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

Annual Report

Financial Year Ended 31 December 2025

Company Number: 144006

CONTENTS

DIRECTORS AND OTHER INFORMATION

Board of Directors

Ms. Margaret Heffernan (Chairperson)

Ms. Christine Baretto (Resigned 20/06/2025)
Mr. Martin Busch (Appointed 20/06/2025)
Mr. Paul Gibbons
Ms. Joan Jennings (Appointed 20/6/2025)
Ms. Vivienne Keavey (Appointed 20/6/2025)
Mr. Eamonn Sharkey (Resigned 20/6/2025)
Mr. Jim Toner (Resigned 20/6/2025)

Solicitors

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

Secretary and Registered Office

Ms. Grace Kelly,
77 Sir John Rogerson's Quay,
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

Forvis Mazars,
Block 3 Harcourt Centre,
Harcourt Road,
Dublin 2, D02A339.

DIRECTORS' REPORT

The Directors present herewith their report and the audited financial statements for the financial year ended 31 December 2025.

Our vision, purpose, mission and values

The **vision** of the ILCU International Development Foundation (the Foundation) is to create financial inclusion for all.

Our **purpose** is to reduce poverty by supporting an environment where financial cooperatives and their members thrive.

Our **mission** is to support the sustainable development of financial cooperatives from local to national level through collaborating internationally.

Our **values** are based on:

- **Community:** We collaborate and work in solidarity through the cooperative model to harness and strengthen communities.
- **Sustainability:** We support members' financial inclusion through sustainable financial services, strong institutions, and a fit for purpose regulatory environment.
- **Partnership:** We operate through partnerships, fostering both individual and collective growth and potential.

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

The Foundation shares 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 build financial inclusion.

The characteristics of our support include:

- Providing financial and technical expertise
- Working closely with local partners and key stakeholders
- Collaborating to support strong sustainable financial cooperatives that meet local needs
- Creating structures and frameworks that allow financial cooperatives to grow and thrive
- Supporting financial inclusion
- Providing a hand-up, not a handout

Sierra Leone - Activities, Impact and Main Accomplishments

Overview of the National Context

Although there have been huge strides and reforms in Sierra Leone since the end of the civil war in 2002, the country still suffers from enormous challenges. Corruption appears rife at all layers of society, with high youth unemployment and acute rural and urban poverty. Governance still requires strengthening, and although infrastructure has improved through massive investment by China into main roads, development is lacking in most other areas.

DIRECTORS' REPORT – continued

The country has yet to enjoy political stability. The 'Agreement for National Unity' in October 2023 mediated by the African Union, ECOWAS and the Commonwealth has been crucial in maintaining peace in this fractious political environment.

Although Sierra Leone continues to experience the adverse effects of global inflation and tighter monetary policies to manage the impact of the ongoing global crisis, the expected economic growth of 4.3% was surpassed in 2025. Inflation is an ongoing challenge and stood at 28.43% in 2024; however, it dropped to its lowest level since July 2014 in 2025, to 4.44% in October 2025.

Socially, Sierra Leone has made further improvements. In summer 2025, Parliament passed the National Country Planning Act 2025. The Act replaces the Town and Country Planning Act of 1946, focusing on coordinated urban and rural development including climate action priorities and alignment with the Sustainable Development Goals (SDGs).

The National Social Protection Strategy for Sierra Leone 2022-2026 has lofty goals with a policy to establish a gender sensitive and age-appropriate framework for protection of the poorest and most vulnerable and to minimise the risk of others sliding into poverty through a minimum social protection floor for all Sierra Leonean citizens to ensure a life of dignity. It is highly ambitious in 11 categories but principally covers Education, Health, Agriculture, Employment, Emergency response, Infrastructure, Labour and Protection with particular attention to children.

Key Achievements
By the end of 2024, the Foundation started a new Programme in Sierra Leone called: Credit Unions – Growth & Sustainability (CUGS), which aims to build on the successes of previous programme Step Up. The overall aim of CUGS is to promote financial inclusion and reduce poverty for a greater number of Sierra Leoneans through further embedding of a safe, secure and growing credit union movement. A growing movement will strengthen the capacity of members and their communities to effectively prepare, respond and recover from livelihood stresses and shocks. The increased number of members utilise a broader set of financial services to meet their needs, to break the cycle of poverty, and build socio-economic growth in their families and communities. Growing the membership of the movement and increasing the number of credit unions, most especially the work-based ones, will also help the movement along the pathway to become sustainable in the longer-term. There are three main outcomes designed to achieve these ambitious targets, as described below:

- **Outcome 1: Safe & Sound:** The Sierra Leone monitoring team continued with their risk-based monitoring visits, and each credit union was visited, at a minimum of once every two months during the year. A standardised Risk Based Monitoring set of work papers and report templates were used by the team to ensure consistency across the visits. The regular reccurring nature of the visits allowed the monitoring team to make recommendations for improvements and to monitor the credit union's achievements over time. Overall, the movement is developing well, with 76% of credit unions for which data is available generating a surplus during the project period.

- **Outcome 2: Growth of the CU Movement:** During the first project year, our partner in Sierra Leone, National Cooperative Credit Union Association (NaCCUA) –the apex body of the credit unions developed a new 3-year strategy (2025-2027). As part of this planning, NaCCUA aims to triple the membership by the end of 2027. In 2025, savings grew by 32%, alongside 15% membership growth to a total of 21,056 members, across 20 credit unions. In preparation for the development of the Marketing & Comms (M&C) Strategy, a Brand Awareness Baseline was undertaken, a Marketing & Communications (M&C) credit union network (via WhatsApp) has been established to engage with credit unions on the importance of marketing and communication, and peer-to-peer learning was conducted.

DIRECTORS' REPORT – continued

The Graduation Micro Finance (GMF) programme continues to perform excellently, with approximately 1,000 graduates joined credit unions this year.

