ILCU International Development Foundation
(A company limited by guarantee not having a share capital)

Annual Report

Financial Year Ended 31 December 2023

Company Number: 144006

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DIRECTORS AND OTHER INFORMATION

Board of Directors

Mr Eamonn Sharkey (Chairperson)
Ms. Vivienne Keavey (retired 16th June)
Ms. Christine Barretto (appointed 16th June)
Ms Margaret Heffernan
Mr Paul Gibbons
Mr Jim Toner

Solicitors

McCann Fitzgerald
Riverside One
Sir John Rogerson's Quay
Dublin 2

Secretary and Registered Office

Ms. Grace Kelly
33-41 Lower Mount Street
Dublin 2

Charity Registered Revenue Number: CHY 9704

Company Registered Number: 144006

Registered Charity Number: 20024314

Bankers

Bank of Ireland
Rathfarnham Shopping Centre
Rathfarnham
Dublin 14

Bank of Ireland
4/6 High Street
Belfast BT1 2BA
Northern Ireland

Independent Auditors

KPMG
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IFSC
Dublin 1

DIRECTORS' REPORT

The directors present herewith their report and the audited financial statements for the financial year ended 31 December 2023.

The purpose and mission of the Foundation

The purpose of the ILCU International Development Foundation (the Foundation) is to increase financial inclusion and reduce poverty by supporting sustainable credit unions that empower people and their communities.

The mission of the Foundation is to help alleviate poverty in developing countries by supporting credit unions and their representative bodies as a means for socio-economic development through the provision of financial and technical assistance.

The main strategy employed by the Foundation to achieve this purpose and mission is co-funding long term programmes with developing credit union movements in selected countries.

The Foundation shares the Irish movement's knowledge and experience from within the Irish Credit Union movement with countries keen to develop or initiate their own credit unions. The Foundation uses its experience and expertise to provide an appropriate transfer of skills to our partners, helping them to develop sustainable credit union movements, procedures and practices to alleviate poverty.

The characteristics of this support include:

- Financial and technical support and training provided on a broad range of financial co-operative issues at micro (communities and members); meso (credit unions and apex bodies) and macro (apex bodies and governments) levels;
- Digital Finance and IT Support;
- Capacity building of financial co-operative movements, including apex organisations;
- Maximising aid effectiveness through knowledge management, exchange programmes and the development of local capabilities to deliver technical expertise;
- Poverty focus and emphasis on poverty reduction is core to the Foundation's programme and partner selection process.

Foundation Strategy 2020-2024

The overall aim of the Strategic Plan (2020-2024) is to continue to improve the quality of the Foundation's work in assisting international credit unions to build financial inclusion and reduce poverty in low income developing countries. The scope of the strategy was agreed by the Board of Directors, and generating the plan involved all staff, local partners, external stakeholders including the Department of Foreign Affairs (DFA) and other key international external funding agencies.

The Foundation's strategy focuses resources into 6 specific areas (highlighted in bold below) to help the Foundation meet its purpose and mission:

- Working closely with dedicated local partners and credit union movements in the **core countries** of Ethiopia and Sierra Leone, we will assist in building an equitable financial environment for all by providing access to affordable and ethical financial services through the credit union model;

- Investment in three specific areas of strategic development that will impact the nature of our work in our partner countries: **Digital Financial Services**; **South-South Technical Assistance** and **Social Impact Measurement;**

- Implementing necessary measures to ensure the sustainability of the organisation as a whole: **Business Development** and **Communications and Fundraising.**

DIRECTORS' REPORT – continued

Progress toward Strategic Priorities 2020 – 2024

1. *Stable and growing movements, with effective structures that offer modern and relevant financial services aligned with members' socio-economic aspirations in Ethiopia and Sierra Leone.*

   Ethiopia: The Foundation's direct work in Ethiopia is at the macro level, where it provides ~~s~~ financial and technical assistance for the development of regional apex organisations and appropriate tiered regulation and supervision, in partnership with the Ethiopian government.

   Sierra Leone: The Foundation's work currently supports the Sierra Leone credit union movement at all levels - the micro; meso and macro levels. This support is provided with direct financial and technical assistance through the Foundation's implementing office in Sierra Leone, ILCUF Ltd., in partnership with Irish Aid (Civil Society Fund) through the Department of Foreign Affairs (DFA); our Sierra Leonean credit union partner, National Cooperative Credit Union Association (NaCCUA); and German partner DSIK (Deutsche Sparkassenstiftung für Internationale Kooperation).

2. *Integrate digital financial services into our technical assistance offered to our partners, and all digital services will be driven by an assessment of members' needs and demands.*

   The Foundation has continued to invest in personnel and resources to integrate digital financial service assistance into its support programmes for core countries. In practical terms, in 2023 significant work has taken place with our partner in Sierra Leone including continuing the process of the automation of credit unions. A key long-term focus of this work is that the Foundation will assist with providing the West Africa credit union movements with more sustainable IT solutions.

3. *Building the capacity of local and regional consultants to deliver high quality and effective Technical Assistance through the South-South Technical Assistance (SSTA) programme.*

   In 2023, the SSTA continued to focus on utilising a small number of dedicated credit union experts to support our work in the two countries, and using their expertise to develop the capacity of our local partners. For the year ahead, we will re-look at how to best enhance the use of SSTA as part of our work.

4. *Systematic, regular and robust impact measurement techniques and tools will be employed to measure the ongoing social, economic and community benefit of credit unions for the communities they serve.*
   In 2023, a programme was developed for Women's Economic Empowerment in East Africa, covering Ethiopia, Tanzania and Rwanda. Foundational work done in 2023 included country reviews, stakeholder consultation and programme design development. This planning work will guide the development of an impact assessment approach in 2024. The programme aims to improve women's social and economic status through effective use of SACCO financial services for growing their economic base, as well as through their active participation in SACCOs as members, staff and leaders.

DIRECTORS' REPORT – continued

Progress toward Strategic Priorities 2020 – 2024 – continued

5. *Develop new and ongoing external business development partnerships with partners and institutional funders who share the missions and goals of the Foundation, notably in respect of poverty alleviation in low-income developing countries, and who respect the social and community focus of the credit union model.*

   The Foundation has in 2023 expanded its partnership work with DSIK in Sierra Leone, with the German entity now providing financial and technical assistance to support NACCUA's work in Sierra Leone. Next year, both parties are looking to expand this collaboration with a new Partnership Framework Agreement. The Foundation has a 3-year Memorandum of Understanding with Irish Aid for a DFA co-funded programme 2021-2024 in Sierra Leone. In November 2023, the Foundation also submitted a major new 5-year funding proposal to Irish Aid for Sierra Leone.

   Opportunities for new funding support streams are being consistently monitored. As a result of this, the Foundation is in the final stages of contract discussions with IFAD to access significant funding for our activities in Ethiopia in 2024, and new projects in Rwanda and Tanzania.

6. *Ongoing use of dedicated personnel and effective and strong communication tools and Fundraising opportunities to engage with the Foundation's core Irish Credit Union funding base and, increasingly, the wider public, in order to ensure the Foundation has access to the funds needed to provide the planned support.*

   In 2023, the Foundation continued to share the Irish credit union experience to support credit union development in low-income developing countries. Throughout the year, we engaged with our credit union supporters at various credit union related events, and continued to grow our presence online to engage with the wider public.

   Engaging with our credit union supporters is extremely important. In 2023, we attended a number of events throughout the year including: CUMA's Spring and Autumn conferences, the ILCU AGM and Winter Conference, and the Ploughing Championships. These in-person events allowed us to directly engage with supporters and non-supporters to discuss our work. Our videos at both ILCU AGM and Winter Conference received great feedback. An increasing number of credit unions looked to publicise their support of our work, and most visits to credit unions this year was for that sole purpose.

   The CU Challenge took place, in October over seven days and raised over €17,000. A great deal of work goes into the CU Challenge, and in 2023 we had 30 credit unions register and 344 people participated, including three teams from the League.

