



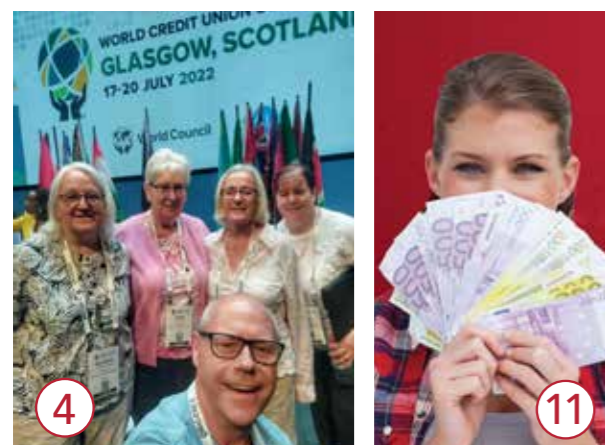
ANNUAL REPORT 2022



www.hsscu.ie  

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2022 AT A GLANCE



- 1 Jim Larkin Transfer of Engagement
- 2 High Street Renovations Completed
- 3 Current Account Tree Planting – 1,000 trees being planted
- 4 Credit Union World Conference (WOCCU) held in Glasgow
- 5 ESG Committee Formed
- 6 Rose of Tralee Sponsorship
- 7 Loan Book €230 Million
- 8 52 Years Anniversary
- 9 Scholarship / Bursary almost €170,000 in total awarded
- 10 Limerick Office Revamp
- 11 Member Prize Draw 1 Million Plus in prizes
- 12 New Membership level reached 64,439
- 13 Dividend and Interest Rebate proposed at AGM

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TOTAL ASSETS
€443,926,175



TOTAL NO.
OF LOANS
20,916



SPONSORSHIP AND
DONATIONS
€67,489



SCHOLARSHIP
€50,000



LOAN BOOK
€229,979,258



MEMBERS SAVINGS
€375,706,643



MEMBER PRIZE DRAW
€1,022,000



OVERALL LOAN
APPLICATIONS

21,300



NEW
MEMBERS

4,959
8.3%



LOAN INTEREST REBATE

€391,479
(2.5%)



BETTY NOONE BURSARY

€118,750
521



RECIPIENTS



CHRISTMAS
SAVERS
€2.6
Million



TOTAL
MEMBERSHIP
64,439

SHARE DIVIDEND

€350,154 (0.1%)





AGENDA

- (a) The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons; Housekeeping matters;
- (b) Ascertainment that a quorum is present;
- (c) Adoption of Standing Orders; (Page 11)
- (d) Approval (or correction) of the minutes of the last annual general meeting;
- (e) Report of the Nominations Committee; (Page 08)
- (f) Appointment of Tellers;
- (g) Election of Auditor; (Page 08)
- (h) Election to fill vacancies on the Board Oversight Committee; (Page 09)
- (i) Election to fill vacancies on the Board of Directors; (Page 09)
- (j) Chairperson's Address; (Page 05)
- (k) Report of the Board of Directors; (Page 12)
- (l) Consideration of accounts; Report of the Auditor; (Page 15)
- (m) Report of the Board Oversight Committee; (Page 07)
- (n) Report of the Credit Committee; (Page 44)
- (o) Report of the Credit Control Committee; (Page 46)
- (p) Report of the Membership, Education and Development Committee; (Page 48)
- (q) Announcement of election results;
- (r) Any other business/Unfinished business;
- (s) Adjournment of meeting.

CHAIRPERSONS' ADDRESS

Good evening, everyone and welcome to the 52nd AGM of the HSSCU. It is so great to be back with you in person to night. Virtual meetings are a poor substitute for on-site meetings. Tonight we welcome our new members, from Jim Larkin Credit Union and thank the staff of both credit unions who enabled their successful transfer during the year.

Last year I reported on the operation of the credit union, while servicing members during Covid 19. Environmental changes the HSSCU had to cope with in 2022 included the removal of Covid 19 restrictions, the effects of Ukrainian war, Brexit, climate change, the energy crisis, the cost of living crisis, the housing crisis, removal of ECB quantitative easing, the exit of the major banks and the reduction of banking services to the public. Financial fraud and cybersecurity risks have increased both in the credit union and worldwide. Operational Resilience and Environmental Social Governance (ESG) have now become integral to our new goals.

Sustainability and building resilient communities have been core operating principles for credit unions for the last 60 years. These principles match the 17 UN Sustainability goals on which the EU Corporate Sustainability Directive is based. This year the HSSCU board set up an ESG Committee. Going forward this committee will gather, and report on environmental and sustainability information.

