



Health Services Staff's  
Credit Union

# ANNUAL REPORT 2018

#putsUfirst

## Annual General Meeting

Radisson Blu Hotel,  
Golden Lane, Dublin 8 on  
Saturday the 12th of January 2019,  
commencing at 2pm.

Make  
*Memories*



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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 48th Annual General Meeting of Health Services Staffs Credit Union will be held in **Goldsmiths Hall, Radisson Blu Hotel, Golden Lane, Dublin 8 on Saturday the 12th of January 2019 commencing at 2pm.**

**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 1pm.

**Geraldine Higgins**  
Secretary





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

## Christmas Opening Hours

Dates	High Street & James's Street Branch	St. Gabriel's & Galway Branch	Dundalk & Connolly branches are closed
Friday 21st December 2018	9am - 5pm	9.30am - 5pm	December 22nd - 27th (inclusive), open
Monday 24th December 2018	9am - 12:30pm	9.30am - 12:30pm	December 28th and closed
Tuesday 25th December 2018	CLOSED	CLOSED	December 29th - January 1st (inclusive)
Wednesday 26th December 2018	CLOSED	CLOSED	
Thursday 27th December 2018	CLOSED	CLOSED	
Friday 28th December 2018	9am - 5pm	9.30am - 5pm	
Monday 31st December 2018	9am - 12:30pm	9.30am - 12:30pm	
Tuesday 1st January 2019	CLOSED	CLOSED	

*Please note: HSSCU's Galway branch closes from 12.30pm - 1.30pm for lunch*

View all usual office opening hours on [www.hsscu.ie](http://www.hsscu.ie).  
Usual opening hours resume on Wednesday, January 2nd, 2019.



## REPORT OF THE BOARD OF DIRECTORS 2018

Fellow members, it is a pleasure for me as President to present an overview of the performance of our credit union to this, our 48th Annual General Meeting. At the end of our financial year (30th September 2018), I am delighted to report that our credit union continues to grow and develop at a fantastic rate.

### FINANCE

Detailed accounts are included in this report and our auditors, Grant Thornton, will present the financial accounts to our Annual General Meeting. Any member who has any queries on the financial accounts and cannot attend our AGM can mail their queries to [info@hsscu.ie](mailto:info@hsscu.ie). The key financials for the year are as follows:

- Total Income has increased by 15.27% to €12.8M
- Expenditure has increased by 2.05% to €8.6M
- Surplus for the year increased by 56.8% to €4.2M
- Total Assets have increased by 20.33% to €315M
- Loans approved during the year reached a record €84.4M
- Total Loans stand at € 158.5M, which is an increase of €22.4M, or 16.4%
- Shares increased by 22.3%, or € 46.1M and now stand at €252.2M
- Total reserves have increased by 22.95% and now stand at €45.4M.

As a consequence of these results, the board of directors wish to propose for your approval the payment of a 0.2 % dividend and a 2.5% loan interest rebate at a cost of €777,898.

### TRANSFERS OF ENGAGEMENTS

In March 2018 we completed a transfer of engagements with Connolly CIE, Broadstone CIE and CIE Employees Dundalk credit unions. I would like to extend a warm welcome to the members, volunteers and staff of these credit unions. Amalgamations of credit unions continue as the credit union movement continues its consolidation. As reported last year, we had entered into negotiations with Ranelagh Credit Union. We are proposing a special resolution at this year's AGM to accept the transfer of engagements from Ranelagh Credit Union. We believe that this will create a stronger and more resilient credit union and will serve the members of both Ranelagh and HSSCU into the future. We are therefore asking all members to support the proposal.



## **BUILDINGS**

As reported last year, we had agreed a lease on a property on Merchants Road Galway. I am happy to announce that the office is now fully open and operational and was officially opened by the Mayor of Galway, Councillor Niall Mc Nelis on November 24th.

The completed transfer of engagements included offices in Connolly Station Dublin and Clarke Station Dundalk. Unfortunately, we have been informed that due to major development in Connolly Station, we will be required to vacate the office by the end of February 2019. We believe that our existing offices and our online presence can more than cater for the members who availed of this office.

## **MEMBERSHIP**

Our nationwide membership continues to grow and in 2017, apart from the transfer of engagements over 2,847 new members joined HSSCU. This clearly indicates the potential in our existing common bond which, when complemented by the merging credit unions, gives HSSCU the ability to deliver a scalable quality service to our members. We have recently launched our member onboarding platform, which allows potential members to join us online. 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).

## **DIRECTOR MENTOR PROGRAM**

Following on from the success of our volunteer program, we introduced a director mentor program this year. The program involves volunteers who are mentored by an individual director working on 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.