   We now have tools in place both on our website and through our social channels to allow online individual donations through a secure platform. We also have an iDonate page for the Foundation – this will allow for individuals to set up fundraisers in support of our work

   We have a resource hub on our website. This is to allow credit unions to pick and choose what materials they want to promote their support of our work. This year also saw an increasing number of credit unions using the Foundation insert for their annual report.

   Annual donations from the Irish credit union movement in 2023 amounted to just over €450,000. This is a slight decrease of less than 1% on 2022. We had several former supporters and non-supporters come on board this year, but with transfer of engagement still ongoing in the sector this continues to have an impact on credit union donations. Total income from volunteer programmes and fundraising initiatives amounted to almost €28,000.

DIRECTORS' REPORT – continued

2023 Highlights - Activities, Impact and Main Accomplishments

The regional conflict and the cost-of-living crisis continued to affect the countries where the Foundation operates in 2023. However, adaptive programming, a greater role for and reliance on national staff and partners, as well as increased utilisation of technology, meant that developmental support for local credit unions continued largely on course. Thus, the Foundation was able to successfully continue to implement its strategic objectives and advance its programmes in its core countries. The Foundation is very grateful to Irish Aid and the Department of Foreign Affairs; and to other donors including the DSIK, supporting credit unions, and their staff and friends who generously raised and donated funds for the Foundation's work.

Sierra Leone

Overview National Context

During 2023 one of Sierra Leone's most significant events was the political elections. The country, home to 8.4 million people, has held regular multiparty elections since the end of its civil war in 2002, the most recent on the 24th of June 2023. Some of the key issues voters were concerned about this year were the cost-of-living crisis, the rising cost of fuel, youth unemployment, and electricity challenges amongst others. President Bio was re-elected for a second and final five-year term, although election results were contested by opposition Leader Samuel Kamara and his supporters.

During the run up to the election, the demonstrators and opposition parties faced police violence and restrictions on assembly with at least one death having occurred days before the election at opposition party offices.

The development of Sierra Leone continues to be stymied by global upheavals such as Covid 19 and the Ukrainian war. Over the past year, inflation and exchange rate depreciation have reached record levels; the Leone has had the worst depreciation of all currencies in sub-Saharan Africa. This has further weakened economic activity and has contributed to the severe cost-of-living crisis, particularly for food and energy commodities. This weak growth, along with the rise in the cost-of-living, threatens to increase the level of poverty in the country.

There are some positive signs, with the Bio government spending almost a quarter of the entire budget on education. The policy, controversial in the size of investment, has however meant over a million more children in class and completion rates are increasing. As well as education, gender equality has been a focus of Bio's government and in November 2022 Parliament passed a bill that would impose a gender quota for elected and appointed positions. The new law requires women to make up 30 percent of the positions in Parliament. Going into effect in January 2023, the bill also mandated equal pay and extended paid maternity leave.

Key Achievements
In Q1 2023 a major revision of planning for the programme was completed, which resulted in the division of the programme into the following 4 core areas for more effective management:

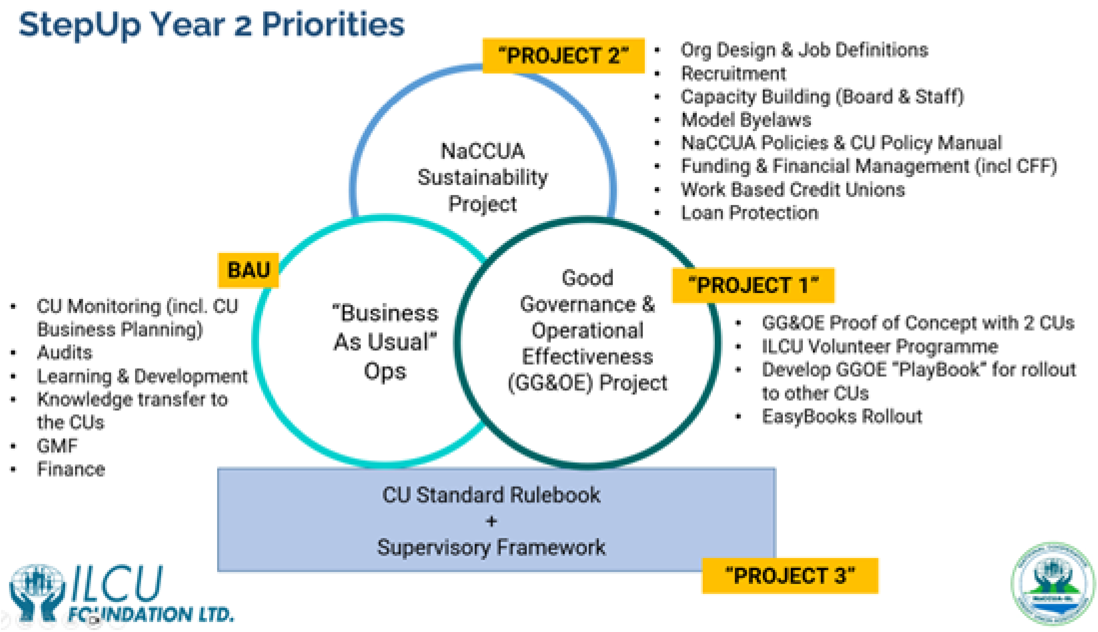
Business as usual operations (BAU),

Project 1 – Good Governance and Operational Effectiveness (GG&OE)

Project 2 – NaCCUA growth and sustainability

Project 3 – CU Standard Rulebook and Supervisory Framework

Please see diagram below which gives more details on these core areas



<u>Business as usual operations (BAU)</u>

Under the Business-as-Usual banner we continue to deliver on the core elements of the StepUp programme, such as credit union monitoring, learning & development of ILCUF Ltd staff and knowledge transfer to the CUs, continued development and rollout of the graduated microfinance programme, and Financial and HR Management.

There has been a successful recruitment of a mostly new monitoring team. Although much training has been required, it is now a team who are knowledgeable, capable and engaged with the programme, and who we believe can move key initiatives for credit unions forward in 2024. A position was filled in the Dublin team of a highly experienced credit union subject matter expert, who is leading the support of the Sierra Leonean monitoring team and their support of the credit unions. This will be key, as we appreciate the crucial role the monitoring officers play in the success of the programme.

A key achievement for ILCUF Ltd. team in country was the move to a new office space in August this year. This building is located near the central business district and includes a training facility on site, as well as an adequate space for staff, and is a more professional environment overall. The previous location was cramped, had sanitation issues, and was not fit for purpose.

<u>Project 1 - Good Governance and Operational Effectiveness (GG&OE)</u>

In February, we had a very successful volunteer visit where four Irish credit union experts travelled to Sierra Leone. This helped develop further clarity on the gaps and needs of credit unions and the ILCUF Ltd. staff from sessions conducted. Our training in Good Governance and Operational Effectiveness of Boards, Loans Committees, Credit Control Committees and policy and procedures development became more focused and effective over the year. We have fostered a closer collaboration with the team in-country and developed staff members (through Train the Trainer) to ensure successful delivery of this revised material going forward.

The creation of a Credit Union Handbook, which was suggested by participants of training and designed in Freetown, has been a key success of the GG&OE project this year. Bringing together a multitude of governance and credit union roles and responsibilities into an induction and educational tool for staff and leaders of the credit union movement.

EasyBooks, improving the systems and data governance of credit unions by moving credit unions from manual records, to system-based records has been a key success. We had good South-South cooperation from a Ghana CU tech team, including a visit that reported on further improvements we could make to the implementation of Easybooks. This along with the hiring of an IT support officer has ensured this initiative is not only ahead of our goals for 2023, but a better delivery overall with further improvements to be fully embedded in 2024.

Project 2 - NaCCUA growth and sustainability

A key success this year has been in growing NaCCUA, recruiting two staff from ILCUF Ltd. to fill the roles of General Manager (GM) and Compliance Officer, as well as increasing the part time role of Finance Officer into a full-time role. The GM of NaCCUA, who had been head of monitoring in ILCUF Ltd., is an intuitive leader and knowledgeable in the credit union movement. His has been a very successful recruitment and we look forward to achieving more in 2024 through this partnership.

