



Health Services Staff's  
Credit Union

# ANNUAL REPORT 2017

## Annual General Meeting

Radisson Blue hotel, Dublin 8 on  
Wednesday the 6th December 2017,  
commencing at 6:30pm.

**#putsUfirst**

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 47th Annual General Meeting of Health Services Staffs Credit Union will be held in **Goldsmiths Hall, Radisson Blu Hotel, Golden Lane, Dublin 8 on Wednesday the 6th December 2017, commencing at 6:30pm.**

**Parking:** There is limited parking available in the hotel however there is a charge for this. There is limited on street parking surrounding the hotel. There are also paid car parks at St. Stephen's Green Shopping Centre and Jurys Inn Christchurch.

**Dublin Bus:** 14, 15, 83 from O'Connell St. or Dame St. 145 from Heuston Station to Dame Street.

**Refreshments:** Will be served from 5.30pm.

**Jane Joyce**  
Secretary

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**WIN cash prizes on the night!!!!**

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**Health Services Staffs Credit Union wish all of our members peace and happiness for Christmas & the New Year.**

**Christmas Opening Hours**

	<b>High Street</b>	<b>James's Street Branch</b>	<b>St. Gabriel's Branch</b>	<b>Galway Branch</b>
Friday 22nd December 2017	9am - 5pm	9am - 5pm	9:30am - 5pm	10am -1.30pm 2pm - 5pm
Monday 25th December 2017	CLOSED	CLOSED	CLOSED	CLOSED
Tuesday 26th December 2017	CLOSED	CLOSED	CLOSED	CLOSED
Wednesday 27th December 2017	CLOSED	CLOSED	CLOSED	CLOSED
Thursday 28th December 2017	9am - 5pm	9am - 5pm	9.30am - 5pm	2pm - 5pm
Friday 29th December 2017	9am - 5pm	9am - 5pm	9.30am - 5pm	10am - 1.30pm 2pm - 5pm
Monday 1st January 2018	CLOSED	CLOSED	CLOSED	CLOSED

**Normal opening hours resume on Tuesday, 2nd January.**



## CHAIRMAN'S ADDRESS

Fellow members. It is a pleasure for me as President to present the Directors' Report to you for the 47th Annual General Meeting of our Credit Union. Our credit union continues to grow through our strategy of credit union mergers and also through organic growth.

### FINANCE

Our auditors, Grant Thornton, will present the detailed financial accounts to you later. I would remind you that last year our accounts had to be prepared under the new financial reporting standard FRS 102 and some figures had to be restated which will have an impact on some of this year's comparative figures. The key financials for the year are as follows,

- Income has increased by 6.68% to €11.11M
- Expenditure has increased by 36% to €8.4M
- Surplus for the year has decreased by 36% to €2.67M
- Total Assets have increased by 11.62% to €261M.
- Loans granted during the year were €70.71M
- Total Loans now stand at €136.1M, which is an increase of €13.7M or 11.20%
- Shares increased by 12.28%, or €22.5M and now stand at €206M
- Total reserves have increased by 6.91% and now stand at €37M.



As a consequence of these results, the board of directors wish to propose for your approval the payment of a 0.25% dividend and a 5.00% loan interest rebate at a cost of €986,613.

### TRANSFERS OF ENGAGEMENTS

On the 10th March 2017 we completed a transfer of engagements with C.I.E. Galway Credit Union. I would like to extend a warm welcome to the members, volunteers and staff of the Credit Union. Amalgamations of credit unions continue as our movement continues its consolidation. We have also this year entered into negotiations with another group of C.I.E. Credit Unions and with Ranelagh Credit Union. The board and management of the credit union believe that strategic mergers with similar and strategically located credit unions is important for the future growth of our credit union.

We have recently agreed a lease on a property on Merchant Road in Galway and following fit out we hope to open a new Galway office in March 2018.

### MEMBERSHIP

Our nationwide membership continues to grow and in 2017, over 3,000 new members joined HSSCU. This clearly indicates the potential in our existing common bond which when complimented by the merging credit unions gives HSSCU the scale and ability to deliver a quality service to our members. We would ask any members who feel it would be beneficial for us to do a recruitment day in their workplace to contact the office or email us at [info@hsscu.ie](mailto:info@hsscu.ie).

## Total Assets

↑ 11.62% to €261.59M

## VOLUNTEER PROGRAM

Our volunteer program continues to be a success. The program involves volunteers working on the operational committees within the credit union. Full training is provided with an ultimate goal of preparing volunteers to eventually sit on the Board of Directors. We are always interested in talking to volunteers who may have particular skills that they may bring to the board. We would ask any member who may be interested in volunteering to contact the office.

## MARKET RESEARCH

In February/March 2017 I Reach Insights carried out market research for HSSCU. This involved an online survey, branch visits and focus groups. In total 6,261 members responded to the survey. The main findings of which were as follows,

- 98% of respondents are likely to recommend HSSCU to their friends or family
- 92% agree that the staff are friendly and helpful
- 94% are happy with the range of services
- 72% have borrowed from the credit union previously and of those 98% had a positive experience
- 91% rate our website as excellent or good

While these are the headlines from the research, an amount of information has also been gathered from members on their preferences for services and how they wish to avail of these services. This information was used in formulating our updated strategic plan. I must congratulate our management, staff, directors and volunteers on the very positive outcomes. While these are excellent results, we understand that we must continue to work hard to maintain these levels of satisfaction.

## STRATEGIC PLAN

During the year we reviewed our 2015 - 2018 strategic plan "Building for Growth" and have updated it with a new plan "2020 Vision". As the name suggests, our new plan prepares us for the many changes that face the financial sector in the next few years. We aim to maintain our reputation as the preferred supplier of financial services to you, our members, and through strategic alliances we also aim to increase our membership and continue to offer improved and additional services to you, our members.

## REGULATION

During the year we continued our positive relationship with the Registry of Credit Unions. We engaged with the Registry on the credit union mergers and also had two thematic inspections during the year. We also engaged in a submission on consultation paper CP109 on Investments in Credit Unions. Your credit union is scheduled to have its bi-annual PRISM inspection by the Central Bank in 2018.

Other regulatory changes that will impact on our credit union in 2018 include the introduction of the second Payments Services Directive (PSD2) which will revolutionise the payments industry, the introduction of The General Data Protection Regulation (GDPR) which will change the manner in which we handle data and the introduction of the Central Credit Register which will replace the current Irish Credit Bureau. Changes in credit unions regulations are also expected in the areas of investments, fitness and probity and longer term lending.