## **STRATEGIC PLAN**

During the year we again reviewed our 2020 strategic plan "2020 Vision". We aim to maintain our reputation as the preferred supplier of financial services to you, our members. We have embraced the digital transformation in financial services and are very excited about some of the services we hope to offer in 2019/2020. We will continue to seek out strategic alliances that enable us to continue to improve our service offering to you, our members.

## **REGULATION**

During the year, we continued our positive relationship with the Registry of Credit Unions. The newly appointed registrar of credit unions, Mr. Patrick Casey, visited our head office in February and we engaged with the registry on our credit union mergers. During the year, we also had a home loan thematic inspection and a PRISM inspection. Other regulatory changes during the year saw the introduction of the General Data Protection Regulation (GDPR), new investment guidelines, new fitness and probity requirements and the introduction of the Central Credit Register, which will eventually replace the current Irish Credit Bureau. Changes in credit union regulations for 2019 are expected in the areas of information technology and longer term lending.

## NEW PRODUCTS

As mentioned earlier, we have introduced member online onboarding, which allows members-to-be to apply for membership and upload the relevant documentation on our website. We are also well advanced in the area of E signatures and remote digital signatures. During the year, we also revamped our website, upgraded our network and are currently testing an upgrade for our member online account system.

We have also had an application approved by the Central Bank of Ireland to operate a Member Personal Current Account Service (MPCAS). This will enable us to provide a payments account to include main stream payment services and a debit card. We had hoped to have this service available to members towards the end of 2018, but it is now more likely to be in mid-2019. We are also well advanced in the development of an enhanced online loan application.

## 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. In 2018 your credit union paid in excess of €1M for loan and savings insurance and €450,000 in premium for death benefit insurance for qualifying members. We also paid out €163,000 through our Betty Noone Memorial Bursary and Higher Education Grant to assist members with their ongoing education and donated €52,000 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 the World Council of Credit Unions convention in Singapore. Our credit union is actively involved in any major initiatives in our movement and will continue to be affiliated to both the Irish League of Credit Unions and be an affinity member of the 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 shown towards your credit union. The esteem in which you hold your credit union is very evident from our ongoing member engagement. It only remains for me on behalf of the board of directors, management and staff wish you all and all those close to you, a very joyful Christmas and a healthy and prosperous 2019.

## Pat O'Neill

President 2018.



## NOTICE OF ELECTIONS

Elections will be held to fill the position of Auditor, 1 vacancy on the Board Oversight Committee, and 3 vacancies on the Board of Directors.



Board of Directors



Board Oversight Committee

During 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

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

- Grant Thornton Chartered Accountants

There are 2 candidates standing for 1 vacancy on the Board Oversight Committee:

- Ken Byrne Retired Senior Environmental Health Officer, Cork
- Anthony Hoey Dublin Bus

There are 6 candidates standing for 3 vacancies on the Board of Directors:

- Christine Barretto Social Care Worker, Cheeverstown, Dublin
- Pascal Keeve Assistant Staff Officer, St Conal's Hospital, Letterkenny, Donegal
- Katriona Lawlor Higher Executive Officer, Department of Employment Affairs and Social Protection, Dublin
- Marie McBryan Retired Medical Scientist, St Michaels Hospital, Dunlaoghaire, Dublin
- Una Murphy Radiographer, Alliance Medical Diagnostic Imaging / Charter Medical, Dublin
- Shay Torsney Retired HSE, Dublin

### DIRECTOR MENTOR PROGRAMME

HSSCU had a fantastic launch of its new Director Mentor Programme throughout 2017/18. During the year, we held superb in-house training, which supported those interested in standing for the board of directors. From our training; we gained 4 new volunteers and transitioned current and new volunteers to both the next step and to standing for the board of directors. HSSCU intends to run this course every couple of years to freshen our group of volunteers and bring new minds to the table with innovative and enthusiastic volunteers. If you would like to be included in our next course, please contact the credit union directly to sign up.

**Damien O'Brien**  
Committee Chairperson

**Amanda Buggle**  
Committee Secretary

**David O'Brien**  
Committee Member

## 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 Nominations Committee;
- (g) Appointment of Tellers;
- (h) Election of Auditor;
- (i) Election to fill vacancy on the Board Oversight Committee;
- (j) Election to fill vacancies on the Board of Directors;
- (k) Report of the Auditor;
- (l) Report of the Board Oversight Committee;
- (m) Declaration of Dividend and Interest Rebate;
- (n) Consideration of Special Resolution  
*The members of Health Services Staffs Credit Union Limited resolve that the credit union accepts the Transfer of Engagements of Ranelagh and District Credit Union Limited to Health Services Staffs Credit Union Limited in accordance with the relevant provisions of the Credit Union Act 1997 (as amended).*
- (o) Proposed Rule Amendment for Rule 13;
- (p) Report of the Credit Committee;
- (q) Report of the Credit Control Committee;
- (r) Report of the Membership, Education and Development Committee;
- (s) Any other business;
- (t) Announcement of election results;
- (u) Adjournment or close of meeting.



