. The auditor will also:

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

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

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

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



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

Date: 24th November 2023



Income and Expenditure Account

For the financial year ended 30 September 2023

		2023 €	2022 €
Income	Schedule		
Interest on members' loans		2,621,328	2,446,158
Other interest income and similar income	1	836,463	468,057
Net interest income		3,457,791	2,914,215
Other income	2	75,978	529,146
Total income		3,533,769	3,443,361
Expenditure			
Employment costs		1,423,748	1,303,403
Other management expenses	3	1,618,655	1,438,236
Depreciation		150,366	177,472
Net impairment gain on loans to members (note 5)		(47,780)	(418,790)
Total expenditure		3,144,989	2,500,321
Surplus for the financial year		388,780	943,040

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

Chief Executive Officer: Martina Cotter
Date: 24th November 2023

Chairperson of the Board Oversight Committee: Joe Tobin
Date: 24th November 2023

Chairperson of the Board of Directors: Pa O'Driscoll
Date: 24th November 2023

Martina Cotter
Joe Tobin
Pa O'Driscoll

Statement of Other Comprehensive Income

For the financial year ended 30 September 2023

	2023 €	2022 €
Surplus for the financial year	388,780	943,040
Other comprehensive income	-	-
Total comprehensive income for the financial year	388,780	943,040

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

Chief Executive Officer: Martina Cotter
Date: 24th November 2023

Chairperson of the Board Oversight Committee: Joe Tobin
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Date: 24th November 2023

Martina Cotter
Joe Tobin
Pa O'Driscoll

The notes on pages 18 to 29 form part of these financial statements.

Balance Sheet

As at 30 September 2023

	Notes	2023 €	2022 €
Assets			
Cash and balances at bank	6	2,384,923	3,358,720
Deposits and investments – cash equivalents	7	17,368,390	15,023,686
Deposits and investments – other	7	51,402,999	55,314,323
Loans to members	8	32,763,871	29,098,094
Provision for bad debts	9	(2,149,519)	(2,073,338)
Members' current accounts overdrawn	14	20,534	12,827
Tangible fixed assets	10	1,196,757	1,274,786
Investment in associates	11	265,000	265,000
Debtors, prepayments and accrued income	12	1,249,482	218,623
Total assets		104,502,437	102,492,721
Liabilities			
Members' shares	13	87,058,558	85,680,972
Members' current accounts	14	1,556,569	1,366,290
Other liabilities, creditors, accruals and charges	15	551,638	490,468
Other provisions	16	15,718	23,817
Total liabilities		89,182,483	87,561,547
Reserves			
Regulatory reserve	18	10,680,152	10,452,746
Operational risk reserve	18	763,573	900,195
Other reserves			
- Realised reserves	18	3,716,768	3,455,945
- Unrealised reserves	18	159,461	122,288
Total reserves		15,319,954	14,931,174
Total liabilities and reserves		104,502,437	102,492,721

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

Chief Executive Officer: Martina Cotter
Date: 24th November 2023

Chairperson of the Board Oversight Committee: Joe Tobin
Date: 24th November 2023

Chairperson of the Board of Directors: Pa O'Driscoll
Date: 24th November 2023

The notes on pages 18 to 29 form part of these financial statements.

Martina Cotter
Joe Tobin
Pa O'Driscoll

Statement of Changes in Reserves

For the financial year ended 30 September 2023

	Regulatory reserve	Operational risk reserve	Realised reserves	Unrealised reserves	Total
	€	€	€	€	€
As at 1 October 2021	10,252,433	778,468	2,890,285	69,448	13,990,634
Surplus for the year	-	-	885,744	57,296	943,040
Payment from reserves	-	-	(2,500)	-	(2,500)
Transfers between reserves	200,313	121,727	(317,584)	(4,456)	-
As at 1 October 2022	10,452,746	900,195	3,455,945	122,288	14,931,174
Surplus for the year	-	-	351,607	37,173	388,780
Transfers between reserves	227,406	(136,622)	(90,784)	-	-
As at 30 September 2023	10,680,152	763,573	3,716,768	159,461	15,319,954

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2023 was 10.22% (2022: 10.20%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2023 was 0.73% (2022: 0.88%).

The notes on pages 18 to 29 form part of these financial statements.

Statement of Cash Flows

For the financial year ended 30 September 2023

	Notes	2023 €	2022 €
Opening cash and cash equivalents		18,382,406	13,293,995
Cash flows from operating activities			
Loans repaid by members	8	12,413,170	11,192,771
Loans granted to members	8	(16,219,485)	(14,371,826)
Members' current accounts lodgements	14	18,134,076	9,840,992
Members' current accounts withdrawals	14	(17,953,589)	(8,976,861)
Interest on members' loans		2,621,328	2,446,158
Other interest income and similar income		836,463	468,057
Bad debts recovered and recoveries		264,499	348,107
Other income		75,978	529,146
Operating expenses		(3,040,318)	(2,730,742)
Movement in other assets and liabilities		(977,788)	143,228
Net cash flows from operating activities		(3,845,666)	(1,110,970)
Cash flows from investing activities			
Fixed asset (purchases)/disposals		(72,337)	(59,042)
Net cash flow from other investing activities		3,911,324	6,284,227
Net cash flows from investing activities		3,838,987	6,225,185
Cash flows from financing activities			
Members' shares received	13	54,029,859	49,396,452
Members' shares withdrawn	13	(52,652,273)	(49,422,256)
Net cash flows from financing activities		1,377,586	(25,804)
Net increase in cash and cash equivalents		1,370,907	5,088,411
Closing cash and cash equivalents	6	19,753,313	18,382,406

The notes on pages 18 to 29 form part of these financial statements.