**Would borrow again from the HSSCU**



## CHAIRMAN'S ADDRESS (continued)

### NEW PRODUCTS

In February 2017 HSSCU became the first financial institution in Ireland to introduce Touch ID which enables our members to use the fingerprint reader on their smartphone to access their credit union accounts. This latest technology provides members with more secure and convenient access to their account.

As explained last year we had some regulatory issues with the introduction of our debit card. Having engaged with the Central Bank of Ireland we have now submitted an application to operate a Member Personal Current Account Service (MPCAS). This will enable us to provide main stream payment services including debit cards. We expect the account to be available to members towards the end of 2018. We are also well advanced in the development of a digital signature solution which will allow members sign paperwork electronically.

### SOCIAL DIVIDEND

As well as the proposed dividend and interest rebate, your credit union continues to pay a social dividend to our members and to our communities. Loan and savings insurance and death benefit insurance is paid for by the credit union for qualifying members. In 2017 this cost €1.26M. We also paid out €170,000 through our Betty Noone Memorial Bursary and Higher Education Grant to assist members and the children of members with their educational or social studies. We also donated in excess of €60,000 to charitable causes.

Our Credit Union was represented at the Irish League of Credit Unions' monthly chapter meetings, the ILCU AGM, Chapter Officers' Forum, and at the World Council of Credit Unions convention in Vienna. Your credit union is actively involved in any major initiatives in our movement and continue to be affiliated to both the Irish League of Credit Unions and affinity members of Credit Union Development Association (CUDA) in Ireland.

I would like to take this opportunity to thank my fellow directors, volunteers, management and staff for all their diligent work in the past year. I would also like to thank you, our members, for your unending loyalty and support for your credit union. The esteem in which you hold your credit union is very evident in the research report. It only remains for me, on behalf of the board, management and staff, to wish you all and all those close to you, a very joyful Christmas and a healthy and prosperous 2018.

**Pat O'Neill**

President 2017

## Donated to charities

↑ €60,000

## NOTICE OF ELECTIONS

Elections will be held to fill 4 vacancies on the Board of Directors, 2 vacancies on the Board Oversight Committee and the position of Auditor.



Board of Directors



Board Oversight Committee

During the course of the year the Nominations Committee identified candidates to stand for the above positions and they have been assessed under the fitness & probity regime, as required by the Central Bank, with satisfactory results.

The 5 candidates standing for the 4 vacancies on the Board of Directors:

- Jane Joyce Secretary, St James Hospital.
- Brendan Fagan Retired formerly Information Technology, AMNCH, Tallaght.
- Geraldine Higgins Finance, Mater Hospital.
- Damien O'Brien Assistant Principal Officer, Legislation Unit of the Department of Employment Affairs and Social Protection.
- Shay Torsey Retired, HSE.

There are 2 candidates standing for the 2 vacancies on the Board Oversight Committee:

- John Keppel Retired, HSE.
- Sarah O'Leary Retired, HSE.

There is 1 candidate proposed by the Board of Directors standing for the vacancy of Auditor:

- Grant Thornton Chartered Accountants.

If you are interested in standing for the Board of Directors and wish to be considered for our Volunteer Programme in 2018 please contact the Nominations Committee at [info@hsscu.ie](mailto:info@hsscu.ie).

## DIRECTOR MENTOR PROGRAMME

In order to provide support for those interested in standing for election in December 2018, but feel the need for training or support to feel confident to do so, the nominations committee are setting up a Director Mentor Programme. Places are limited, anyone interested in applying for a place on the programme should email [info@hsscu.ie](mailto:info@hsscu.ie) for the attention of the nominations committee, by the 8th of January 2018, the selection process will take place during that month, and the programme will commence in February 2018.

**Marie McBryan**  
Chair of Nomination Committee

**Amanda Buggle**  
Nomination Committee

**David O'Brien**  
Nomination Committee

## AGENDA

- (a) The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons;
- (b) Ascertainment that a quorum is present;
- (c) Adoption of Standing Orders;
- (d) Reading and approval (or correction) of the minutes of the last annual general meeting and any intervening special general meeting;
- (e) Report of the Board of Directors;
- (f) Report of the Auditor;
- (g) Report of the Board Oversight Committee;
- (h) Declaration of Dividend and Interest Rebate;
- (i) Proposed Rule Amendment for MPCAS Account;
- (j) Report of the Credit Committee;
- (k) Report of the Credit Control Committee;
- (l) Report of the Membership, Education and Development Committee;
- (m) Report of the Nominations Committee;
- (n) Appointment of Tellers;
- (o) Election of Auditor;
- (p) Election to fill vacancy on the Board Oversight Committee;
- (q) Election to fill vacancies on the Board of Directors;
- (r) Any other business;
- (s) Announcement of election results;
- (t) Adjournment or close of meeting.

## STANDING ORDERS

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

### 1. VOTING.

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

### 2 - 3 ELECTION PROCEDURE.

2. Elections to the board of directors, to the board oversight committee and the position of auditor shall be by majority vote and by secret ballot. The four highest polling candidates, for the board of directors shall serve a three year term, the highest polling candidate for the board oversight committee shall serve a three year term. The highest polling candidate for the position of auditor shall serve a one year term.
3. When nominations are announced, tellers shall be appointed by the chair and ballot papers shall be distributed. Nominations shall be in the following order: (a) nominations for auditor; (b) nominations for members of the board oversight committee; (c) nominations for directors. When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot paper which contains votes for more than the number required to be elected shall be void. When the votes have been counted by the tellers, the results shall be announced by the chair. In the event that all vacancies are not filled by the first ballot, further ballots shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure, one further ballot shall be taken and, should that ballot fail to determine the issue, the vacancies shall be filled by lot from among such candidates having an equality of votes.