## **STANDING ORDERS**

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

### **1. VOTING**

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

### **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.
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. All elections shall be by secret ballot and by majority vote. 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 chair 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 chair 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 chair.
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 chair 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 "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).

## **AMENDMENTS TO STANDARD RULES ARISING FROM LEAGUE AGM 2018**

That this Annual General Meeting amends the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of Rule 109(8) (see below).

### **Rule 109(8)**

*Subject to the Act and any regulations made thereunder, the forms used by the credit union shall contain as a minimum the information as set out in the forms contained in the Appendices to these rules which forms may be amended from time to time by the Irish League of Credit Unions.*

## **CONSIDERATION OF SPECIAL RESOLUTION**

The members of Health Services Staffs Credit Union Limited resolve that the credit union accepts the Transfer of Engagements of Ranelagh and District Credit Union Limited to Health Services Staffs Credit Union Limited in accordance with the relevant provisions of the Credit Union Act 1997 (as amended).

## **BOARD OVERSIGHT COMMITTEE**

In 2018, the Board Oversight Committee's members were: Tony Hoey, Chairman, John Keppel, Secretary and Sarah O'Leary

The Committee met on twelve occasions in the year ended 30 September 2018.

The Committee was represented at each meeting of the Board of Directors held in the last year and is satisfied that those meetings were conducted in accordance with the legislation and the Rules of the Credit Union.

In 2018, 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**

**Anthony Hoey**

**Sarah O'Leary**



# Health Services Staffs Credit Union

# CAR LOAN



Sample repayments over 5 years

Loan Amount	60 Monthly Instalments of	Total Interest	Total Amount Payable
€10,000	€197.96	€1,877.89	€11,877.89
€20,000	€395.93	€3,755.78	€23,755.78
€30,000	€593.89	€5,633.67	€35,633.67

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

Make  
*Memories*

## **DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018**

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2018.

### **PRINCIPAL ACTIVITY**

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

### **AUTHORISATION**

The credit union is authorised as follows:

- Insurance/reinsurance 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 the European Union (Payment Services) Regulations 2018 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 REBATES**

The surplus for the financial year is set out in the income and expenditure account on page 17. The directors are proposing a dividend in respect of the year ended 30 September 2018 of €485,336 (0.20%) (2017: €494,169 (0.25%)) and a loan interest rebate of €292,562 (2.50%) (2017: €492,444 (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 2018**

#### **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 Street, Christchurch, 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 21 November 2018 and signed on its behalf by:

#### **Pat O'Neill**

Chairperson of the board of directors  
Date: 21 November 2018

#### **Emer Walsh**

Member of the board of directors

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018**

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 statement was approved by the board on 21 November 2018 and signed on its behalf by:

### **Pat O'Neill**

Chairperson of the board of directors  
Date: 21 November 2018

### **Emer Walsh**

Member of the board of directors

## **BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018**

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 21 November 2018 and signed on its behalf by:

### **Anthony Hoey**

Chairperson of the board oversight committee  
Date: 21 November 2018

# 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 2018, 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 2018 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 auditors' 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 intend to liquidate the credit union or to cease operations, or have 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 auditors' 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 auditors' 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 auditors' 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the credit union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Denise O'Connell FCA  
for and on behalf of  
**Grant Thornton**  
**Chartered Accountants & Statutory Audit Firm**  
**Mill House, Henry Street, Limerick**

Date: 21 November 2018



## INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

		2018	2017
Income	Schedule	€	€
Interest on members' loans		11,051,566	9,790,311
Members' deposit and other interest expense and similar charges		(87,802)	(76,034)
Other interest and similar income	1	1,723,721	1,261,518
<b>Net interest income</b>		<b>12,687,485</b>	<b>10,975,795</b>
Other income	2	122,409	137,244
<b>Total income</b>		<b>12,809,894</b>	<b>11,113,039</b>
<b>Expenditure</b>			
Employment costs		3,257,238	2,915,912
Other management expenses	3	4,880,867	4,490,219
Depreciation		553,434	465,918
Reversal of previous impairment on investments		-	(543,344)
Net impairment losses/(gains) on loans to members (note 6)		(85,698)	1,104,566
<b>Total expenditure</b>		<b>8,605,841</b>	<b>8,433,271</b>
<b>Surplus for the financial year</b>		<b>4,204,053</b>	<b>2,679,768</b>

The financial statements were approved and authorised for issue by the board on 21 November 2018 and signed on behalf of the credit union by:

**Pat O'Neill**  
Member of the board  
of directors

**Anthony Hoey**  
Member of the board  
oversight committee

**Sean Hosford**  
CEO

Date: 21 November 2018

The notes on pages 22 to 39 form part of these financial statements.

