



*Health Services Staffs*  
Credit Union

# ANNUAL REPORT 2019

#putsUfirst

Make  
*Memories*





*Health Services Staffs*  
Credit Union

**50 Years of Progression**

# Key 2019 Figures

**4,012** new  
members from  
**Oct 18 – Sept 19**  
(excluding transfers of engagement)



**53,422**  
Members

Loan book of  
**€180.7M**

A large blue arrow pointing upwards, positioned to the right of the text 'Loan book of' and below the text '€180.7M'.

Over **20,000**  
loan applications

Over **€9M** in  
loans in **May**



Over 50% of new members joining online





# 2019

## AT A GLANCE



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**January**
Official launch of HSSCU’s new Kredit design
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**March**
Transfer of engagements with Ranelagh & District Credit Union
- 3
**May**
Highest ever lending month with over €9,000,000 issued in loans
- 4
**June**
Official launch of HSSCU’s Summer Prize Draw
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**July**
HSSCU launches Instagram profile **@HSSCU**
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**August**
HSSCU wins in ‘Public Sector Magazine Awards’
- 7
**September**
Transfer of engagements with Limerick CIE Credit Union
- 8
**September**
€30,000 increase in Betty Noone Memorial Bursary funds, increasing the funds to €150,000
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**October**
HSSCU’s Credit Team crowned Ireland’s ‘Credit Union Credit Team of The Year’



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## CHAIRPERSON'S ADDRESS

Good afternoon to everyone and welcome to the 49th Annual General Meeting of the Health Services Staffs Credit Union (HSSCU). We would like to particularly welcome our new members formally from Ranelagh & District Credit Union and CIE Limerick Employees Credit Union who merged with us during this year. It is with pleasure that I report to you on the continuous growth and exciting developments in our credit union. Our credit union is recognised as one of the largest and most successful credit unions in the country.

## CORE VALUES OF THE CREDIT UNION

By participating in the meeting here today you 'the members' are ensuring the democratic control of this credit union is maintained. I would hope that each of you can identify in our reports the other nine core values which set us apart from other financial institutions. We strive to operate with an open and voluntary membership, offering limited dividends, returning surpluses and providing services to members, free from discrimination, promoting on-going education, co-operating amongst co-operatives while ensuring a social responsibility.

## FINANCE

This year has been a difficult year for all credit unions, income streams have been depleted due to reducing and negative interest rates on investments and a reduction in loan demand. In addition to this, the level of increased savings has resulted in increased associated costs. It is for this reason that 78% of credit unions surveyed by Irish League of Credit Unions (ILCU) have put a cap on their savings. Thankfully there has been a steady loan growth in the HSSCU over the year, and savings have not increased as fast as anticipated. Regardless of this, the HSSCU is desperately seeking new income streams to try to avoid taking the above action.

	2019	2018
Total Income	€13.7M	€12.8M
Loan Interest	€12.6M	€11.1M
Investment Interest	€875K	€1.7M
Expenditure	€11.5M	€8.6M
Loans	€180.7M	€158.5M
Savings	€321.4M	€267.7M



## **REGULATION**

The credit union dealt regularly with the Registry of Credit Unions throughout the year. Matters dealt with included, transfer of engagements, Member Personal Current Account Services (MPCAS), Credit Union Restoration Plan, Credit Agreement, DIRT repayments. We had a full PRISM engagement in June and are currently working through the Risk Mitigation Plan. No major items were identified in the inspection. The Central Bank has informed credit unions that they are introducing a full funding model for the Industry Funding Levy from 2019, invoicing one year in arrears and increasing over the next 5 years.

## **TRANSFER OF ENGAGEMENTS**

This was a busy year for the HSSCU with respect to transfers of engagement. Ranelagh & District Credit Union joined us in March and Limerick CIE Credit Union in September. We are delighted to have you all at the HSSCU meeting today. The Board of Directors believe that these amalgamations will provide a stronger credit union for HSSCU while opening up a range of new services to the incoming credit union members. I would like to give special thanks to Noel Cunningham (the project manager), staff, management, volunteers and directors of all 3 credit unions, for successfully completing the transfers. No further transfers are anticipated in the short term.

## **PREMISES**

The Connolly Station Office closed in February and we thank the retiring staff for their services. In August we refurbished the Cork office to create extra office space and have also been granted planning permission to add an extra floor in our High St office to cope with the increase in staffing levels. New signage was installed in the Ranelagh Branch and we have placed the second building acquired in the Limerick transfer on the market. We now operate a nationwide branch network with offices in Dublin, Cork, Limerick, Galway and Dundalk.

## **MEMBERSHIP**

Our membership increased from 43,013 to 53,422 members. We saw a surge in new member applications this year with an increase of 41% new members compared to the previous financial year, excluding transfers of engagements (4,012 vs. 2,847). We are delighted to inform you that over 50% of new applicants are opening online and there has been a 10% increase in the 18-25-year old bracket. Growth in membership is aligned with marketing. The marketing campaign includes the Social Media Streams (Instagram, Facebook, on-line videos, influencers), in addition to branch digital displays and regular on-site business visits around the country. The marketing success has not gone unnoticed as Pádraig our marketing manager was asked to give presentations at the ILCU Youth Conference and at the recent ILCU MARCOM Conference.

## **STRATEGY**

Three of the four strategic objectives in "2020 Vision" are now completed. We are delighted to announce that we will be launching our current account (MPCAS) in the early new year. Your Debit Card Service will also be rolling out along with this. This has been a long, difficult journey for us. As members of the Payac group of credit unions, we have produced a quality product meeting the Central Banks requirements. The outstanding strategic objective is the electronic signature which will allow us to upload all loan application details online, this development is still in the hands of our IT suppliers. The Board have recently outsourced the management of IT services to Trilogy due to the increasing demands for cybersecurity and the rapid advances in IT, which are beyond the expertise of credit union staff. The credit union has been working with the Solution Centre in Credit Union Development Association (CUDA) identifying new income streams to counteract reduction in investment income, which will be included in our new Strategic Plan in 2020.



## GOVERNANCE REVIEW

The Board of Directors engaged Pinta to review the governance processes to improve the efficiency of the Board. It is hoped that the findings of this review will be implemented in the New Year.

## SOCIAL RESPONSIBILITY

In addition to the proposed dividend and interest rebate on members' loans, your credit union continues to provide a social dividend to members and communities. The Credit Union spent €1.3 M insuring members' loans and shares, €549,665 on members' death benefit insurance and €200,250 on the Betty Noone Bursary Grant and the Higher Education Scholarships for members. The Board distributed €70,053 to various charitable and voluntary organisations in the community on your behalf.

## ONGOING EDUCATION

Your credit union was actively involved in activities of the ILCU. The credit union was represented at the ILCU AGM in City West. Our Chapter delegate is vice chairperson of Chapter 20 and attends monthly meetings. Our Board Chairperson was appointed to oversight committee for developing the ILCU Strategic Plan. Board members attended the Chapter Forum and the Chairpersons' Forum. Directors attended numerous training days throughout the year. As affinity members of CUDA, the credit union participated in many of its major initiatives. Your credit union was also represented at the World Council of Credit Unions Conference in the Bahamas. The management and board members also hosted a two-day visit from staff and directors of the NHS Credit Union from Glasgow, sharing management and governance experiences. Two directors travelled to The Gambia in September to participate in the ILCUF volunteer governance programme with developing credit unions in Africa.

## MEMBER REWARDS

The success of the credit union must be considered in the light of the economic climate. Dividends and interest rebates should be compared with current financial institutions rates in the country and not with past years' dividends received. The Board of Directors are compelled to inform you that looking forward to future years, it is unlikely that we will be able to sustain these generous rates unless the economic climate changes. I would like to highlight that in addition to the financial rewards promised today, members of the HSSCU have also benefited from Share and Loan Insurance, Death Benefit Insurance, Scholarship Program, Bursaries and Donations to your chosen Charities.

I would like to take this opportunity to thank my fellow directors, volunteers, and staff for their commitment, dedication and hard work over the last year. I would also like to thank you, the members, whose loyalty and support over the years has made this credit union an outstanding success. Our growth has been built on your recommendations. Our continued success as a credit union can only be attributed to your constant loyalty and support, for that we thank you sincerely. We hope we are providing all the services you require.

On behalf of the Board of Directors, the management, and staff, we wish all of you a very happy New Year.

**Marie Mc Bryan**

Chairperson HSSCU





## REPORT OF THE BOARD OVERSIGHT COMMITTEE

In 2019, the Board Oversight Committee consisted of John Keppel, Chairman, Ken Byrne, Secretary, Sarah O'Leary (Jan 2019 to April 2019) and Anthony Hoey (April 2019 to Dec 2019).

Ms. O'Leary stepped down from our committee in April. The BOC would like to extend our thanks to Ms. O'Leary for her work on the Committee and to Mr. Anthony Hoey 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 2019.

The Committee was represented at all Board of Directors meetings in the last year, except the meeting held on 24th April 2019, 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 2019, 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**  
Chairperson

**Ken Byrne**  
Secretary

**Anthony Hoey**  
Committee Member

## NEED TO CONSOLIDATE DEBTS THIS NEW YEAR?

Contact HSSCU to turn multiple  
debts into 1 easy repayment\*

Call 1890 677 864  
Email [info@hsscu.ie](mailto:info@hsscu.ie)

Make  
*Memories*



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

# NOTICE OF ELECTIONS

Elections will be held to fill the position of Auditor, 1 vacancy on the Board Oversight Committee and 6 vacancies on the Board of Directors.

The Nominations Committee have identified candidates to stand for the above positions and assessed them under the fitness & probity regime, as required by the Central Bank with satisfactory results.