The credit union movement in Ireland is working collaboratively with the Central Bank, the Government, and with expert input from the US credit union movement to investigate how our credit unions can compete on a level playing field with the high street banks and capture the untapped markets of the withdrawing banks. We are also lobbying the government for legislative and regulatory changes which would allow us compete equally with banks. Recently the two payment and debit card companies Payac and Cusop entered negotiations to unify their services. The development of credit union service companies to service all credit unions regardless of size would maximise the advantage of having over 300 credit union branches nationwide. Credit Union investment would be required in these proposed companies which would be proportionate to credit union membership size.

We in HSSCU are ideally positioned to accept your switcher products today if you wish to transfer your loans, current accounts or mortgages from major banks to us. We are open for business.

This year the Irish League of Credit Unions (ILCU) pension fund found itself underfunded. HSSCU staff were not members of this scheme. To enable credit unions in the scheme finance the deficit, the ILCU refunded all affiliated credit unions a prorata of their SPS fund contributions. The SPS fund is used to assist credit unions that may get into difficulty. HSSCU received a refund of €1.8 M.

HSSCU was represented at the ILCU AGM, World Council of Credit Unions, at the CUDA conference The Supervisors Forum, the Chairs Forum, Chapter Forum and Managers Association Meetings. Our CEO is actively engaged on inter credit union projects for the proposed development of credit union service companies.

This year the Board of the HSSCU initiated an ongoing review of organisational culture using frequent Board Meeting Effectiveness Surveys in tandem with performance conversations. Developmental goals were reviewed alongside organisational values, behaviours and standards. The Board performed at an exceptional level by comparison to peer Credit Union benchmarks.

Post Covid the financial picture in the HSSCU has continued to improve during 2022. Increased loan demand for holidays, weddings, new cars and home improvements has continued while the growth in savings has been steady.



**Remembering
Pat O'Neill (RIP)
Chairman of HSSCU
2016-2018.**

During the year we applied to the Central Bank and were granted permission to increase the volume of larger loans we can provide. We now offer mortgages up to maximum of €400,000 and 35 year terms. Consideration was also given during the year to investing in 2 different Housing Agencies but unfortunately by the time the opportunity presented, our excess funds were fully lent out.

This year HSSCU had a full Central Bank of Ireland Risk (Prism) engagement. Arising from this a full board governance review was completed with a number of recommendations. We are currently working through these and have engaged Board Excellence Ireland to assist in the implementation process.

The Board in conjunction with the management team, staff and Moore Associates developed a new strategic plan this year. A number of engagements were held across the organisation culminating in a strategic planning meeting weekend which gave us the opportunity to meet for the first time, new board members, volunteers and staff who have joined us within the last two years.

Risk management, internal audit, and compliance functions are now well embedded in the organisation and continue to be our main focus in continually reporting and managing Covid 19 risks, financial risks, cybersecurity, operational risk and compliance throughout the year. Anti-money laundering processes are continuously changing to ensure that we continuously monitor the source of funds entering the credit union. Risk management have also reported an increase in fraudulent documents being presented with loan and membership applications.

The High Street building project was completed in March 2022. We now intend to commence the refurbishment of our Ranelagh office during 2023 which will be part funded by the disposal of the investment property. Unfortunately, due to a number of issues we have decided to close the Dundalk office and have engaged with all members affected over the past few months. All other service delivery channels and branches continue to experience increasing workloads.

Staff have returned to work in all offices with the availability of working from home where circumstances require it. We thank the staff for the flexibility shown with respect to their remote working the last two years. Internal committee meetings are still online while board meeting have returned to a live meeting with virtual access if required. Our marketing department continued their online recruitment programs with HR departments. Membership grew by 8.7% this year. Social medial channels engaged members in draws and competitions throughout the year. Sponsorship of our very own Cork Rose of Tralee Jennifer Byrne was a new marketing venture. Marketing also enabled us to celebrate our 50th Anniversary with 50 draws of €1000 open to all members.

Betty Noone Memorial bursaries totalling €118,750 were distributed amongst 521 applicants this year. Congratulations also to our 5 scholarship winners where a further €50,000 was distributed for career development. The Credit Union donated €67,489 to your chosen charities which included €20,000 to the ILCU Foundation to aid our fellow credit unions in developing countries.