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

	2018	2017
	€	€
Surplus for the financial year	4,204,053	2,679,768
Other comprehensive income	-	-
<b>Total comprehensive income for the financial year</b>	<b>4,204,053</b>	<b>2,679,768</b>

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CEO

Date: 21 November 2018

The notes on pages 22 to 39 form part of these financial statements.



## BALANCE SHEET AS AT 30 SEPTEMBER 2018

	Notes	2018 €	2017 €
<b>Assets</b>			
Cash and balances at bank		4,645,085	5,134,764
Deposits and investments – cash equivalents	8	45,173,114	57,054,625
Deposits and investments – other	8	108,292,893	66,728,093
Loans to members	9	158,513,993	136,184,802
Provision for bad debts	10	(7,369,432)	(6,853,405)
Tangible fixed assets	11	2,780,852	2,335,705
Debtors, prepayments and accrued income	12	2,735,422	1,002,089
<b>Total assets</b>		<b>314,771,927</b>	<b>261,586,673</b>
<b>Liabilities</b>			
Members' shares	13	252,214,889	206,080,757
Members' deposits	13	12,468,002	14,461,050
Other members' funds	13	3,015,601	2,442,856
Other liabilities, creditors, accruals and charges	14	1,515,150	1,533,016
Other provisions	15	59,517	63,747
<b>Total liabilities</b>		<b>269,273,159</b>	<b>224,581,426</b>
<b>Reserves</b>			
Regulatory reserve	17	33,477,072	27,472,710
Operational risk reserve	17	2,594,164	1,700,785
Other reserves			
- Realised reserves	17	9,043,977	7,405,701
- Unrealised reserves	17	383,555	426,051
<b>Total reserves</b>		<b>45,498,768</b>	<b>37,005,247</b>
<b>Total liabilities and reserves</b>		<b>314,771,927</b>	<b>261,586,673</b>

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of directors

**Anthony Hoey**  
Member of the board  
oversight committee

**Sean Hosford**  
CEO

Date: 21 November 2018

The notes on pages 22 to 39 form part of these financial statements.

## STATEMENT OF CHANGES IN RESERVES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
<b>As at 1 October 2016</b>	25,429,649	1,553,550	7,361,556	270,187	34,614,942
Surplus for the financial year	1,100,000	96,798	1,061,135	421,835	2,679,768
Dividends and loan interest rebates paid	-	-	(1,336,570)	-	(1,336,570)
Transfer of engagements	843,061	50,437	153,609	-	1,047,107
Transfer between reserves	100,000	-	165,971	(265,971)	-
<b>As at 1 October 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>
Surplus for the financial year	2,354,999	690,540	1,153,927	4,587	4,204,053
Dividends and loan interest rebates paid	-	-	(985,331)	-	(985,331)
Transfer of engagements	3,149,363	202,839	1,912,536	10,061	5,274,799
Transfers between reserves	500,000	-	(442,856)	(57,144)	-
<b>As at 30 September 2018</b>	<b>33,477,072</b>	<b>2,594,164</b>	<b>9,043,977</b>	<b>383,555</b>	<b>45,498,768</b>

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2018 was 10.64% (2017: 10.50%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2018 was 0.82% (2017: 0.65%).

### Total Statement of Changes in Reserves



The notes on pages 22 to 39 form part of these financial statements.

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

	Notes	2018 €	2017 €
Opening cash and cash equivalents		62,189,389	41,617,341
<b>Cash flows from operating activities</b>			
Loans repaid by members	9	65,818,560	58,856,743
Loans granted to members	9	(79,539,333)	(70,709,199)
Interest on loans		11,051,566	9,790,311
Deposit interest		(87,802)	(76,034)
Investment income		1,723,721	1,804,862
Bad debts recovered and recoveries		822,595	668,114
Dividends paid		(494,189)	(876,377)
Loan interest rebates paid		(491,142)	(460,193)
Other receipts		122,409	137,244
Operating expenses		(8,138,105)	(7,406,131)
Movement in other assets and liabilities		(1,535,697)	1,486,164
<b>Net cash flows from operating activities</b>		<b>(10,747,417)</b>	<b>(6,784,496)</b>
<b>Cash flows from investing activities</b>			
Cash and investments introduced from transfer of engagements		18,961,497	3,933,390
Fixed assets (purchases)/disposals		(987,651)	(348,964)
Net cash flow from other investing activities		(41,564,800)	4,799,804
<b>Net cash flows from investing activities</b>		<b>(23,590,954)</b>	<b>8,384,230</b>
<b>Cash flows from financing activities</b>			
Members' savings received		112,237,207	113,858,422
Members' savings withdrawn		(90,270,026)	(94,886,108)
<b>Net cash flow from financing activities</b>		<b>21,967,181</b>	<b>18,972,314</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(12,371,190)</b>	<b>20,572,048</b>
<b>Closing cash and cash equivalents</b>	7	<b>49,818,199</b>	<b>62,189,389</b>