## AUDITOR ELECTION

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

- Grant Thornton Chartered Accountants

You can vote for 1 candidate in this election

## BOARD OVERSIGHT COMMITTEE ELECTION

There is 1 candidate standing for 1 vacancy for the Board Oversight Committee:



**Anthony Hoey**  
Peninsula Business Services Ltd.,  
Dublin

You can vote for 1 candidate in this election

## NOTICE OF ELECTIONS (Continued)

### DIRECTOR ELECTIONS

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



**Amanda Buggle**  
St. John of God's Employee,  
Dublin



**David O'Brien**  
Environmental Health  
Employee, Dublin



**Pat O'Neil**  
Retired, Central Mental Hospital,  
Dublin



**Emer Walsh**  
Retired, HSE, Dublin



**Dolores O'Neill**  
Ballyfermot Social Intervention  
Initiative Employee, Dublin



**To be confirmed**

Please now take the time to hand your ballot paper to the tellers.

**Damien O'Brien**  
Committee Chairperson

**Brendan Fagan**  
Committee Secretary

**Geraldine Higgins**  
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;	Page 09
(d) Reading and approval (or correction) of the minutes of the last annual general meeting and any intervening special general meeting;	
(e) Amendments to standard rules arising from The Irish League of Credit Union's AGM 2019;	Page 11
(f) Chairperson's Address;	Page 02
(g) Report of the Board Oversight Committee;	Page 05
(h) Report of the Nominations Committee;	Page 06
(i) Appointment of Tellers;	
(j) Election of Auditor;	
(k) Election to fill vacancy on the Board Oversight Committee;	Page 06
(l) Election to fill vacancies on the Board of Directors;	Page 07
(m) Board of Director's Report (including Consideration of Accounts);	Page 13
(n) Report of the Auditor;	Page 16
(o) Declaration of Dividend and Interest Rebate;	
(p) Report of Credit Committee;	Page 44
(q) Report of Credit Control Committee;	Page 46
(r) Report of Membership, Education and Development Committee;	Page 48
(s) Report of Audit and Compliance Committee;	Page 51
(t) Report of Risk Committee;	Page 52
(u) Any other business;	
(v) Announcement of election results;	
(w) Adjournment or close of meeting.	



**BE MORE GREEN!**

**Sign up to eNotifications and  
eStatements via cuOnline**

## 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 014 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 2019

### Rule 1

That this Annual General Meeting agrees to amend Rule 1(a) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of "*membership officer*", to read as follows:

### Rule 1. Interpretation

'officer' includes:

- (a) the chair, the secretary or any other member of the board of directors, a member of a principal committee, a member of the board oversight committee, risk management officer, compliance officer, credit officer, *membership officer* or credit control officer of the credit union,
- (b) an employee of the credit union to whom paragraph (a) does not apply, and
- (c) a voluntary assistant of the credit union,

but does not include an auditor appointed by the credit union in accordance with the requirements of the Act;

### Rule 13

That this Annual General Meeting agrees to amend Rule 13(1)(ii) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of "*or by a duly appointed and authorised Membership Officer*", to read as follows:

### Rule 13. Qualifications for membership

(1) An applicant shall be admitted to membership only when:

- (i) it shall have been determined that he is eligible for membership in accordance with rule 11; and
- (ii) his application for membership shall have been approved by the affirmative vote of a majority of the board of directors or by a duly appointed and authorised membership committee present at a meeting at which the application is considered, *or by a duly appointed and authorised Membership Officer*; and

### Rule 83

That this Annual General Meeting agrees to amend Rule 83 of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of "*and/or membership officer*", to read as follows:

### Rule 83. Duties of membership committee and/or membership officer

Subject to these rules and the Act, the membership committee *and/or membership officer* shall:

### Rule 84A

That this Annual General Meeting agrees to insert a new 84A into the Standard Rules for Credit Unions (Republic of Ireland), to read as follows:

### Rule 84A. Membership Officer

(1) *The board of directors may approve the appointment of a person by the manager as a membership officer to assist the membership committee and work under its supervision and control.*

(2) *A record of each application for membership which has or has not been approved shall be furnished by the membership officer to the membership committee no later than seven days of receipt of the application.*



Health Services Staffs  
Credit Union

# LARGE HOME IMPROVEMENT LOAN

**\*5%**  
(5.12% APR\*\*  
variable)

Improved  
**New Year... Same Home!**

**Add value and comfort to your home in 2020**

Check out our Online Loan Calculator at: [www.hsscu.ie](http://www.hsscu.ie)

- The minimum loan value is €25,000 and the maximum loan is €100,000.
- The maximum loan term is 10 years.
- Quotations of the work being done must be on letterhead from the builder/provider.
- Loan is subject to approval, terms and conditions apply.

Amount borrowed	Term (years)	Monthly repayments	Total interest	Total repayable
€25,000	7 years	€353.35	€4,681.21	€29,681.21
€60,000	10 years	€636.39	€16,367.17	€76,367.17
€100,000	10 years	€1060.66	€27,278.62	€127,278.62

**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. \*\*Annual Percentage Rate

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

## **DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019**

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2019.

### **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 or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018.
- Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 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 2019 of €290,123 (0.10%) (2018: €485,336 (0.20%)) and a loan interest rebate of €132,532 (1.00%) (2018: €292,562 (2.50%)) 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.

#### **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.



## **DIRECTORS' REPORT (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019**

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 provides lending products to its members and promotes 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 finance 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 20 November 2019 and signed on its behalf by:

### **Marie McBryan**

Chairperson of the board of directors

### **Emer Walsh**

Member of the board of directors

Date: 20 November 2019

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019**

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 20 November 2019 and signed on its behalf by:

**Marie McBryan**

Chairperson of the board of directors

**Emer Walsh**

Member of the board of directors

Date: 20 November 2019

## **BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019**

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 20 November 2019 and signed on its behalf by:

**Anthony Hoey**

Chairperson of the board oversight committee

Date: 20 November 2019

# 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 other comprehensive income, the balance sheet, the statement of changes in reserves and the statement of cash flows for the financial year ended 30 September 2019, 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 2019 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; and
- 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 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: 20 November 2019

## INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

		2019	2018
Income	Schedule	€	€
Interest on members' loans		12,644,255	11,051,566
Members' deposit and other interest expense and similar charges		(37,594)	(87,802)
Other interest and similar income	1	875,081	1,723,721
<b>Net interest income</b>		<b>13,481,742</b>	<b>12,687,485</b>
Other income	2	223,650	122,409
<b>Total income</b>		<b>13,705,392</b>	<b>12,809,894</b>
<b>Expenditure</b>			
Employment costs		4,130,215	3,526,650
Other management expenses	3	5,970,780	4,611,455
Depreciation		716,019	553,434
Net impairment losses/(gains) on loans to members (note 6)		724,564	(85,698)
<b>Total expenditure</b>		<b>11,541,578</b>	<b>8,605,841</b>
<b>Surplus for the financial year</b>		<b>2,163,814</b>	<b>4,204,053</b>

The financial statements were approved and authorised for issue by the board on 20 November 2019 and signed on behalf of the credit union by:

**Marie McBryan**  
Member of the board of directors

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

**Sean Hosford**  
CEO

Date: 20 November 2019

The notes on pages 22 to 40 form part of these financial statements.



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# STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

	2019	2018
	€	€
Surplus for the financial year	2,163,814	4,204,053
Other comprehensive income	-	-
<b>Total comprehensive income for the financial year</b>	<b>2,163,814</b>	<b>4,204,053</b>

The financial statements were approved and authorised for issue by the board on 20 November 2019 and signed on behalf of the credit union by:

**Marie McBryan**  
Member of the board of directors

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CEO

Date: 20 November 2019

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HSSCU ANNUAL REPORT 2019

## BALANCE SHEET AS AT 30 SEPTEMBER 2019

	Notes	2019 €	2018 €
<b>Assets</b>			
Cash and balances at bank		6,107,635	4,645,085
Deposits and investments – cash equivalents	8	56,628,477	45,173,114
Deposits and investments – other	8	133,148,604	108,292,893
Loans to members	9	180,705,986	158,513,993
Provision for bad debts	10	(8,630,269)	(7,369,432)
Tangible fixed assets	11	5,043,433	2,780,852
Debtors, prepayments and accrued income	12	3,762,336	2,735,422
<b>Total assets</b>		<b>376,766,202</b>	<b>314,771,927</b>
<b>Liabilities</b>			
Members' shares	13	302,085,906	252,214,889
Members' deposits	13	16,478,087	12,468,002
Other members' funds	13	2,818,495	2,023,651
Members' budget accounts	14	1,053,683	991,950
Members' current accounts	15	515	-
Other liabilities, creditors, accruals and charges	16	1,769,159	1,515,150
Other provisions	17	56,006	59,517
<b>Total liabilities</b>		<b>324,261,851</b>	<b>269,273,159</b>
<b>Reserves</b>			
Regulatory reserve	19	39,556,369	33,477,072
Operational risk reserve	19	3,165,251	2,594,164
Other reserves			
- Realised reserves	19	9,401,370	9,043,977
- Unrealised reserves	19	381,361	383,555
<b>Total reserves</b>		<b>52,504,351</b>	<b>45,498,768</b>
<b>Total liabilities and reserves</b>		<b>376,766,202</b>	<b>314,771,927</b>

The financial statements were approved and authorised for issue by the board on 20 November 2019 and signed on behalf of the credit union by:

**Marie McBryan**  
Member of the board of directors

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

**Sean Hosford**  
CEO

Date: 20 November 2019

The notes on pages 22 to 40 form part of these financial statements.



## STATEMENT OF CHANGES IN RESERVES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
<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)
Transfers 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 1 October 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>
Surplus for the financial year	1,500,000	200,000	451,287	12,527	2,163,814
Dividends and loan interest rebates paid	-	-	(770,899)	-	(770,899)
Transfers of engagements	4,579,297	330,000	701,303	2,068	5,612,668
Transfers between reserves	-	41,087	(24,298)	(16,789)	-
<b>As at 30 September 2019</b>	<b>39,556,369</b>	<b>3,165,251</b>	<b>9,401,370</b>	<b>381,361</b>	<b>52,504,351</b>

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2019 was 10.50% (2018: 10.64%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2019 was 0.84% (2018: 0.82%).