I am delighted to announce another successful year for HSSCU. Our loan to asset ratio currently stands at almost 52 % well above the national average of 26%. This is indicative of the success of our credit union and a source of puzzlement from other Credit Unions who continue to ask us "How do you do it ?" The answer of course is you our members who continue to support us year after year. Loan Interest income increased almost 10 % while our total income increased 19.86% on last year. Our total income this year was boosted by the Savings Protection Scheme rebate of € 1.8M. Also this financial year has seen a reduction in the growth of savings and increasing loan demand. As a result, we wish to propose a dividend of 0.1% and an interest rebate of 2.5%.

Staff numbers continued to increase during the year and now stand at 106. In January Michael Rigney who has worked in our finance department for many years was appointed Chief Financial Officer. Sadly, one of our past directors Pat O'Neill died during the year. Pat served our credit union with distinction firstly as a volunteer and as a director from 2007. Pat took on the role of chair of the board from 2016-

CHAIRPERSONS' ADDRESS (CONTINUED)

2018 and I preceded him as chairperson in 2019 and I would also like to mention Jim Ryan of CIE Cork Credit Union who also died this year. We would like to remember Pat, Jim and all HSSCU members who have died during the year. "Ar dheis Dé go raibh a n'anamacha dilse." I would also like to thank Tony Hoey, who has served on the oversight committee for the last year as he retires tonight.

Retiring also tonight is Emer Walsh. Emer is our longest serving director in Hsscu. Retiring after 43 years distinguished service to the board. We will certainly miss her knowledge, expertise and dedicated commitment to the HSSCU board. Emer has served on all the committees, and on the executive as secretary, vice chair and chairperson over the years. We wish her all the best to-night but expect to see you re-emerge as a volunteer on some of our committees.

At this stage I would like to thank all our staff for the tremendous work they have done especially over the last two years of lockdown. I know it has not been easy for anyone. I would like especially, to thank Sean our CEO and the all the management team for your professional commitment in maintaining this credit union as one of the best credit unions in Ireland. It has been a pleasure to work with you.

Finally, I would like to thank my fellow directors, volunteers and the Board Oversight Committee members for their work and commitment throughout the year. You have been a pleasure to work with. Wishing you all the best for 2023.

Marie Mc Bryan
Chairperson HSSCU.

BOARD OVERSIGHT COMMITTEE

In 2022, the Board Oversight Committee consisted of John Keppel, Chairman, Tony Hoey, Secretary and Noreen McCarthy. The Committee met on twelve occasions in the year ended 30th September 2022.

The Committee was represented at all Board of Directors meetings in the last year. The Committee also attended a number of Board Sub – Committee meetings.

The Committee was satisfied during their attendance, that all meetings were conducted in accordance with the legislation, the rules of the credit union and the Board's Strategic Plan.

During 2022, 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.

While COVID-19 still presents challenges for us all; meetings have now adapted to a hybrid approach with a blended approach of attending in person and virtually via Microsoft Teams. The Committee wishes to acknowledge the huge efforts of all involved in the adaptation of services and the maintaining of excellent credit union services for members during this difficult period.

The committee would like to remember the respected former director who passed away since the last AGM. Pat O'Neill served as a Director on the Board. Ar dheis Dé go raibh na h-anam dílis.

The Committee wishes to thank the Directors, Management and Staff of the credit union for their courtesy and co-operation in the last year and for the huge efforts made by those working both from home and manning offices.

John Keppel
Chairperson

Tony Hoey
Secretary

Noreen McCarthy
Committee Member

NOMINATIONS COMMITTEE REPORT

The Nominations Committee have been working hard to recruit new volunteers, this included circulating members who attended last year's AGM, putting a call out for volunteers in both issues of Kredit circulated to all members during the year, and social media campaigns with call outs for people with specific skills which are not already on the Board to address a skills gap.

Those who did come forward and were interested in elected positions were put through our Director / Board Oversight Committee Mentor Programme.

During the year we have had an external assessment completed that included a gap analysis of skills on the board and while the results were very strong, there are some professional skills the committee would like to reinforce on the board of directors such as:

- Financial Accounting and Financial Scenario Planning
- Strategic Planning / Oversight
- IT / Cyber Security Governance

If you have skills in any of these areas, and have time to volunteer on the Board of Directors, please contact the Nominations Committee via Catherine Byrne, Chief Operating Officer at the credit union at info@hsscu.ie with FAO Nominations Committee in the subject line.

The Committee set out below the notice of elections for this year.

The candidates with the most votes to fill the number of vacant positions will be deemed elected provided they satisfy regulations, i.e. each of the members elected must achieve 51% of the vote.