### 4 - 9 MOTIONS.

4. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.
5. A proposer of a motion may speak for such period as shall be at the discretion of the Chairman of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
6. In exercising his/her right of reply, a proposer may not introduce new material.
7. The seconder of a motion shall have such time as shall be allowed by the Chairman to second the motion.
8. Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chairman.
9. The Chair shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

## **STANDING ORDERS (Continued)**

### **10 - 15 MISCELLANEOUS.**

10. The Chair of the Board of Directors shall be the Chair of any general meeting, except where he/ she is not available, in which case it shall be the Vice-Chair, except where he/ she is not available, in which case the Board shall decide amongst themselves who shall act as Chairman of any general meeting.
11. The Chair may, at his/her discretion, extend the privilege of the floor to any person who is not a member.
12. Matters not covered by the Agenda may be introduced under "Any Other Business" at the discretion of the chair.
13. The Chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
14. No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided. However, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors.
15. Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

### **16. SUSPENSION OF STANDING ORDERS.**

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

### **17. ALTERATION OF STANDING ORDERS.**

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

### **18. ADJOURNMENTS.**

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

## **RULE CHANGES**

### **RULE AMENDMENT FOR MPCAS ACCOUNT**

That the Rules of Health Services Staffs Credit Union Limited are hereby amended in Rule 5(1) by the insertion of the following as (vii) after (vi) and the renumbering of (vii) as (viii)

(vii) the provision of the following additional service(s) by the credit union to the members subject to the prior approval of the Registrar of Credit Unions and any other permissions or licences that may be required by law: Member Personal Current Account Services

The existing rule reads as follows:

#### **Rule 5. Objects**

(1) The objects for which the credit union is formed are:

- (i) The promotion of thrift among its members by the accumulation of their savings;
- (ii) The creation of sources of credit for the mutual benefit of its members at a fair and reasonable rate of interest;
- (iii) The use and control of members' saving for their mutual benefit;
- (iv) The training and education of its members in the wise use of money;
- (v) The education of its members in their economic, social and cultural well-being as members of the community;
- (vi) The improvement of the well-being and spirit of the members' community; and
- (vii) Subject to section 48 of the Act, the provision to its members of such additional services as are for their mutual benefit.

## REPORT OF THE BOARD OVERSIGHT COMMITTEE

In 2017, the Board Oversight Committee consisted of John Keppel, Chairman, Tony Hoey, Secretary and Sudhakar Srinivasan (Dec 2016 to April 2017) Antoin Mullen (May 2017 to Dec 2017).

Mr Srinivasan had to step down from our committee in April due to personal circumstances. The BOC would like to thank Mr Antoin Mullen for stepping into this casual vacancy at short notice. His appointment was signed off by BOC Chair & Secretary as per Section 76N(2) of the Credit Union Act 1997 as amended.

The Committee met on twelve occasions in the year ended 30 September 2017.

The Committee was represented at all Board of Directors meetings in the last year, except the meeting held on 26th April 2017, due to last minute exceptional circumstances. The committee was satisfied during their attendance, that these meetings were conducted in accordance with the strategic plan, legislation and the Rules of the Credit Union.

Furthermore in 2017, the Committee held four meetings with the Board under Rule 59; where the performance by the Board of its duties was reviewed. The Committee had no occasion to bring any matters to the Board's attention.

The Committee wishes to thank the Directors, Management and Staff of the Credit Union for their courtesy and co-operation in the last year.

**John Keppel**

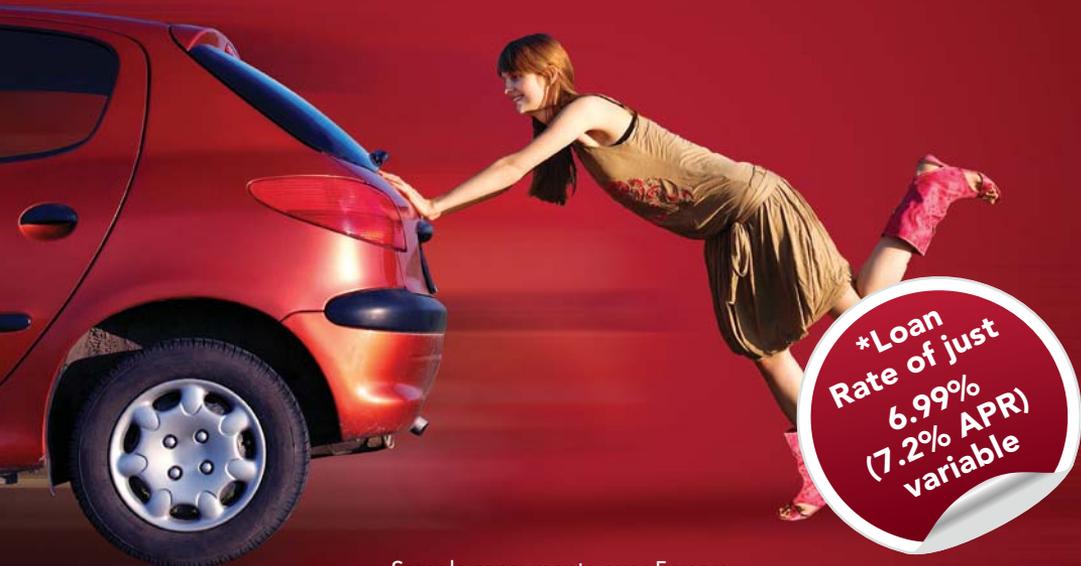
**Tony Hoey**

**Antoin Mullen**



Health Services Staffs  
Credit Union

# CAR LOAN



\*Loan  
Rate of just  
6.99%  
(7.2% APR)  
variable

Sample repayments over 5 years

Loan Amount	60 Monthly Instalments of	Total Interest	Total Amount Payable
€10,000	€198.96	€1,937.42	€11,937.42
€20,000	€397.91	€3,874.83	€23,874.83
€30,000	€596.87	€5,812.25	€35,812.25

All figures are for illustrative purposes only

**WARNING:** If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.

\*Terms & conditions apply. Check out our Online Loan Calculator at:  
[www.hsscu.ie](http://www.hsscu.ie) and see for yourself how low our rates are!

## #putsUfirst

Registered Office: 5 High Street, Christchurch, Dublin 8, D08X7T1

Tel: 01 677 8648 or Lo Call 1890 677 864 email: [info@hsscu.ie](mailto:info@hsscu.ie)

Branches listed on [www.hsscu.ie](http://www.hsscu.ie)

Health Services Staffs Credit Union Limited is regulated by the Central Bank of Ireland

## **DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2017.

### **PRINCIPAL ACTIVITIES**

The principal activities of the credit union involve the acceptance of members' shares and lending to members in accordance with legislation and the credit union itself.

### **AUTHORISATION**

The credit union is authorised as follows:

- Insurance/reinsurance intermediary under the European Communities (Insurance Mediation) Regulations, 2005 (as amended).
- Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended)
- Service Providers holding appointments from IIA product producers, including intermediaries that may issue appointments, appearing in the register maintained under Section 31 of the Investment Intermediaries Act, 1995 (as amended)
- Entitled under Regulation 9(1)(b) of the European Community (Payment Services) Regulations 2009 to provide payment services.