Activities, Impact and Main Accomplishments - continued

- **Outcome 3: CU Movement Capacity Building:** One of the main activities in the first project year was the rollout of IT record-keeping for credit unions. This has resulted in two systems being implemented and made available to all credit unions who satisfy the criteria for digitisation. By the end of 2025, 13 credit unions had an IT system in place. The ILCUF Ltd Audit team and Department of Co-operatives (DOC) completed their audit fieldwork and audit reports for small and medium credit union audits, on target for nine credit unions. In addition, another 10 credit unions had an external audit in 2025. Key findings and weaknesses from all the audits, i.e. both external firms and the Audit Team/DOC, were consolidated and used to further strengthen the capacity of the monitoring and supervisory teams in this area. In addition, these findings and weaknesses were used as part of the training held for bookkeepers during the year to encourage better and more efficient audit readiness and preparation next year. The audit team stated that, in general, there was better bookkeeping & financial management by credit unions this year because of this training.

Project Changes

In 2025, programme planning was conducted using a localisation approach. This entailed building the understanding of the Sierra Leone team on the fundamentals of project scoping and planning, and financial budgeting as well as project reporting. This was undertaken at the commencement of the CUGS programme and formed key step in capacity building of the NaCCUA and ILCUF Ltd teams. This led to stronger buy-in from the Sierra Leonean team for the work programme. The full work programme is being conducted with a localisation mindset where the three main projects are led by Sierra Leonean based staff. It may result in slower progress in the short-term, but with longer lasting impacts over the medium-long term.

Ethiopia & Rwanda - Activities, Impact and Main Accomplishments

Overview National Context Ethiopia

The peace deal signed in late 2022 between the Ethiopian government and Tigray forces has largely held, contributing to relative stability in the northern region. However, security in other parts of the country remains entrenched and problematic. Persistent fighting, particularly in the Amhara region, has widely disrupted economic activities. Overall, more than 2 million people remain displaced due to conflict and food insecurity.

Despite this, Ethiopia's economy continues to rebound with an estimated growth rate of 7.5% in 2025. This recovery is attributed to agricultural growth, increased domestic consumption, and continued investments in infrastructure and manufacturing. Despite the growth, inflation and food inflation remain high, driven by supply chain disruptions and food shortages.

Ethiopia has benefited from significant support from the Foundation in areas such as Savings and Credit Cooperative Organisations (SACCOs) regulation, digitalisation of regulatory processes and initiation of the Women's Financial Economic & Empowerment (WFEE) programme supported by Irish Aid and the International Fund for Agricultural Development (IFAD). This collaboration involves stakeholders including the Ethiopian Cooperative Commission (ECC), SACCOs, IFAD, and Irish Aid.

DIRECTORS' REPORT – continued

Key Achievements – Ethiopia

In 2025, the WFEE programme (2024–2027) was being implemented primarily in Ethiopia. The programme is a partnership between IFAD and Irish Aid. The programme addresses barriers to rural women's financial inclusion by strengthening SACCOs, its supporting architecture as well as through promoting gender-responsive financial products in rural areas.

Activities, Impact and Main Accomplishments - continued

In Ethiopia, the programme is aligned with IFAD's Rural Financial Intermediation Programme III (RUFIP III). Following the completion of four diagnostic studies in Q3 2025, the programme has transitioned from evidence generation to the implementation phase. Key accomplishments were as follows:

- Production of in-depth studies of the SACCO movement at the macro, meso and micro levels informing policy, structural change, advancements in regulation and supervision of the movement, strengthening delivery and support structures and improving financial products and services for women.
- Evidence-Based Planning: This was followed by a stakeholder validation workshop and engagement from August 2025 which translated study findings into a consolidated action plan. This resulted in the identification of priority thematic areas, including policy, regulation & supervision, and advancing gender financial inclusion.
- Technical assistance is being provided to the ECC to develop a tiered risk-based supervision utilising the PEARLS methodology. This framework integrates gender-responsive indicators to monitor women's participation in SACCOs.
- The programme is co-designing new savings and loan products in consultation with the ECC, specifically tailored to women's needs with flexible collateral options and simplified repayment mechanisms.
- Leadership and Literacy: Training initiatives for women members in pilot RuSACCOs has been planned, focusing on financial literacy and leadership to increase female representation in management committees.
- The Foundation has actively advocated for the inclusion of SACCOs in national strategies, such as the National Financial Inclusion Strategy (NFIS) and the National Agri-Finance Roadmap.

The Ethiopian economy grew by an estimated 6.1% in 2024, despite persistent inflation and regional security challenges. The WFEE programme is an important component of protecting the savings of women members - who represent nearly half of RuSACCO membership - by building a transparent and accountable regulatory foundation.

Key Achievements – Rwanda

2025 was the foundational and diagnostic phase of the WFEE programme for Rwanda. The programme is aligned with the Rwanda Dairy Development Project II (RDDP II). It aims to address gender gaps within the dairy value chain and the broader SACCO ecosystem. Key progress and findings over the year are set out below:

- A field mission conducted in August 2025 established the baseline for engagement with key partners, including the Association of Microfinance Institutions Rwanda (AMIR) and the Ministry of Agriculture.

The programme is aligned with Rwanda's major SACCO sector reform, which involves consolidating 416 Umurenge SACCOs into 30 District SACCOs (D-SACCOs).

- Consultations highlighted that while Rwanda has high formal financial inclusion, women still face structural barriers, including male-dominated governance in dairy cooperatives and a lack of gender-responsive training tools within AMIR.

Activities, Impact and Main Accomplishments – continued

- A macro- and meso-level study was initiated in late 2025 to assess the institutional capacities of AMIR and D-SACCOs. This study will establish baseline indicators and identify strategic intervention points for the implementation phase of WFEE in Rwanda.

- Planning for the development of a gender-responsive training and supervision framework for AMIR, to be piloted with selected D-SACCOs has been undertaken; as well as for pilot product development and the rollout of women's leadership and financial literacy sessions.