An operational contract was drawn up between the two parties, setting out goals, objectives, and expected outcomes and timelines, as well as other governance requirements. NaCCUA are taking on the management of some of their key activities including memberships and credit union surveys, along with the corresponding budget with ongoing support and supervision from ILCUF. We see this as a very positive and substantial move towards NaCCUA's sustainability as a stand-alone entity.

Project 3 – CU Standard Rulebook and Supervisory Framework

We have had some key achievements and challenges in this area. The Standard Rulebook covering the non-prudential guidelines has been validated by all stakeholders but is yet to be passed successfully through parliament, noted below in challenges.

The CU Supervisory Framework, which is required to initiate CU supervision, is a key component of our programmes plan.

The MoUs (which will underpin the CU Supervisory Framework) between NaCCUA, the Central Bank of Sierra Leone and the Department of Co-operatives have been drafted and revi ewed by all stakeholders. We hope for these to be signed off by the key parties in early 2024. A new set of Standard CU Byelaws which include a refreshed set of governance and operational requirements, although not legally binding, have been adopted by some Credit Unions this year in their AGMs.

Overall CU membership stood at 16,971 per-member savings grew strongly (in the local currency) and the average loan size also increased. Total credit union savings amounted to Le 14.3 billion (approx. €776,000) compared with a base of Le 8.6 billion (approx. €728,813) at the end of 2021. The smaller increase in the Euro equivalent is due to a collapse of the exchange rate. Average savings were €52 and the average loan was €188 in 2022. 64% of the membership was female, just over 50% of the membership live in rural areas, and 56% of observed CU member households lived below the national household poverty line in 2022.

DIRECTORS' REPORT – continued

2022 Highlights - Activities, Impact and Main Accomplishments – continued

Ethiopia

Overview National Context

The peace agreement with Tigray (northern Ethiopia) ending the civil war in late 2022 continued to hold over the course of the year, however the humanitarian crisis persisted on account of the displacement of over 2 million people. Further, and as a direct result of the civil war with Tigray, irregular militia movements emerged, and they are now in conflict with government forces in several locations. This has particularly affected the Amhara region, where persistent and widespread insecurity has severely disrupted economic activity and trading for several months (although the capital, Bahir Dar, remains stable).

Endemic food insecurity also remains an issue. According to the World Food Programme (WFP), 14.9 million people in Ethiopia are food insecure. This represents about 12% of the country's population. Insecurity, climate shocks, including record drought, and the cascading impacts of desert locust invasions have led to crop production losses and livestock deaths, increasing food insecurity across the country.

The rate of growth of the economy in 2023 was, however, relatively strong at 6.1%, according to the International Monetary Fund (IMF). This was a significant increase from the 3.8% growth rate in 2022 and is attributed to several factors, including a rebound in agriculture, the cessation of the civil war with Tigray, increased investment, as well as improved household consumption in parts of the country. However, the economy remains very vulnerable to risks such as insecurity, drought, a reduction in government revenue and economic shocks.

IFAD / Irish Aid

A major proposal for a Women's Economic Empowerment programme has been finalised and approved by Irish Aid in 2023 where ILCUF will work with its credit union partners initially in Ethiopia and then in Tanzania and Rwanda. Irish Aid will disburse this grant to IFAD who will sub-contract implementation to ILCUF. The budget is for €1.2 million for 3 years, with a potential option to extent to €2.5 million for 5 years. IFAD is at the point of developing and processing the contract for ILCUF, and there is an expectation of a project start in March 2024.

The pillars of this programme in Ethiopia are regulation and supervision (for safety and soundness of women's financial services), and the development of federations to provide capacity building and loan services to RuSACCOs targeting their female members. A central plank will be tailored financial product development for female members, and promotion of women within the ranks of the SACCO movement for social empowerment purposes. There is a strong knowledge management, monitoring and evaluation components, as well as policy level initiatives.

Key Achievements

Activities carried out over the course of 2023 with the help of direct ILCUF financial support included support to the Ethiopian Cooperative Commission (ECC), and support to the Addis Ababa and Amhara Federations. The utilisation of this support is set out below.

<u>Ethiopian Cooperative Commission (ECC)</u>
Support was provided to the ECC in the areas of training, strategy, and outreach to SACCOs to conduct prudential supervision. The major topics covered during the training sessions were: (1) prudential regulation, (2) financial marketing, (3) prudential regulation directives, (4) PEARLS ratios, and (5) Training of trainers on prudential regulation. The training and support have been the foundation of expanding the prudential supervision from 'pilot' to national coverage.

The ECC has also worked on developing a new strategy within the national agricultural transformation agenda, and regarding SACCOs, are looking to develop a more separate regulatory department and the national federation. The increasing separation of regulation and promotion within the government is a positive development, and is in line with ultimately developing an independent SACCO law (currently we are operating by supporting the introduction of SACCO specific legal 'directives' which come under the general cooperative law).

Amhara SACCO Federation

The main activity of the Amhara SACCO federation is a Central Finance Facility providing loans to member Unions. A supplementary activity is the management of audits to Unions and SACCOs, which also generates an income stream for the Federation. The Federation was able to cover its routine operational costs. However, the Federation has continued to experience challenges in obtaining repayments from its member Unions for over two final quarters of 2023 due to the extended security problem.

Over this period, the Amhara Federation's team continued working from the office in Bahir Dar. Four board members (out of the seven) who live near Bahir Dar have conducted a board meeting to review the performance. Many planned activities have not been performed due the insecurity in the region. The active board members made decisions in critical areas, such as (i) loan period extensions, (ii) on review of the 3rd quarter's performance the board appreciated that the insecurity has impacted routine activities and instructed the Federation team to conduct as much activity and communication as possible through phone and email correspondence, and (iii) the board revised the annual plan with reduced operations and submitted this to the regional cooperative agency for their review and approval. During the period, the accounts of the Federation have been audited by the regional auditors and a summary has been made available to ILCUF.

Addis Ababa Federation

The Addis Ababa federation's main activity is supplying an audit service to member SACCOs. This is generating nearly enough funds to cover operational costs, but there is a small shortfall. For the first six months, ILCUF was supporting staff and other costs, and for the second six months this was reduced to just support for governance activities.

In mid-2023, the Addis Ababa Federation held a consultative workshop with stakeholders. The objective was to raise awareness about the SACCO Federation's activities and to promote service utilization and involvement. Representative participants from ECC, Addis Ababa City Administration, ten Addis Ababa sub-city administrations, members of the SACCO Unions boards and other guests participated in the workshop.

A recent review of the planned activities of the federation has resulted in an updated strategy being approved by the board which aims to address opportunities and challenges that the new association is facing. The strategy includes revising the annual plan, increasing discussions with the Addis Ababa City Administration, follow-up on the recruitment and management of personnel, and conducting a staff performance review.

In relation to the national arena, the ECC are keen to establish a national SACCO federation (in line with ILCUF advocacy) and this initiative has progressed in 2023. The national federation is expected to be a significant partner for ILCUF going forward.

In 2023, the ILCUF, from a national engagement viewpoint, has maintained relations with key stakeholders and provided insight into the status of partners. This has set the groundwork for a larger and more substantial involvement in 2024 with the large new IFAD/Irish Aid programme, which will support both development objectives, institutional development and policy reform.

DIRECTORS' REPORT – continued

Ukraine

The Foundation continued to assist the credit union movement in Ukraine in 2023 by supporting the Ukrainian National Association of Savings and Credit Unions (UNASCU), which is a national credit union apex body. Funding of over €20,000 was allocated to UNASCU by the Foundation Board. This included income fundraised by Newry Credit Union to directly support UNASCU. With this funding UNASCU to continue to assist the credit unions and their members as the war continues in their country. UNASCU is supporting 55 credit unions with approx. 90,000 members. 19 of the credit unions are in temporary occupied territories. The funding provided by the Foundation allowed UNASCU to provide training and support for their ongoing efforts to advocate for the movement. UNASCU prepared and provided 21 online trainings to their affiliated credit unions, and provided daily support to the credit unions when required. The training provided focused on financial monitoring, cyber protection, new legislation on consumer lending, and new legal requirements for credit unions that were adopted in July 2023. UNASCU continues to represent and advocate for the credit union movement despite the ongoing challenges the country faces.