### **BUSINESS REVIEW**

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

### **DIVIDENDS AND LOAN INTEREST REBATE**

The surplus for the financial year is set out in the income and expenditure account on page 18. The directors are proposing a dividend in respect of the year ended 30 September 2017 of €494,169 (0.25%) (2016: €876,172 (0.50%)) and a loan interest rebate of €492,444 (5.00%) (2016: €460,193 (5.00%)) subject to agreement by the membership at the AGM.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

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

#### **Credit risk**

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

#### **Lack of loan demand**

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

#### **Market risk**

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

#### **Liquidity risk**

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

## **DIRECTORS' REPORT (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

### **Operational risk**

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

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

### **Credit risk**

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

### **Lack of Loan Demand**

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

### **Market Risk**

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

### **Liquidity Risk**

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

### **Operational Risk**

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

## **ACCOUNTING RECORDS**

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the credit union are maintained at the credit union's premises at 5 High St, Merchants Quay, Dublin 8.

## **EVENTS AFTER THE END OF THE FINANCIAL YEAR**

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

## **AUDITORS**

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

This report was approved by the board on 25/10/2017 and signed on its behalf by:

### **Pat O'Neill**

Chairperson of the board of directors  
25/10/2017

### **Brendan Fagan**

Member of the board of directors  
25/10/2017

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

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

In preparing those financial statements the directors are required to:

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

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

This report was approved by the board on 25/10/2017 and signed on its behalf by:

### **Pat O'Neill**

Chairperson of the board of directors  
25/10/2017

### **Brendan Fagan**

Member of the board of directors  
25/10/2017

## **BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

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

This statement was approved by the board oversight committee on 25/10/2017 and signed on its behalf by:

### **John Keppel**

Chairperson of the board oversight committee  
25/10/2017

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEALTH SERVICES STAFFS CREDIT UNION LIMITED**

### **OPINION**

We have audited the financial statements of Health Services Staffs Credit Union Limited, which comprise the income and expenditure account, the statement of comprehensive income, the balance sheet, the statement of changes in reserves and the statement of cash flows for the financial year ended 30 September 2017, and the related notes to the financial statements, including the summary of significant accounting policies.

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

In our opinion, Health Services Staffs Credit Union Limited's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2017 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended)

### **BASIS FOR OPINION**

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

### **CONCLUSIONS RELATING TO GOING CONCERN**

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Credit Union's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEALTH SERVICES STAFFS CREDIT UNION LIMITED (Continued)**

### **OTHER INFORMATION**

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

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

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE CREDIT UNION ACT, 1997 (AS AMENDED)**

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

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

### **RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS**

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

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

### **RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEALTH SERVICES STAFFS CREDIT UNION LIMITED (Continued)**

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

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

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

### **THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES**

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

Mill House  
Henry Street  
Limerick

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

## INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

Income	Schedule	2017 €	2016 €
Interest on members' loans		9,790,311	9,037,294
Members' deposit and other interest expense and similar charges		(76,034)	(79,099)
Other interest and similar income	1	1,261,518	1,352,080
<b>Net interest income</b>		<b>10,975,795</b>	<b>10,310,275</b>
Other income	2	137,244	106,754
<b>Total income</b>		<b>11,113,039</b>	<b>10,417,029</b>
<b>Expenditure</b>			
Employment costs		2,915,912	2,700,266
Other management expenses	3	4,490,219	3,569,021
Depreciation		465,918	494,381
Reversal of previous impairment on Investments		(543,344)	-
Net impairment losses/(gains) on loans to members (note 6)		1,104,566	(578,273)
<b>Total expenditure</b>		<b>8,433,271</b>	<b>6,185,395</b>
<b>Surplus for the financial year</b>		<b>2,679,768</b>	<b>4,231,634</b>

The financial statements were approved and authorised for issue by the board on 25/10/2017 and signed on behalf of the credit union by:

**Pat O'Neill**  
Member of the board  
of directors  
25/10/2017

**Anthony Hoey**  
Member of the board  
oversight committee  
25/10/2017

**Sean Hosford**  
CEO  
25/10/2017

The notes on pages 23 to 39 form part of these financial statements.

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

	2017	2016
	€	€
Surplus for the financial year	2,679,768	4,231,634
Other comprehensive income	-	-
<b>Total comprehensive income for the financial year</b>	<b>2,679,768</b>	<b>4,231,634</b>

The financial statements were approved and authorised for issue by the board on 25/10/2017 and signed on behalf of the credit union by:

**Pat O'Neill**  
Member of the board  
of directors  
25/10/2017

**Anthony Hoey**  
Member of the board  
oversight committee  
25/10/2017

**Sean Hosford**  
CEO  
25/10/2017

The notes on pages 23 to 39 form part of these financial statements.



## BALANCE SHEET AS AT 30 SEPTEMBER 2017

	Notes	2017 €	2016 €
<b>Assets</b>			
Cash and balances at bank	7	5,134,764	3,162,659
Deposits and investments – cash equivalents	8	57,054,625	38,454,682
Deposits and investments – other	8	66,728,093	71,527,897
Loans to members	9	136,184,802	122,464,627
Provision for bad debts	10	(6,853,405)	(5,706,847)
Tangible fixed assets	11	2,335,705	2,452,659
Prepayments and accrued income	12	1,002,089	2,003,164
<b>Total assets</b>		<b>261,586,673</b>	<b>234,358,841</b>
<b>Liabilities</b>			
Members' shares	13	206,080,757	183,548,375
Members' deposits	13	14,461,050	13,272,484
Other member funds	13	2,442,856	1,819,675
Other liabilities, creditors, accruals and charges	14	1,533,016	1,042,452
Other provisions	15	63,747	60,913
<b>Total liabilities</b>		<b>224,581,426</b>	<b>199,743,899</b>
<b>Reserves</b>			
Regulatory reserve	17	27,472,710	25,429,649
Operational risk reserve	17	1,700,785	1,553,550
Other reserves			
- Realised reserves	17	7,405,701	7,361,556
- Unrealised reserves	17	426,051	270,187
<b>Total reserves</b>		<b>37,005,247</b>	<b>34,614,942</b>
<b>Total liabilities and reserves</b>		<b>261,586,673</b>	<b>234,358,841</b>

The financial statements were approved and authorised for issue by the board on 25/10/2017 and signed on behalf of the credit union by:

### Pat O'Neill

Member of the board  
of directors  
25/10/2017

### Anthony Hoey

Member of the board  
oversight committee  
25/10/2017

### Sean Hosford

CEO  
25/10/2017

The notes on pages 23 to 39 form part of these financial statements.

