

**Audited Consolidated Financial Statements**

**XCEL FEDERAL CREDIT UNION  
AND SUBSIDIARY**

**December 31, 2024**



**Firley, Moran, Freer & Eassa, CPA, P.C.**

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**INDEPENDENT AUDITOR'S REPORT**

To the Supervisory Committee and Board of Directors  
XCEL Federal Credit Union  
Bloomfield, New Jersey

**Opinion**

We have audited the consolidated financial statements of XCEL Federal Credit Union and its subsidiary (the Credit Union), which comprise the consolidated statements of financial condition as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 required to be independent of the Credit Union and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Credit Union's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

## **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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Credit Union's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Xirley, Moran, Green & Esser, CPA, P.C.*

Syracuse, New York  
April 28, 2025

# CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

## XCEL FEDERAL CREDIT UNION AND SUBSIDIARY

	December 31,	
	2024	2023
<b>ASSETS</b>		
Cash and cash equivalents	\$ 12,199,158	\$ 12,565,008
Deposits in other financial institutions	4,069,529	1,642,166
Certificates of deposit	6,474,000	6,972,000
Investments--available for sale (\$32,584,462 and \$36,809,772 amortized cost, respectively)	28,454,911	32,164,278
Loans	119,773,242	116,692,779
Allowance for loan credit losses	(1,000,266)	(1,042,955)
Loans, net	118,772,976	115,649,824
Accrued interest receivable	523,054	461,826
Federal Home Loan Bank Stock, at cost	585,100	627,900
Property and equipment, net	5,418,072	4,993,447
NCUSIF deposit	1,573,814	1,592,773
Defined benefit pension asset	6,377,467	5,241,754
Other assets	1,895,163	1,416,128
<b>TOTAL ASSETS</b>	<b>\$ 186,343,244</b>	<b>\$ 183,327,104</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>LIABILITIES</b>		
Share accounts and nonmember deposits	\$ 169,694,365	\$ 168,523,959
Accrued expenses and other liabilities	757,228	939,975
<b>TOTAL LIABILITIES</b>	<b>170,451,593</b>	<b>169,463,934</b>
<b>MEMBERS' EQUITY</b>	<b>15,891,651</b>	<b>13,863,170</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$ 186,343,244</b>	<b>\$ 183,327,104</b>

See notes to consolidated financial statements

# CONSOLIDATED STATEMENTS OF INCOME

## XCEL FEDERAL CREDIT UNION AND SUBSIDIARY

	Year ended December 31,	
	2024	2023
Interest income:		
Loans	\$ 8,296,705	\$ 7,356,090
Investments	1,405,810	1,576,581
TOTAL INTEREST INCOME	9,702,515	8,932,671
Interest expense:		
Dividends on share accounts and interest on nonmember deposits	2,154,218	1,349,545
NET INTEREST INCOME	7,548,297	7,583,126
Provision for loan credit losses	505,022	303,612
NET INTEREST INCOME AFTER PROVISION FOR LOAN CREDIT LOSSES	7,043,275	7,279,514
Non-interest income:		
Service fees	1,145,344	1,201,104
Other	156,262	463,412
	1,301,606	1,664,516
Non-interest expense:		
Compensation and employee benefits	4,026,776	4,062,510
Office occupancy and operations	2,355,283	2,632,186
Loan servicing	971,914	865,043
Professional and outside services	565,597	510,340
Education and promotion	221,417	201,787
	8,140,987	8,271,866
NET INCOME	\$ 203,894	\$ 672,164

See notes to consolidated financial statements.