Staff and Volunteers

The Foundation has an active and growing network of credit union volunteers who support our work by providing technical advice to our partners and promoting/fundraising for the Foundation in Ireland. The Board acknowledge with gratitude the work of its staff and that of its volunteers in 2023. The major achievements during the year are due to the dedication, belief and commitment of all of these people.

Governing Document

The ILCU International Development Foundation was incorporated on 20 April 1989 and is a company limited by guarantee not having a share capital and having a registered office at 33-41 Lower Mount Street, Dublin 2. The Foundation is exempt from corporation tax. The objects of the Foundation are charitable in nature with established charitable status, (Charity Number CHY 9704 and Charities Regulatory Authority Number 20024314.) All income is applied solely towards the promotion of charitable objectives of the Company.

The Constitution of the Foundation is the fundamental governance document of the Foundation. The Board of the Foundation acts as the governing body. The Board is committed to maintaining the highest standards of corporate governance and full compliance with the Charities Governance Code.

Appointment of Directors

All five Board members are non-executive directors, with three directors appointed from the Board of the Irish League of Credit Unions (ILCU). The remaining two Director positions are filled from outside the ILCU Board. The Directors, as a consequence, are from a broad mix of backgrounds, the intention being to have a Board with a wide mix of competencies and qualifications, with a particular emphasis on securing Directors committed to development issues, and those with knowledge and experience of the credit union environment. The Board also recognises the necessity to include on its Board, Directors with other business and financial expertise where possible.

It is Board policy to ensure that the Board refreshes itself on a regular basis. In this regard, directors retire in a manner that ensures that there is continuity of knowledge and expertise on the Board, without permitting Directors to serve for an unduly long period.

Directors' Induction and Training

New directors receive formal induction and are provided with appropriate information relating to the Foundation's affairs, including its financials, policies, strategies, corporate governance and risk exposures.

DIRECTORS' REPORT – continued

Decision Making

There is a clear division of responsibilities between the functions of the Board and those of the Foundation's Senior Management. The day to day management of the Foundation is delegated by the Board to the CEO.

The Board is responsible for providing leadership, setting strategy and ensuring control. Notwithstanding the level of delegation to management, the Board accepts that it has the primary responsibility to ensure that the Foundation is effective and is achieving its strategic objectives consistently.

The Foundation has a clear and defined process for reporting management information to the Board. The Board is provided with regular information, which includes key performance and risk indicators for all aspects of the organisation. The Board meets regularly and otherwise as required with a minimum of six Board meetings annually. The Board cannot, under the governing documents, receive remuneration for services to the Foundation, and may only be reimbursed for approved expenses arising from the fulfilment of their duties as Directors.

Risk Management and Internal Control

The Board recognises and accepts that there are significant risks associated with the operations and activities of the Foundation. They acknowledge that those risks facing the organisation must be identified, monitored, reported on, and managed. The Board accepts the responsibility for ensuring sufficient resources are made available to management so as to minimise the risk of adverse event occurrences affecting the Foundation's operations, personnel, and beneficiaries. The Board reviewed and updated the Foundation's overall Risk Management Policy in 2023 and all policies are reviewed annually.

Detailed risk registers have been established for all key areas of the Foundation's operations – including at Headquarter (HQ), programme, and country-programme level – and key responsibilities within the organisation for the act of updating of identification, monitoring, and reporting of risk have been assigned. Senior management prepares an updated consolidation of all HQ/programme/country-level risk reports which is reviewed and acted upon quarterly by the Board. Detailed programme risk registers are maintained for all Donor funded programmes.

The Board has identified the following major risks:

- The ongoing risk posed by the sustainability of sufficient income levels from credit union donations and institutional grants has been exacerbated by the economic uncertainties caused by several factors including, Ukraine-Russia war and the cost-of-living crisis. The Board has responded to this risk by putting Business Development and Communications and Fundraising as key strategic priorities in the Foundation's strategy 2020-2024, and committing to provide the resources necessary to ensure income from these two critical sources continues in a balanced way. The Foundation continues to successfully diversify income in 2023, through the CU Challenge and broadening its base of institutional funders. The Foundation monitors its long-term commitments on an ongoing basis to always ensure adequacy of funding to meet such commitments, and the Board has ensured the Gus Murray Endowment Fund is maintained at levels necessary to ensure this.

- The risk to the safety and security of Foundation personnel is elevated due to the particular economic, social, political, environmental and health environments in which the Foundation operates. The Board acknowledges its duty of care to ensure safe, secure, and sustainable access to these environments, and has committed to adhere to Irish Aid guidelines for NGO professional safety and security risk management. Personnel are explicitly required to comply with all relevant policies, procedures and guidelines, and to have an active role in ensuring their own safety and security.

DIRECTORS' REPORT – continued

Risk Management and Internal Control– continued

- The ongoing risk of difficulties accessing the key personnel to ensure effective and uninterrupted delivery of programmes, and the ability to position those personnel where needed has become more of a challenge due to the general challenges in the labour market. The Foundation's new strategy focuses strongly on building local and regional capacity within Africa to provide effective and high-quality technical advice to African credit union movements through the SSTA programme. The continued and improved use of remote working platforms in 2023 has enabled the Foundation to expand access to a wider pool of talent and skills, and to provide greater capacity building support to local staff in core countries, and to improving peer-to-peer support. At all levels, HR measures are being implemented to ensure the recruitment and retention of high calibre, motivated staff.

- There are inherent risks in the management of programmes and flows of funds which must be mitigated by sufficient internal controls and monitoring. Management is charged with ensuring regular reviews of all aspects of programmes, and the Board periodically commissions an external review of the effectiveness of internal controls in the Foundation. The Foundation has also committed to annually conduct an internal audit of one of its international credit union partners. In 2023, this was performed in Sierra Leone.

The directors recognise the Board's overall responsibility for the organisation's systems of internal control and for reviewing the effectiveness of these systems. The Board actively oversees the internal control systems of the Foundation to ensure they provide reasonable assurance of identifying and addressing risks adequately; that relevant policies and procedures are consistent with best practice, and that they are regularly reviewed and adopted. The Board has delegated responsibility for the implementation of this system of internal control to management and to executive management of the ILCU Foundation. This system includes financial controls, which enable the Board to meet its responsibilities for the integrity and accuracy of the organisation's accounting records.

In 2023 the Foundation Board completed an annual review of important policies and procedures using its new Annual Governance and Compliance Manual. In addition, in the current year the ILCUF Finance Manual was reviewed and updated.

The Board is also cognisant of the fact that no system of controls and policies and procedures will ever be sufficient to eliminate risk and has undertaken to foster a strong ethical outlook throughout the organisation. The Board has introduced a mandatory Declaration of Conduct and Ethics for all personnel in the Foundation and Implementing Partners of the Foundation in order to help promote highest standards of ethical behaviour at all levels.

Financial Instruments, Financial Risk Management Policies and Strategies

As the Foundation relies on its incoming resources and its reserves to finance its operations, its financial instruments are confined to a government bond, a corporate bond fund, short-term deposits, and cash and liquid funds. The Foundation does not trade in derivatives or other complex financial instruments. Furthermore, the Foundation has a formal investment policy for its capital reserves which was updated in 2023, stating that funds can only be invested in 100% capital guaranteed investment products.

The Foundation is exposed to a number of financial risks which are summarised as follows:

- **Credit Risks:** This is the risk that the banks holding the Foundation's current and deposit accounts may not be in a position to repay on the funds deposited. In addition, there is a risk of default in relation to the Foundation's government bond and corporate bond fund. The Foundation manages this risk by assessing the banks where cash deposits are held, and by monitoring external credit ratings of the relevant banks on a regular basis. The Foundation also engages with its external investment advisor in respect of external credit ratings of its government bond, and the credit ratings of the underlying bonds included in the corporate bond fund.