Notes to the Financial Statements

For the financial year ended 30 September 2023

1. Legal and regulatory framework

Synergy Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at 27/29 Patrick Street, Fermoy, Co. Cork.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The following principal accounting policies have been applied:

2.2 Statement of compliance

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

2.3 Going concern

After reviewing the credit union's projections, the directors have reasonable expectation that the credit union has adequate resources to continue in operational existence for the foreseeable future. The credit union therefore continues to adopt the going concern basis in preparing its financial statements.

2.4 Income

Interest on members' loans

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

Deposit and investment income

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

Other income

Other income is recognised on an accruals basis.

2.5 Cash and cash equivalents

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

2.6 Deposits and investments

Held at amortised cost

Investments designated on initial recognition as held at amortised cost are measured at amortised cost using the effective interest method less impairment. This means that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount, minus, in the case of a financial asset, any reduction for impairment or uncollectability.

Central Bank deposits

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

Investments at fair value

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

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

2. Accounting policies (continued)

2.7 Financial assets – loans to members

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

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

2.8 Provision for bad debts

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and the adequacy of same on a regular basis. Any bad debts/impairment (gains)/losses are recognised in the income and expenditure account. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the income and expenditure account.

2.9 Tangible fixed assets

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

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

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

Depreciation is provided on the following basis:

Freehold premises	2% straight line per annum
Fixtures and fittings	10% straight line per annum
Plant and machinery	10% straight line per annum
Computer and office equipment	20% straight line per annum

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

2.10 Impairment of assets

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

2.11 Investments in associates

Investments in associates are accounted for at cost less impairment.

2.12 Other receivables

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

2.13 Financial liabilities – members' shares

Members' shares are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at amortised cost.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

2. Accounting policies (continued)

2.14 Members' current accounts

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

2.15 Other payables

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

2.16 Pension

The credit union operates a defined contribution pension scheme. The assets of this scheme are held separately from those of the credit union in independently administered funds. Employer contributions to the pension scheme are charged to the income and expenditure account in the period to which they relate. The amount payable at the year end is €36 (2022: €2,286).

2.17 Holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.18 Derecognition of financial liabilities

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

2.19 Regulatory reserve

The Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10 per cent of the assets of the credit union. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

2.20 Operational risk reserve

Section 45(5)(a) of the Credit Union Act, 1997 (as amended) requires each credit union to maintain an additional reserve that it has assessed is required for operational risk having regard to the nature, scale and complexity of the credit union. Credit Unions are required to maintain a minimum operational risk reserve having due regard for the sophistication of the business model.

The definition of operational risk is the risk of losses stemming from inadequate or failed internal processes, people and systems or from external events. The directors have considered the requirements of the Act and have considered an approach to the calculation of the operational risk reserve. The credit union uses the Basic Indicator Approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the operational risk reserve. Therefore the credit union will hold an operational risk reserve which will at a minimum equal 15% of the average positive gross income for the previous three years. For any year in which there was a deficit, this will be excluded from the calculation.

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

2.21 Other reserves

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

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

2. Accounting policies (continued)

2.22 Distribution policy

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

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

- the risk profile of the credit union, particularly in its loan and investments portfolios;
- the board's desire to maintain a stable rather than a volatile rate of dividend each year; and
- members' legitimate dividend and loan interest rebate expectations;

All dominated by prudence and the need to sustain the long-term welfare of the credit union.

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

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

2.23 Taxation

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

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

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

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the year end was €1,196,757 (2022: €1,274,786).

Provision for bad debts

The credit union's accounting policy for impairment of loans is set out in note 2.8. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and, other external factors such as legal and regulatory requirements. The provision for bad debts in the financial statements at the year end was €2,149,519 (2022: €2,073,338) representing 6.56% (2022: 7.13%) of the total gross loan book.

Investments in associates

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

Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have considered an approach to the calculation of the operational risk reserve. The credit union uses the basic indicator approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the minimum operational risk reserve. In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended). The operational risk reserve of the credit union at the year end was €763,573 (2022: €900,195).