Kenya - Activities, Impact and Main Accomplishments

Overview National Context

Kenya receives €4.2 billion in diaspora remittances annually, representing a significant potential source of capital. The country needs investment in climate solutions across four priority sectors: climate-smart agriculture, water security, renewable energy, and green housing. SACCOs serve millions of Kenyans but lack products to mobilise diaspora deposits or channel capital into climate-aligned investments.

Background to Project

The Foundation launched the Kenya Diaspora Deposits for Climate Solutions project in July 2025 with USD 500,000 funding from the European Climate Foundation via the Climate Finance Fund. WOCCU (World Council of Credit Unions) serves as the technical delivery partner. The project addresses two connected problems: Kenyan diaspora communities want to invest in their home country but lack trusted channels, while SACCOs want to expand their deposit base but lack capacity to serve diaspora members or develop climate-aligned products.

The project helps selected SACCOs build capacity to offer diaspora-friendly deposit products linked to climate investments. The initiative targets €75-250 million in potential diaspora deposits, creating a new financing pathway for climate action while offering diaspora members credible investment opportunities with community impact.

Key Achievements

Phase 1 completed in Q4 2025, achieving four major milestones:

- **SACCO selection and onboarding:** The Foundation and WOCCU assessed 13 SACCOs and selected five for participation: K-Unity SACCO, Kenya USA Diaspora SACCO, Unaitas SACCO, Stima SACCO, and Qona SACCO. Selection focused on digital infrastructure, governance capacity, diaspora membership base, and commitment to environmental and social governance.

- **Institutional Capacity Assessments:** Teams examined each SACCOs readiness across technology systems, product development, operations, compliance frameworks, and staff capacity. Assessments identified specific gaps and priorities for Phase 2 implementation.

- **Diaspora Market Research:** Research teams worked with Kenyan diaspora communities in London, Seattle, and Perth. The research identified five distinct diaspora segments: Youth (25-35), Family Providers (35-50), Conscious Investors (30-45), Return-Minded Retirees.

Activities, Impact and Main Accomplishments - continued

(55+), and Financial Matriarchs (45-60). Key barriers emerged, including trust deficits from past disappointments with Kenyan financial institutions, inadequate digital platforms, and lack of clarity on tax implications.

- **Kenya Market Research:** Teams identified five viable investment pathways. Smallholder climate agriculture loans, water infrastructure financing, residential solar installation loans, green affordable housing loans, and access to third-party climate funds. Each pathway connects diaspora deposits to climate impact while offering competitive returns.

Phase 2 implementation begins in Jan 2026, where each SACCO will develop customised climate deposit products for diaspora members, supported by capacity building programs.

Ukraine and Gaza – Humanitarian Support

In 2025, the Foundation continued supporting the credit union movement in Ukraine through the Ukrainian National Association of Savings and Credit Unions (UNASCU), which is a national credit union apex body. Funding carried forward from 2024 was allocated by the Foundation Board to enable UNASCU to continue advocating for the movement and support their affiliated credit unions.

The Foundation Board also supported relief efforts in Palestine via the Irish Emergency Alliance - Gaza & Lebanon Appeal. The funding for Gaza helped to distribute food parcels to displaced families in refugee camps, focusing on meeting the basic needs of those affected by the conflict.

Institutional & Corporate Funding

The Foundation continues to be highly successful in accessing institutional funding to support its core activities.

Institutional

- A major funding project, the WFEE, has been signed with IFAD for East Africa and is co-funded by Irish Aid. Under this project, the Foundation is working with its credit union partners initially in Ethiopia and Rwanda, with plans to expand to Tanzania in 2026. Irish Aid is disbursing this grant to IFAD, which is subcontracting implementation to the Foundation. The budget is €1.3 million for three years, with a potential option to extend to €2.5 million for five years.
- The Foundation has a 5-year Memorandum of Understanding with Irish Aid, co-funding the CUGS programme in Sierra Leone until 2029, valued at approximately €1.5 million.
- In 2025 the Foundation won a contract in Kenya worth USD 500,000 from the European Climate Foundation via the Climate Finance Fund in partnership with WOCCU. This innovative project aims to help Kenyan credit unions develop green finance for their local communities by sourcing funding from Kenya's large emigrant population who are credit union members.

Corporate

In 2025, the Foundation was very successful in expanding the scale of its corporate fundraising. During Q3 and Q4 of 2025, the Foundation agreed significant long-term funding partnerships with MOORE Ireland, HPC, and Cantor Fitzgerald, which will complement our existing strong corporate partnership with ECCU. When these partnerships are fully functioning in 2026, they will generate circa €100,000 in corporate funding to support our projects. Opportunities for new institutional and corporate funding support are being consistently monitored and developed.

DIRECTORS' REPORT – continued

Credit Union Fundraising & Communications

In 2025, the Foundation continued to share the Irish credit union experience to support the development of credit union movements in low-income developing countries. Engagement increased throughout the year through meetings with credit unions, attendance at various credit union-related events, and an enhanced online presence to promote the Foundation's work.

Engaging with our credit union supporters is extremely important as we can thank them directly and highlight the impact of their support. In 2025, we attended the Irish League of Credit Unions ("ILCU") Conference and AGM, Compliance Connect and BMX events, CUMA's Spring and Autumn conferences, and the Ploughing Championships. These in-person events allowed us to directly engage with supporters and non-supporters to discuss our work. This year we visited 71 credit unions; the main purpose of the visits was to publicise their support of our work. Several visits were focused on discussing our work, seeking an increase in support or seeking credit unions to come on board as supporters.

The 5th CU Challenge took place in October and raised over €12,000. Twenty-two credit unions signed up, and it is a very effective way to raise awareness of the Foundation's work amongst credit union staff. Individual fundraising initiatives contributed over €3,000 in 2025.

Across our social channels, we continue to enhance our communications to show the impact of our work.

Annual donations from the Irish credit union movement in 2025 amounted to just over €550,000, representing a 6% increase compared with the previous year. This is particularly positive given the ongoing mergers of Irish credit unions during 2025. We have had several former supporters and non-supporters come on board this year, with some credit union supporters also increasing their donation, some of which is a direct result of increased engagement as discussed above.