DIRECTORS' REPORT – continued

Financial Instruments, Financial Risk Management Policies and Strategies– continued

- **Foreign Exchange Risks:** The Foundation receives the majority of its income in Euro, however significant amounts are received in foreign currencies (mainly Sterling and US Dollars). Where appropriate, these amounts are transferred immediately into Euro, on receipt. The Foundation's overseas programmes are primarily committed in Euro but a US Dollar balance is maintained to fund US Dollar commitments. Our project partners' activities are currently denominated in three local non-core currencies, and this by its nature may spread foreign exchange risk to the Foundation. However, the risk to the Foundation is currently judged to be minimal, and is actively managed and monitored on an on-going basis

- **Interest Rate Risks:** The Foundation's assets are managed by third parties in line with the Foundation's investment policies. Investment management meetings are held regularly with the Foundation's investment adviser to ensure compliance with the investment policy in place. Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk, as it invests in an Irish government bond and a corporate bond fund.

- **Liquidity Risks:** This is the risk that the Foundation will have temporary deficits in its cash flow in terms of meeting its day to day commitments. This generally arises from timing differences between income flows and expenditure outlays. The Foundation's liquidity is managed by holding deposits on short call notice, and by retaining sufficient designated reserves to cover cash flow requirements. When absolutely necessary, the Board can approve the securing of short term overdraft facilities with the Foundation's bankers; this has not arisen in the current year.

- **Price Risks:** The Foundation is exposed to price risk arising from fluctuations in the value of its Irish government bond and its corporate bond fund as a result of changes in the market prices and risks inherent in all investments. The risk is managed by the Foundation maintaining an appropriate mix of financial instruments and adopting a conservative investment policy.

Compliance with Sector-Wide Standards

As part of Foundation's efforts to improve its work, the Directors and staff of the Foundation monitor and engage with all legislation, standards and codes which are developed for the sector in Ireland. Currently the Foundation subscribes to the following standards:

- The Charities Act 2009
- Charities Governance Code
- Dóchas Code of Conduct on Images and Messages
- Charities Institute Ireland's Triple Lock Standard
- Comhlámh Code of Practice for Volunteers
- Irish Aid Guidelines for NGO Professional Safety & Security Risk Management

The Foundation has reported to the Charities Regulator in 2023 the Foundation is in full compliance with the Charities Governance Code.

DIRECTORS' REPORT – continued

Financial Overview of the Foundation in 2023 and Future Developments

The Foundation recognised total income of €1,287,714 for the year ended 31 December 2023 (2022: €943,020) which includes total realised income of €1,217,198 (2022: €1,144,104). The difference of €70,516 (2022: (€201,084)) relates to mainly to unrealised gain/(loss) due to a change in fair value of the investment in government bonds and the Corporate Bond Fund investment. This may not reflect the value which will be available in future because market values change, and it is currently the Foundation's policy to hold such investments to maturity.

Of the total realised income of €1,217,198, the following movements were significant:

- The Irish credit union movement continued to provide important support for the work of the Foundation despite the ongoing challenges. Total income from CU and public donations amounted to €480,998 for the year 2023 (2022: €496,792). In overall there has been a small decrease mainly due to once off Ukraine 2022 fundraising appeal.
- External Funding support for the Foundation work increased to €430,025 due mainly to increased utilisation of Irish government funding in the current year. The components of external funding are the following:
    - In 2023, the Foundation received Department of Foreign Affairs (DFA) grants totalling €320,000 (2022: €320,000). The total amount of income recognised from DFA grant in 2023 amounted to €320,180 (2022: €278,620) which relates to Civil Society Fund (CSF) co-funded programme in Sierra Leone called Step Up 2021-2024. The Foundation is very grateful to its local partners in Sierra Leone, ILCUF Ltd. and the apex body for Credit Unions in Sierra Leone, NaCCUA, for their ongoing positive engagement and commitment to the shared work in Sierra Leone and in helping to deliver on programme mandates.
    - DSIK has made available funding to the work of the Foundation in Sierra Leone through their 'Strengthening the Credit Union Associations in Ghana, The Gambia, Sierra Leone and Liberia in their organisational capacity' which allows for valuable capacity building financial support to NaCCUA and Sierra Leone Credit Unions. Total income in 2023 recognised by the Foundation reflects the expenditure on agreed completed projects in 2023 totalling €54,845 (2022: €57,500).
    - Corporate funders generously contribute to the work of the Foundation and €55,000 was recognised as income in 2023 (2022: 39,333).

Overall expenditure increased to €1,250,264 (2022: €1,110,368) reflecting mainly due to an increased level of activities in Sierra Leone.

- Expenditure on **charitable activities** amounted to €1,205,552 (2022: €1,061,981) with major projects in Ethiopia and Sierra Leone benefitting primarily from this support. Smaller scale support for non-donor funded projects included Ukraine and resources for South-South consultancy capacity building.

- Expenditure on **raising funds** was €44,712 (2022: €48,387).

All risks and developments, including those related to inflation and regional conflicts, will continue to be monitored on an ongoing basis in all programme countries and internationally and flexible, results-oriented, responsive adaptive programming will be used to mitigate any issues identified.

DIRECTORS' REPORT – continued

Financial Overview of the Foundation in 2023 and Future Developments - continued

Reserves and Financial Position

The Foundation is committed to a strategy that ensures that the Foundation's reserve levels are sufficient and that the organisation has a strong financial capital to maintain its current activities and grow in the future. The Board review the level of reserves annually.

The reserves of €2,500,520 at 31 December 2023 (2022: €2,463,070) are detailed in note 17 of the Financial Statements and are classified into three categories:

- The Gus Murray Memorial Endowment Fund of €2,000,000 (2022: €2,000,000) is a permanent endowment fund and was established as a memorial to Mr. Gus Murray. Its sole objective is to ensure funding obligations to the Foundation's existing credit union projects are met. In 2015, the Board approved an additional objective for the Fund that its annual investment income will be used to support the ongoing development programmes of the Foundation. In order for this to be achieved on a sustainability basis, the Board completed an in-depth review and agreed to increase the size of the Fund to €2 million and cap it at that figure. This was achieved in 2016 and the Fund's annual net realised income earned is utilised as an additional source of funding for development programmes. In the event of project funding shortages, to further the objectives of the Foundation, the Board have agreed that funds can be moved from the Gus Murray Fund, however the €2 million balance would be restored in due course.
- Restricted Reserves amounting to €137,000 (2022: €142,020) are unrestricted funds which have been transferred to restricted reserves to meet co-funding contractual obligations with institutional donors amounting to €137,000(2022: €142,020).

- Unrestricted Reserves amounting to €363,520 (2022: €321,050) which are funds that relate to unspent incomes, which were given without any restrictions, expressed or implied as to how they may be applied. These reserves are classified as 1) Designated funds €314,000 (2022: €297,000) which are unspent unrestricted incomes which the Board wishes to designate for specific purposes appropriate to the mission and strategic priorities of the Foundation and 2) General (Free) Reserves €49,520 (2022: €24,049) which are the residual unrestricted funds available to the Foundation for general financial purposes in 2024.

Political Contributions

There were no political contributions in the year ended 31 December 2023, and as a result no disclosures are required under the Electoral Act 1997.

Events since the End of the financial year

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

Research and Development

The Foundation did not engage in any research and development during the year.

DIRECTORS' REPORT – continued

Transactions Involving Directors

There were no contracts in relation to the affairs of the Foundation in which the Directors had any interest, at any time during the year ended 31 December 2023.

The names of the persons who were Directors at any time during the year 31 December 2023 are set out below. Unless otherwise stated indicated they served as Directors for the entire year:

Mr. Eamonn Sharkey

Ms. Vivienne Keavey (retired 16th June)

Ms. Christine Barretto (appointed 16th June)

Mr. Jim Toner

Ms. Margaret Heffernan

Mr. Paul Gibbons

Business Review

The income and expenditure for the year and the appropriation thereof are set out in the Statement of Financial Activities on page 23.

Going Concern

Management have prepared cash flow forecasts for the Foundation based on committed grant income, cash at bank and ongoing credit union contributions. The Directors are satisfied based on the review of these forecasts that the Foundation has adequate resources to continue for at least twelve months from the date of approval of these financial statements and it is appropriate to adopt the going concern basis in the preparation of the financial statements.