### Total Statement of Changes in Reserves



The notes on pages 22 to 40 form part of these financial statements.

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

	Notes	2019 €	2018 €
<b>Opening cash and cash equivalents</b>		<b>49,818,199</b>	<b>62,189,389</b>
<b>Cash flows from operating activities</b>			
Loans repaid by members	9	73,993,019	65,818,560
Loans granted to members	9	(90,481,833)	(79,539,333)
Loan interest		12,644,255	11,051,566
Deposit interest		(37,594)	(87,802)
Investment income		875,081	1,723,721
Bad debts recovered and recoveries		891,405	822,595
Dividends paid		(478,335)	(494,189)
Loan interest rebates paid		(292,564)	(491,142)
Other receipts		223,650	122,409
Members' budget account lodgements	14	4,285,052	3,418,506
Members' budget account withdrawals	14	(4,223,319)	(3,413,029)
Members' current account lodgements	15	525	-
Members' current account withdrawals	15	(10)	-
Operating expenses		(10,100,995)	(8,138,105)
Movement in other assets and liabilities		(753,233)	(1,535,697)
<b>Net cash flows from operating activities</b>		<b>(13,454,896)</b>	<b>(10,741,940)</b>
<b>Cash flows from investing activities</b>			
Cash and investments introduced from transfers of engagements		29,751,304	18,961,497
Fixed assets (purchases)/disposals		(907,924)	(987,651)
Net cash flow from other investing activities		(24,855,711)	(41,564,800)
<b>Net cash flows from investing activities</b>		<b>3,987,669</b>	<b>(23,590,954)</b>
<b>Cash flows from financing activities</b>			
Members' savings received	13	146,140,782	108,818,701
Members' savings withdrawn	13	(123,755,642)	(86,856,997)
<b>Net cash flow from financing activities</b>		<b>22,385,140</b>	<b>21,961,704</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>12,917,913</b>	<b>(12,371,190)</b>
<b>Closing cash and cash equivalents</b>	7	<b>62,736,112</b>	<b>49,818,199</b>

The notes on pages 22 to 40 form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

## 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.

### 2.5 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.6 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.

#### 2.7 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.

#### 2.8 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.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 2. ACCOUNTING POLICIES (CONTINUED)

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.

#### 2.9 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.

Depreciation is provided on the following basis:

Premises	6.18% straight line per annum
Leasehold improvements	Over the lesser of the useful economic life and the remaining term of the lease
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.

The investment properties are included in the balance sheet at open market value.

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019**

### **2. ACCOUNTING POLICIES (CONTINUED)**

#### **2.10 Impairment of assets**

At each reporting date 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.

#### **2.11 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.

#### **2.12 Financial liabilities – members' savings**

Members' savings 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.

#### **2.13 Members' deposits**

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

#### **2.14 Members' current accounts**

The credit union provides Member Personal Current Account Services in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

#### **2.15 Other payables**

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

#### **2.16 Pension costs**

The credit union operates a defined contribution pension scheme. The assets of this scheme 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.

#### **2.17 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.18 Operating leases

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

#### 2.19 Derecognition of financial liabilities

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

#### 2.20 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.

In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

#### 2.21 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”.

#### 2.22 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.

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019**

### **2. ACCOUNTING POLICIES (CONTINUED)**

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 and loan interest rebates when members ratify such payments at the Annual General Meeting.

#### **2.23 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.

#### **2.24 Taxation**

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

### **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 €5,043,433 (2018: €2,780,852).



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

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

#### 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 2.8. 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 €8,630,269 (2018: €7,369,432) representing 4.78% (2018: 4.65%) 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. In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended). The operational risk reserve of the credit union at the year end was €3,165,251 (2018: 2,594,164).

#### 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 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 15 March 2019 Health Services Staffs Credit Union Limited ("HSSCU") accepted the transfer of Ranelagh & District Credit Union Limited ("RDCU"). The assets and liabilities of RDCU at the date of transfer were incorporated into the balance sheet of HSSCU at that date.

On 13 September 2019 HSSCU accepted the transfer of Limerick C.I.E. Employees Credit Union Limited ("LCIEECU"). The assets and liabilities of LCIEECU 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 Transfers 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 19 on page 35.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 4. TRANSFER OF ENGAGEMENTS (CONTINUED)

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

	Fair value of RDCU assets and liabilities acquired by HSSCU €	Fair value of LCIEECU assets and liabilities acquired by HSSCU €	Total €
Cash on hand and at bank	1,311,105	408,665	1,719,770
Deposits and investments	18,637,460	9,394,074	28,031,534
Loans to members	4,749,611	1,975,421	6,725,032
Provision for bad debts	(495,723)	(170,998)	(666,721)
Tangible fixed assets	1,525,234	545,442	2,070,676
Debtors, prepayments and accrued income	150,303	17,741	168,044
Members' shares	(16,706,349)	(9,898,637)	(26,604,986)
Members' deposits	(5,644,828)	-	(5,644,828)
Other members' funds	(40,992)	-	(40,992)
Other liabilities, creditors, accruals and charges	(27,690)	(117,171)	(144,861)
	<b>3,458,131</b>	<b>2,154,537</b>	<b>5,612,668</b>

### 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.

	2019 €	2018 €
Short term employee benefits paid to key management	535,910	551,133
Payments to pension schemes	80,694	78,610
<b>Total key management personnel compensation</b>	<b>616,604</b>	<b>629,743</b>

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

	2019 €	2018 €
Bad debts recovered	(702,013)	(661,420)
Impairment of loan interest reclassified as bad debt recoveries	(189,392)	(161,175)
Movement in bad debts provision during the year	594,116	(83,651)
Loans written off during the year	1,021,853	820,548
<b>Net impairment losses/(gains) on loans to members</b>	<b>724,564</b>	<b>(85,698)</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 7. CASH AND CASH EQUIVALENTS

	2019	2018
	€	€
Cash and balances at bank	6,107,635	4,645,085
Deposits & investments (note 8)	189,777,081	153,466,007
Less: Deposit & investment amounts maturing after three months	(133,148,604)	(108,292,893)
<b>Total cash and cash equivalents</b>	<b>62,736,112</b>	<b>49,818,199</b>

### 8. DEPOSITS AND INVESTMENTS

	2019	2018
	€	€
<b>Deposits and investments – cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	55,686,326	41,489,716
Irish and EEA state securities	20,000	-
Collective investment schemes	922,151	3,683,398
<b>Total deposits and investments – cash equivalents</b>	<b>56,628,477</b>	<b>45,173,114</b>

#### Deposits and investments – other

Accounts in authorised credit institutions (Irish and non-Irish based)	105,832,035	88,732,062
Irish and EEA state securities	4,616,009	2,335,926
Bank bonds	17,056,147	15,163,930
Central Bank deposits	2,591,319	2,060,975
Other investments	3,053,094	-
<b>Total deposits and investments – other</b>	<b>133,148,604</b>	<b>108,292,893</b>
<b>Total deposits and investments</b>	<b>189,777,081</b>	<b>153,466,007</b>

### 9. FINANCIAL ASSETS – LOANS TO MEMBERS

	2019	2018
	€	€
As at 1 October	158,513,993	136,184,802
Loans arising on transfer of engagements	6,725,032	9,428,966
Loans granted during the year	90,481,833	79,539,333
Loans repaid during the year	(73,993,019)	(65,818,560)
<b>Gross loans and advances</b>	<b>181,727,839</b>	<b>159,334,541</b>

#### Bad debts

Loans written off during the year	(1,021,853)	(820,548)
<b>As at 30 September</b>	<b>180,705,986</b>	<b>158,513,993</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 10. PROVISION FOR BAD DEBTS

	2019	2018
	€	€
As at 1 October	7,369,432	6,853,405
Provisions arising on transfer of engagements	666,721	599,678
Movement in bad debts provision during the year	594,116	(83,651)
<b>As at 30 September</b>	<b>8,630,269</b>	<b>7,369,432</b>

The provision for bad debts is analysed as follows:

	2019	2018
	€	€
Grouped assessed loans	8,630,269	7,369,432
<b>Provision for bad debts</b>	<b>8,630,269</b>	<b>7,369,432</b>

### 11. TANGIBLE FIXED ASSETS

	Premises	Investment	Leasehold	Computer	Fixtures	Software	Motor	Total
	properties	properties	improve- ments	and office equipment	and fittings		vehicles	
	€	€	€	€	€	€	€	€
<b>Cost</b>								
1 October 2018	5,160,186	-	465,055	1,398,926	365,677	176,481	24,500	7,590,825
On ToE	1,446,523	567,500	-	56,653	-	-	-	2,070,676
Additions	470,413	-	-	206,584	171,468	59,459	-	907,924
<b>At 30 September</b>								
<b>2019</b>	<b>7,077,122</b>	<b>567,500</b>	<b>465,055</b>	<b>1,662,163</b>	<b>537,145</b>	<b>235,940</b>	<b>24,500</b>	<b>10,569,425</b>
<b>Depreciation</b>								
1 October 2018	3,572,356	-	15,502	742,904	291,220	163,491	24,500	4,809,973
Charge for year	380,246	-	46,505	235,219	42,655	11,394	-	716,019
<b>At 30 September</b>								
<b>2019</b>	<b>3,952,602</b>	<b>-</b>	<b>62,007</b>	<b>978,123</b>	<b>333,875</b>	<b>174,885</b>	<b>24,500</b>	<b>5,525,992</b>
<b>Net book value</b>								
<b>30 September</b>								
<b>2019</b>	<b>3,124,520</b>	<b>567,500</b>	<b>403,048</b>	<b>684,040</b>	<b>203,270</b>	<b>61,055</b>	<b>-</b>	<b>5,043,433</b>
<b>30 September</b>								
<b>2018</b>	<b>1,587,830</b>	<b>-</b>	<b>449,553</b>	<b>656,022</b>	<b>74,457</b>	<b>12,990</b>	<b>-</b>	<b>2,780,852</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 12. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2019	2018
	€	€
Loan interest receivable	381,361	368,834
Prepayments	288,482	71,879
Other debtors	3,092,493	2,294,709
	<b>3,762,336</b>	<b>2,735,422</b>