Adoption of going concern basis for financial statements preparation

The credit union continue to closely monitor the developments within the global macro-economic environment. The directors have prepared projections and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the credit union's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the credit union was unable to continue as a going concern.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

4. Key management personnel compensation

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

	2023 €	2022 €
Short term employee benefits paid to key management	614,143	521,506
Payments to pension schemes	50,925	45,276
Total key management personnel compensation	665,068	566,782

5. Net impairment gain on loans to members

	2023 €	2022 €
Bad debts recovered (net)	(247,179)	(325,246)
Impairment of loan interest reclassified as bad debt recoveries	(17,320)	(22,861)
Movement in bad debts provision during the year	76,181	(153,152)
Loans written off during the year	140,538	82,469
Net impairment gain on loans to members	(47,780)	(418,790)

Bad debts recovered (net) is analysed as follows:

	2023 €	2022 €
Bad debt recovered	287,015	352,286
Legal fees associated with the bad debts recovered	(39,836)	(27,040)
Bad debts recovered (net)	247,179	325,246

6. Cash and cash equivalents

	2023 €	2022 €
Cash and balances at bank	2,384,923	3,358,720
Deposits and investments – cash equivalents (note 7)	17,368,390	15,023,686
Total cash and cash equivalents	19,753,313	18,382,406

7. Deposits and investments

	2023 €	2022 €
Deposits and investments – cash equivalents		
Accounts in authorised credit institutions (Irish and non-Irish based)	15,330,464	14,579,221
Central Bank deposits	39,890	444,465
Irish and EEA state securities	1,998,036	-
Total deposits and investments – cash equivalents	17,368,390	15,023,686
Deposits and investments – other		
Accounts in authorised credit institutions (Irish and non-Irish based)	32,135,456	37,141,082
Bank bonds	18,002,141	16,936,206
Central Bank deposits	768,522	743,016
Other investments	496,880	494,019
Total deposits and investments – other	51,402,999	55,314,323
Total deposits and investments	68,771,389	70,338,009

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

8. Financial assets – loans to members

	2023 €	2022 €
As at 1 October	29,098,094	26,001,508
Loans granted during the year	16,219,485	14,371,826
Loans repaid during the year	(12,413,170)	(11,192,771)
Gross loans and advances	32,904,409	29,180,563
Bad debts		
Loans written off during the year	(140,538)	(82,469)
As at 30 September	32,763,871	29,098,094

9. Provision for bad debts

	2023 €	2022 €
As at 1 October	2,073,338	2,226,490
Movement in bad debts provision during the year	76,181	(153,152)
As at 30 September	2,149,519	2,073,338

The provision for bad debts is analysed as follows:

	2023 €	2022 €
Grouped assessed loans	2,149,519	2,073,338
Provision for bad debts	2,149,519	2,073,338

10. Tangible fixed assets

	Freehold premises €	Fixtures & fittings €	Plant machines €	Computer and office equipment €	Total €
Cost					
As at 1 October 2022	1,044,129	1,080,381	-	1,348,429	3,472,939
Additions	-	1,379	26,769	44,189	72,337
Disposals	-	(734,556)	-	(913,504)	(1,648,060)
As at 30 September 2023	1,044,129	347,204	26,769	479,114	1,897,216
Depreciation					
As at 1 October 2022	128,634	908,201		1,161,318	2,198,153
Charge for year	21,835	34,086	2,677	91,768	150,366
Disposals	-	(734,556)	-	(913,504)	(1,648,060)
As at 30 September 2023	150,469	207,731	2,677	339,582	700,459
Net book value					
As at 30 September 2023	893,660	139,473	24,092	139,532	1,196,757
As at 30 September 2022	915,495	172,180	-	187,111	1,274,786

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

11. Investments in associates

	€
Cost	
At 1 October 2022 and 30 September 2023	265,000
Accumulated impairment	
At 1 October 2022 and 30 September 2023	-
Net book value	
At 30 September 2023	265,000
At 30 September 2022	265,000

Interests in associate

The credit union has interests in the following associate:

Associate	Registered Address	Type of shares held	Proportion held %	Net Assets €	Profit or (loss) €
Metacu Management Designated Activity Company	14 Ely Place Dublin 2 Ireland	Redeemable A Ordinary	6.25%	4,048,205	18,198

The above financial information in respect of MetaCU Management Designated Activity Company was extracted from the audited financial statements for the year ended 31 December 2022.

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

	Share of net assets
	€
As at 1 October 2022	251,875
Share of profit for the financial year after tax	1,137
As at 30 September 2023	253,012

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

12. Debtors, prepayments and accrued income

	2023 €	2022 €
Loan interest receivable	63,460	60,011
Prepayments	143,772	116,362
Other debtors	1,042,250	42,250
As at 30 September	1,249,482	218,623

13. Members' shares

	2023 €	2022 €
As at 1 October	85,680,972	85,706,776
Received during the year	54,029,859	49,396,452
Withdrawn during the year	(52,652,273)	(49,422,256)
As at 30 September	87,058,558	85,680,972

14. Members' current accounts

	2023 €	2022 €
As at 1 October	1,353,463	475,935
Lodgements during the year	18,134,076	9,840,992
Withdrawals during the year	(17,953,589)	(8,976,861)
Provision movement	2,085	13,397
As at 30 September	1,536,035	1,353,463

	2023		2022	
	No. of Accounts	Balance of Accounts €	No. of Accounts	Balance of Accounts €
Debit	163	49,778	770	39,986
Debit (net of provision)	163	20,534	770	12,827
Credit	1030	1,556,569	265	1,366,290
Permitted overdrafts	57	62,905	59	63,364

15. Other liabilities, creditors, accruals and charges

	2023 €	2022 €
Other liabilities, creditors, accruals and charges	523,645	461,667
PAYE/PRSI	27,993	28,801
As at 30 September	551,638	490,468