Overall income from the credit union and public donations is up over 4% on 2025.

Future Plans

The overall aim of the Foundation Strategic Plan 2025-2029 is to build upon our work to date in building 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 staff, local partners, external stakeholders including the Department of Foreign Affairs (DFA) and other key international funding agencies.

The Foundation's strategy sets out three Strategic Goals to help the Foundation meet its purpose and mission:

- **Goal 1:** Further our impact through focused and locally led programmes
- **Goal 2:** Become a more agile and resilient organisation
- **Goal 3:** Raise our profile to increase and diversify our income

The Foundation's work is underpinned by its theory of change which shows how supporting credit union development leads to financial inclusion and reduced poverty. The Foundation will continue to work at the micro, meso, and macro levels to achieve our Strategic Goals.

- Micro level - credit unions and their members: we provide support to ensure **safe and secure credit unions**
- Meso level - apex bodies & federations: we provide support to ensure **sustainable** apex bodies for the credit union movement
- Macro level - regulators and governments: we provide **strategic support** to advocate for fit-for- purpose regulation and legislation

Future Plans - continued

Major Development Programmes 2026

In Sierra Leone next year, a central part of the CUGS programme will be on sustainability of the credit union movement in Sierra Leone. For this, the establishment of work-based credit unions will be crucial, next to the organic growth of the already registered credit unions. Sustainability work will also include the ongoing work in strengthened the financial performance of credit unions & NACCUA. The team will continue working on the implementing partner status for NaCCUA which will lead to the transition of staff and services from the Foundation to the national partner, in alignment with one of CUGS main goals of localisation."

The WFEE programme will focus on delivering planned activities across Ethiopia, Rwanda, and Tanzania, building on work completed in 2025. In Ethiopia, implementation will concentrate on Component 2, strengthening RuSACCO regulation and risk-based supervision, introducing women-friendly supervision practices, developing and piloting gender-responsive financial products, and expanding women's financial literacy and leadership. In Rwanda and Tanzania, Component 1 activities will assess regulatory frameworks, apex body capacity, and barriers to women's access to finance, with a focus on rural and dairy value chains. In Rwanda, these assessments will inform the commencement of Component 2, including targeted capacity building and initial co-design of tailored financial products, leveraging the ongoing IFAD dairy value chain programme.

The Kenya programme will complete Phase 2 of the Diaspora Deposits for Climate Solutions Initiative. Work will focus on piloting and launching climate-linked diaspora deposit products with four partner SACCOs, alongside focused capacity building in governance, risk, ESG, and impact reporting. Diaspora deposits will flow into climate lending and approved climate investment pathways, with regulatory oversight and member-level impact reporting.

Fundraising 2026

The Foundation will aim to maintain credit union donations to 2025 levels, even as Irish credit union mergers continue; this will involve increased engagement and a deepening of relationships with the credit unions who support us. Efforts to engage with non-supporting credit unions will focus on face-to-face meetings with staff and boards from those credit unions. We will seek to increase the number of individuals in the sector to choose the Foundation as their charity of choice and support their fundraising efforts, a fundraising campaign to be explored is the Great Ethiopian Run. For corporate partners, we will maintain the current relationships and strive to engage more corporates in the sector to support our work.

Regarding communication, the Foundation will continue to use all our existing communication channels to increase awareness of the Foundation's work across the credit union movement and the wider sector. Our presence and attendance at various credit union events is hugely beneficial as it allows face-to-face
conversations and we can directly thank the people who support our work. An area of focus for the year ahead will be to improve on how we report on our impact to showcase how our supporters are helping to make a difference.

With institutional funding, the Foundation will continue to build on and maximise institutional funding from our main partners, including Irish Aid, IFAD and European Climate Foundation. During 2026, we will concentrate on strengthening programme delivery and reporting to maintain the impact of this essential funding stream.

DIRECTORS' REPORT – continued

Future Plans - continued

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 acknowledges with gratitude the work of its staff and that of its volunteers in 2025. The major achievements during the year are due to the dedication, belief, and commitment of all these people.

Structure, Management and Governance

Governing Document and Legal Structure

The ILCU International Development Foundation was incorporated on 20 April 1989 and is a company limited by guarantee not having a share capital and with a registered office at 77 Sir John Rogerson's Quay, Block C, Grand Canal Docklands, 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.

As a Company Limited by Guarantee, the Foundation does not issue shares and therefore has not shareholders; as such, the directors do not have any shares in the Foundation.

Trustees and Governance Structure

The Foundation is governed by its board of trustees (directors). The trustees meet at least six times per year. In 2025, there were nine board meetings with an attendance rate of 98%. The Board is made up of five members. The Board is committed to maintaining the highest standards of corporate governance and full compliance with the Charities Governance Code.

Appointment of Directors

Directors are elected in accordance with the Foundation's governing documents. 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, and the vacancies are advertised publicly. The Directors, consequently, 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. Gender balance on the board is important; currently, 60% of the board members are female. 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 regular refreshment of its membership. In this regard, Directors retire in a manner ensuring continuity of knowledge and expertise on the Board, without permitting Directors to serve for an unduly lengthy period, given that the maximum term is 10 years.

Directors' Induction and Training

New directors receive formal induction over a six-month period and are provided with appropriate information relating to the Foundation's affairs, including its financials, policies, strategies, corporate governance, and risk exposures. Directors are encouraged to undertake relevant training to ensure they have the skills and knowledge necessary to fulfil their roles.

DIRECTORS' REPORT – continued

Future Plans - continued

Conflicts of Interest and Loyalty

The Foundation has a Conflicts of Interest and Loyalty policy which was updated and approved by the Board in 2024. The policy applies to all board directors and staff. All directors and the CEO are required to complete an annual declaration of interests' form. A standing conflict of interest agenda item is included in all Board meetings, requiring board members and the CEO to declare any conflict of interest or loyalty which they may have. All details regarding the conflict of interest, including the action arising, are recorded in the minutes. No conflicts of interest arose in 2025 (2024: none).

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.

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 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 on a regular and systematic basis.