Disclosure of information to auditors

The directors in office at the date of this report have each confirmed that:

- As far as he/she is aware, there is no relevant audit information of which the Foundation's statutory auditors are unaware; and
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Foundation's statutory auditors are aware of that information.

DIRECTORS' REPORT – continued

Accounting records

The measures taken by the directors to secure compliance with the Foundation's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at 33-41 Lower Mount Street, Dublin 2, D02 Y489.

Statutory Auditors

Pursuant to Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the board

Eamonn Sharkey
Director

Jim Toner
Director

22 February 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities SORP (FRS 102).

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Foundation and of its incoming resources and application of resources including its income and expenditure for that year. In preparing these 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 applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
• assess the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
• use the going concern basis of accounting unless they either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and its incoming resources and application of resources including its income and expenditure of the Foundation and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Foundation and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a director's report that complies with the requirements of the Companies Act 2014.

On behalf of the board

Eamonn Sharkey
Director

Jim Toner
Director

22 February 2024

KPMG

KPMG

Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILCU INTERNATIONAL DEVELOPMENT FOUNDATION

Report on the audit of the financial statements

Opinion

We have audited the financial statements of ILCU International Development Foundation ('the Charitable Company') for the year ended 31 December 2023 set out on pages 23 to 37, which comprise the Statement of Financial Activities including Profit and Loss Account, Balance Sheet, Statement of Cash Flows and related notes, including the summary of significant accounting policies set out in note 4.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council*.

In our opinion:

- the financial statements give a true and fair view of the Charitable Company's affairs as at 31 December 2023 and of its incoming resources and application of resources including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014; and
- the financial statements have been prepared in accordance with the requirements of the Charities SORP ('FRS102')

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charitable Company'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILCU INTERNATIONAL DEVELOPMENT FOUNDATION (CONTINUED)

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in Directors and Other Information, the Directors Report, Statement of Directors' Responsibilities and Appendix - Gus Murray Memorial Endowment Fund - Unaudited. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Charitable Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 19, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Charitable Company'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 they either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

KPMG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILCU INTERNATIONAL DEVELOPMENT FOUNDATION (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

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

Our report is made solely to the Charitable Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Charitable Company'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 Charitable Company and the Charitable Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Brian Medjaou

Brian Medjaou — 23 February 2024
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING PROFT AND LOSS ACCOUNT
For the financial year ended 31 December 2023

	Unrestricted funds €	Restricted funds €	Endowment funds €	Total 2023 €	Total 2022 €
Income from					
Credit union and public donations	453,316	27,682	-	480,998	496,792
External funding (note 10)	-	430,025	-	430,025	375,453
Investment and interest Income (net)	1,373	-	24,652	26,025	1,658
Unrealised gains/(losses) on investments	-	-	70,516	70,516	(201,084)
Contributed services and facilities (note (11) (a))	280,150	-	-	280,150	270,201
Total	734,839	457,707	95,168	1,287,714	943,020
Expenditure on					
Charitable activities (note 11)	(747,845)	(457,707)	-	(1,205,552)	(1,061,981)
Raising funds	(44,712)	-	-	(44,712)	(48,387)
Total	(792,557)	(457,707)	-	(1,250,264)	(1,110,368)
Net income for the year	(57,718)	-	95,168	37,450	(167,348)
Transfer between funds	100,188	(5,020)	(95,168)	-	-
Net movement in funds	42,470	(5,020)	-	37,450	(167,348)
Total funds brought forward	321,050	142,020	2,000,000	2,463,070	2,630,418
Total funds carried forward	363,520	137,000	2,000,000	2,500,520	2,463,070

BALANCE SHEET
As at 31 December 2023

		2023		2022	
	Notes	€	€	€	€
Fixed assets					
Financial assets	12		1,394,942		1,072,435
Current assets					
Debtors	13	14,177		37,418	
Deposits and investments - cash equivalents		1,529,893		1,883,170	
		1,544,069		1,920,588	
Current liabilities					
Creditors: amounts falling due within one year	14	(438,492)		(529,953)	
Net current assets			1,105,576		1,390,635
Net assets			2,500,520		2,463,070
The funds of the charity:					
Endowment funds					
Gus Murray Memorial Endowment Fund Reserves	17		2,000,000		2,000,000
Unrestricted funds	17		363,520		321,050
Restricted funds	17		137,000		142,020
Total charity funds			2,500,520		2,463,070

The notes on pages 26 to 37 are an integral part of these financial statements.

The financial statements on pages 23 to 25 were authorised for issue by the board of directors on the 22 February 2024 and were signed on its behalf.

On behalf of the board

E Sharkey   Jim Toner

Eamonn Sharkey
Director

Jim Toner
Director

22 February 2024

STATEMENT OF CASH FLOWS
Financial Year Ended 31 December 2023

	Note	2023 €	2022 €
Net cash (used by)/provided by operating activities	16	(127,310)	(177,887)
Cash flows from investing activities			
Interest received and similar income (net)		26,025	1,658
Net increase in financial assets- debt securities		(251,992)	-
Net decrease in deposits and investments – other		-	-
Net cash generated from/(used in) investing activities		(225,967)	1,658
Net (decrease)/increase in cash and cash equivalents in the year		(353,277)	(176,229)
Cash and cash equivalents at 1 January		1,883,170	2,059,399
Cash and cash equivalents at 31 December		1,529,893	1,883,170
Cash and cash equivalents comprise:			
Cash		69,566	126,572
Deposits and investments		1,460,327	1,756,598
		1,529,893	1,883,170

NOTES TO THE FINANCIAL STATEMENTS

1 General Information

The mission of the Foundation is to help alleviate poverty in developing countries by supporting credit unions and their representative bodies as a means for social-economic development through the provision of financial and technical assistance.

The main strategy employed by the Foundation to achieve this mission is co-funding long term programmes with developing credit union movements in selected countries.

The Foundation is incorporated in the Republic of Ireland under the Companies Act 2014 as a company limited by guarantee not having a share capital under registered number 144006. The Foundation is a registered charity with the Charities Regulatory Authority and meets the definition of a Public Benefit Entity under FRS 102. The address of its registered office is 33 - 41 Lower Mount Street, Dublin 2, D02 Y489.

The Foundation regards the Irish League of Credit Unions (ILCU) as its ultimate controlling party. The ILCU is the largest and smallest group of undertakings for which group financial statements are drawn up and of which the Foundation is a member. Copies of the financial statements of the ILCU are available at 33 - 41 Lower Mount Street, Dublin 2, D02 Y489.

These financial statements are the Foundation's separate financial statements.

2 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014. The financial statements comply with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102). In addition, the Directors have voluntarily adopted the Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland Charity SORP (FRS 102).

3 Basis of preparation and measurement

(a) Basis of Preparation

The entity financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value through profit or loss.

(b) Going concern

Management have prepared cash flow forecasts for the Foundation based on committed grant income, cash at bank and ongoing credit union contributions. The Directors are satisfied based on the review of these forecasts that they have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

(c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Foundation's shareholders. In these financial statements, the Foundation has taken advantage of the following exemptions:

i. from the financial instrument disclosure requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A of FRS 102.
ii. from the related party disclosure of transactions under Section 33 of FRS 102 with the parent undertaking, Irish League of Credit Unions and also with wholly owned subsidiaries within the Irish League of Credit Unions Group.

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

The significant accounting policies adopted by the Foundation are as follows:

(a) Incoming resources

Credit union and public donations
Voluntary income, primarily derived from credit unions, which provides core funding to the Foundation and is recognised when received. However, income recognition may be deferred if there are future specific conditions attached to the donation which have not yet been met.

External Funding

i. **Institutional funding**
Income from government and other institutional donors' contracts or grants (whether "capital" grants or "revenue" grants), is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably.

ii. **Other funding**
Income from corporate donations and grants which are recognised when the Foundation has received the funds, and any performance conditions attached to the donation or grant have been met.

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be reliably measured by the charity; this is normally upon notification of the interest payable by the bank.