The notes on pages 22 to 39 form part of these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

## 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 Street, Christchurch, 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 2018

### 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 2018

Depreciation is provided on the following basis:

Premises	6.18% straight line per annum
Leasehold improvements	10% 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 carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income and expenditure 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 2018**

### **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 initially recognised at the amount of cash deposited and subsequently measured at amortised cost.

### **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 2018

### 2.20 Distribution policy

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

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

- the risk profile of the credit union, particularly in its loan and investments portfolios;
  - the board's desire to maintain a stable rather than a volatile rate of dividend each year; and
  - members' legitimate dividend and loan interest rebate expectations;
- all dominated by prudence and the need to sustain the long-term welfare of the credit union.

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

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

### 2.21 Regulatory Reserve

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

### 2.22 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 2018

### 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 year end was €2,780,852 (2017: €2,335,705).

#### Provision for bad debts

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 at the year end was €7,369,432 (2017: €6,853,405) representing 4.65% (2017: 5.03%) 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 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. The operational risk reserve of the credit union at the year end was €2,594,164 (2017: €1,700,785).

#### 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. On this basis the directors consider it appropriate to prepare the financial

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### Adoption of going concern basis for financial statements preparation (Continued)

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 7 March 2018 Health Services Staffs Credit Union Limited (“HSSCU”) accepted the transfer of Broadstone C.I.E. Employees Credit Union Limited (“BCIEECU”) and C.I.E. Employees Dundalk Credit Union Limited (“CIEEDCU”). The assets and liabilities of BCIEECU and CIEEDCU at the date of transfer were incorporated into the balance sheet of HSSCU at that date.

On 19 March 2018 HSSCU accepted the transfer of Connolly C.I.E. Credit Union Limited (“CCIECU”). The assets and liabilities of CCIECU 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 member 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 unions) 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 below:

	Fair value of BCIEECU assets and liabilities acquired by HSSCU	Fair value of CIEEDCU assets and liabilities acquired by HSSCU	Fair value of CCIECU assets and liabilities acquired by HSSCU	Total
	€	€	€	€
Cash on hand and at bank	11,456	7,273	84,226	102,955
Deposits and investment	3,398,969	4,304,742	11,154,831	18,858,542
Loans to members	575,862	1,801,942	7,051,162	9,428,966
Provision for bad debts	(38,234)	(142,361)	(419,083)	(599,678)
Tangible fixed assets	-	10,930	-	10,930
Debtors, prepayments and accrued income	6,241	5,112	231,913	243,266
Members’ savings	(3,166,706)	(5,109,960)	(14,469,982)	(22,746,648)
Other liabilities, creditors, accruals and charges	(7,716)	(15,818)	-	(23,534)
	<b>779,872</b>	<b>861,860</b>	<b>3,633,067</b>	<b>5,274,799</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 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.

	2018	2017
	€	€
Short term employee benefits paid to key management	551,133	544,733
Payments to pension schemes	78,610	75,847
<b>Total key management personnel compensation</b>	<b>629,743</b>	<b>620,580</b>

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

	2018	2017
	€	€
Bad debts recovered	(661,420)	(535,210)
Impairment of loan interest reclassified as bad debt recoveries	(161,175)	(132,904)
Movement in bad debts provision during the year	(83,651)	969,520
Loans written off during the year	820,548	803,160
<b>Net impairment losses/(gains) on loans to members</b>	<b>(85,698)</b>	<b>1,104,566</b>

### 7. CASH AND CASH EQUIVALENTS

	2018	2017
	€	€
Cash and balances at bank	4,645,085	5,134,764
Deposits & investments (note 8)	153,466,007	123,782,718
Less: Deposit & investment amounts maturing after three months	(108,292,893)	(66,728,093)
<b>Total cash and cash equivalents</b>	<b>49,818,199</b>	<b>62,189,389</b>

Total deposits and investments

# UP 24%

2018

**€153,466,007**

2017

**€123,782,718**

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 8. DEPOSITS AND INVESTMENTS