Detailed risk registers have been established for all key areas of the Foundation's operations – including at Headquarters (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. The Board has responded to this risk by including Goal 2 - Raising our profile to increase and diversify our income as key strategic priority in the Foundation's strategy 2025-2029 and is committed to providing the resources necessary to ensure this objective. The Foundation continues to successfully grow & diversify income in 2025 through broadening its base of institutional & corporate funders along with increasing the Gus Murray Endowment Fund. The Foundation monitors its long-term commitments on an ongoing basis to ensure the adequacy of funding to meet such commitments, and the Board has ensured the Gus Murray Endowment Fund is maintained at levels necessary.

Risk Management and Internal Control - continued

- 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 adhering 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.

- The ongoing risk of difficulties accessing the key personnel to ensure effective and uninterrupted delivery of programmes, and in positioning those personnel where needed has become more of a challenge due to the general challenges in the labour market. The Foundation's 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 2025 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 improve 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 conducting regular internal audits of its international credit union partners. In 2025, an internal audit 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 2025, the Foundation Board completed an annual review of important policies and procedures using its new Annual Governance and Compliance Manual. 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 a mandatory Declaration of Conduct and Ethics for all personnel in the Foundation and Implementing Partners of the Foundation to help promote highest standards of ethical behaviour at all levels.

Pay Policy for Board Members and Key Management

The Directors consider the CEO to be the key management personnel of the Foundation. The pay of the CEO is benchmarked against CEO pay levels in other similar-sized non-profit organisations.

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, and no such amount was claimed in 2025.

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 government bonds, 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 2025, 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 the funds deposited. In addition, there is a risk of default in relation to the Foundation's government bonds 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.

- **Foreign Exchange Risks:** The Foundation receives most 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 major 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 ongoing 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 government bonds 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 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 government bonds and its corporate bond fund because 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.

DIRECTORS' REPORT – continued

Compliance with Sector-Wide Standards

As part of the 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 and the Charities (Amendment) Act 2024
- Internal financial controls guidelines for charities – Charities Regulator Guidance Document
- 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 reported to the Charities Regulator in 2025 that it is in full compliance with the Charities Governance Code.

Financial Overview of the Foundation in 2025

The Foundation recognised total income of €1,784,033 for the year ended 31 December 2025 (2024: €1,445,682) which includes total realised income of €1,756,365 (2024: €1,422,240). The difference of €27,668 (2024: €23,442) relates 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 €1,756,365, 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 credit unions and public donations amounted to €565,573 for the year 2025 (2024: €543,254), representing an increase of 4% on 2024. External funding support for the Foundation's work increased to €847,510 (2024: €525,012), due mainly to increased utilisation of IFAD funding and a new grant from the Climate Finance Fund in the current year. The components of external funding are the following:

- In 2025, the Foundation received Department of Foreign Affairs (DFA) grants totalling €310,000 (2024: €340,000). The total amount of income recognised from the DFA grant in 2025 for the CUGS project amounted to €264,570 (2024: €381,235), (2024: €324,568 income received which related to Civil Society Fund (CSF) co-funded programme in Sierra Leone called Step Up 2021-2024 and €56,667 relating to the successor programme 'CUGS').
- In 2024, the Foundation received a grant of €438,478 from the International Fund for Agricultural Development (IFAD) relating to the 3-year 'Women's Financial and Economic Empowerment' Programme in East Africa which started in August 2024. The amount of income recognised for this grant in 2024 amounted to €65,801 and €249,474 in 2025.

- Total DSIK income recognised by the Foundation in 2025 totalled €5,783 (2024: €6,535) and represented a contribution towards Sierra Leone office rent and expenses for the year.
- In 2025, the Foundation received a new grant of USD$500,000 from the Climate Finance Fund. The total amount of income recognised from this CFF grant in 2025 was €270,048.
- Corporate funders generously contributed to the work of the Foundation and €57,635 was recognised as income in 2025 (2024: €61,441).

Overall expenditure increased to €1,494,858 (2024: €1,261,625). Expenditure on **charitable activities** amounted to €1,447,045 (2024: €1,215,907) with major projects in Ethiopia, Sierra Leone and Kenya benefitting primarily from this support. Expenditure on **raising funds** was €47,813 (2024: €45,718).

DIRECTORS' REPORT – continued

Financial Overview of the Foundation in 2025 - continued

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.

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 strong financial capital to maintain its current activities and grow in the future. The Board reviews the level of reserves annually.

The reserves are managed in accordance with the organisational Reserves Policy. The Reserves Policy, which includes details on the level of unrestricted and restricted reserves, is reviewed annually by the Board. The last review took place in February 2026.

The Reserves Policy has two distinct dimensions:

1. To strike a balance between:

- spending the maximum amount of income raised as soon as possible;
- meeting the terms of Donor and other relevant legally binding contracts;
- maintaining prudent resources necessary for uninterrupted operation in accordance with strategic priorities;
- providing proper resourcing for any additional Board approved development programmes and for other circumstances that require a financial cushion.

2. To use the bulk of the reserves currently set aside as a permanent endowment fund (the Gus Murray Fund).The reserves of €2,973,752 at 31 December 2025 (2024: €2,684,577) are detailed in note 17 of the Financial Statements and are classified into three categories:

1. The Gus Murray Memorial Endowment Fund
   The Gus Murray Memorial Endowment Fund of €2,250,000 (2024: €2,000,000) is a permanent endowment fund and was established as a memorial to Mr. Gus Murray. Its two objectives are:
   - To ensure funding obligations to the Foundation's existing credit union projects are met.
   - That its annual investment income will be used to support the ongoing development programmes of the Foundation.

   To further support income diversification, the Board in 2025 approved a mid-term strategy to grow the Fund initially to €3 million from annual surpluses. In 2025, the Fund was increased to €2,250,000 by retaining within the Fund €65,334 of income generated by the Fund in 2025 and by transferring into the Fund €184,666 of unrestricted reserves. This will allow the Fund to generate increased future annual interest income to fund the Foundation's work in the developing world. This strategy will assist in addressing the risk that credit union donations levels will decrease in future as it is predicted there will be a significant reduction in the number of individual credit unions in Ireland in the coming years with the ongoing merger process.