Realised gains and losses
Realised gains and losses, being the difference between the net sale proceeds and the cost of acquisition, are included in the Statement of Financial Activities as investment income.

Unrealised gains and losses
Unrealised gains and losses, being the difference between the market value at the end of the financial year and the market value at the beginning of the financial year or date of purchase if later, as adjusted for the reversal of unrealised gains and losses recognised in earlier accounting periods which are now realised, are included in the Statement of Financial Activities.

Contributed Services and Facilities
Contributed services and facilities are recognised as income in the period in which the Foundation has derived the economic benefit from those services and facilities and that economic benefit can be measured reliably on the basis of the value of the gift to the charity (which is deemed to be the amount the Foundation would have been willing to pay to obtain those professional services on the open market). A corresponding amount is then recognised in expenditure in the same period.

In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

Classification of Funds
All transactions of the organisation have been recorded and reported as income into or expenditure from funds which are designated as "restricted", "endowment" or "unrestricted".

Income is treated as restricted where the donor has specified that it may only be used for a particular purpose and there are restrictions imposed on the treatment of any related surpluses. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor. All other expenditure is treated as unrestricted.

The balance of the restricted funds at year end represents the asset held by the Foundation for particular purposes specified by the donor. The balance of the unrestricted funds at year end represents the assets held by the Foundation for general use in furtherance of its objectives. Endowment fund

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies – continued

(a) Incoming resources
Classification of Funds – continued

represents amounts held in investments for the purpose of allowing the Foundation, in an orderly manner phase down funding to its partners over a number of years, where there is a sudden cessation of the Foundation activities. Annual income from these principal amounts are being utilised as an additional source of funding for Foundation programmes.

(b) Foreign currencies

(i) Functional and presentation currency
The Foundation's functional and presentation currency is the euro, denominated by the symbol "€".

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the end of each financial year foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Gains and losses arising from foreign currency transactions and on settlement of amounts receivable and payable are dealt with in the Statement of Financial Activities.

(c) Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash generating unit) continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Statement of Financial Activities.

If an impairment loss subsequently reverses, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies – continued

(d) Employee Benefits

The Foundation provides a range of benefits to employees, paid holiday arrangements and facilitates a revenue-approved Personal Retirement Savings Account (PRSA) scheme for employees.

Short term benefits
Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(d) Expenditure

Charitable activities
Charitable activity expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises all those directly attributable costs - at Headquarter and country programme level - required to provide financial and technical assistance including consultancy fees, salaries, travel costs, accommodation costs, subsistence costs etc. These costs are recorded by specific activity and disclosed by country in note 11.

In addition, the ILCU, the Foundation's parent undertaking, has contributed certain administrative and professional services and facilities to the Foundation. The fair value of these costs have been estimated and are allocated on a pro rata basis to the charitable activities by country.

Governance costs relating to Board and compliance costs and Support costs relating to administrative and charitable activity support have also been allocated on a pro rata basis to the charitable activities by country.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Raising funds
Raising funds comprises all expenditure incurred directly by the Foundation on raising funds for the organisation's charitable activities. The related expenditure is recognised in the period in which it is incurred.

(e) Related party transactions

The Foundation discloses by way of a note to the financial statements any transactions with related parties which are not wholly owned with the same group.

(f) Reserves policy
Unrestricted funds are general funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity or which have been designated by the directors for specific purposes out of unspent unrestricted income in the period.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which are funds the Foundation is contractually obliged to provide from its unrestricted income reserves under a co-funding arrangement with an institutional donor.

Endowment fund is funds which are held as capital and intended to be held indefinitely.

(g) Financial Instruments

The Foundation has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies – continued

(h) Financial instruments – continued

i. Financial assets

Trade and other debtors
Trade and other debtors are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Subsequent to initial recognition, trade and other debtors and cash and cash equivalents are measured at amortised cost less any impairment losses. Financial assets from financing arrangements cannot be measured at amortised costs, these are discounted.

Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

Investments
Investments in Government Bonds is carried at quoted market value on the active market at bid price. The investment in the Collective Investment Scheme is based on a Net Asset Value (NAV) that is published on a daily basis.

Subsequent to initial recognition, these investments are measured at fair value with changes recognised in profit or loss. Fair values are determined at prices quoted in active markets.

Impairment of Financial Assets
At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in the Statement of Financial Activities. The impairment loss is the difference between the financial asset’s carrying amount and the present value of the financial asset’s estimated cash inflows discounted at the asset’s original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies – continued

ii. Financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, and loans from fellow group companies, are subsequently carried at amortised cost.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

ii. Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

5 Critical judgments in applying the company's accounting policies

Estimates and judgements made in the process of preparing the Foundation financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements.

i. Charitable expenditure

The Foundation has a number of charitable expenditure obligations. Accruals are recognised based on the estimated cash flow expected to be required to settle the Foundation's obligation under these constructive obligations and commitments. Judgements are used in determining the timing and level of expenditure to be recognised.

ii. External Funding income recognition

Income is recognised from external funding when the Foundation has (a) entitlement to the funds, (b) any performance conditions attached to the grant or contract are deemed to have been met, (c) it is probable that the income will be received and (d) the amount can be measured reliably. Some judgements are applied when determining whether all conditions have been met. The income may be deferred in such instances.

6 Group membership

The Foundation regards the ILCU as its ultimate controlling party. The ILCU is the largest and smallest group of undertakings for which group financial statements are drawn up and of which the Foundation is a member. Copies of the financial statements of the ILCU are available at 33 – 41 Lower Mount Street, Dublin 2, D02 Y489.

NOTES TO THE FINANCIAL STATEMENTS

7 Income

	2023	2022
	€	€
Analysis of turnover by category:		
Unrestricted funds	734,839	720,595
Restricted funds	457,707	419,905
Endowment funds	95,168	(197,480)
	1,287,714	943,020

8 Net incoming resources for the year before other recognised gains and losses

	2023	2022
	€	€
Net incoming resources for the year before other recognised gains and losses is stated after crediting/(charging) the following:		
Foreign exchange gains/(losses)	6,016	(15,199)

There is no auditors' remuneration in respect of the Foundation. The auditor's remuneration for the consolidation of the ILCU Group is borne by the ILCU.

9 Taxation

No taxation charges are provided in the financial statements as the Foundation has been granted charitable status and accordingly is not subject to tax.

10 External funding

	2023	2022
	€	€
Department of Foreign Affairs and Trade -Irish Aid	320,180	278,620
International Fund for Agricultural Development (IFAD)	-	-
DSIK (Deustche Sparkassenstiftung für Internationale Kooperation)	54,845	57,500
Corporate Donors	55,000	39,333
	430,025	375,453

NOTES TO THE FINANCIAL STATEMENTS

11 Cost of charitable activities

	2023	2022
	€	€
Grants and associated costs for the year were made up as follows:		
Ukraine	29,499	87,017
Ethiopia	233,770	296,514
Gambia	32,593	34,801
Sierra Leone	895,030	643,516
Turkey / Syria	14,217	-
Other countries	443	133
	1,205,552	1,061,981

(a) Contributed services and facilities:
The ILCU, the Foundation's parent undertaking, has contributed certain professional services and facilities to the Foundation. The value of this gift of €280,150 (2022: €270,201) has been recognised in income and a corresponding amount has been recognised in expenditure within charitable activities. Contributed professional services and facilities have been allocated to charitable activities on a pro rata basis where applicable.

(b) The following costs have been allocated to charitable activities on a pro-rata basis:

- Governance costs €13,956 (2022: €13,491) relating to Board and compliance costs.
- Support costs €31,444 (2021: €31,943) relating to administration and charitable activity support costs.

12 Financial assets

	Market value 2023 €	Cost 2023 €	Market value 2022 €	Cost 2022 €
Debt securities – Irish Government Bond	477,507	500,000	456,197	500,000
Debt securities – France Government Bond	250,573	252,000	-	-
Collective Investment Scheme	666,862	751,108	616,238	751,108
	1,394,942	1,503,108	1,072,435	1,251,108

Fair value is the amount for which an asset or liability could be exchanged between willing parties in an arm's length transaction.