	2018 €	2017 €
<b>Deposits and investments – cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	41,489,716	43,231,342
Collective investment schemes	3,683,398	13,823,029
Other	-	254
<b>Total deposits and investments – cash equivalents</b>	<b>45,173,114</b>	<b>57,054,625</b>
<b>Deposits and investments – other</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	88,732,062	51,342,983
Irish and EEA state securities	2,335,926	-
Bank bonds	15,163,930	13,468,440
Central Bank deposits	2,060,975	1,801,813
Other	-	114,857
<b>Total deposits and investments – other</b>	<b>108,292,893</b>	<b>66,728,093</b>
<b>Total deposits and investments</b>	<b>153,466,007</b>	<b>123,782,718</b>

### 9. FINANCIAL ASSETS – LOANS TO MEMBERS

	2018 €	2017 €
As at 1 October	136,184,802	122,464,627
Loans arising on transfer of engagements	9,428,966	2,670,879
Loans granted during the year	79,539,333	70,709,199
Loans repaid during the year	(65,818,560)	(58,856,743)
<b>Gross loans and advances</b>	<b>159,334,541</b>	<b>136,987,962</b>
<b>Bad debts</b>		
Loans written off during the year	(820,548)	(803,160)
<b>As at 30 September</b>	<b>158,513,993</b>	<b>136,184,802</b>



## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 10. PROVISION FOR BAD DEBTS

	2018	2017
	€	€
As at 1 October	6,853,405	5,706,847
Provisions arising on transfer of engagements	599,678	177,038
Movement in bad debts provision during the year	(83,651)	969,520
<b>As at 30 September</b>	<b>7,369,432</b>	<b>6,853,405</b>

The provision for bad debts is analysed as follows:

	2018	2017
	€	€
Grouped assessed loans	7,369,432	6,853,405
<b>Provision for bad debts</b>	<b>7,369,432</b>	<b>6,853,405</b>

### 11. TANGIBLE FIXED ASSETS

	Premises	Leasehold improve- ments	Computer and office equipment	Fixtures and fittings	Software	Motor vehicles	Total
	€	€	€	€	€	€	€
<b>Cost</b>							
1 October 2017	5,160,186	-	885,175	348,547	173,836	24,500	6,592,244
On ToE	-	-	8,285	-	2,645	-	10,930
Additions	-	465,055	505,466	17,130	-	-	987,651
<b>At 30 September 2018</b>	<b>5,160,186</b>	<b>465,055</b>	<b>1,398,926</b>	<b>365,677</b>	<b>176,481</b>	<b>24,500</b>	<b>7,590,825</b>
<b>Depreciation</b>							
1 October 2017	3,253,241	-	564,560	261,747	152,491	24,500	4,256,539
Charge for year	319,115	15,502	178,344	29,473	11,000	-	553,434
<b>At 30 September 2018</b>	<b>3,572,356</b>	<b>15,502</b>	<b>742,904</b>	<b>291,220</b>	<b>163,491</b>	<b>24,500</b>	<b>4,809,973</b>
<b>Net book value</b>							
<b>30 September 2018</b>	<b>1,587,830</b>	<b>449,553</b>	<b>656,022</b>	<b>74,457</b>	<b>12,990</b>	<b>-</b>	<b>2,780,852</b>
30 September 2017	1,906,945	-	320,615	86,800	21,345	-	2,335,705

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 12. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2018	2017
	€	€
Loan interest receivable	368,834	415,971
Prepayments	71,879	71,324
Debtors	2,294,709	514,794
	<b>2,735,422</b>	<b>1,002,089</b>

### 13. MEMBERS' SAVINGS

	2018	2017
	€	€
As at 1 October	222,984,663	198,640,534
Savings arising on transfer of engagements	22,746,648	5,371,815
Received during the year	112,237,207	113,858,422
Withdrawn during the year	(90,270,026)	(94,886,108)
<b>As at 30 September</b>	<b>267,698,492</b>	<b>222,984,663</b>

Members' savings are analysed as follows:

	2018	2017
	€	€
Members' shares	252,214,889	206,080,757
Members' deposits	12,468,002	14,461,050
Other members' funds	3,015,601	2,442,856
<b>Total members' savings</b>	<b>267,698,492</b>	<b>222,984,663</b>

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

	2018	2017
	€	€
Members' draw balance	323,086	389,129
PAYE/PRSI	62,233	64,282
Other creditor and accruals	1,129,831	1,079,605
	<b>1,515,150</b>	<b>1,533,016</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 15. OTHER PROVISIONS

	2018	2017
Holiday pay accrual	€	€
At 1 October	63,747	60,913
Charged to the income and expenditure account	(4,230)	2,834
<b>At 30 September</b>	<b>59,517</b>	<b>63,747</b>

### 16. FINANCIAL INSTRUMENTS

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

Financial assets	2018	2017
	€	€
Financial assets measured at amortised cost	308,838,387	246,742,500

  

Financial liabilities	2018	2017
	€	€
Financial liabilities measured at amortised cost	269,273,159	224,581,426

Financial assets measured at amortised cost comprise 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).