In the event that a candidate does not achieve 51% of the vote, that candidate is not elected even if there is still a vacant position. The vacant position will be filled by the board of directors / board oversight committee at their next meeting on a casual vacancy basis, however whomsoever is appointed in that scenario, will only serve a term of 1 year maximum until the next AGM or next SGM whichever is sooner. This applies to all vacancies seeking election.

All individuals seeking election for the coming year have been assessed with satisfactory results under the fitness and probity requirements of the Central Bank of Ireland.

AUDITOR ELECTION

There is an election for 1 vacancy for the position of Auditor of the Health Services Staffs Credit Union Limited, term of office of 1 year, the board of directors nominate:-

- Grant Thornton, Chartered Accountants

You can vote for 1 candidate in this election

NOMINATIONS COMMITTEE REPORT (CONTINUED)

BOARD OVERSIGHT COMMITTEE ELECTION

There is an election for 1 vacancy on the Board Oversight Committee, term of office of 3 years, the board of directors nominate:



John Morrissy ACIS - John is a career banker with over 45 years experience. Originally with Bank of Ireland for circa 12 years he then joined Barclays Bank Ireland fulfilling a number of relationship and credit roles before spending the 20 years before his retirement as Head of Credit Ireland. He is a fully qualified member of The Chartered Governance Institute (UK & Ireland) and holds Diplomas in Banking, Foreign Exchange and Trusteeship/Executorship from the Institute of Bankers in Ireland. John recently completed the Director Mentor program within HSSCU.

DIRECTOR ELECTIONS

5 nominations were received for the 4 vacant positions on the board of directors, and the term of office is 3 years for all 4 vacancies

We would like to show you brief videos from each of the candidates seeking your support in alphabetical order.



Amanda Butler – Amanda works in Saint John of God for the last 26 years; her current role is Payroll and Pensions Manager. She has been involved in HSSCU since December 2010 as a Director and has served as Vice Chair for two years. She is currently on the Remuneration, Investments, Credit Control and IT Committee in addition to being a chapter delegate. She has sat on a steering group with ILCU for the development and implementation of the volunteer toolkit. Amanda has previously participated as chair/member of a wide range of committees including Nominations, Credit and Membership, Education & Development committees. She holds a diploma in HR Management. Amanda has also successfully completed and achieved Pathways Certificate of Credit Union Corporate Governance and the Pathways Credit Union Diploma.



Ken Byrne – Ken retired from the HSE after 39 years' service as a Senior Environmental Health Officer at Management level. He holds an M.Sc. from TCD and several other Diplomas and Certificates including Safety Auditing, Health Protection, Audit and Compliance. During his career with the HSE he was involved in Regulation and Compliance enforcement. Ken has served as Secretary of the Board and is a Director on the Board of Directors since 2019. He is currently Chair of the MED Committee and also serves on the I.T. and Investment Committees. He has also lectured in UCC for the School of Public Health Medicine and has trained with the European Commission on two separate occasions.



Geraldine Higgins – Geraldine works in the Finance Department of the Mater Hospital. She is currently serving on the Board of Directors and is on the following committees: Risk, Investment, ESG (Green) and Chapter delegate. Geraldine has previously participated on a wide range of committees including the following : Principal Officers and Senior Management, Audit & Compliance, Credit Control, Nominations, Membership Education and Development, and Credit. She is a qualified Accounting Technician and holds a Diploma in Hospital & Health Services Administration. Geraldine has also successfully completed both the Accredited Certificate of Credit Union Practice and the Pathways Credit Union Diploma. Geraldine also undertakes Continuing Professional Development.

NOMINATIONS COMMITTEE REPORT (CONTINUED)



Mairead O'Carroll – Mairead works as Head of Operation in Irish Life Assurance intermediary business division and had previously held the role of Head of Finance at Irish Life Investment Managers. Mairead holds an M.Sc. from UCD, an MA and an MBA, both from DCU and holds an active membership with professional organisations such as the Compliance Institute, the Association of Corporate Treasurers & the Association of Certified Accountants. Throughout her professional career, Mairead has engaged in various high level projects such as Glohealth Integration and Solvency program manager. Mairead completed the Director Mentor Programme this year and is keen to provide her services to the Credit Union. HSSCU holds a special place in her heart as her father Tom was a founding member and former director. Mairead is currently a member of the Credit Committee and has witnessed HSSCU's Investment Committee meeting.