## STATEMENT OF CHANGES IN RESERVES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
<b>As at 1 October 2015</b>	23,279,649	-	8,869,682	272,935	32,422,266
Surplus for the year	-	1,553,550	2,412,666	265,418	4,231,634
Dividend and loan interest rebate paid	-	-	(2,038,958)	-	(2,038,958)
Transfer to/(from) unrealised reserves	-	-	268,166	(268,166)	-
Transfer to regulatory reserve	2,150,000	-	(2,150,000)	-	-
<b>As at 1 October 2016</b>	<b>25,429,649</b>	<b>1,553,550</b>	<b>7,361,556</b>	<b>270,187</b>	<b>34,614,942</b>
Surplus for the year	1,100,000	96,798	1,061,135	421,835	2,679,768
Dividend and loan interest rebate paid	-	-	(1,336,570)	-	(1,336,570)
Transfer of engagements	843,061	50,437	153,609	-	1,047,107
Transfers between reserves	100,000	-	-	-	100,000
Transfer to/(from) unrealised reserves	-	-	165,971	(265,971)	(100,000)
<b>As at 30 September 2017</b>	<b>27,472,710</b>	<b>1,700,785</b>	<b>7,405,701</b>	<b>426,051</b>	<b>37,005,247</b>

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2017 was 10.50% (2016: 10.85%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2017 was 0.65% (2016: 0.66%).

### Total Statement of Changes in Reserves

2017

**€37**  
MILLION

2016

**€34.6**  
MILLION

The notes on pages 23 to 39 form part of these financial statements.

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 €	2016 €
Opening cash and cash equivalents		41,617,341	33,044,954
<b>Cash flows from operating activities</b>			
Loans repaid by members	9	58,856,743	56,093,675
Loans granted to members	9	(70,709,199)	(67,152,274)
Interest on loans		9,790,311	9,037,294
Deposit interest		(76,034)	(79,099)
Investment income		1,804,862	1,352,080
Bad debts recovered		668,114	631,406
Dividend and loan interest rebate paid		(1,336,570)	(2,038,958)
Other receipts		137,244	106,754
Operating expenses		(7,406,131)	(6,269,287)
Movement in other assets and liabilities		1,486,164	(5,251)
<b>Net cash flows from operating activities</b>		<b>(6,784,496)</b>	<b>(8,323,660)</b>
<b>Cash flows from investing activities</b>			
Fixed asset purchases/disposals		(348,964)	(921,166)
Cash and investments introduced from transfer of engagements		3,933,390	-
Net cash flow from other investing activities		4,799,804	588,974
<b>Net cash flows from investing activities</b>		<b>8,384,230</b>	<b>(332,192)</b>
<b>Cash flows from financing activities</b>			
Members' shares received		74,264,816	66,639,455
Members' shares withdrawn		(56,892,980)	(49,464,905)
Members' deposits received		15,864,580	14,712,693
Members' deposits withdrawn		(14,887,283)	(14,984,441)
Other member funds received		23,729,026	18,231,844
Other member funds withdrawn		(23,105,845)	(17,906,407)
<b>Net cash flow from financing activities</b>		<b>18,972,314</b>	<b>17,228,239</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>20,572,048</b>	<b>8,572,387</b>
Closing cash and cash equivalents	7	62,189,389	41,617,341

The notes on pages 23 to 39 form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

## 1. LEGAL AND REGULATORY FRAMEWORK

Health Services Staffs Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at 5 High St, Merchants Quay, Dublin 8.

## 2. ACCOUNTING POLICIES

### 2.1 Basis of preparation of financial statements

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

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

The following principal accounting policies have been applied:

### 2.2 Statement of compliance

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

### 2.3 Going concern

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

### 2.4 Income

#### Interest on members' loans

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

#### Deposit and investment income

Investment income is recognised on an accruals basis using the effective interest method.

#### Other income

Other income is recognised on an accruals basis.

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 2.5 Investments

The specific investment products held by the credit union are accounted for as follows:

#### Held at amortised cost

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

#### Central Bank Deposits

Credit unions are obliged to maintain certain deposits with the Central Bank. These deposits are technically assets of the credit union but to which the credit union has restricted access. The funds on deposit with the Central Bank attract nominal interest and will not ordinarily be returned to the credit union while it is a going concern. The amounts are stated at the amount deposited plus accrued income and are not subject to impairment reviews.

#### Investments at Fair Value

Investments held for trading and investment in stock market shares (i.e. non-convertible preference shares and non-puttable ordinary shares or preference shares) are included in this category. Financial assets at fair value are classified as held for trading if they are acquired for sale in the short term. They are valued at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account.

The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no active market these assets will be carried at cost less impairment.

### 2.6 Tangible fixed assets

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

Depreciation is provided on the following basis:

Premises	6.18% straight line per annum
Computer and office equipment	20% straight line per annum
Fixtures and fittings	20% straight line per annum
Software	25% straight line per annum
Motor vehicles	25% straight line per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains' or 'other losses' in the income and expenditure account.

### 2.7 Impairment of tangible fixed assets

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

### 2.8 Taxation

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

### 2.9 Operating leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

### 2.10 Cash and cash equivalents

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

### 2.11 Financial assets – loans to members

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

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

## **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

### **2.12 Bad debts provision**

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and the adequacy of same on a regular basis.

Any bad debts/impairment losses are recognised in the income and expenditure account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the income and expenditure account.

### **2.13 Other receivables**

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

### **2.14 Financial liabilities – members' shares and members' deposits**

Members' shares and members' deposits in Health Services Staffs Credit Union Limited are redeemable and therefore are classified as financial liabilities. They are recognised at the amount of cash deposited.

### **2.15 Members' deposits**

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

### **2.16 Holiday pay**

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

### **2.17 Pension costs**

The credit union operates a defined contribution pension scheme. The assets of these schemes are held separately from those of the credit union in independently administered funds. Employer contributions to the pension scheme are charged to the income and expenditure account in the period to which they relate.

### **2.18 Other payables**

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

### **2.19 Derecognition of financial liabilities**

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

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 2.20 Distribution policy

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

The rate of dividend recommended by the board will reflect:

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

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

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

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

### 2.21 Regulatory Reserve

The Credit Union Act, 1997 (Regulatory Requirements) Regulations 2017 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10 per cent of the assets of the credit union. This Reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

### 2.22 Operational Risk Reserve

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

The Directors have considered the requirements of the Act and have considered an approach to the calculation of the operational risk reserve. Health Services Staffs Credit Union Limited uses the Basic Indicator Approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the Operational Risk Reserve. Therefore Health Services Staffs Credit Union Limited will hold an operational risk reserve which will at a minimum equal 15% of the average positive gross income for the previous three years. For any year in which there was a deficit, this will be excluded from the calculation.