### 13. MEMBERS' SAVINGS

	2019	2018
	€	€
As at 1 October	266,706,542	221,998,190
Members' savings arising on transfer of engagements	32,290,806	22,746,648
Received during the year	146,140,782	108,818,701
Withdrawn during the year	(123,755,642)	(86,856,997)
<b>As at 30 September</b>	<b>321,382,488</b>	<b>266,706,542</b>

Members' savings are analysed as follows:

	2019	2018
	€	€
Members' shares	302,085,906	252,214,889
Members' deposits	16,478,087	12,468,002
Other members' funds	2,818,495	2,023,651
<b>Total members' savings</b>	<b>321,382,488</b>	<b>266,706,542</b>

### 14. MEMBERS' BUDGET ACCOUNTS

	2019	2018
	€	€
As at 1 October	991,950	986,473
Lodgements	4,285,052	3,418,506
Withdrawals	(4,223,319)	(3,413,029)
<b>As at 30 September</b>	<b>1,053,683</b>	<b>991,950</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 15. MEMBERS' CURRENT ACCOUNTS

	2019 €	2018 €
As at 1 October	-	-
Lodgements	525	-
Withdrawals	(10)	-
<b>As at 30 September</b>	<b>515</b>	<b>-</b>

	No. of Accounts €	Balance of Accounts €
Debit	-	-
Credit	8	515
Permitted overdrafts	-	-

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

	2019 €	2018 €
Members' draw balance	332,487	323,086
PAYE/PRSI	102,856	62,233
Other creditor and accruals	1,333,816	1,129,831
	<b>1,769,159</b>	<b>1,515,150</b>

### 17. OTHER PROVISIONS

	2019 €	2018 €
Holiday pay accrual		
At 1 October	59,517	63,747
Charged to the income and expenditure account	(3,511)	(4,230)
<b>At 30 September</b>	<b>56,006</b>	<b>59,517</b>

### Total Members' Savings

2019

**€321,382,488**

2018

**€266,706,542**



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 18. FINANCIAL INSTRUMENTS

#### 18a. Financial instruments – amortised cost

Financial assets	2019 €	2018 €
Financial assets measured at amortised cost	373,987,976	308,838,387
Financial liabilities	2019 €	2018 €
Financial liabilities measured at amortised cost	324,261,851	269,273,159

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

Financial liabilities measured at amortised cost comprise of members' savings, members' budget accounts, members' current accounts, other liabilities, creditors, accruals and charges and other provisions.

#### 18b. 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:

At 30 September 2019	Total €	Level 1 €	Level 2 €	Level 3 €
Accounts in authorised credit institutions	767,813	-	767,813	-
Collective investment schemes	922,151	-	922,151	-
Bank bonds	4,005,255	-	4,005,255	-
<b>Total</b>	<b>5,695,219</b>	<b>-</b>	<b>5,695,219</b>	<b>-</b>

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>

There were no fair value adjustments recognised in the income and expenditure account for the year ended 30 September 2019 (2018: €nil).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 19. RESERVES

	Balance 01/10/18	Arising on ToE	Payment of dividends and loan interest rebates	Appropriation of current year surplus	Transfers between reserves	Balance 30/09/19
	€	€	€	€	€	€
<b>Regulatory reserve</b>	<b>33,477,072</b>	<b>4,579,297</b>	-	<b>1,500,000</b>	-	<b>39,556,369</b>
<b>Operational risk reserve</b>	<b>2,594,164</b>	<b>330,000</b>	-	<b>200,000</b>	<b>41,087</b>	<b>3,165,251</b>
<b>Other reserves</b>						
<b>Realised</b>						
General reserve	5,338,722	-	-	28,632	3,311,361	8,678,715
Reserves arising on transfers of engagements	2,627,357	701,303	-	-	(3,328,660)	-
Special reserve: proposed dividends and loan interest rebates	777,898	-	(770,899)	422,655	(6,999)	422,655
Future dividend reserve	300,000	-	-	-	-	300,000
<b>Total realised reserves</b>	<b>9,043,977</b>	<b>701,303</b>	<b>(770,899)</b>	<b>451,287</b>	<b>(24,298)</b>	<b>9,401,370</b>
<b>Unrealised</b>						
Interest on loans reserve	368,834	-	-	12,527	-	381,361
Investment income reserve	14,721	2,068	-	-	(16,789)	-
<b>Total unrealised reserves</b>	<b>383,555</b>	<b>2,068</b>	<b>-</b>	<b>12,527</b>	<b>(16,789)</b>	<b>381,361</b>
<b>Total reserves</b>	<b>45,498,768</b>	<b>5,612,668</b>	<b>(770,899)</b>	<b>2,163,814</b>	<b>-</b>	<b>52,504,351</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 20. 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 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.

	€	2019 %	€	2018 %
<b>Loans not impaired</b>				
Total loans not impaired, not past due	126,770,466	70.15%	109,292,184	68.95%
<b>Impaired loans:</b>				
Not past due	3,748,356	2.07%	5,886,729	3.71%
Up to 9 weeks past due	44,167,873	24.45%	37,748,687	23.81%
Between 10 and 18 weeks past due	2,200,309	1.22%	2,406,942	1.52%
Between 19 and 26 weeks past due	1,173,961	0.65%	924,938	0.58%
Between 27 and 39 weeks past due	888,148	0.49%	850,222	0.54%
Between 40 and 52 weeks past due	494,231	0.27%	427,067	0.27%
53 or more weeks past due	1,262,642	0.70%	977,224	0.62%
<b>Total impaired loans</b>	<b>53,935,520</b>	<b>29.85%</b>	<b>49,221,809</b>	<b>31.05%</b>
<b>Total loans</b>	<b>180,705,986</b>	<b>100.00%</b>	<b>158,513,993</b>	<b>100.00%</b>

### Total Loans

2019

€180.7M

2018

€158.5M

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 21. RELATED PARTY TRANSACTIONS

#### 21a. Loans

	2019		2018	
	No. of	€	No. of	€
	loans		loans	
Loans advanced to related parties during the year	21	368,156	13	289,000
Total loans outstanding to related parties at the year end	28	770,818	24	530,069
Total provision for loans outstanding to related parties		25,247		22,391

The related party loans stated above comprise of loans outstanding to directors and the management team (to include their family members or any business in which the directors or management team had a significant shareholding).

Total loans outstanding to related parties represents 0.43% of the total loans outstanding at 30 September 2019 (2018: 0.33%).

#### 21b. Savings

The total amount of savings held by related parties at the year end was €868,205 (2018: €790,616).

### 22. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

#### 22a. 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 22. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES (CONTINUED)

**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.

#### 22b. 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.

#### 22c. Interest rate risk disclosures

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

		2019 Average interest rate %		2018 Average interest rate %
	€		€	
Gross loans to members	180,705,986	7.62%	158,513,993	7.69%

Any 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.

### 23. DIVIDENDS AND INTEREST REBATES

The following distributions were paid during the year:

		2019 %	2019 €		2018 %	2018 €
Dividend on shares	0.20%		478,335	0.25%		494,189
Loan interest rebate	2.50%		292,564	5.00%		491,142

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

		2019 %	2019 €		2018 %	2018 €
Dividend on shares	0.10%		290,123	0.20%		485,336
Loan interest rebate	1.00%		132,532	2.50%		292,562

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 24. RATE OF INTEREST PAID ON MEMBERS' DEPOSIT ACCOUNTS

		2019		2018
	%	€	%	€
Interest on regular deposits	0.10%	12,394	*	12,343
5 year lump sum deposits	1.00%	1,037	1.00%	39,066
Christmas savings' deposits	0.10%	1,179	*	1,402

\*(0.25% 1 October 2017 to 31 December 2017, 0.10% 1 January 2018 to 30 September 2018)

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

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

### 26. 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).

### 27. CAPITAL COMMITMENTS

There is a capital commitment at year end pertaining to refurbishment works to commence at the High Street office during 2020. The project which is at tender stage at 30 September 2019 is estimated to cost in the region of €3.5m by reference to a quantity surveyors report.

### 28. COMMITMENTS UNDER OPERATING LEASES

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

	2019	2018
	€	€
Less than 1 year	49,200	49,200
1 to 5 years	196,800	196,800
Greater than 5 years	151,700	200,900
<b>At 30 September</b>	<b>397,700</b>	<b>446,900</b>

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

	2019	2018
	€	€
Less than 1 year	5,000	5,000
1 to 5 years	3,750	8,750
<b>At 30 September</b>	<b>8,750</b>	<b>13,750</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

### 29. CONTINGENT LIABILITIES

**29a.** 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.

**29b.** There is a possible contingent liability at 30 September 2019 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.