Patricia (Pat) Timmons – Patricia works in Children's Health Ireland at Crumlin (CHI). Her current position in CHI is Financial Controller with responsibility for Payroll, Accounts Payable, Accounts Receivable, Management and Financial Accounting managing a team of 12 staff. Patricia is a Certified Public Accountant with 27 years post qualification experience. Patricia holds an honours degree in Business and Management. In 2019/2020 she successfully completed a certificate in Forensic Accounting. Patricia has participated in many projects in OLCHC/ CHI such as cost reduction, implementation of Enterprise Resource Planning system and various ICT projects. Patricia is a member of the CHI at Crumlin Senior Management Team. In 2023 she will take up a new position in CHI as Finance Lead for the CHI group. Previously Patricia worked in Bank of Ireland Asset Management as Finance Manager. Prior to this role she was employed by Johnson & Johnson Ltd as credit controller. Patricia also held the positions of Financial Accountant and Management Accountant, supporting the Sales and Marketing Directors. Patricia has a keen interest in taxation, audit and marketing. From previous roles she has a wealth of experience to draw on and bring to the role in HSSCU.

You can vote up to 4 candidates in this election

Please mark an X or a tick in the box adjacent to the name(s) of those you wish to vote for, remember do not vote for more than 4 or this will be deemed a spoiled vote. Ballot papers can only be accepted from those here present in person or logged in online, and entitled to vote. Please now take the time to hand your ballot paper to the tellers or vote in the popup box on screen.

VOLUNTEERING

Are you considering volunteering? We are always seeking volunteers with the skills and time to devote to being a Director or Member of the Board Oversight Committee.

We also are always looking for volunteers to serve on the Credit Committee panel. If you are interested in this committee or any other of the volunteer committees (see our website for details), please contact the Nominations Committee via Catherine Byrne, Chief Operating Officer at the credit union at info@hsscu.ie with FAO Nominations Committee in the subject line.

THANKS

I would like to thank my fellow members of the Nominations Committee for all their hard work during the year. We will return with the election results in due course.

Pascal Keeve

Chair of the Nominations Committee

Suzanne McGarry

Secretary of the Nominations Committee

Shane Hamilton

Nominations Committee Member

STANDING ORDERS

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/poll.
3. When nominations are announced tellers shall be appointed by the chair and ballot/poll 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/poll paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot/poll 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/poll further ballot/polls 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/poll shall be taken and should that ballot/poll 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. 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.

10 - 15 Miscellaneous

10. The chair of the board of directors shall be the chair of any general meeting, except where he/she is not available, in which case it shall be the vice-chair, except where he/she is not available, in which case the board shall decide amongst themselves who shall act as chair of any general meeting.
11. The chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.
12. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the chair.
13. The chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
14. No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors.
15. Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.
16. **Suspension of Standing Orders**
Any one of these Orders or all of these Standing Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.
17. **Alteration of Standing Orders**
Standing Orders may be amended or altered at a general meeting and only if a motion to this effect has received a two-thirds majority of those present and voting.
18. **Adjournments**
Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act, 1997 (as amended).

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2022.

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 acknowledge 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 directors are proposing a dividend in respect of the financial year ended 30 September 2022 of €350,154 (0.10%) and a loan interest rebate of €391,479 (2.50%), (2021: The directors did not propose a dividend or loan interest rebate).

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.

Global macro-economic risk

There is an economic and operational risk relating to rising inflation rates, disruption to global supply chains and a general uncertainty in the markets as a result of the pandemic and the on-going war in Eastern Europe.

DIRECTORS' REPORT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

These risks and uncertainties 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 policies. All loan applications are assessed with reference to the loans policies in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

Lack of loan demand

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

Market risk

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

Liquidity risk

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

Operational risk

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

Global macro-economic risk

The board of directors and management closely monitor the developments of rising inflation rates and disruption to global supply chains and markets, and continue to take appropriate actions to mitigate any possible adverse effects on the credit union.

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.

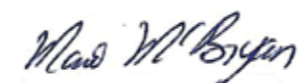
EVENTS AFTER THE END OF THE FINANCIAL YEAR

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 and signed on its behalf by:




Chairperson of the board of directors

Member of the board of directors

Date: 15/12/2022

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations. The directors have elected to prepare the financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). 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. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the credit union's website.

On behalf of the board:




Chairperson of the board of directors

Member of the board of directors

Date: 15/12/2022

BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

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.