### Members' shares

# UP 22%

2018

**€252,214,889**

2017

**€206,080,757**

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

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

At 30 September 2018	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	4,139,552	-	4,139,552	-
Collective investment schemes	3,683,398	-	3,683,398	-
Bank bonds	2,258,457	-	2,258,457	-
<b>Total</b>	<b>10,081,407</b>	<b>-</b>	<b>10,081,407</b>	<b>-</b>

At 30 September 2017	Total	Level 1	Level 2	Level 3
	€	€	€	€
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>

There were no fair value adjustments recognised in the income and expenditure account for the year ended 30 September 2018 (2017: €nil).

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## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 17. RESERVES

	Balance 01/10/17	Arising on ToE	Payment of dividends and loan interest rebates	Appropriation of current year surplus	Transfers between reserves	Balance 30/09/18
	€	€	€	€	€	€
<b>Regulatory reserve</b>	<b>27,472,710</b>	<b>3,149,363</b>	<b>-</b>	<b>2,354,999</b>	<b>500,000</b>	<b>33,477,072</b>
<b>Operational risk reserve</b>	<b>1,700,785</b>	<b>202,839</b>	<b>-</b>	<b>690,540</b>	<b>-</b>	<b>2,594,164</b>
<b>Other reserves</b>						
<b>Realised</b>						
Undistributed surplus	157,068	-	-	-	(157,068)	-
Reserves arising on ToE	714,821	1,912,536	-	-	-	2,627,357
Special reserve: proposed dividends and loan interest rebates	986,613	-	(985,331)	777,898	(1,282)	777,898
General reserve	5,547,199	-	-	76,029	(284,506)	5,338,722
Future dividend reserve	-	-	-	300,000	-	300,000
<b>Total realised reserves</b>	<b>7,405,701</b>	<b>1,912,536</b>	<b>(985,331)</b>	<b>1,153,927</b>	<b>(442,856)</b>	<b>9,043,977</b>
<b>Unrealised</b>						
Interest on loans reserve	415,917	10,061	-	-	(57,144)	368,834
Investment income reserve	10,134	-	-	4,587	-	14,721
<b>Total unrealised reserves</b>	<b>426,051</b>	<b>10,061</b>	<b>-</b>	<b>4,587</b>	<b>(57,144)</b>	<b>383,555</b>
<b>Total reserves</b>	<b>37,005,247</b>	<b>5,274,799</b>	<b>(985,331)</b>	<b>4,204,053</b>	<b>-</b>	<b>45,498,768</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 18. CREDIT RISK DISCLOSURES

The credit union complies with Section 12 of the Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016. 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 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.

	2018		2017	
	€	%	€	%
<b>Loans not impaired</b>				
Total loans not impaired, not past due	<b>109,292,184</b>	<b>68.95%</b>	<b>116,824,758</b>	<b>85.78%</b>
<b>Impaired loans:</b>				
Not past due	5,886,729	3.71%	6,061,266	4.45%
Up to 9 weeks past due	37,748,687	23.81%	8,967,615	6.58%
Between 10 and 18 weeks past due	2,406,942	1.52%	1,706,241	1.25%
Between 19 and 26 weeks past due	924,938	0.58%	884,310	0.65%
Between 27 and 39 weeks past due	850,222	0.54%	619,254	0.45%
Between 40 and 52 weeks past due	427,067	0.27%	333,750	0.26%
53 or more weeks past due	977,224	0.62%	787,608	0.58%
<b>Total impaired loans</b>	<b>49,221,809</b>	<b>31.05%</b>	<b>19,360,044</b>	<b>14.22%</b>
<b>Total loans</b>	<b>158,513,993</b>	<b>100.00%</b>	<b>136,184,802</b>	<b>100.00%</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 19. RELATED PARTY TRANSACTIONS

	2018		2017	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	13	289,000	33	401,750
Total loans outstanding to related parties at the year end	24	530,069	56	741,755
Total provision for loans outstanding to related parties		22,391		11,162

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 members of the board of directors and the management team of Health Services Staffs Credit Union Limited.

Total loans outstanding to related parties represents 0.33% of the total loans outstanding at 30 September 2018 (2017: 0.54%).