Financial Overview of the Foundation in 2025 - continued

2. Restricted Reserves amounting to €320,000 (2024: €331,000) are funds which have been transferred to restricted reserves to meet co-funding contractual obligations with institutional donors.

3. Unrestricted Reserves amounting to €403,752 (2024: €353,577) which are funds that relate to unspent income which were given without any restrictions, expressed or implied as to how they may be applied. These reserves are classified as 1) Designated funds of €274,000 (2024: €272,300) 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 General (Free) Reserves €129,752 (2024: €81,277) which are the residual unrestricted funds available to the Foundation for general financial purposes in 2026.

Political Contributions

There were no political contributions in the year ended 31 December 2025, and as a result no disclosures are required under the Electoral Act 1997 (2024: None).

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.

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 2025.

The names of the persons who were Directors at any time during the year ended 31 December 2025 are set out below. Unless otherwise stated, they served as directors for the entire year ended 31 December 2025:

Ms. Margaret Heffernan (Chairperson)

Mr. Martin Busch (Appointed 20/6/2025)
Mr. Paul Gibbons
Ms. Joan Jennings (Appointed 20/6/2025)
Ms. Vivienne Keavey (Appointed 20/6/2025)
Mr. Eamonn Sharkey (Resigned 20/6/2025)
Mr Jim Toner (Resigned 20/6/2025)

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 has 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 to make himself/herself aware of any relevant audit information and to establish that the Foundation's statutory auditors are aware of that information.

Accounting records

The measures taken by the directors to secure compliance with the Foundation's obligation to keep adequate accounting records include the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at 77 Sir John Rogerson's Quay, Block C, Grand Canal Docklands, Dublin, D02 VK60.

Statutory Auditors

Forvis Mazars, Chartered Accountants and Statutory Audit Firm were appointed during the year. Pursuant to Section 383(2) of the Companies Act 2014, Forvis Mazars will continue in office.

On behalf of the Board

Margaret Heffernan
Director

Joan Jennings
Director

25 June 2026

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

The directors are responsible for preparing the directors' 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 the 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 those resources, including income and expenditure of the Foundation enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine are 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 directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board

Margaret Heffernan
Director

Joan Jennings
Director

25 June 2026

forvis mazars

Independent auditor's report to the members of ILCU International Development Foundation (A company limited by guarantee not having a share capital)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of ILCU International Development Foundation (A company limited by guarantee not having a share capital) ('the Charitable Company'), for the year ended 31 December 2025 which comprise the Statement of Financial Activities including Profit and Loss Account, the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, 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, Companies Act 2014, Charities SORP ("Statement of Recommended Practice for the charity sector") 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 (FRS 102).

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2025, and of its net income for the year then ended;
- have been properly prepared in accordance with FRS 102;
- have been properly prepared in accordance with the requirements of the Charities SORP ("FRS 102"); and
- have been properly prepared in accordance with the requirements of the Irish law and Companies Act 2014;

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

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors and Other Information, the Directors Report, Statement of Directors' Responsibilities and Appendix - Gus Murray Memorial Endowment Fund - Unaudited. other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors' report has been prepared in accordance with applicable legal requirements;
- the accounting records of the 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.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the statement of directors' responsibilities set out on page 19 the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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

Our report is made solely to the 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 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Rob Hamill
for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2
Date: 30 June 2026

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING PROFT AND LOSS ACCOUNT
For the financial year ended 31 December 2025

	Unrestricted funds €	Restricted funds €	Endowment funds €	Total 2025 €	Total 2024 €
Income from					
Credit union and public donations	565,573	-	-	565,573	543,254
External funding (note 10)	-	847,510	-	847,510	525,012
Investment and interest Income (net)	-	-	37,666	37,666	63,800
Unrealised gains/(losses) on investments	-	-	27,668	27,668	23,442
Contributed services and facilities (note (11) (a))	305,616	-	-	305,616	290,174
Total	871,189	847,510	65,334	1,784,033	1,455,682
Expenditure on					
Charitable activities (note 11)	(599,535)	(847,510)	-	(1,447,045)	(1,215,907)
Raising funds	(47,813)	-	-	(47,813)	(45,718)
Total	(647,348)	(847,510)	-	(1,494,858)	(1,261,625)
Net income for the year	223,841	-	65,334	289,175	184,057
Transfer between funds	(173,666)	(11,000)	184,666	-	-
Net movement in funds	50,175	(11,000)	250,000	289,175	184,057
Total funds brought forward	353,577	331,000	2,000,000	2,684,577	2,500,520
Total funds carried forward	403,752	320,000	2,250,000	2,973,752	2,684,577

There were no other gains or losses other than those presented above.
All income and expenditure relate to continuing activities.
The notes on pages 26 to 39 form part of these financial statements.

BALANCE SHEET
Financial Year Ended 31 December 2025

	Notes	2025 €	€	2024 €	€
Fixed assets					
Financial assets	12		2,019,111		1,923,105
Current assets					
Debtors	13	97,605		18,087	
Deposits and investments - cash equivalents		1,694,450		1,589,695	
		1,792,055		1,607,782	
Current liabilities					
Creditors: amounts falling due within one year	14	(837,414)		(846,310)	
Net current assets			954,641		761,472
Net assets			2,973,752		2,684,577
The funds of the charity:					
Endowment funds					
Gus Murray Memorial Endowment Fund Reserves	17		2,250,000		2,000,000
Unrestricted funds	17		403,572		353,577
Restricted funds	17		320,000		331,000
Total charity funds			2,973,752		2,684,577

The notes on pages 26 to 39 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 25 June 2026 and were signed on its behalf.