### 30. COMPARATIVE INFORMATION

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

### 31. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 20 November 2019.

## SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

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

	2019	2018
	€	€
Investment income and gains received/receivable within 1 year	875,081	1,719,134
Investment income receivable outside of 1 year	-	4,587
<b>Total per income and expenditure account</b>	<b>875,081</b>	<b>1,723,721</b>

### SCHEDULE 2 – OTHER INCOME

	2019	2018
	€	€
ECCU rebate	102,027	-
Commissions, fees & sundry income	98,640	103,777
Rental income	22,983	18,632
<b>Total per income and expenditure account</b>	<b>223,650</b>	<b>122,409</b>

## SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019 (CONTINUED)

### SCHEDULE 3 – OTHER MANAGEMENT EXPENSES

	2019	2018
	€	€
Printing and stationery	125,840	107,294
Office expenses	193,544	152,136
Rates	57,814	49,866
Leasing	54,200	48,850
Postage and telephone	318,149	264,928
Light and heat	73,222	58,528
Cleaning	48,442	35,630
Security costs	106,375	79,721
Travel and subsistence	128,407	89,664
Chapter fees	3,478	1,164
Share and loan insurance	1,275,575	1,006,630
Death benefit insurance	549,665	449,159
Convention, training and annual conference	84,077	102,712
Repairs and maintenance	302,700	78,623
General insurance	87,535	73,349
Audit fee	23,985	23,985
Internal audit	21,363	19,373
Computer and software maintenance	593,614	408,842
AGM expenses	70,554	75,954
Regulatory levies and charges	531,449	428,520
Affiliation fees	52,000	60,807
Transfer of engagements costs	242,537	54,668
Debit card expense	20,018	131,395
Savings protection scheme fund contribution	37,235	75,618
Professional fees	347,870	234,771
Marketing and advertising	185,344	127,607
Staff uniforms	24,439	28,888
I.T. strategy / national advertising	29,728	25,592
Donations and sponsorship	70,053	52,332
Bank charges	111,318	101,646
Bursary expenses	200,250	163,203
<b>Total per income and expenditure account</b>	<b>5,970,780</b>	<b>4,611,455</b>

### Prize Draw for Financial Year

<b>Opening Balance</b>	<b>1st January 2019</b>	<b>€6,778</b>
<b>Member Contributions</b>		<b>€872,784</b>
<b>Prizes</b>		<b>– €867,500</b>
<b>Bank charges &amp; Other Costs</b>		<b>– €10,885</b>
<b>Closing Balance</b>	<b>21st December 2019 (estimation)</b>	<b>€1,176</b>

## REPORT OF THE CREDIT COMMITTEE 2019

Fellow members,

This past year has proven to be another busy year for the Credit Union. We received a total of **20,509** loan applications.

Of these, a total of **19,582** applications were approved, **927** applications were refused, or 4.5% of all applications received. The total value of loan applications approved was **€91,374,305**.

Our loan demand and rate of approval have continued to remain strong, and indeed increase over the last year. We continue to see steady demand for home improvement related loans, our Special Rate Home Improvement Loan for renovation and construction continues to be a very popular product. Our Mortgage product is also maintaining a steady growth.

We strive to process members' loan applications as quickly as possible, however an increasing number of loan applications require additional paperwork before they can be assessed.

At times this process can be a little longer than normal so we would advise members that if they require an application decision by a specific time please ensure you apply as early as possible.

You will see from the comparative statics at the end of this report, that our refusal rate has increased over this past year. The increase coincides with the introduction of the use of the Central Credit Register (CCR). The Credit Union must run a report on all borrowers, where the total loan balance exceeds €2,000.00.

The CCR provides a more comprehensive picture of members' outstanding debts, and the performance of these debts.

Generally, loans are refused because of a members' ability to repay the requested loan, i.e.:

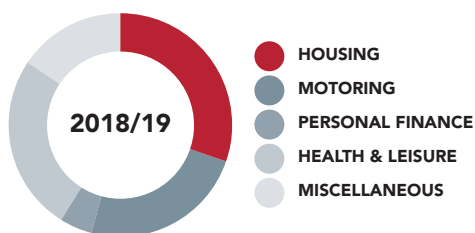
- Total debt versus basic income.
- Performance of other debt.
- Total outgoings versus basic income.
- Mortgage / rent status.
- Arrears history with the Credit Union.

Please find below comparative statistics for the last two years, showing loan approval and refusal details.

	2018/19	2017/18
No. of Loan Applications Received	20,509	19,988
No. of Loans Approved by Credit Committee	63	82
No. of Loans Approved by Loans Officer	19,519	19,316
Total Value of Loans Approved in Year	€91,374,305.97	€84,477,657.57
No. of Refusals During Year	927	590
% Refusals of Total Applications Received	4.52%	2.95%

## BREAKDOWN OF LOAN PURPOSES

HOUSING	2018/2019	2017/2018
Home improvements, Mortgages, Special rate home improvement loans.	€31,735,815.85	€27,860,753.67
MOTORIZING		
Car purchase, repair, insurance, Mobile home, Motorbike.	€22,403,489.50	€20,424,189.85
PERSONAL FINANCE		
Household bills, debt consolidation etc.	€5,141,136.20	€4,961,649.44
HEALTH & LEISURE		
Holidays, Christmas, Weddings, Communion, Confirmation, Special rate education loans, etc.	€21,285,833.92	€19,189,158.49
MISCELLANEOUS		
All other purposes & all secured loans.	€10,778,599.06	€12,041,906.12



In the year 2018/19 the average loan approved was **€4,666.24**, in 2017/18 the average was **€4,354.00**.

The following members served on the Credit Committee in 2018/19:

Emer Walsh, Director & Chair  
 Pat O'Neill, Director  
 Patricia Carter, Volunteer  
 Sarah O'Leary, Volunteer, from July 2019  
 Dolores O'Neill, Volunteer & Secretary  
 Tara Rowe, Volunteer  
 Shay Torsney, Volunteer  
 Marie Walsh, Volunteer  
 Noel West, Volunteer



I would like to thank my fellow Committee members for their hard work and attendance during the year, our Loans Officers, and all our staff for their work during the year.

**Emer Walsh**  
 Chairperson

## REPORT OF THE CREDIT CONTROL COMMITTEE 2019

The Credit Control Committee meet on a monthly basis during the year and report to the Board of Directors at the end of each month. The committee monitor the workload of the credit control department using a number of Key Performance Indicators. The amount of loans charged off has increased slightly this year in comparison to last year. This was anticipated due to two transfers of engagement being completed, resulting in a comprehensive review of all loans as part of that process. The loan book has also increased by €22,191,992 in the year. We are pleased to report that there was an increase in the bad debts recovered compared to last year.

While we are aware of some improvement in the economic climate, we continue to recognise that there will always be a number of our members experiencing some level of financial difficulty. Members in such circumstances can be assured that their situation will receive immediate attention and they will be treated with absolute confidentiality. It is our hope that this improvement will continue and help reduce the level of annual charge off of accounts going forward. We also wish to acknowledge our appreciation to the staff of the Money Advice and Budgeting Service who also provide a very valuable service to our members free of charge.

The Directors of the Health Services Staff Credit Union continue to recognise however that some members no longer have the capacity to continue to meet their agreed level of repayments. We acknowledge that these loans may be no longer viable and can necessitate being charged off.

### WRITTEN OFF ACCOUNTS

The total outstanding loans at our financial year end September 2019 was €180,705,985 with 19,246 active loans. 159 accounts necessitated charge off and the value of these accounts was €1,044,168. This amount is an increase from last year's figures, but is based on a considerably higher loan book. The total amount charged off in 2019 represents just 0.58% of our total loans outstanding at year end.

### BAD DEBTS RECOVERED

The total amount of monies received in respect of accounts previously charged off increased this year to €708,163 with over 550 accounts making some payments during the year. This amount represents an increase on last year's figures.

### RESCHEDULING OF LOANS

Every year we still find it necessary and appropriate for a number of members to reschedule their loan repayments during the year as a result of changing financial circumstances. We continue to advise all our members to contact our office immediately if they are experiencing any financial difficulties.

Any member availing of the facility of rescheduling their loan is always advised of the implications and restrictions imposed by the Central Bank with regard to providing additional credit facilities to members who have previously rescheduled their loan repayments. The credit control staff review all rescheduled loans on a regular basis to ensure they continue to meet their revised repayment schedule.

## PROVISIONING

The current method of providing reserves for bad debts in Health Services Credit Unions is based on detailed loan book reviews using a bespoke system which quantifies the risks within our loan book and mathematically determines the expected losses. The provision is based on the calculated risk based on past repayments and also takes into account other factors such as individually significant loans and rescheduled loans.

The total provision therefore amounts to €8,630,269, for the year end and will continue to be reviewed and adjusted accordingly on a monthly basis during the year.

The following shows the detail of our loan arrears and provision at 30th September 2019:

	No of Loans	Gross Loans	Attached Savings	Net Loans	Provision
Loans not in arrears	10,775	119,499,490	33,743,785	85,755,705	4,031,240
1-9 weeks	3,581	41,871,144	9,014,500	32,856,644	1,624,326
10-18 weeks	214	2,091,600	529,314	1,562,286	479,972
19-26 weeks	114	1,145,627	234,809	910,818	600,127
27-39 weeks	93	846,528	216,363	630,165	630,165
40-52 weeks	52	477,320	115,432	361,888	361,888
53+ weeks	166	1,201,606	299,055	902,551	902,551
Covered loans	4,251	13,572,670	13,572,670		
<b>Total loans</b>	<b>19,246</b>	<b>180,705,985</b>	<b>57,725,928</b>	<b>37,224,352</b>	<b>8,630,269</b>

I would like to thank my fellow committee members, Tom Carroll, Brendan Fagan, Katriona Lawler, Adrienne Jordan and the staff of the Credit Control Department for their assistance during the year.

Finally, the committee extends its best wishes and warm thanks to Declan Finlay who recently retired for all his years of service and dedication to this Credit Union.

**Amanda Buggle**  
Chairperson

**THINKING  
OF CHANGING  
YOUR CAR?**

^ Talk to Us



# REPORT OF THE MEMBERSHIP, EDUCATION & DEVELOPMENT COMMITTEE 2019

## Membership of the committee:

Damien O'Brien, Amanda Buggle, Jane Joyce, Patricia Carter, Pascal Keeve, Tara Rowe and Una Murphy

**Recording Secretaries:** Alan Duff and Pádraig Power



## MEMBERSHIP REPORT

During the year, we added 4,012 new members as well as the addition of members from Ranelagh and CIE Limerick Credit Unions. The number of members with a shareholding of more than €6.35 at the 30th of September now stands at an incredible **53,422!**

During the year, we introduced a facility to open an account online whereby you can complete the membership application and upload the supporting documentation to open an account. This has proven to be very successful as we are now seeing more than 50% of accounts being opened this way.