16. Other provisions

	2023 €	2022 €
Holiday Pay Accrual		
As at 1 October	23,817	26,090
Credited to the income and expenditure account	(8,099)	(2,273)
As at 30 September	15,718	23,817

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

17. Financial instruments

17a. Financial instruments – measured at amortised cost

Financial assets	2023	2022
	€	€
Financial assets measured at amortised cost	87,531,358	85,483,344
Financial liabilities	2023	2022
	€	€
Financial liabilities measured at amortised cost	89,182,483	87,561,547

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

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

17b. Financial instruments – fair value measurements

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

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

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

At 30 September 2023	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	13,065,347	-	13,065,347	-
Bank bonds	2,004,863	-	2,004,863	-
Other investments	496,880	-	496,880	-
Total	15,567,090	-	15,567,090	-
As at 30 September 2022	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	13,058,506	-	13,058,506	-
Bank bonds	2,005,693	-	2,005,693	-
Other investments	494,019	-	494,019	-
Total	15,558,218	-	15,558,218	-

There were fair value adjustments recognised in the income and expenditure account for the year ended 30 September 2023 in amount of €2,861 (2022: (€5,981)).

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

18. Reserves

	Balance 01/10/22 €	Appropriation of current year surplus €	Transfers between reserves €	Balance 30/0//23 €
Regulatory reserve	10,452,746	-	227,406	10,680,152
Operational risk reserve	900,195	-	(136,622)	763,573
Other reserves				
Realised				
General reserve	3,439,143	351,607	(90,784)	3,699,966
Social fund reserve	16,802	-	-	16,802
Total realised reserves	3,455,945	351,607	(90,784)	3,716,768
Unrealised				
Interest on loans reserve	60,011	3,449	-	63,460
Investment income reserve	20,027	33,724	-	53,751
SPS reserve	42,250	-	-	42,250
Total unrealised reserves	122,288	37,173	-	159,461
Total reserves	14,931,174	388,780	-	15,319,954

19. Credit risk disclosures

In line with regulatory requirements, the credit union:

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

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

	2023		2022	
	€	%	€	%
Loans not impaired				
Total loans not impaired, not past due	29,996,956	91.55%	26,522,315	91.15%
Impaired loans:				
Not past due	1,235,605	3.77%	1,395,303	4.80%
Up to 9 weeks past due	1,047,106	3.20%	697,811	2.40%
Between 10 and 18 weeks past due	172,556	0.53%	187,623	0.64%
Between 19 and 26 weeks past due	81,524	0.25%	98,808	0.34%
Between 27 and 39 weeks past due	93,534	0.29%	47,356	0.16%
Between 40 and 52 weeks past due	36,636	0.11%	31,971	0.11%
53 or more weeks past due	99,954	0.30%	116,907	0.40%
Total impaired loans	2,766,915	8.45%	2,575,779	8.85%
Total loans	32,763,871	100.00%	29,098,094	100.00%

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

20. Related party transactions

20a. Loans

	2023		2022	
	No. of Loans	€	No. of Loans	€
Loans advanced to related parties during the year	8	60,000	12	245,000
Total loans outstanding to related parties at the year end	17	377,873	15	427,320
Total provision for loans outstanding to related parties		9,507		10,785

The related party loans stated above comprise of loans outstanding to directors and the management team (to include their family members or any business in which the directors or management team had a significant shareholding). Total loans outstanding to related parties represents 1.15% of the total loans outstanding at 30 September 2023 (2022: 1.47%).

20b. Savings

The total amount of savings held by related parties at the year end was €443,108 (2022: €433,836).

21. Additional financial instruments disclosures

21a. Financial risk management

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

Credit risk: Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss. In order to manage this risk the board of directors regularly reviews and approves the credit union's credit lending policy. Credit risk mitigation may include the requirement to obtain collateral as set out in the credit union's loans policy. Where collateral or guarantees are required, they are usually taken as a secondary source of repayment in the event of the borrower's default. The credit union maintains policies which detail the acceptability of specific classes of collateral. The principal collateral types for loans are: an attachment over members' pledged shares; personal guarantees; and charges over assets. The nature and level of collateral required depends on a number of factors such as the term of the loan and the amount of exposure. All loan applications are assessed with reference to the credit lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

Market risk: Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates. The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

Liquidity risk: Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded. The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due.

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

21b. Liquidity risk disclosures

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The credit union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in regulatory requirements.

21c. Interest rate risk disclosures

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

	2023		2022	
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	32,763,871	8.73%	29,098,094	8.92%

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

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2023

22. Dividends and loan interest rebate

The following distributions were paid during the year:

	2023		2022	
	%	€	%	€
Dividend on shares	-	-	-	-
Loan interest rebate	-	-	-	-

The directors are not proposing a dividend or loan interest rebate in respect of the financial year ended 30 September 2023. (2022: The directors did not propose a dividend or loan interest rebate).

23. Events after the end of the financial year

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

24. Insurance against fraud

The credit union has Insurance against fraud in the amount of €5,200,000 (2022: €5,200,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

25. Capital commitments

There were no capital commitments at 30 September 2023.