### 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 20b. Liquidity risk disclosures

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

### 20c. Interest rate risk disclosures

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

		2018		2017
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	158,513,993	7.69%	136,184,802	7.66%

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 REBATES

The following distributions were paid during the year:

		2018		2017
	%	€	%	€
Dividends on shares	0.25%	494,189	0.50%	876,377
Loan interest rebates	5.00%	491,142	5.00%	460,193

The directors propose the following distributions in respect of the year:

		2018		2017
	%	€	%	€
Dividends on shares	0.20%	485,336	0.25%	494,169
Loan interest rebates	2.50%	292,562	5.00%	492,444

## 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).

## 24. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2018.

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

### 25. COMMITMENTS UNDER OPERATING LEASES

The credit union had future minimum lease payments under a non-cancellable operating lease as follows:

	2018	2017
	€	€
Less than 1 year	49,200	45,100
1 to 5 years	196,800	196,800
Greater than 5 years	200,900	250,100
<b>At 30 September</b>	<b>446,900</b>	<b>492,000</b>

The credit union had future minimum lease payments under an operating lease as follows:

	2018	2017
	€	€
Less than 1 year	5,000	-
1 to 5 years	8,750	-
<b>At 30 September</b>	<b>13,750</b>	<b>-</b>

### 26. CONTINGENT LIABILITIES

**26a.** In September 2018, the Registry of Credit Unions advised all credit unions of a potential matter in relation to accrued interest outstanding on certain top-up loans which may have led to a potential over-collection of interest. The credit union has commenced a review to ascertain whether any top-up loans made to members might be impacted by these circumstances, and if so, to determine what actions may need to be taken. Consequently it is impracticable at this time to estimate the impact, financial or otherwise, if any, of this matter and whether any net amounts will become payable or not in the future.

**26b.** There is a possible contingent liability at 30 September 2018 relating to a HR matter. The outcome of this matter is not known, however the credit union are confident that any potential liability arising therefrom should be covered by its policy of insurance.

### 27. COMPARATIVE INFORMATION

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

### 28. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 21 November 2018.

## SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditors' report on pages 14 to 16.

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

	2018	2017
	€	€
Investment income and gains received/receivable within 1 year	1,719,134	1,255,600
Investment income receivable outside of 1 year	4,587	5,918
<b>Total per income and expenditure account</b>	<b>1,723,721</b>	<b>1,261,518</b>

### SCHEDULE 2 – OTHER INCOME

	2018	2017
	€	€
ECCU claims experience refund	-	34,180
Commission, fees & sundry income	103,777	85,857
Rental income	18,632	17,207
<b>Total per income and expenditure account</b>	<b>122,409</b>	<b>137,244</b>

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## SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2018 (Continued)

### SCHEDULE 3 – OTHER MANAGEMENT EXPENSES

	2018	2017
	€	€
Print and stationery	107,294	169,696
Office expenses	87,541	117,168
Leasing	48,850	1,627
Postage and telephone	264,928	172,544
Light and heat	58,528	44,195
Cleaning	35,630	40,096
Security costs	79,721	72,547
Travel and subsistence	89,664	101,494
Chapter fees	1,164	788
Share and loan insurance	1,006,630	871,856
Convention, training and annual conference	102,712	71,999
Repairs and maintenance	78,623	154,355
General insurance	73,349	62,036
Audit fees	23,985	23,985
Pension	269,412	244,835
Internal audit	19,373	29,520
Computer and software maintenance	408,842	329,983
AGM expenses	75,954	36,839
Regulatory levies and charges	428,520	476,092
Affiliation fees	60,807	52,000
ToE costs	54,668	99,287
Debit card expense	131,395	21,233
Savings protection scheme fund contribution	75,618	77,392
Rates	49,866	51,698
Consultants fees	299,366	278,177
Marketing and advertising	127,607	132,164
Staff uniforms	28,888	25,585
I.T. strategy / national advertising	25,592	18,187
Death benefit insurance	449,159	391,236
Donations and sponsorship	52,332	62,227
Bank charges	101,646	89,278
Bursary expenses	163,203	170,100
<b>Total per income and expenditure account</b>	<b>4,880,867</b>	<b>4,490,219</b>

### Prize Draw for Financial Year

<b>Opening Balance</b> 1st October 2017	<b>€383,448</b>
<b>Member Contributions</b>	<b>+€782,945</b>
<b>Prizes</b>	<b>- €843,000</b>
<b>Bank charges &amp; Other Costs</b>	<b>- €307</b>
<b>Closing Balance</b> 30th September 2018	<b>€323,086</b>

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## **Health Services Staffs Credit Union Ltd.**

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James's Street Branch: Phoenix View, 144-150 James's Street, Dublin 8.

St. Gabriel's Branch: 34 St. Patrick's Quay, Cork.

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