We still consider recruitment visits to various workplaces within our common bond as an essential part of recruiting new members and a means of interaction with longstanding members. We have visited workplaces in Cork, Donegal, Galway, the Midlands, Dublin and Kerry if you want us to visit your workplace then just contact us at [marketing@hsscu.ie](mailto:marketing@hsscu.ie) and we will be delighted to arrange a visit.

## Analysis of membership growth for 2019 the largest numbers came from the following areas:

Hospital/Employment Area	Total 2019	
HSE West & HSE West Mid-West	104	<div></div>
HSE North East & HSE North-West	71	<div></div>
HSE DML Midland Area	106	<div></div>
HSE South & HSE South East	218	<div></div>
HSE Dublin/Kildare/Wicklow	103	<div></div>
Family members	544	<div></div>
James' St. common bond	58	<div></div>
Ranelagh area	129	<div></div>
Beaumont Hospital	92	<div></div>
Tallaght Hospital	80	<div></div>
St. James's Hospital	133	<div></div>
Nursing Homes	125	<div></div>
CIE/Irish rail nationwide	40	<div></div>

MEMBER COMMUNICATIONS

**f Social Media**

During the year, HSSCU created a presence on Instagram and have already amassed more than 1,500 followers. We continue to post messages on Facebook and Twitter. For those of you haven't befriended us yet please do so, as we continue to have fun competitions to win vouchers and other surprises throughout the year.



**Kredit**

This is published every quarter and is circulated with member statements. It generally contains news on any activities, events, competitions, plus winners and any updates on any new products or services being introduced by HSSCU. As Kredit and our eZine are our main means of communicating with you our members please contact us if you have a story you wish to share or have an idea for future content: [marketing@hsscu.ie](mailto:marketing@hsscu.ie)



**Betty Noone Bursary**

Such was the popularity of the Betty Noone Bursary this year with an increase in applications of more than 33% to a total of 808 applications. As a result, the Board agreed to increase the fund with an additional €30,000 added to bring the total available now to **€150,000!**

This enable us to maintain a similar level of payout to all beneficiaries this year. There were a number of incorrect applications and the reason for exclusion were: missing a letter from their employer, the wrong year being applied for, no transactions in their account, insufficient receipts or late applications.



## MEMBER COMMUNICATIONS (Continued)

### Scholarships

This year saw an increased number of scholarship applications with a 500-word essay entitled ‘What the Scholarship Would Mean To Me’. We were delighted to announce that the following winners will be sharing the €50,000 prize fund this year:

Kathie Taylor	Masters Human Rights & Social policy
Derek Bryan	Diploma Learning & Dev. NCI
Barbara Barry Browne	Masters Healthcare management IPA
Niamh Elliot-Sheridan	Masters Gender & Women studies Trinity
Jacqueline Preston	Degree Counselling & Psych. IICP
Joseph O’Hara	Masters Neuroscience

Congratulations to our winners and there is a feature on page 56 regarding last year’s recipients.

### Member Prize Draw

Our member prize draw continues to be very popular with members (see feature on page 54, which contains the list of main prize winners for each month this year). We have added an extra prize-winning format at Christmas and Summer to issue more prizes. Congratulations to everyone! Remember it is very easy to enter by downloading an application form from our website [www.hsscu.ie](http://www.hsscu.ie)

### Training

As part of our commitment to ongoing training, all staff and volunteers complete CPD training hours to ensure they are up to date under Fitness and Probity requirements as laid down by the Central Bank.

We have Directors who successfully completed the Pathways Diploma in Credit Union Governance at UCC as well as staff who have completed their APA in Loans. Our Directors and volunteers have completed numerous courses throughout the year including: Advanced Credit Control, Applying Fitness & Probity in Credit Unions, GDPR for Credit Unions and Data Protection & Cyber Security. Additionally, they attended numerous educational conferences throughout the year, thus strengthening the education of your Credit Union. Further to this, a number of staff have completed or in the midst of completing additional courses varying from Strategic Management to Law degrees, ACCA, People Management and Performance Management training courses. All staff and volunteers are encouraged to educate themselves in a variety of courses relevant to the day to day operations of your Credit Union. Best of luck to them in their endeavours.

### Charitable Donations and Sponsorship

As part of our commitment to our members we actively encourage members to seek support or donations from HSSCU towards their favourite charitable concerns. This year we have donated more than **€70,000** to a variety of charities and a comprehensive list can be found on page 59. We also host an event where we ask some of those charities to share their experience and advise as to what impact our donations can have on their work. See page 53 for some photos from this year’s event.

### Damien O’Brien

Chairperson



# REPORT OF THE AUDIT & COMPLIANCE COMMITTEE 2019

The function of the Audit and Compliance Committee is to oversee the roles and performance of the Internal Auditor and the Compliance Officer. Regular meetings take place whereby the Compliance Officer and the Internal Auditor present their reports to the committee for discussion and review, prior to these reports being presented to the Board of Directors for their consideration.

## INTERNAL AUDITOR

This year, E.F. Molloy & Co. provided Internal Audit Services as per requirement under the Credit Union Act, 1997 (as amended). Our Internal Audit Services are used to provide independent oversight and also to evaluate and improve the effectiveness of the Credit Union’s risk management, internal controls and governance processes.

The activities carried out by the Internal Auditor included reviews and oversight in the areas of Risk Management; Compliance; Strategic Plan; Conflicts of Interest; Anti-Money Laundering; Financial Reporting; Investments; Loans including Mortgage Lending; Savings; IT Security; Fitness and Probity and Amalgamations.

## COMPLIANCE OFFICER

The role of the Compliance Officer, Clare O’Mahony, is to ensure the management of compliance at all levels in the Credit Union, including ensuring that the Credit Union complies with all statutory and regulatory requirements. As part of this requirement, the compliance officer will ensure that the Compliance Plan and Policy are reviewed at least annually and is responsible for the development, implementation, documentation and maintenance of the compliance programme that allows the committee and board to evaluate compliance with its legal and regulatory obligations. The activities carried out by the Compliance Officer included reviews and oversight in the areas of Legislative and Regulatory compliance; Policy Management; Anti-Money Laundering; Data Protection; IT; Current Account requirements; Savings; Mortgage review and the Submission of the Annual Compliance Statement.

Through their meetings throughout the year, the committee is satisfied that both the Internal Auditor and the Compliance Officer have discharged their responsibilities in line with requirements.

The committee would like to thank the Board of Directors, Management and Staff for their assistance throughout the year.

**Emer Walsh**  
Chairperson

**Brendan Fagan**  
Secretary

**Geraldine Higgins**  
Committee Member

Audit and Compliance Committee

# REPORT OF THE RISK COMMITTEE 2019

The Risk Committee monitors the identified risks of the credit union as set down by the terms of reference provided to us by the Board of Directors. The role of Risk Officer is carried out by our in house Risk Management Officer. The committee are charged with ensuring:

- All risks are identified and assessed based on their likely occurrence, likely impact and the controls which are put in place to mitigate them.
- The Risk Management Framework reflects the Board of Directors approved Risk Appetite and Tolerances.
- The Strategy of the Credit Union is aligned to our Risk Appetite.
- All critical risks are identified and brought to the attention of the Board of Directors in a timely manner.
- The Risk Register, Risk Audit, Risk Policy and Events log are reviewed at least annually.
- The progress on previous reviews is reported on.

Throughout the year the committee met to ensure the above were achieved. The committee are pleased to report that, in their opinion, all risks in the credit union are managed to a level which minimises the threat to Health Services Staffs Credit Union and its' members.

The committee would like to thank the Board of Directors, Management and Staff for their assistance throughout the year.

**Jane Joyce**  
Chairperson

**Christine Barretto**  
Secretary

**Damien O'Brien**  
Committee Member

# HSSCU INSTAGRAM ACCOUNT



Health Services Staffs  
Credit Union



Instagram  
@HSSCU







10K

52

 HSSCU ANNUAL REPORT 2019

## SPONSORSHIP NIGHT

On September 18th, HSSCU's M.E.D. Committee held our Annual Sponsorship Night once again. We were humbled to hear the stories of fantastic work taken out by 11 of our key charity partners throughout the past year. Representatives from CRY Ireland, Helium Arts, Sarah Jennifer Knott Foundation, Dublin South Central Ambulance, Acquired Brain Injury Ireland, CanTeen Ireland, Exceed Ireland, Our Lady's Hospice & Care Services, Lauralynn, Daughters of Charity and Care Leavers Ireland told us of the inspirational work they do. This night really highlighted the charitable spirit of our members and the Irish community as a whole.

Throughout the year, we strive to help as many organisations, members and initiatives as we can. The vast majority of HSSCU's sponsorships are nominated by our members and it is touching to know that those we help are close to the hearts of our members.

If you have a charitable organisation that you feel is worthy of consideration, please submit an application by downloading our Sponsorship Application form on the 'Forms/Downloads' section of our website [www.hsscu.ie](http://www.hsscu.ie) and send to the noted address.