26. Contingent liabilities

26a. Bank of Ireland

There are two contingent liabilities included in the Letter of Authority held by Bank of Ireland with regard to an Electronic Funds Transfer in the amount of €100,000 and a Visa business card in the amount of €26,250.

26b. Other debtors

Included in other debtors in note 12 is an amount of €1,000,000 which relates to an investment that matured in June 2023. The investment was made in 2018 in the amount of €1,000,000 in a product called a "Protected Note 8". The Protected Note 8 was a 5 year and 1 month investment with Banca IMI S.p.A., an Italian bank that has since merged with Intesa Sanpaolo S.p.A., also an Italian bank. The investment was capital protected. The investment was made with an Irish investment firm called BlackBee Investments Limited. BlackBee Investments Limited is a MiFID investment firm. MiFID refers to the European Union (Markets in Financial Instruments) Regulations 2017. Following an application by the Central Bank of Ireland, the High Court appointed liquidators to BlackBee Investments Limited in May 2023. Subsequent to this, in June 2023, the credit union's investment with Banca IMI S.p.A. matured, and, the funds were returned by Intesa Sanpaolo S.p.A to BlackBee Investments Limited (at this point, in liquidation). At 30 September 2023, the funds had not yet been returned to the credit union by the liquidators of BlackBee Investments Limited. Regulation 49 of the Investment Firms Regulations sets out the requirements as regards segregation of client assets and sets out that an investment firm shall not use client assets for any purpose other than for the sole account of that client. The credit union has no reason to believe that the matured investment that is now held by the liquidators has mingled with any other BlackBee Investments Limited funds. The credit union has sought legal advice in this regard. While the Board of Directors is satisfied that the investment has matured and the funds will be returned to the credit union, the timing of the return of the funds is uncertain. Furthermore, under MiFID regulations, liquidators can, in certain circumstances, seek to deduct reasonable costs from investment funds in the fulfilment of their function. At 30 September 2023, there is no indication that the liquidators will seek to deduct costs, however this remains a possibility. Consequently it is impracticable at this time to estimate the impact, financial or otherwise, of the delayed timing of the receipt of funds if any, and, the financial impact of the liquidation costs if any.

27. Comparative information

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

28. Approval of financial statements

The board of directors approved these financial statements for issue on 24th November 2023.

Schedules to the Income and Expenditure Account

For the financial year ended 30 September 2023

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 11 & 12.

Schedule 1 – Other interest income and similar income

	2023	2022
	€	€
Investment income received/receivable within 1 year	811,496	471,969
Investment income receivable outside of 1 year	33,724	15,046
Realised loss on investments	(11,618)	(12,977)
Movement in unrealised gain/(loss) on investments	2,861	(5,981)
Total per income and expenditure account	836,463	468,057

Schedule 2 – Other income

	2023	2022
	€	€
Commissions and sundry income	14,823	24,375
ECCU refund	-	41,383
SPS refund	-	422,495
MPCAS income	61,155	40,893
Total per income and expenditure account	75,978	529,146

Schedule 3 – Other management expenses

	2023	2022
	€	€
Rent and rates	24,344	21,369
Light and heat	37,168	24,450
Repairs and office administration	137,565	130,107
Printing and stationery	18,847	15,621
Postage and telephone	28,378	28,540
Donations and sponsorship	24,319	26,368
Promotion and advertising	88,698	97,601
Training costs	55,389	55,479
AGM and convention expenses	26,329	39,034
Travel and subsistence	14,685	6,224
Affiliation and associated fees and repayments and SPS fund	33,395	40,442
Deposit guarantee scheme	143,330	113,564
Audit fee	23,924	22,140
General insurance	45,730	43,010
Share and loan insurance	246,448	236,779
Computer and software maintenance	275,548	217,367
Regulatory levies	53,037	52,406
Legal and professional fees	260,019	174,320
Board and board oversight expenses	20,521	14,519
Bank charges	50,662	54,806
Miscellaneous expenses	8,234	10,693
Social fund reserve expenditure	-	2,500
Part utilisation of the social fund reserve	-	(2,500)
Provision for current account	2,085	13,397
Total per income and expenditure account	1,618,655	1,438,236

Report of the Credit Committee

Section 67 of the Credit Union Act 1997, as amended, requires the Board of Directors to appoint a Credit Committee which shall consider applications for credit from the membership of the Credit Union. The Credit Committee which consists of 3 members meets weekly.

A total of 2,175 loans to a value of 16,219,485 per note 8 were issued during the 2023 financial year at a weighted average interest rate of 8.27%. Loans issued by value have increased by €1,847,659 or 12.86% on the 2022 financial year with loan applications for the period increasing by 19.05%. Total loans outstanding as at 30th September 2023 stands at €32,763,871, an increase of €3,665,737 or 12.6%.

During 2023, the credit union has revolutionised its lending service to members through the introduction of Personal Lending Automation. Members can apply online, via mobile app or in branch and with open banking consent a loan decision is made in minutes. Open Banking is a secure platform operated by Plaid where members can consent to the sharing of their banking transactional data with the credit union, replacing the need to provide bank statements and payslips and substantially decreasing the time to decision loan applications.