On behalf of the board

Margaret Heffernen
Director

Joan Jennings
Director

25 June 2026

STATEMENT OF CASH FLOWS
Financial Year Ended 31 December 2025

	Note	2025	2024
		€	€
Net cash provided by operating activities	16	135,427	500,725
Cash flows from investing activities			
Interest received and similar income (net)		37,666	63,800
Net increase (decrease) in financial assets- debt securities		6,619	(504,723)
Net increase in deposits and investments – other		21,409	-
Net cash provided by /(used in) investing activities		65,694	(440,923)
Net increase in cash and cash equivalents in the year		104,755	59,802
Cash and cash equivalents at 1 January		1,589,695	1,529,893
Cash and cash equivalents at 31 December		1,694,450	1,589,695
Cash and cash equivalents comprise			
Cash		122,476	23,869
Deposits and investments		1,571,974	1,565,826
		1,694,450	1,589,695

NOTES TO THE FINANCIAL STATEMENTS

1 General Information

The mission of the Irish League of Credit Unions International Development 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 77 Sir John Rogerson's Quay, Block C, Dublin D02 VK60.

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 77 Sir John Rogerson's Quay, Block C, Dublin D02 VK60.

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 at least 12 months from the date of approval of the financial statements. 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.

NOTES TO THE FINANCIAL STATEMENTS

3 Basis of preparation and measurement - continued

ii. from the related party disclosure of transactions under Section 33 of FRS 102 with the parent undertaking, Irish League of Credit Unions and with wholly owned subsidiaries within the Irish League of Credit Unions Group.

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.

Where income has been received in advance, it is deferred until the conditions (for recognising this income) are met. Where income has not yet been received, but all criteria for recognition has been satisfied, the income is accrued as a debtor in the balance sheet.

ii. **Other funding**

Corporate donations and grants, where the donor has not specified a particular purpose for the donation/grant (unrestricted corporate donations), are recognised in the period the Foundation is entitled to the resource, when receipt is probable, and when the amount can be measured with sufficient reliability.

Income from corporate donors and grants, where the donor has specified a particular purpose for the donation/grant, (restricted corporate donation) is recognised on the same basis as grants from institutional sources: this income is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the donation have been met, it is probable that the income will be received, and the amount can be measured reliably. Where income has been received in advance, it is deferred until the conditions (for recognising this income) are 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.

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies – continued

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.

Contributed Services and Facilities continued

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

(a) 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.

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies – continued

(b) 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 future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash-generating units) 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, in which case 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.

At each balance sheet date, non-financial assets not carried at fair value are assessed to determine
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.

(c) 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 has been estimated and are allocated on a pro rata basis to the charitable activities by country.

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

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies – continued

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 in support of 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.

(f) Reserves policy Continued

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 applies Sections 11 and 12 of FRS 102 in accounting for its financial instruments.

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.

After 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 include cash in hand, deposits held at call with banks, and 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.

NOTES TO THE FINANCIAL STATEMENTS

4 Summary of significant accounting policies – continued

Investments
Investments in government bonds are 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 daily.

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.

i. Financial assets continued

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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; in such instances, the income may be deferred.
Details of the Foundation's going concern assessment are included in note 3(b).

6 Group membership

The Foundation regards the ILCU as its ultimate controlling party.

7 Income

	2025	2024
	€	€
Analysis of turnover by category:		
Unrestricted funds	871,189	811,813
Restricted funds	847,510	548,100
Endowment funds	65,334	85,769
	1,784,033	1,445,682

	2025	2024
	€	€
Analysis of turnover by geographical source:		
Germany	5,784	6,535
Ireland	1,112,845	1,205,269
Italy	249,474	65,801
Netherlands	270,048	0
Northern Ireland	145,882	168,077
	1,784,033	1,445,682

NOTES TO THE FINANCIAL STATEMENTS

8 Net incoming resources for the year before other recognised gains and losses	2025	2024
	€	€
Net incoming resources for the year before other recognised gains and losses is stated after crediting/(charging) the following:		
Foreign exchange (Losses) / Gains	(16,972)	23,863

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

	2025	2025	2025	2025	2024
	€	€	€	€	€
	Opening Balance Deferred Income	Cash Receipts	Closing Balance Deferred Income	Income	Income
Irish Aid – Step Up Project	-	-	-	-	324,568
Irish Aid – CUGS Project	283,334	310,000	328,764	264,570	56,667
IFAD – WFEE Project	372,677	0	123,203	249,474	65,801
DSIK	3,930	5,571	3,718	5,783	6,535
CFF -Kenya Dispora Deposits	0	429,328	159,280	270,048	0
Electic Aid	-	-	-	-	10,000
Corporate Donor ECCU – CUGS	45,835	60,000	50,000	55,835	61,441
Corporate Donors other	-	-	-	1,800	-
FX Movements on USD balances	-	-	(2,251)	-	-
	705,776	804,899	662,714	847,510	525,012

11 Cost of charitable activities	2025	2025	2025	2024
	€	€	€	€
Grants and associated costs for the year were made up as follows:	Direct Costs	Reallocated Costs	Total Costs	Total Costs
Ethiopia	307,130	105,984	413,114	233,024
Kenya	235,716	81,341	317,057	-
Palestine*	20,000		20,000	-
Rwanda	19,704	6,799	26,503	-
Sierra Leone	496,158	171,214	667,372	928,389
Tanzania	2,229	770	2,999	-
Ukraine				54,494
	1,080,937	366,108	1,447,045	1,215,907

NOTES TO THE FINANCIAL STATEMENTS

11 Cost of charitable activities – continued

*Note: Palestine - no shared costs were reallocated to Palestine as €20k expenditure was donation only and no other costs were involved in this activity.

Costs Reallocated to Charitable Activities:

(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 €305,616 (2024: €290,174) 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, by country expenditure.

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

- Governance costs €13,294 (2024: €19,581) relating to Board and compliance costs. Governance costs have been allocated to charitable activities on a pro rata basis by country expenditure.