Acquired Brain Injury



HSSCU Sponsorship Night



CRY Ireland



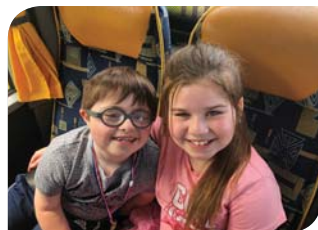
Clontarf Swimming Club



ILCU Foundation



Loughlinstown Ambulance Centre



Irish Pilgrimage Trust 2019



Irish Ladies' Maxiball



Liam Hand - WKU World Champion





*Health Services Staffs*  
**Credit Union**

# Member Prize Draw



**Helping  
members  
make  
memories**

**Are  
you  
a lucky  
winner?**

**Have you  
joined our  
Member Prize  
Draw?**

**Over  
€850,000  
in prizes  
throughout  
2019!**

## HOW DO I JOIN THE MEMBER PRIZE DRAW?

Members of HSSCU Ltd. who have indicated in writing their wish to enter the draw will be entered. In writing can be defined as:

- Completion of a Member Prize Draw opt in form
- Completion of the Member Prize Draw section of the membership form
- A signed letter sent into the credit union by post, fax or email
- A message sent through the secure area of the website

Terms & Conditions of Member Prize Draw are on our website [www.hsscu.ie](http://www.hsscu.ie)

# Member Prize Draw Winners

The following is a list of participating members who have won the main prize of €20,000 during the financial year.

Oct 2018	Breda Holt	Mater Hospital
Nov 2018	Jacqueline Fitzpatrick	St. Anne's CNU
Dec 2018	Johanna Downey	HSE
Jan 2019	Noel Sheehan	James's St. Common Bond
Feb 2019	Emma Connolly	Common Bond
Mar 2019	Fiacra Mc Guirk	HSE
Apr 2019	Roisin Doolan	Family Common Bond
May 2019	Margarita San Pedro	Mater Hospital
Jun 2019	Nicola Cahill	Breastcheck
Jul 2019	Dermot Teeling	Retired
Aug 2019	Niamh Kelly	Tallaght University Hospital
Sept 2019	Carmel Carey	Our Lady's Hospital



# HSSCU HIGHER EDUCATION SCHOLARSHIP PROGRAMME

Following the success of last year's scholarship, HSSCU has once again made available a scholarship fund to the value of €50,000 for members undertaking 3rd level studies.


The scholarship is designed for members currently undertaking, or about to undertake, 3rd level studies such as a Diploma, Degree, Masters or Post Graduate Course. The support of educational pursuits is extremely important to HSSCU and we are thrilled each year to hear just how much these scholarships change the lives of the recipients.

As every year previous, all applicants submitted a typed essay between 400 – 500 words long where they discussed, "What The Scholarship Would Mean to Me". It was inspiring to hear the life stories of these members. With a record number of entries this year, we would like to thank all members who both spread the word and applied. Please make sure to keep your eyes peeled for the scholarships and apply again this year.

The recipients were selected based upon their essay and after meeting the required criteria included in the application form.

The following were selected as the recipients for our Higher Education Scholarships September 2018:


Awardee	Course
Alan O'Connor	Physiotherapy
Brona Cleary	Post Grad Dentistry
Dympna O'Mahony	Diploma in Art & Design
Daniela Cooney	MSc Rehabilitation
Irene Ryan	BA Counselling



Health Services Staffs  
Credit Union

# EDUCATION LOAN

\*Loan Rate of just 6% (6.17% APR)\*\* variable



Repayment Examples (36 Monthly Instalments of):

Loan Amount	36 Monthly Instalments of	Total Interest	Total Amount Payable
€5,000	€152.11	€474.95	€5,475.95
€8,000	€243.38	€761.52	€8,761.52
€12,000	€365.06	€1,142.28	€13,142.28

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!

\*\*Annual Percentage Rate

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

## ALAN O'CONNOR



**Alan O'Connor**

*"The HSSCU scholarship has effectively changed my life. In late August my grandmother gave a loan of €11,000 for the first instalment of my college fees. Delighted as I was to be able to finally take a step toward becoming a physiotherapist, the payment of fees was something I could not help but think about. I felt a constant responsibility to pay my grandmother back and to simultaneously save for next year's fees. Financial considerations were certainly concerns I had when entering into my masters and had even resulted in my not enrolling in courses previously. However, in September 2018, I received a call to say that I have been awarded the HSSCU scholarship to the value of €15,000. I am not sure I can accurately put*

*into words how much this scholarship means to me and the level of impact it has had and will continue to have on my life. It has served as a means for me to engage in something truly meaningful and has opened up a door to my dream job. The scholarship has allowed me to enter into education without a constant concern for money and to just focus on my studies. I think it important to add, when writing the essay I did not think that I would be successful in winning such a highly-coveted award. The HSSCU have created a platform for people to genuinely provide insight into how big of an impact this scholarship could have and I would certainly encourage people to consider how beneficial this can be".*

## BRONA CLEARY

*"Most people have bucket lists, I have an alive & kicking list. Included at the top of that list was to return to college with the plan of enhancing my career opportunities in the future. However a post graduate course is expensive and with three small children and a household to manage there was always a more worthy cause to spend my savings on. What the scholarship has done is afford me a chance to better myself through further education at a time in my life where it was not financially an option. It was a pipe dream, but now I find myself halfway through my course. The HSSCU are not just supporting me by awarding me this scholarship, they are supporting my family and ultimately providing us with a brighter future."*



**Brona Cleary**

## DYMPNA O'MAHONY



**Dympna O'Mahony**

*"As a long term member of the Health Services Staffs Credit Union I was aware of its commitment to supporting and promoting lifelong learning. This meant an awful lot to me as I am retired. My course suited me down to the ground because I believe one learns so much from the process of exploring ideas, experimenting with different techniques and materials and problem solving. The scholarship has made it possible for me to realise my dream and I found the support and encouragement from the HSS Credit Union personnel very helpful. I encourage all HSSCU members to check out these Higher Education Scholarships. My experience meant less worry about fees, which meant I could concentrate on the fundamentals of the course".*

# HSSCCU HIGHER EDUCATION SCHOLARSHIP PROGRAM (Continued)

## DANIELA COONEY

*"Around the same time that I was accepted to my Masters in Rehabilitation and Disability Studies I received a letter through the door from HSSCU where I saw that there is a scholarship available for higher education students. I applied for the scholarship not really thinking that I would succeed. A few weeks into the course I received a call from Pádraig telling me that I had been chosen for the scholarship and I couldn't believe it – it was just fantastic! It made such a difference to me. Thank you so much HSSCU for sponsoring me in my education."*



Daniela Cooney

## IRENE RYAN



Irene Ryan

*"I decided to go back to college and had done 3 years, but couldn't afford to do my 4th. I had to take a year out and try to save up money, however I have 3 kids at home so that was a bit of a struggle. Then I saw Kredit and the advertisement of the scholarship and I applied, not really believing that I would get it. However I got a phone call from HSSCU to say that I had won the scholarship. I was so relieved! It just made my life so much easier. Studying, for me, can be an awful struggle and without financial burdens it does make it much more enjoyable and easier. I'm fully qualified now, I just finished my 4th year and I'd like to say thank you to HSSCU for making my journey that little bit easier."*

### Winners 2018/2019 are:

Kathie Taylor	MSc Human Rights & Social Policy
Derek Bryan	Diploma Learning & Development
Barbara Barry Browne	MSc Healthcare Management
Niamh Elliott Sheridan	MSc Gender & Women's Studies
Jacqueline Preston	Degree Counselling & Psychology
Joseph O'Hara	MSc Neuroscience



For more information on our Higher Education Scholarship scheme, visit the home page of [www.hsscu.ie](http://www.hsscu.ie)



## DONATIONS WERE MADE TO THE FOLLOWING ORGANISATIONS THROUGHOUT 2019:

Organisation	Organisation	Organisation
Acquired Brain Injury	Diamond Twirlers	Lauralynn's Childrens Hospice
ActionAid Ireland	Dodder Action Group	Liam Hand
Alone	Dogs Trust	Loughlinstown Gym
An Post Cork Outdoor Branch	Dolphin Swimming Club (Cork)	M.S. Ireland Tralee
An Post Pensioners' Bus Outing	Dublin 15 Liverpool Supporters' Club	Make A Wish Foundation
Ballyheigue AFC	Dublin Bears	Mark Nugent
Barnados	Dublin Rhinos	Mckinley School of Dance
Beaumont Hospital Patient Room Upgrade	Dublin Simon Community	Merchants Quay Ireland
Beaumont Hospital Active Retirement Association	Dublin South Central Fitness	National Rehabilitation Hopistal
Bellevue House	Edenderry Athletics Club	North Kerry Environmental Association
Brú Columbanus (Cork)	Eurospideal	Org. Ex-Service Personnel ONE
Bóther	Exceed Ireland	Our Lady's Hospice & Care Services
Canteen Ireland	Family Carers Ireland	Peter Mcverry Trust
Care Leavers Ireland	Fatima Group Twirlers	Rathcoole Boys FC
CARI	Focus Ireland	Rise Foundation
Castlemichael Gaelic FC	Francis St. CBS	Santry Community Association
Charlotte Gills An Post Cork Fundraiser	Friends of Conal (Donegal)	Sarah Jennifer Knott Foundation
Childhood Cancer Foundation Drogheda	Friends of St. Clares Nursing Home	SHARP (HSE South Charity)
Claddagh Residents Association (Galway)	Galway Hospice Foundation	St. John of God's
Clann Mhuire CLG	Great Dublin Bike Ride	St. Brendan's GAA
Clontarf Swimming Club	Helium Arts	St. Francis Xavier Church
Coláiste Bride	Irelande Moldova	St. Peter Apostle S.N.S
Cork Cancer Care Centre	Irish Cancer Society	Tallaght Tidy Towns
Cork City First Responders	Irish Pilgrimage Trust	Tallaght University Hospital
Crumlin Hospital	ISPCC	Tanzania Immersion Project
CRY Ireland	Jame's St. Hospital	The Liberties Senior Citizens Group
Cuan Mhuire	James' St. CBS	Knocknacarra FC Galway
Dance Theatre Ireland	Kerry Hospice Foundation	Simon Community Galway
Daughters of Charity Disability Services	Kilbride Tidy Towns	TULSA
DEBRA Ireland	Kingswood FC	Unicef