We encourage all members to utilise the modern lending platform offered by the credit union; use the mobile app to complete your loan application, consent to open banking, sign for your loan electronically via your email and we will transfer funds, often same day. We continue to offer face to face loan services should you wish to discuss your borrowing requirements with a loans officer.

SMEs play a vital role in our local community, creating employment and stimulating economic activity, Synergy Credit Union is now lending to this sector. The credit union has been approved to participate in the SBCI (Strategic Banking Corporation of Ireland) Ukrainian Credit Guarantee Scheme which is designed to provide support to businesses negatively impacted by the knock-on effects of the war in Ukraine. This scheme is one of several SME loan products offered by the credit union, we also provide Agri Finance and general business loans, providing an alternative local source of finance for our business members. The key difference with a credit union loan is that all decisions are made locally and are therefore made quickly.

I would like to thank my colleague on the committee and the loans officers who facilitate our weekly meeting. On behalf of the committee, I thank members who avail of our lending services and ask all members to consider Synergy Credit Union for your borrowing requirements.

Adrian Godwin,
Chairperson of the Credit Committee

Report of the Credit Control Committee

Section 67 of the Credit Union Act, 1997 requires the Board of Directors to appoint a Credit Control Committee, which shall seek to ensure the repayment of loans by members of the Credit Union in accordance with their loan agreements.

The Credit Control Committee consists of three members who meet monthly, with the Credit Controller, playing a vital role in the financial health of Synergy Credit Union. The committee are responsible for reviewing the performance of the loan portfolio and identifying any potential risks that may impact its continued performance.

Members continue to demonstrate their commitment to repaying their loans, 96.67% of our borrowing members loan repayments are up to date. The credit union continues to take a very prudent approach in respect of ensuring the provision for Bad and Doubtful Debts is adequate given the ongoing economic uncertainty. As a safeguard against this uncertainty the Board of Directors have approved a Bad and Doubtful Debt Provision of €2,149,519, which is the equivalent of 6.56% of gross loans outstanding as at 30th September 2023, a decrease from the 7.13% of gross loans outstanding held at year end 2022.

Where members get into difficulty with their credit union loan repayments, we encourage them to engage as early as possible to discuss options to provide peace of mind and protect their credit rating on the Central Credit Register.

We continue to actively engage with members where loans have been deemed irrecoverable and have been written-off. Legal action is taken against members who fail to engage with the credit union to arrange a repayment plan. We also occasionally use the services of a debt collection agency and tracing agent where members continue to ignore their obligations to repay their debt and fail to engage. Repayments of €247,179 net of legal fees have been secured against written off loans during 2023. A total of 17 loans to a value of €140,538 have been written off during the year.

On behalf of the committee, I would like to thank the Credit Controller, Karen Allen for facilitating our meetings.

John Feeney,
Chairperson of the Credit Control Committee

Report of the Membership Committee

On behalf of the Membership Committee, I am pleased to report that 770 new member accounts were opened in the year to 30th September 2023. It is particularly gratifying that 172 Juvenile saver accounts were opened during the year, accounting for 22% of the total.

Membership of Synergy Credit Union is open to people working, living, or attending school in the common bond. The common bond means the community in which the credit union operates.

As part of the application process for membership, the Membership Committee has a legislative obligation to ensure appropriate identification is provided as follows:

- Valid photo identification such as a driver's licence or passport.
- Proof of Address – Utility bill or Statement from a financial institution dated within the past 6 months.
- Proof of PPS Number from a Payslip, Letter from Revenue, Tax certificate.

As part of the credit unions digitalisation strategy, remote member onboarding was launched in March 2023. This allows adult applicants to join Synergy Credit Union remotely by simply downloading the App to their smartphone or device, all required documentation is uploaded via the member device and all verifications are completed electronically. Once all eligibility requirements have been verified the application is approved, and the member can immediately operate their account. We are pleased to report that 119 applications were approved where members applied using this technology, over 15% of total applications received.

Report of the Membership Committee (continued)

To ensure our ongoing compliance to the Criminal Justice Act 2010 (as amended), Synergy Credit Union must ensure proof of Identity & proof of To ensure our ongoing compliance to the Criminal Justice Act 2010 (as amended), Synergy Credit Union must ensure proof of Identity & proof of address documentation are on file for all members.

Throughout 2023 and continuing into 2024, members may be contacted in relation to ensuring all relevant documentation is held on file and is up to date. Documentation can be updated in branch, online through online banking or members can request a secure email link to be sent to them.

Members of Synergy Credit Union can access their account on-line by registering for on-line services, this means you can transact at a time and place convenient to you either online or via the mobile app which can be downloaded from Google Play or the app store.

Members can also avail of our Current Account for 24/7 access to their account, a Mastercard debit card and overdraft facility of up to €5,000.

We would encourage all our members to register for on-line services and to opt for e-Statements and e-AGM notifications to help us reduce our carbon footprint.

I would like to thank my colleagues on the membership committee for their work during the year.

Judy Healy,

Chairperson of the Membership Committee

Minutes of the Annual General Meeting 2022 of Synergy Credit Union

The CEO Martina Cotter on behalf of the board of directors welcomed members to the virtual Annual General Meeting. Having advised those in attendance of the processes to submit questions and vote, the CEO updated members on the new enhancements to the loan application and approval process. The CEO then handed over to the Chairperson Pat Leogue who formally opened the meeting.