Support costs €30,226 (2024: €37,122) relating to administration and charitable activity support costs. These support costs are broken down into Salaries €9,958, Subscriptions €5,715, Training €4,512 and other support costs €10,041. Support costs have been allocated to charitable activities on a pro rata basis by country expenditure. FX losses of €16,972 (2024: Gain of €23,863) have also been allocated to charitable activities on a pro rata basis by country expenditure.

The cost of grant funding to third parties included in Charitable Activities costs was €202,490 (2024: €40,000).

12 Financial assets	Market value 2025 €	Cost 2025 €	Market value 2024 €	Cost 2024 €
Debt securities – Irish Government Bond	488,495	500,000	483,305	500,000
Debt securities – France Government Bond	295,161	300,000	289,007	300,000
Collective Investment Scheme	722,857	751,108	701,448	751,108
Debt securities – Germany Government Bond	444,620	445,000	449,345	445,000
Term Deposit Account – BARI Maturing 21/12/2026	67,978	-	-	-
	2,019,111	1,996,108	1,923,105	1,996,108

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

NOTES TO THE FINANCIAL STATEMENTS

13 Debtors

	2025	2024
	€	€
Amounts falling due within one year:	3,215	-
Other debtors	94,390	18,087
	97,605	18,087

The terms of payment of debtors is 30 days.

14 Creditors – amounts falling due within one year

	2025	2024
	€	€
Accruals	25,066	63,288
Amounts owed to parent	149,634	77,246
Deferred income	662,714	705,776
	837,414	846,310

Amounts owed to parent are unsecured, interest free and are repayable on demand.
The terms of payment of accruals is 30 days.
For analysis on the movement and breakdown of Deferred balances please see Note 10.

15 Commitments

As at 31 December 2025, the Foundation has no commitments other than those included in creditors in the financial statements.

16 Note to the cash flow statement

	2025	2024
	€	€
Income for the year	289,175	184,057
Increase in debtors	(79,518)	(3,911)
(Decrease)/Increase in creditors	(8,896)	407,821
Unrealised gains on investments	(27,668)	(23,442)
Investment and interest income (net)	(37,666)	(63,800)
Net cash inflow from operating activities	135,427	500,725

17 Analysis of Funds

(a) Movement of Funds

	Endowment fund movement	Unrestricted fund movements	Restricted fund movements
	€	€	€
Opening balance at 1 January 2025	2,000,000	353,577	331,000
Incoming resources	65,334	871,189	847,510
Resources expended	-	(647,348)	(847,510)
Transfer between funds	184,666	(173,666)	(11,000)
Closing balance at 31 December 2025	2,250,000	403,752	320,000

NOTES TO THE FINANCIAL STATEMENTS

17 Analysis of Funds - Continued

The planned use of Designated and Restricted Funds is detailed in the Directors Report on page 16-17.

In 2025, the Gus Murray Fund increased to €2,250,000 through the retention of €65,334 of Fund Generated Income and a transfer of €184,666 from unrestricted reserves.

(b) Analysis of net assets between funds

	2025	2025	2025	2025	2024
	€	€	€	€	€
	Unrestricted Funds	Restricted Funds	Endowment Fund	Total Funds	Total Funds
Tangible Assets	-	-	2,019,111	2,019,111	1,923,105
Cash and current asset investments	480,847	982,714	230,889	1,694,450	1,589,695
Debtors and other current assets	97,605	-	-	97,605	18,087
Creditors and deferred income	(174,700)	(662,714)	-	(837,414)	(846,310)
Total	403,752	320,000	2,250,000	2,973,752	2,684,577

18 Employees and directors

	2025	2024
	€	€
Staff costs		
- wages and salaries	353,296	309,830
- social insurance costs	39,309	34,020
- pension costs	9,185	11,312
	401,790	355,162

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:

	2025 Number	2024 Number
Project Support	6	5

The number of employees whose employment benefits (excluding employer retirement benefit costs and employer PRSI contributions) were greater than €60,000 in 2025 were as follows:

NOTES TO THE FINANCIAL STATEMENTS

18 Employees and directors – continued

	2025 Number	2024 Number
€60,000 - €70,000	0	1
€70,000 - €80,000	0	0
€80,000 - €90,000	1	1
€90,000 - €100,000	0	0
€100,000 - €110,000	1	1
Total	2	3

The 2 staff members earning more than €60,000 are senior personnel and one of these is an ILCU employee.

Key management personnel are considered to be the CEO.

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

No director received any remuneration, fees or other emoluments during the current or preceding financial year (2024: €0).

The Foundation offers staff access to a Defined Contribution pension scheme which the Foundation contributes a percentage of employee’s salary to.

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, a German government bond and an 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 daily. 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:
- 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.

NOTES TO THE FINANCIAL STATEMENTS

19 Financial Risk Management - Continued

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.

(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, a German Government Bond, and 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, a German Government Bond, and 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 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, a German Government Bond, and an Irish Government Bond and the investment in a corporate fund. The Foundation manages this risk by reviewing the credit ratings 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.

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

NOTES TO THE FINANCIAL STATEMENTS

(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 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 are included in note 3.

20 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.

21 Statutory and other information	2025	2024
	€	€
Auditor's Remuneration*	0	0
	0	0

*The auditor waived fees in respect of the year ended 31 December 2025

22 Related party transactions

The only payments made to key management personnel (CEO) were salary and pension.

In 2025, there was one payment made to a Board member in the form of reimbursement of expenses totalling €346.36 for attendance a Development Education training course (2024: €0).

23 Approval of Financial Statements

The financial statements were approved by the directors on 25 June 2026.

APPENDIX - GUS MURRAY MEMORIAL ENDOWMENT FUND - unaudited
Financial Year Ended 31 December 2025

	2025 €	2024 €
Revenue account		
Investment Income (net)	65,334	85,767
Profit for the year	65,334	85,767
Transfer from unrestricted funds	184,666	(85,767)
Balance sheet		
Assets		
Investments - Debt Securities	1,228,306	750,273
Investments - Corporate Bond Fund	722,867	751,108
Cash equivalents	298,827	498,619
Deposits		
	2,250,000	2,000,000
Financed by		
Reserves	2,250,000	2,000,000