On behalf of the board oversight committee:



Chairperson of the board oversight committee

Date: 15/12/2022

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 2022, 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 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 2022 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, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the credit union's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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
Limerick

Date: 15/12/2022




INCOME AND EXPENDITURE ACCOUNT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

	Schedule	2022 €	2021 €
Income			
Interest on members' loans		15,461,039	14,124,730
Members' deposit and other interest expense and similar charges		-	(8,732)
Other interest income and similar income	1	1,131,162	1,125,340
Net interest income		16,592,201	15,241,338
Other income	2	2,128,883	378,361
Total income		18,721,084	15,619,699
Expenditure			
Employment costs		5,031,598	4,646,414
Other management expenses	3	7,036,629	6,105,749
Depreciation		972,699	851,136
Net impairment losses/(gains) on loans to members (note 6)		1,526,922	(427,467)
Total expenditure		14,567,848	11,175,832
Surplus for the financial year		4,153,236	4,443,867

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

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




		
Member of the board of directors	Member of the board oversight committee	CEO
Date: 15/12/2022		

STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

	2022 €	2021 €
Surplus for the financial year	4,153,236	4,443,867
Other comprehensive income		
Total comprehensive income for the financial year	4,153,236	4,443,867

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

		
Member of the board of directors	Member of the board oversight committee	CEO
Date: 15/12/2022		


The notes on pages 22 to 41 form part of these financial statements.

BALANCE SHEET

AS AT 30 SEPTEMBER 2022

	Notes	2022 €	2021 €
Assets			
Cash and balances at bank		7,589,639	12,049,976
Deposits and investments – cash equivalents	8	64,313,854	57,238,675
Deposits and investments – other	8	143,395,933	156,428,633
Loans to members	9	229,979,258	201,845,098
Provision for bad debts	10	(12,040,472)	(10,675,910)
Members' current accounts overdrawn	16	17,357	26,845
Tangible fixed assets	11	6,462,881	5,673,044
Investment property	12	400,000	400,000
Debtors, prepayments and accrued income	13	3,807,725	3,992,706
Total assets		443,926,175	426,979,067
Liabilities			
Members' shares	14	358,237,490	348,684,334
Members' deposits	14	11,661,334	12,618,883
Other members' funds	14	5,807,819	4,872,096
Members' budget accounts	15	1,119,826	1,144,972
Members' current accounts	16	2,940,865	647,657
Other liabilities, creditors, accruals and charges	17	2,603,910	2,204,616
Other provisions	18	33,451	5,539
Total liabilities		382,404,695	370,178,097
Reserves			
Regulatory reserve	20	46,607,761	44,831,369
Operational risk reserve	20	3,488,655	3,340,593
Other reserves			
- Realised reserves	20	10,743,077	8,193,920
- Unrealised reserves	20	681,987	435,088
Total reserves		61,521,480	56,800,970
Total liabilities and reserves		443,926,175	426,979,067

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

		
Member of the board of directors	Member of the board oversight committee	CEO
Date: 15/12/2022		

The notes on pages 22 to 41 form part of these financial statements.

STATEMENT OF CHANGES IN RESERVES

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
As at 1 October 2020	41,031,369	3,340,593	7,550,033	435,108	52,357,103
Surplus for the financial year	3,800,000	-	603,840	40,027	4,443,867
Transfers between reserves	-	-	40,047	(40,047)	-
As at 1 October 2021	44,831,369	3,340,593	8,193,920	435,088	56,800,970
Surplus for the financial year	-	138,062	3,768,275	246,899	4,153,236
Transfers between reserves	1,450,000	-	(1,450,000)	-	-
Transfer of engagements	326,392	10,000	230,882	-	567,274
As at 30 September 2022	46,607,761	3,488,655	10,743,077	681,987	61,521,480

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2022 was 10.50% (2021: 10.50%).

Total Statement of Changes in Reserves

2022

€61.5
MILLION

2021

€56.8
MILLION

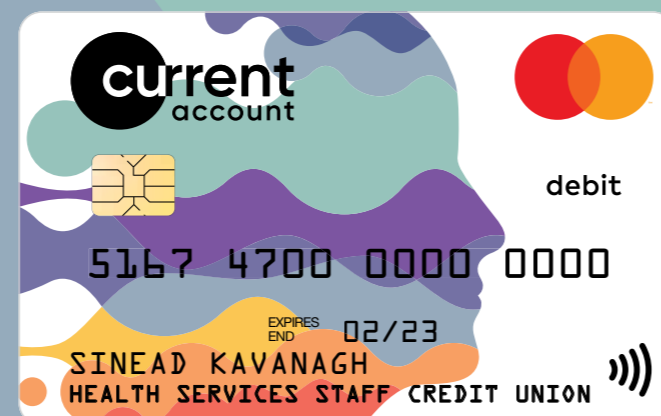
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2022 was 0.79% (2021: 0.78%).