The Chairperson formally opened the meeting and confirmed that there were no authorities presented to the Board of Directors in respect of non-natural persons. He also confirmed a virtual attendance of 51 therefore confirming that a quorum was present.

Adoption of Standing Orders

Pat Leogue proposed the adoption of the Standing Orders as circulated on page 5 of the Annual Report and sought a seconder. Seconded by: Siobhan O'Sullivan. Vote Result: Approved.

Notice of Motion (Rule Amendment)

Pat Leogue confirmed that no motions were put forward for consideration this evening.

Approval (or correction) of the minutes of the 2021 Annual General Meeting.

Pat Leogue proposed the minutes of the 2021 Annual General Meeting for adoption. Seconded by: Karen Allen. Vote Result: Minutes adopted unanimously (50 in favour).

Report of the Board of Directors

Pat Leogue gave the Chairperson's Address, there were no questions arising, therefore the Chair proposed the adoption of the report of the Board of Directors and sought a seconder. Seconded by: Amanda Richards. Vote Result: Report approved (50 in favour, 1 against).

Consideration of the accounts to 30th September 2023.

Adrian Godwin presented the accounts on behalf of the Board of Directors. As there were no questions arising Adrian proposed the adoption of the financial statements as contained on pages 16 to 35 of the annual report. Seconded by: Kathleen Johnson. Vote Result: Approved. (49 in favour and 1 against)

Distribution to members

Adrian Godwin proposed the distribution to members as follows:

(a) Dividend of 0.0%

Seconded by: Keri Brennan

Vote Result: Approved (45 in favour and 6 against)

Report of the Auditor

Denise O'Connell of Grant Thornton presented the Auditor's Report as set out on pages 12-14 of the Annual Report. Proposed by: Rosarie Byrne. Seconded by: Judy Healy. Vote Result: Approved (52 in favour).

Report of the Board Oversight Committee

Joe Tobin presented the report of the Board Oversight Committee. Joe concluded by proposing the adoption of the BOC Report. Seconded by: Elizabeth Keohane. Vote Result: Approved (50 in favour). Video clip – Current Accounts – Denise/Joe Out – Martina & Pa in

Report of the Nomination Committee

Pa O'Driscoll presented the Report of the Nomination Committee and proposed the report for adoption. Seconded by: Betty Moore. Vote Result: Approved (51 in favour, 1 against)

Election of Auditor, Board Oversight and Board of Directors

Elections were held by secret ballot (poll) for the above positions.

Report of the Credit Committee, Credit Control Committee and Membership Committee

As these reports were circulated in the annual report, the Chairperson proposed their adoption.

Credit Committee – Seconded by: Safron O'Sullivan. Vote Result: Approved (51 in favour).

Credit Control Committee – Seconded by: Catherine Buckley. Vote Result: Approved (53 in favour).

Membership Committee - Seconded by: Joan Crowley. Vote Result: Approved (54 in favour).

Announcement of election results

Grant Thornton – confirmed as auditors. All Board candidates elected. All BOC candidates elected.

As there was no other business or questions submitted, the Chairperson thanked those attending for their participation and closed the meeting.



Review of Operations

Our Mission

Be the first-choice provider of sustainable financial services to our members, positively contributing to a sustainable society

Our Values – This is who we are. The values that are the non-negotiable behaviours that lie at the core of our identity.

Our Values

We deliver our services in an ethical, sustainable manner with integrity, trust, transparency and accountability, these are the cornerstones on which we conduct our business.

We are committed to providing financial services to our members with the highest levels of professionalism and respect.

We are committed to contributing positively to climate change with Environmental Social Governance being at the heart of our decisions.

We will continue to adapt to the changing economic landscape and develop products and services to support our members throughout their lifetime.

We will continue to support our community to ensure the credit union makes a positive difference in line with the Credit Union ethos and operating principles.

We will prudently manage risk to protect the assets of the credit union.

How have we delivered on our Vision, Mission and Values in 2023?

Digitalisation

The main operational focus during 2023 was enhancement of our service delivery channels to provide members with access to services through modern digital channels and more importantly access to fast lending decisions.

During 2023 we launched our new lending platform which together with the introduction of Open Banking has significantly reduced the time to decision loan applications. Members can apply for their loan on-line, via our mobile app or in branch and with open banking consent a decision is reached in minutes. Members can arrange their finance in advance knowing that their credit union is there to support them on their journey.

Open Banking allows members to securely share financial banking information without the need for downloading or printing bank statements and pay slips. Data is encrypted and multi factor authentication provides an additional layer of security. Members submitting loan applications will also receive SMS confirmation that the application has been received and to advise when the loan has been approved. By consenting to open banking members are unlocking the true power of the platform and enabling a swift loan decision. Members should also ensure they provide accurate information on their income and other financial commitments to enable a swift decision.

In March 2023, we launched further digital capability with the introduction of remote member on-boarding which allows adult applicants to join Synergy Credit Union remotely by simply downloading the App to their smartphone or device, all required documentation is uploaded via the member device and all verifications are completed electronically. Once all eligibility requirements have been verified the application is approved, and the member can immediately operate their account.