## COMMITTEES 2019

### BOARD OVERSIGHT COMMITTEE

John Keppel  
Sarah O'Leary  
Ken Byrne

### BOARD OF DIRECTORS

Marie McBryan  
Emer Walsh  
Pat O'Neill  
Brendan Fagan  
Jane Joyce  
Christine Barretto  
Geraldine Higgins  
David O'Brien  
Pascal Keeve  
Amanda Buggle  
Damien O'Brien

### POSM COMMITTEE

President – Marie McBryan  
Vice President – Emer Walsh  
Secretary – Geraldine Higgins  
CEO – Sean Hosford  
GM – Catherine Byrne

### NOMINATIONS COMMITTEE

Damien O'Brien  
Geraldine Higgins  
Brendan Fagan

### RISK COMMITTEE

Damien O'Brien  
Christine Barretto  
Jane Joyce

### AUDIT & COMPLIANCE COMMITTEE

Geraldine Higgins  
Emer Walsh  
Brendan Fagan

### REMUNERATION COMMITTEE

Amanda Buggle  
David O'Brien  
Pascal Keeve

### INVESTMENT COMMITTEE

Patricia Rowe  
Geraldine Higgins  
Jane Joyce  
Pascal Keeve  
David O'Brien

### CREDIT COMMITTEE

Emer Walsh  
Dolores O'Neill  
Pat O'Neill  
Marie Walsh  
Patricia Carter  
Shay Torsney  
Noel West  
Tara Rowe

### CREDIT CONTROL COMMITTEE

Amanda Buggle  
Tom Carroll  
Katriona Lawler  
Adrienne Jordan  
Mairead McCabe

### INFORMATION TECHNOLOGY COMMITTEE

Brendan Fagan  
Christine Barretto  
Catherine Byrne  
Mary Peters  
David Hosford

### MEMBERSHIP, PLANNING & DEVELOPMENT COMMITTEE

Damien O'Brien  
Pascal Keeve  
Amanda Buggle  
Jane Joyce  
Patricia Carter  
Una Murphy  
Tara Rowe

### MEMBERSHIP SUB COMMITTEE

Ann Campbell  
Emma Barrett  
Rachel Curley  
Paula Burke

### CHAPTER DELEGATES

Geraldine Higgins  
Shay Torsney

### CORK LIAISON COMMITTEE

William Casey  
Noreen McCarthy  
Jim O'Neill  
Sean Buckley

### GALWAY LIAISON COMMITTEE

Nora Kelly  
Mai Connole  
Emma O'Connell  
Gerry Glynn  
Tommy Smyth  
Patricia Glynn

### OTHER OFFICE'S APPOINTED BY BOARD

**Compliance Officer:**  
Clare O'Mahony

**Risk Management Officer:**  
David Hosford

**Training Liaison Officer:**  
Louise McQuillan / Deirdre Downey

**Complaints Officer:**  
Clare O'Mahony / Deirdre Downey

**Protected Disclosures Officer:**  
Catherine Byrne

**Credit Control Officer:**  
Declan Finlay

**Money Laundering Reporting Officer:**  
All staff have been informed of the MRLO's name

**Youth Officer:**  
Alan Duff  
Pádraig Power

## DECEASED MEMBERS OF HEALTH SERVICES STAFFS CREDIT UNION

Carmel Mc Loughlin	Charles Byrne	Thomas Elliot	Thomas O'Donnell
Joseph T Cahill	Bernadette Farrell	Mark Cullen	Matthew Hoey
Brian O'Donohoe	Stephen Newman	Diane Falvey	Thomas Finnegan
Brendan Gannon	Terence Mc Guire	David Gilhooly	William Kavanagh
Maeve Margaret O'Sullivan	Patricia Mc Donnell	Rita Dooris	Joseph Murphy
Honora C Greene	Pat Delaney	John O'Beirne	Thomas Mannion
Mary Simpson	Peter Marsh	Nicholas Somers	Francis Mc Gee
Margaret Tucker	Alice Murphy	Elizabeth Mahaddy	Don O'Mahoney
Peter Doyle	Theresa Harbourne	Muriel Brown	Joseph Butler
Patricia Reid	Anne Walsh	Michael J Stevens	Patrick O'Brien
John Doyle	Fidelma Conway	John Manley	Aldo Lieghio
Alan Thoon	Annamarie Mc Gill	John Collins	Brendan Leaden
Bridie Clarke	Rose Sherlock	Con Connolly	Richard Brady
Thomas A Parkes	Orla Beggs	Oliver O'Donovan	Mary McMahan
Hanna Mary Doyle	Michelle Reilly	Colm O'Mahony	Elizabeth Porter
Patrick Quinn	Philomena Carroll	Michael Doyle	Niall McGrath
Mary Carroll	Patrick Finlay	Vera Cunningham	Collette O'Leary
Leo Sharkey	Oliver Hanley	Margaret O'Rourke	Eamonn Kent
Sheila Herbert	Eithne Mc Kenna	Timothy F O' Riada	Brendan Gammell
Bernadette Sherlock	Patrick Cunningham	William Mc Keown	Maura Page
Fidelma Leddy	Eileen Geraghty	Daniel Horgan	Mary Cristina Doyle
Patrick Flood	Patrick Mc Grath	Timothy Barry	Elizabeth McCann
Anna Kelly	Monica Cahill	Mary Murphy	Maurice Timmins
Marie Mc Carthy	Desmond O'Brien	Patrick Murphy	Anthony Boyle
Bridie Hoban	Marie Torrens	Anne Josephine Maxwell	Sheila Holmes
Ellen Heavin	Nuala Doherty	Paul Guest	Margaret McIver
Laurence Byrne	David Rafter	Carmel Morgan	Alan Keegan
Mary Long	Margaret Butler	J Mc Carthy	Joseph O'Connor
Rita Hughes	Christina Drury	O'Mc Carthy	Mary Stamp
Jeremiah O'Leary	Antoinette Neville	J Collison	Peter McKeon
Margaret Burns	Catherine Dwyer	G O'Halloran	Patrick Fennell
Muriel Cullen	Kevin Duffy	William Ashman	Diarmuid Zeibari
Angela Cussen	Breda Maguire	Declan Healy	Chrissie Farrell
Fidelma O'Carroll	Desmond Meagher	Cathernine Cummins	Barbara Caldwell
Margaret Beaumont	Ronald V Murphy	John Richards	Catherine O'Callaghan
Susan Murphy	Austin Bonham	John Higgins	Carole Ann Cullen
Helen Carolan	Maureen O'Rourke	John Flynn	Geraldine McFeeley
Moirá Murphy	Marie Nugent	William Rice	Gertrude Ronan
Mary Ryan	Carmel Mc Loughlin	Catherine Geoghegan	Rory Smyth
Sarah Ellis	Henry O'Brien	Mary O'Brien	Andrew Byrne
Catherine Murphy Lynch	Gerard Reilly	Frank Rice	James O'Connor
Kathy Mulligan	William Tobin	Ann M Fleming	Pauline Heslin
Monica Harte	Catherine Phelan	Mary O'Brien	Rachael R Byrne
Margaret Mc Gahern	Bridget Doyle	Jonathan Norman	James Casey
John Kelly	Elizabeth Oliver	Kevin McKeon	Rachel Byrne
Concepta O'Reilly	William Fry	Leo Gartlan	Joseph T Cahill
Anita M Martin	Gerald Brady		Leo Sharkey



## BOARD ATTENDANCE OCTOBER 2018 TO SEPTEMBER 2019

Directors	Oct	Nov	Dec	Jan	Feb	Mar	Apr*	May	Jun*	Jul	Aug*	Sep	Total	Excused
Marie Mc Bryan	1	1	1	2	1	1	2	1	2	1	2	1	16	0
Emer Walsh	1	1	1	2	1	1	2	1	2	1	2	1	16	0
Geraldine Higgins	1	1	1	2	1	1	2	1	2	1	2	1	16	0
David O'Brien	1	1	1	1	1	1	2	1	2	1	2	1	15	1
Pat O'Neill	1	1	1	2	1	1	2	1	2	1	2	1	16	0
Jane Joyce	1	1	1	2	1	1	1	1	1	1	2	1	14	2
Damien O'Brien	1	E	1	2	E	1	2	1	1	1	1	1	12	4
Amanda Buggle	1	E	1	2	1	1	2	1	1	1	2	E	13	3
Brendan Fagan	E	1	1	2	1	1	2	1	2	1	2	1	15	1
Pascal Kievee	1	1	1	2	1	1	2	E	2	1	2	1	15	1
Christine Barretto	1	1	1	1	1	E	2	1	2	1	2	1	14	2

\*All months with 2 meetings noted include an additional special meeting of the board of directors

\*\*E = Excused

## Join Our Director Mentor Programme



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# Snapshots of Our Year



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# 2018 AGM





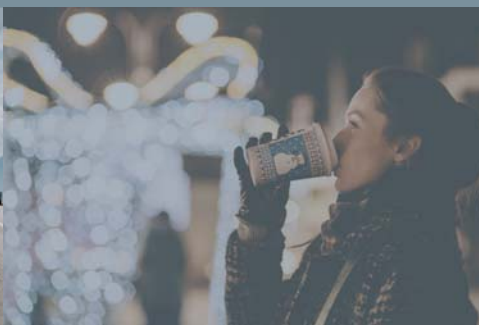






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Health Services Staffs Credit Union Ltd. Registered Office: 5 High Street, Dublin 8.

Tel: 01 677 8648 or Lo Call: 1890 677864 Fax: 01 677 8664 E-mail: [info@hsscu.ie](mailto:info@hsscu.ie)

Visit our website [www.hsscu.ie](http://www.hsscu.ie) for a digital copy of this 49th AGM report.  
Health Services Staffs Credit Union Limited is regulated by the Central Bank of Ireland.