The notes on pages 22 to 41 form part of these financial statements.

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IMPORTANT INFORMATION: In order for you to receive a Current Account, debit card or overdraft, you must be one of our members and resident in the Republic of Ireland. If you are 16 or 17 years of age, we require the consent of your parent or guardian for you to open an account. Terms and conditions apply. Overdrafts are available to Current Account holders aged 18 years or older. Lending criteria, terms and conditions apply.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 €	2021 €
Opening cash and cash equivalents		69,288,651	67,718,669
Cash flows from operating activities			
Loans repaid by members	9	81,954,223	79,676,820
Loans granted to members	9	(109,770,501)	(93,533,957)
Interest on members' loans		15,461,039	14,124,730
Members' deposit and other interest expense and similar charges		-	(8,732)
Other interest income and similar income		1,131,162	1,125,340
Bad debts recovered and recoveries		921,767	1,053,088
Other income		2,128,883	378,361
Members' budget account lodgements	15	3,505,967	3,719,496
Members' budget account withdrawals	15	(3,531,113)	(3,618,675)
Members' current account lodgements	16	19,835,797	7,180,705
Members' current account withdrawals	16	(17,559,543)	(6,810,986)
Operating expenses		(12,041,785)	(10,708,167)
Movement in other assets and liabilities		587,516	554,651
Net cash flows from operating activities		(17,376,588)	(6,867,326)
Cash flows from investing activities			
Cash and investments introduced from transfer of engagements		1,776,859	-
Fixed assets (purchases)/disposals		(1,751,711)	(2,207,824)
Net cash flow from other investing activities		13,032,700	(20,365,078)
Net cash flows from investing activities		13,057,848	(22,572,902)
Cash flows from financing activities			
Members' savings received	14	233,571,076	207,816,912
Members' savings withdrawn	14	(226,637,494)	(176,806,702)
Net cash flow from financing activities		6,933,582	31,010,210
Net increase in cash and cash equivalents		2,614,842	1,569,982
Closing cash and cash equivalents	7	71,903,493	69,288,651

The notes on pages 22 to 41 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

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 except for the valuation of the investment property as specified in the accounting policies below.

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

Deposit and 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 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.6 Deposits and investments

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 minimum deposits with the Central Bank but may also hold an excess over the regulatory minimum. The regulatory minimum deposits are technically assets of the credit union but to which the credit union has restricted access. The regulatory minimum portion will not ordinarily be returned to the credit union while it is a going concern and is separately identified in note 8, Deposits and investments - other. Funds held with the Central Bank in excess of the regulatory minimum requirements are fully available to the credit union and are therefore treated as cash equivalents and are separately identified in note 8, Deposits and investments - cash equivalents. The amounts held on deposit with the Central Bank are not subject to impairment reviews.

Investments at fair value

Investments designated on initial recognition as non basic are recognised at fair value. They are subsequently measured at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

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.

Depreciation is provided on the following basis:

Premises	6.18% straight line per annum
Construction work in progress	Not depreciated
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 in the income and expenditure account.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.11 Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in the income and expenditure account. No depreciation is provided.

2.12 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.

2.13 Financial liabilities – members' savings

Members' savings 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.

2.14 Members' deposits

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

2.15 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).

2.16 Other payables

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

2.17 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. The amount payable at the year end in respect of same was €Nil (2021: €Nil).

2.18 Holiday pay

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

2.19 Operating leases

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

2.20 Derecognition of financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.21 Regulatory reserve

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

2.22 Operational risk reserve

Section 45(5)(a) of the Credit Union Act, 1997 (as amended) 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. The credit union 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 the credit union 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).

2.23 Other reserves

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

2.24 Distribution policy

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

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.

2.25 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 members' interests in the transferor credit union (the fair value of the transferor credit union) at the date of the transfer, and is reflected as an adjustment in reserves.

2.26 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 €6,462,881 (2021: €5,673,044).

Provision for bad debts

The credit union's accounting policy for impairment of loans is set out 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 €12,040,472 (2021: €10,675,910) representing 5.24% (2021: 5.29%) of the total gross loan book.

Provision for
bad debts
€12,040,472

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

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



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. The credit union 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 €3,488,655 (2021: €3,340,593).

4. TRANSFERS OF ENGAGEMENTS

Adoption of going concern basis for financial statements preparation

The credit union continue to closely monitor developments within the global macro-economic environment. 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.