Loans products

Community Loans

As part of our strategy to diversifying our loan book we launched Community Loans during 2023 ensuring that local community groups and voluntary organisations have access to and choice in respect of funding their club's vision for the benefit of our local community. We are planning a formal launch of this loan product in early 2024.

Business Loans

Following on from a very successful Covid19 Credit Guarantee Scheme, Synergy Credit Union has been approved by the Strategic Banking Corporation of Ireland as an on-lender of the Ukraine Credit Guarantee Scheme. This scheme supports economic activity in our community, facilitating the provision of working capital and medium-term finance to businesses adversely impacted by the conflict in Ukraine who are facing supply chain disruptions and increased costs, including energy costs.

Savings

We are delighted to advise members that we have removed the €30,000 share limit and the €5,000 monthly lodgement limit, members can now hold savings to the legislative maximum of €100,000. We are currently finalising a deposit account product which we expect to launch in early 2024.



Vision, Mission and Values

Our Vision – to be a strong, forward thinking, dynamic, member focused, socially aware credit union which provides a full suite of sustainable financial services to members, delivered in an ethical, manner.

Review of Operations (continued)

Environmental Social Governance

The area of sustainability and climate change is one of growing importance at Synergy Credit Union and we are taking decisive actions to support our community in positive climate action and also to reduce our operational carbon emissions.

We have reviewed our member engagement processes and have introduced a new tool to ensure members receive ongoing carbon neutral communications on the benefits of membership, product and services availability and enhancements.

As part of our Environmental Social Governance commitment, email is now our default communication tool. We urge members to support us in reducing our operational carbon emissions by providing their email address and by switching to e-statements. We have also changed our approach to circulation of the annual report, making same available for download rather than circulating over 15,000 booklets through the post. The estimated carbon footprint of printing the annual report is 1.85kgs per booklet and 1.2kg emissions for postal delivery.

The Credit Union has also been approved as a Sustainable Energy Community by the Sustainable Energy Authority of Ireland and the Sustainable Energy Committee are currently working diligently to complete an Energy Master Plan which will be a blue print for reducing carbon emissions in our local community.

We have also introduced a Green loan product to support our members in becoming environmentally focused.

In line with the credit unions operating principles, Synergy Credit Union in collaboration with Serve and Scala have developed a Climate Change schools programme aimed at primary and post primary students. The 2020's is the decade of delivery of Climate Change, yet there is a knowledge gap, these programmes which are based upon the global Sustainable Development Goals, a collection of 17 interlinked goals, are specifically developed to bridge this gap.

Key Statistics

We are delighted to welcome 770 new member accounts during 2023, of which 172 were Juvenile accounts. Our total membership now stands at over 20,000.

We said Yes to 2,175 loan applications to a value of €16.2 million which included 48 business loans to a value of almost €2 million. Our loan book grew by 12.6% during the year.

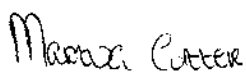
Over 1,200 members are now using our Current Account.

We completed over 720,000 members transactions during the year.

Looking forward

We look forward to continued enhancement of products and services to members. General Insurance, personal car, home and pet insurances, on a referral basis through Allianz will be launched in mid-December 2024.

We are also considering further development of business lending and the possible of introduction of mortgages in 2025.



Martina Cotter
CEO



Vision, Mission and Values



Synergy Credit Union Wins Best Innovation Project Award at the All-Ireland CU Awards 2023



Synergy Credit Union Cork, is thrilled to announce it has been presented with the highly coveted “Best Innovation Project” award for its groundbreaking Personal Lending Automation platform. The win was announced on Tuesday 24th October 2023 at the prestigious All-Ireland CU Awards.



Synergy Credit Union launched the Personal Lending Automation platform, provided by Metamo, in December 2022. This unique platform analyses previous lending decisions and performance to determine an approval probability score, one of the four pillars of the loan assessment process. Members can apply for loans through various channels, including online, via the mobile app, or in-branch.

With the addition of open banking consent, loan decisions are now reached in mere minutes, offering our members a swift and efficient lending experience.

Since introducing the Personal Lending Automation platform, nearly 50% of loan applications at Synergy Credit Union have been decided on the same day they are submitted.

Following the announcement of the win, CEO of Synergy Credit Union **Martina Cotter** said, “We are privileged and proud to be part of a fantastic collaboration between 16 forward-thinking and innovative credit unions and are very proud of the achievements of the Personal Lending Automation platform to date,”

“We extend our heartfelt gratitude to our members for their continued support and trust in our services. Their loyalty is the fuel that drives our continuous quest for innovation and excellence, ultimately serving our community with the best possible financial solutions.”

Current account from your Credit Union a real local alternative



**Globally accepted Mastercard® Debit Card
with the option of an overdraft of up to €5,000**

Apply Online

FERMOY BRANCH

27/29 Patrick Street,
Fermoy,
Co Cork.
P61 WE22

WATERGRASSHILL BRANCH

Main Street,
Watergrasshill,
Co Cork.
T56 H529

ST. PATRICK'S BRANCH

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