### 2.23 Other Reserves

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are subdivided into realised and unrealised. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as "unrealised" and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that interest on loans receivable at the balance sheet date is also classified as "unrealised" and is not distributable. All other income is classified as "realised".

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 2.24 Transfer of engagements

Transfer of engagements are accounted for using the acquisition method of accounting. This involves recognising identifiable assets and liabilities of the acquired credit unions at fair value. In applying the acquisition method of accounting for these business combinations, the member interests transferred by the credit union represents the consideration transferred for the net assets acquired. This consideration has been estimated as equivalent to the acquisition date fair value of the member interests in the transferor credit unions (the fair value of the transferor credit unions) at the date of the transfer, and is reflected as an adjustment in reserves.

### 3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCE OF ESTIMATION UNCERTAINTY

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

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the financial year end was €2,335,705 (2016: €2,452,659).

#### Bad debts provision

Health Services Staffs Credit Union Limited's accounting policy for impairment of loans is set out in the accounting policy in note 2.12. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and, other external factors such as legal and regulatory requirements. The provision for bad debts in the financial statements was €6,853,405 (2016: €5,706,847) representing 5.03% (2016: 4.66%) of the total gross loan book.

#### Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have developed an approach to the calculation of the operational risk reserve. Health Service Staffs Credit Union Limited uses the Basic Indicator Approach as set out in the operational risk measurements techniques proposed under the Basel II capital adequacy rules for banking institutions in calculating the operational risk reserve. The operational risk reserve of the credit union at 30 September 2017 was €1,700,785 (2016: €1,553,550).

#### Adoption of going concern basis for financial statements preparation

The directors have prepared projections and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the credit union's ability to meet its liabilities as they fall due, and to continue as a going concern.

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the credit union was unable to continue as a going concern.

### 4. TRANSFER OF ENGAGEMENTS

On 10 March 2017 Health Services Staffs Credit Union Limited ("HSSCU") accepted the transfer of the Staff of C.I.E. Galway Credit Union Limited ("CIEGCU"). The assets and liabilities of CIEGCU at the date of transfer were incorporated into the balance sheet of HSSCU at that date.

HSSCU did not pay any consideration in respect of the Transfer of Engagements. On the date of transfer, the members of the transferor credit unions became members of HSSCU, and thereby became entitled to ember interest associated with such membership. In applying the acquisition method of accounting for this business combination, the members' interests transferred by HSSCU represents the consideration transferred for the net assets acquired. This consideration has been estimated as equivalent to the acquisition date fair value of the member interests in the transferor credit unions (the fair value of the transferor credit union) at the date of transfer, and is reflected as an adjustment in reserves in note 17 on page 35.

The fair values of the net assets acquired are detailed in the table below:

	Fair value of CIEGCU assets and liabilities acquired by HSSCU €
Gross loans to Members	2,670,879
Bad Debt Reserve	(177,038)
Cash at bank	533,645
Deposits & Investments	3,399,745
Members Shares	(5,160,546)
Members Deposits	(211,269)
Creditors	(8,308)
	1,047,108

### 5. KEY MANAGEMENT PERSONNEL COMPENSATION

The directors of Health Services Staffs Credit Union Limited are all unpaid volunteers. The key management personnel compensation is as follows.

	2017 €	2016 €
Short term employee benefits paid to key management	490,277	464,225
Payments to pension schemes	75,847	64,863
<b>Total key management personnel compensation</b>	<b>566,124</b>	<b>529,088</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 6. NET IMPAIRMENT LOSSES/(GAINS) ON LOANS TO MEMBERS

	2017	2016
	€	€
Bad debts recovered	(535,210)	(477,191)
Impairment of loan interest reclassified as bad debt recoveries	(132,904)	(154,215)
Movement in loan provisions for the year	969,520	(938,452)
Loans written off	803,160	991,585
<b>Net impairment losses/(gains) on loans to members</b>	<b>1,104,566</b>	<b>(578,273)</b>

### 7. CASH AND CASH EQUIVALENTS

	2017	2016
	€	€
Cash and balances at bank	5,134,764	3,162,659
Deposits & investments (note 8)	123,782,718	109,982,579
Less: Deposit & investment amounts maturing after three months	(66,728,093)	(71,527,897)
<b>Total cash and cash equivalents</b>	<b>62,189,389</b>	<b>41,617,341</b>

### 8. DEPOSITS AND INVESTMENTS

	2017	2016
	€	€
<b>Deposits and investments – cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	43,231,342	26,283,716
Collective investment schemes	13,823,029	12,170,712
Other	254	254
<b>Total deposits and investments – cash equivalents</b>	<b>57,054,625</b>	<b>38,454,682</b>

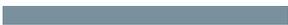
#### Deposits and investments – other

Accounts in authorised credit institutions (Irish and non-Irish based)	51,342,983	60,110,862
Bank bonds	13,468,440	9,517,435
Central Bank deposits	1,801,813	1,785,519
Other	114,857	114,081
<b>Total deposits and investments – other</b>	<b>66,728,093</b>	<b>71,527,897</b>
<b>Total deposits and investments</b>	<b>123,782,718</b>	<b>109,982,579</b>

#### Total deposits and investments

# UP 12.50%

2017  €123,782,718

2016  €109,982,579

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 9. FINANCIAL ASSETS – LOANS TO MEMBERS

	2017	2016
	€	€
As at 1 October	122,464,627	112,397,613
Loans arising on transfer of engagements	2,670,879	-
Loans granted during the year	70,709,199	67,152,274
Loans repaid during the year	(58,856,743)	(56,093,675)
<b>Gross loans and advances</b>	<b>136,987,962</b>	<b>123,456,212</b>
<b>Bad debts</b>		
Loans written off during the year	(803,160)	(991,585)
<b>As at 30 September</b>	<b>136,184,802</b>	<b>122,464,627</b>

### 10. PROVISION FOR BAD DEBTS

	2017	2016
	€	€
As at 1 October	5,706,847	6,645,299
Provisions arising from transfer of engagements	177,038	-
Net movement in bad debts provision during the year	969,520	(938,452)
<b>As at 30 September</b>	<b>6,853,405</b>	<b>5,706,847</b>

The provision for bad debts is analysed as follows:

	2017	2016
	€	€
Individually significant loans	114,464	93,951
Grouped assessed loans	6,738,941	5,612,896
<b>Provision for bad debts</b>	<b>6,853,405</b>	<b>5,706,847</b>



## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 11. TANGIBLE FIXED ASSETS

	Premises	Computer and office equipment	Fixtures and fittings	Software	Motor vehicles	Total
	€	€	€	€	€	€
<b>COST</b>						
1 October 2016	5,063,498	606,394	285,219	163,442	24,500	6,143,053
Transfer from TOE	-	84,443	15,784	-	-	100,227
Additions	96,688	194,338	47,544	10,394	-	348,964
<b>At 30 September 2017</b>	<b>5,160,186</b>	<b>885,175</b>	<b>348,547</b>	<b>173,836</b>	<b>24,500</b>	<b>6,592,244</b>
<b>DEPRECIATION</b>						
1 October 2016	2,939,929	360,952	209,087	155,926	24,500	3,690,394
Transfer from TOE	-	84,443	15,784	-	-	100,227
Charge for year	313,312	119,165	36,876	(3,435)	-	465,918
<b>At 30 September 2017</b>	<b>3,253,241</b>	<b>564,560</b>	<b>261,747</b>	<b>152,491</b>	<b>24,500</b>	<b>4,256,539</b>
<b>NET BOOK VALUE</b>						
<b>30 September 2017</b>	<b>1,906,945</b>	<b>320,615</b>	<b>86,800</b>	<b>21,345</b>	<b>-</b>	<b>2,335,705</b>
30 September 2016	2,123,569	245,442	76,132	7,516	-	2,452,659

### 12. PREPAYMENTS AND ACCRUED INCOME

	2017	2016
	€	€
Accrued loan interest income	415,971	252,114
Prepayments	71,324	50,655
Debtors	514,794	1,700,395
	<b>1,002,089</b>	<b>2,003,164</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 13. MEMBERS' SAVINGS

	2017	2016
	€	€
As at 1 October	198,640,534	181,412,295
Shares arising on transfer of engagements	5,371,815	-
Received during the year	113,858,422	99,583,992
Withdrawn during the year	(94,886,108)	(82,355,753)
<b>As at 30 September</b>	<b>222,984,663</b>	<b>198,640,534</b>

Members' savings are analysed as follows:

	2017	2016
	€	€
Members' shares	206,080,757	183,548,375
Members' deposits	14,461,050	13,272,484
Members' budget accounts	986,473	1,069,725
Members' current accounts	1,456,383	749,950
<b>Total members' savings</b>	<b>222,984,663</b>	<b>198,640,534</b>

### 14. OTHER LIABILITIES, CREDITORS, ACCRUALS AND CHARGES

	2017	2016
	€	€
Members' draw balance	389,129	231,513
Other creditor and accruals	1,143,887	810,939
	<b>1,533,016</b>	<b>1,042,452</b>

### 15. OTHER PROVISIONS

	2017	2016
	€	€
Holiday pay accrual		
At 1 October	60,913	60,000
Charged to the income and expenditure account	2,834	913
<b>At 30 September</b>	<b>63,747</b>	<b>60,913</b>

### Members' shares

# UP 12.28%

2017  €206,080,757

2016  €183,548,375

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 16. FINANCIAL INSTRUMENTS

#### 16a. Financial instruments – amortised cost

<b>Financial assets</b>	<b>2017</b>	<b>2016</b>
	€	€
Financial assets measured at amortised cost	<b>246,742,500</b>	<b>221,634,312</b>
<b>Financial liabilities</b>	<b>2017</b>	<b>2016</b>
	€	€
Financial liabilities measured at amortised cost	<b>224,581,426</b>	<b>199,743,899</b>

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments and loans.

Financial liabilities measured at amortised cost comprise member savings, creditors and accruals and provisions.

#### 16b. Financial instruments – fair value measurements

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

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

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

<b>At 30 September 2017</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	€	€	€	€
Accounts in authorised credit institutions	2,787,500	-	2,787,500	-
Collective investment schemes	13,829,029	-	13,829,029	-
Bank bonds	2,258,049	-	2,258,049	-
<b>Total</b>	<b>18,874,578</b>	<b>-</b>	<b>18,874,578</b>	<b>-</b>
<b>At 30 September 2016</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	€	€	€	€
Accounts in authorised credit institutions	1,500,000	-	1,500,000	-
Collective investment schemes	12,170,712	-	12,170,712	-
Bank bonds	2,005,236	-	2,005,236	-
<b>Total</b>	<b>15,675,948</b>	<b>-</b>	<b>15,675,948</b>	<b>-</b>

There were no fair value adjustments recognised in the income and expenditure account for the year ended 30 September 2017 (2016: €Nil).

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 17. RESERVES

	Balance 01/10/16	Arising on TOE	Payment of dividend and loan interest rebate	Appropriation of current year surplus	Transfers between reserves	Balance 30/09/17
	€	€	€	€	€	€
<b>Regulatory reserve</b>	<b>25,429,649</b>	<b>843,061</b>	<b>-</b>	<b>1,100,000</b>	<b>100,000</b>	<b>27,472,710</b>
<b>Operational risk reserve</b>	<b>1,553,550</b>	<b>50,437</b>	<b>-</b>	<b>96,798</b>	<b>-</b>	<b>1,700,785</b>
<b>Other reserves</b>						
<b>Realised</b>						
Undistributed surplus	157,068	-	-	-	-	157,068
Reserves arising on TOE	561,212	153,609	-	-	-	714,821
Special reserve: dividend and loan interest rebate	1,336,365	-	(1,336,365)	986,613	-	986,613
General reserve	5,306,911	-	(205)	74,522	165,971	5,547,199
<b>Total realised reserves</b>	<b>7,361,556</b>	<b>153,609</b>	<b>(1,336,570)</b>	<b>1,061,135</b>	<b>165,971</b>	<b>7,405,701</b>
<b>Unrealised</b>						
Interest on loans reserve	252,114	-	-	415,917	(252,114)	415,917
Investment income reserve	18,073	-	-	5,918	(13,857)	10,134
<b>Total unrealised reserves</b>	<b>270,187</b>	<b>-</b>	<b>-</b>	<b>421,835</b>	<b>(265,971)</b>	<b>426,051</b>
<b>Total reserves</b>	<b>34,614,942</b>	<b>1,047,107</b>	<b>(1,336,570)</b>	<b>2,679,768</b>	<b>-</b>	<b>37,005,247</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 18. CREDIT RISK DISCLOSURES

The credit union complies with Section 12 of the Credit Union Act, 1997 (Regulatory Requirements) Regulations 2017. This regulation:

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

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

	€	2017 %	€	2016 %
<b>LOANS NOT IMPAIRED</b>				
Total loans not impaired, not past due	116,824,758	85.78%	107,192,404	87.53%
<b>IMPAIRED LOANS:</b>				
Not past due	6,061,266	4.45%	5,400,371	4.41%
Up to 9 weeks past due	8,967,615	6.58%	6,000,051	4.90%
Between 10 and 18 weeks past due	1,706,241	1.25%	1,473,448	1.20%
Between 19 and 26 weeks past due	884,310	0.65%	760,256	0.62%
Between 27 and 39 weeks past due	619,254	0.45%	468,112	0.38%
Between 40 and 52 weeks past due	333,750	0.25%	289,478	0.24%
53 or more weeks past due	787,608	0.58%	880,507	0.72%
<b>Total impaired loans</b>	<b>19,360,044</b>	<b>14.22%</b>	<b>15,272,223</b>	<b>12.47%</b>
<b>TOTAL LOANS</b>	<b>136,184,802</b>		<b>122,464,627</b>	

### 19. RELATED PARTY TRANSACTIONS

	No. of loans	2017 €	No. of loans	2016 €
Loans advanced to related parties during the year	33	401,750	12	73,764
Total loans outstanding to related parties at the year end	56	741,755	17	240,381
Total provision for loans outstanding to related parties		11,162		9,570

The related party loans stated above comprise of loans to members of the board of directors, the management team and members of the family of a member of the board of directors and the management team of Health Services Staffs Credit Union Limited.

Total loans outstanding to related parties represents 0.54% of the total loans outstanding at 30 September 2017 (2016: 0.20%).

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 20. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

#### 20a. Financial risk management

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

**Credit risk:** Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss. In order to manage this risk the board of directors regularly reviews and approves Health Services Staffs Credit Union Limited's loans policy. All loan applications are assessed with reference to the loans policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

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

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

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

#### 20b. Liquidity risk disclosures

All of Health Services Staffs Credit Union Limited's financial liabilities are repayable on demand with the exception of members' deposits and pledged shares. The credit union retains, at all times, liquid assets amounting to a minimum of 20% of unattached savings.

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 20c. Interest rate risk disclosures

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

	2017		2016	
	Average interest rate		Average interest rate	
	€	%	€	%
Gross loans to members	136,184,802	7.52%	122,464,627	9.47%

The dividend payable is at the discretion of the directors and is therefore not a financial liability of the credit union until declared and approved at the AGM.

### 21. DIVIDENDS AND INTEREST REBATE

The following distributions were made during the year:

	2017		2016	
	%	€	%	€
Dividend on shares	0.50%	876,377	1.00%	1,602,313
Loan interest rebate	5.00%	460,193	5.00%	436,645

The directors are proposing a dividend in respect of the year ended 30 September 2017 of €494,169 (0.25%) (2016: €876,172 (0.50%)) and a loan interest rebate of €492,444 (5.00%) (2016: €460,193 (5.00%)) subject to agreement by the membership at the AGM.

### 22. EVENTS AFTER THE END OF THE FINANCIAL YEAR

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

### 23. INSURANCE AGAINST FRAUD

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

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

### 24. CAPITAL COMMITMENTS

At 30 September 2017 the credit union had capital commitments as follows:

	2017	2016
	€	€
Contracted for but not provided in these financial statements	300,000	-
	<b>300,000</b>	<b>-</b>

The credit union entered into a 10 year lease on 27 September 2017, with a rent commencement date of 1 November 2017.

### 25. COMMITMENTS UNDER OPERATING LEASES

At 30 September 2017 the credit union had future minimum lease payments under a non-cancellable operating lease as follows:

	2017	2016
	€	€
Less than 1 year	36,667	-
1 to 5 years	160,000	-
Greater than 5 years	203,333	-
<b>At 30 September</b>	<b>400,000</b>	<b>-</b>

### 26. CONTINGENT LIABILITIES

There are no contingent liabilities in existence at 30 September 2017 that would impact on the financial statements.

### 27. COMPARATIVE INFORMATION

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

## SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

The following Schedules do not form part of the statutory financial statements which are the subject of the Independent Auditor's Report on pages 15 to 17.

### SCHEDULE 1 – OTHER INTEREST INCOME AND SIMILAR INCOME

	2017	2016
	€	€
Investment income and gains received/receivable within 1 year	1,255,600	1,338,776
Investment income receivable outside of 1 year	5,918	13,304
<b>Total per income and expenditure account</b>	<b>1,261,518</b>	<b>1,352,080</b>

### SCHEDULE 2 – OTHER INCOME

	2017	2016
	€	€
ECCU claims experience refund	34,180	39,689
Commission, fees & sundry income	85,857	52,158
Rental income	17,207	14,907
<b>Total per income and expenditure account</b>	<b>137,244</b>	<b>106,754</b>

## SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017 (Continued)

### SCHEDULE 3 – OTHER MANAGEMENT EXPENSES

	2017	2016
	€	€
Print and stationery	169,696	114,480
Office expenses	117,168	77,087
Leasing	1,627	12,508
Postage and telephone	172,544	125,666
Light and heat	44,195	47,574
Cleaning	40,096	31,658
Security costs	72,547	74,035
Travel and subsistence	101,494	80,266
Chapter fees	788	1,037
Share and loan insurance and SPS contributions	871,856	738,836
Convention, training and annual conference	71,999	84,773
Repairs and maintenance	154,355	86,656
General insurance	62,036	48,356
Audit fees	23,986	23,985
Pension	244,835	180,570
Board oversight committee	29,520	18,450
Computer and software maintenance	329,983	222,914
AGM expenses	36,839	58,964
Regulatory levies and charges	476,092	229,795
Affiliation fees	52,000	39,000
TOE costs	99,287	16,930
Debit card expense	21,233	66,190
Savings protection scheme fund contribution	77,392	75,624
Rent and rates	51,698	98,000
Consultants fees	278,177	233,068
Marketing and advertising	132,164	95,914
Staff uniforms	25,585	45,298
I.T. strategy / national advertising	18,187	22,293
Death benefit insurance	391,236	294,300
Donations and sponsorship	62,227	69,670
Bank charges	89,277	84,886
Bursary expenses	170,100	170,238
<b>Total per income and expenditure account</b>	<b>4,490,219</b>	<b>3,569,021</b>



*Health Services Staffs*  
**Credit Union**

**#putsUfirst**

**Health Services Staffs Credit Union Ltd.**

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