13 Debtors

	2023	2022
	€	€
Amounts falling due within one year:		
Other debtors	14,177	37,418
	14,177	37,418

NOTES TO THE FINANCIAL STATEMENTS

14 Creditors – amounts falling due within one year

	2023 €	2022 €
Accruals	8,270	57,395
Amounts owed to parent	39,489	54,861
Deferred income	390,733	417,695
	438,492	529,953

Amounts owed to parent are unsecured, interest free and are repayable on demand.

Included in accruals above is €0 (2022: €35,109) of committed charitable expenditure which will not be payable until the recipient has met with the conditions set down by the Foundation.

15 Commitments

As at 31 December 2023, the Foundation has no commitments other than those included in creditors in the financial statements.

16 Note to the cash flow statement

	2023 €	2022 €
Income/(Loss) for the year	37,450	(167,348)
(Increase)/Decrease in debtors	23,241	(6,415)
(Decrease)/Increase in creditors	(91,462)	(203,549)
Unrealised gains/(losses) on investments	(70,516)	201,083
Investment and interest income (net)	(26,025)	(1,658)
Net cash (outflow)/inflow from operating activities	(127,310)	(177,887)

17 Analysis of Funds

	Endowment fund movement €	Unrestricted fund movements €	Restricted fund movements €
Opening balance at 1 January 2023	2,000,000	321,050	142,020
Incoming resources	95,168	734,839	457,707
Resources expended		(792,557)	(457,707)
Transfer between funds*	(95,168)	100,188	(5,020)
Closing balance at 31 December 2023	2,000,000	363,520	137,000

18 Employees and directors

	2023 €	2022 €
Staff costs		
- wages and salaries	245,002	248,951
- social insurance costs	26,272	27,344
- pension costs	8,421	3,803
	279,695	280,098

NOTES TO THE FINANCIAL STATEMENTS

The staff costs are recorded by specific charitable expenditure activity and disclosed by country with other related expenditure in note 11.

The average number of full time equivalents (FTEs) employed in the Foundation during the year was:

	2023 Number	2022 Number
Project Support	5	5.5

	2023 Number	2022 Number
€60,000 - €70,000	0	0
€70,000 - €80,000	1	0
€80,000 - €90,000	0	0
€90,000 - €100,000	0	0
€100,000 - €110,000	1	1
Total	2	1

The 2 staff members earning more than €60,000 are senior personnel providing significant key management services to the Foundation and one of these is an ILCU employee

As our international Credit Union partners have stated that technical advice and training is the most useful assistance the Foundation is providing a significant element of our support in the form of human resources.

None of the directors received any emoluments during the current year or prior year.

The Foundation provides access to a revenue approved PRSA and contribute a percentage of an employee's salary to the PRSA under certain conditions.

19 Financial Risk Management

The Foundation is exposed to a range of financial risks. The risks that the Foundation primarily faces due to the nature of its charitable activities and investment activities are market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Foundation does not use derivatives.

Fair value
Fair value is the amount for which an asset or liability could be exchanged between willing parties in an arm's length transaction. Fair values are determined at prices quoted in active markets. The Foundation has an investment in a French Government bond and Irish Government Bond which is carried at quoted market value on the active market at bid price. The investment in the Collective Investment Scheme is based on a Net Asset Value (NAV) that is published on a daily basis. The Foundation's remaining investments are in cash and deposits which are carried at amortised cost.

(a) Market risk
Market risk is the risk of adverse financial impact as a consequence of market movements such as currency exchange rates, interest rates, and other price changes. Market risk arises due to fluctuations in both the value of assets held and the value of liabilities.

The Foundation's risk management objectives which aim to minimise exposure to market risk in line with the overall risk appetite framework are:

- To adopt a conservative approach to investments and seek to safeguard the value of the funds:

NOTES TO THE FINANCIAL STATEMENTS

- Hold sufficient investment values and investment liquidity to ensure all charitable expenditure commitments are met as they fall due;
- Ensure that there are appropriate policies and strategies in place including concentration risk management, counterparty risk management, and asset liability risk management to meet this objective; and
- Manage investment assets risk profile.

The Foundation has established policies and procedures in order to manage market risk and methods to measure it.

There were no changes to the Foundation's objectives, policies, and processes for managing market risk.

(i) Currency risk
The Foundation receives the majority of its income in Euro however significant amounts are received in foreign currencies (mainly Sterling and US Dollars). Where appropriate these amounts are transferred immediately into Euro on receipt. The Foundation's overseas programmes are primarily committed in Euro but a US Dollar balance is maintained to fund US Dollar commitments.

Our project partners' activities are currently denominated in three local non-core currencies and this by its nature may spread foreign exchange risk to the Foundation. However, the risk to the Foundation is currently judged to be minimal and is actively managed and monitored on an on-going basis.

(a) Market risk – continued

(ii) Interest rate risk
Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk as it invests in a French Government Bond, an Irish Government Bond and a Corporate Bond Fund. The Foundation's assets are managed by an external investment manager in accordance with a conservative investment mandate. Investment management meetings are held regularly with the Foundation's investment adviser to ensure compliance with the investment policy in place.

(iii) Price risk
The Foundation is exposed to price risk arising from fluctuations in the value of financial instruments as a result of changes in the market price of its investment in a French Government Bond, an Irish Government Bond and the investment in a Corporate Bond fund.The risk is managed by the Foundation maintaining an appropriate mix of financial instruments and adopting a conservative investment policy.

(b) Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Foundation. The Foundation is exposed to the risk that the banks holding the Foundation's current and deposit accounts may not be in a position to repay on the funds deposited. The Foundation manages this risk by assessing the banks where cash deposits are held and by monitoring external credit ratings of the relevant banks on a regular basis.

The Foundation is also exposed to credit risk in respect of its investment in a French Government bond, an Irish Government Bond and the investment in a corporate fund. The Foundation manages this risk by review the credit rating of the counterparties in conjunction with the external investment advisors.

Trade and other debtors are also exposed to credit risk. The Foundation monitors collection of amounts receivable.

There were no changes in the Foundation's credit risk exposure in the financial year nor to the objectives, policies, and processes for managing credit risk.

NOTES TO THE FINANCIAL STATEMENTS

The carrying amount of financial assets recorded in the financial statements, represents the Foundation's maximum exposure to credit risk.

(c) Liquidity risk
This is the risk that the Foundation will have temporary deficits in its cash flow in terms of meeting its day to day commitments. This generally arises from timing differences between income flows and expenditure outlays. The Foundation's liquidity is managed by holding deposits on short call notice, and by retaining sufficient designated reserves to cover cash flow requirements. When absolutely necessary, the Board can approve the securing of short term overdraft facilities with the Foundation's bankers; this has not arisen in the current or prior year.

There are risks associated with cash flows, particularly where the economic situation has the potential to reduce the amount or timing of income from voluntary contributions. The Foundation is sensitive to the reality that cash flows can lag behind associated programme expenditure, and the reserves policy of the Foundation is structured to ensure that unrestricted reserves are brought to a sufficient level to act as a cushion against any such cash flow sensitivities.

Details of the Foundation's going concern assessment is included in note 3.

21 Post Balance Sheet events

There have been no significant events between the Balance Sheet date and the date on which the financial statements were approved by the Board which would require adjustment to the financial statements or any additional disclosures.

22 Approval of Financial Statements

The financial statements were approved by the directors on 22 February 2023

APPENDIX - GUS MURRAY MEMORIAL ENDOWMENT FUND - unaudited
Financial Year Ended 31 December 2023

	2023 €	2022 €
Revenue account		
Investment (Expense)/Income (net)	95,168	(197,480)
Total (Expense)/Income	-	(197,480)
(Loss)/Profit for the year	95,168	(197,480)
Transfer to unrestricted funds	(95,618)	197,480
	-	-
Balance sheet		
Assets		
Investments- Debt Securities	750,273	500,000
Investments- Corporate Bond Fund	751,108	751,108
Cash equivalents	498,619	748,892
Deposits		-
	2,000,000	2,000,000
Financed by		
Reserves	2,000,000	2,000,000