On 25 February 2022 Health Services Staffs Credit Union Limited ("HSSCU") accepted the transfer of Jim Larkin Credit Union Limited ("JLCU"). The assets and liabilities of JLCU at the date of transfer were incorporated into the balance sheet of HSSCU at that date.

HSSCU did not pay any consideration in respect of the transfer of engagements. On the date of transfer, the members of the transferor credit union 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 members' interests in the transferor credit union (the fair value of the transferor credit union) at the date of transfer, and is reflected as an adjustment in reserves in note 20.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

4. TRANSFERS OF ENGAGEMENTS (CONTINUED)

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

	Fair value of JLCU assets and liabilities acquired by HSSCU
	€
Cash on hand and at bank	1,299,090
Deposits and investments	477,769
Loans to members	1,512,139
Provision for bad debts	(110,130)
Tangible fixed assets	10,825
Debtors, prepayments and accrued income	9,567
Members' shares	(2,597,748)
Other liabilities, creditors, accruals and charges	(34,238)
	567,274

5. KEY MANAGEMENT PERSONNEL COMPENSATION

The directors of the credit union are all unpaid volunteers. The key management personnel compensation is as follows.

	2022	2021
	€	€
Short term employee benefits paid to key management	582,088	548,616
Payments to pension schemes	86,750	81,796
Total key management personnel compensation	668,838	630,412

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

	2022	2021
	€	€
Bad debts recovered	(735,520)	(856,479)
Impairment of loan interest reclassified as bad debt recoveries	(186,247)	(196,609)
Movement in bad debts provision during the year	1,254,432	(537,294)
Loans written off during the year	1,194,257	1,162,915
Net impairment losses/(gains) on loans to members	1,526,922	(427,467)

7. CASH AND CASH EQUIVALENTS

	2022	2021
	€	€
Cash and balances at bank	7,589,639	12,049,976
Deposits and investments – cash equivalents (note 8)	64,313,854	57,238,675
Total cash and cash equivalents	71,903,493	69,288,651

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

8. DEPOSITS AND INVESTMENTS

	2022 €	2021 €
Deposits and investments – cash equivalents		
Accounts in authorised credit institutions (Irish and non-Irish based)	46,334,592	41,616,432
Irish and EEA state securities	20,000	20,000
Bank bonds	2,000,000	-
Central Bank deposits	15,959,262	15,602,243
Total deposits and investments – cash equivalents	64,313,854	57,238,675
Deposits and investments – other		
Accounts in authorised credit institutions (Irish and non-Irish based)	94,948,851	103,088,391
Irish and EEA state securities	19,577,353	19,555,894
Bank bonds	25,448,734	27,472,140
Central Bank deposits	3,420,995	3,278,066
Other investments	-	3,034,142
Total deposits and investments – other	143,395,933	156,428,633
Total deposits and investments	207,709,787	213,667,308

The rating category of counterparties with whom the investments were held at 30 September 2022 was as follows:

	€
A1	32,386,382
A2	18,003,637
A3	45,452,585
Aa3	14,502,768
Baa1	22,245,563
Baaa3	17,774,671
Central Bank	19,380,257
Government bond	19,577,353
Other	18,386,571
Total	207,709,787

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

9. FINANCIAL ASSETS – LOANS TO MEMBERS

	2022 €	2021 €
As at 1 October	201,845,098	189,150,876
Loans arising on transfer of engagements	1,512,139	-
Loans granted during the year	109,770,501	93,533,957
Loans repaid during the year	(81,954,223)	(79,676,820)
Gross loans and advances	231,173,515	203,008,013
Bad debts		
Loans written off during the year	(1,194,257)	(1,162,915)
As at 30 September	229,979,258	201,845,098

10. PROVISION FOR BAD DEBTS

	2022 €	2021 €
As at 1 October	10,675,910	11,213,204
Provision arising on transfer of engagements	110,130	-
Movement in bad debts provision during the year	1,254,432	(537,294)
As at 30 September	12,040,472	10,675,910

The provision for bad debts is analysed as follows:

	2022 €	2021 €
Grouped assessed loans	12,040,472	10,675,910
Provision for bad debts	12,040,472	10,675,910

Provision for bad debts As at 30 September

2022	€12 MILLION
2021	€10.6 MILLION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

11. TANGIBLE FIXED ASSETS

	Premises	Construc- tion work in progress	Leasehold improve- ments	Computer and office equip-ment	Fixtures and fittings	Software	Motor vehicles	Total
	€	€	€	€	€	€	€	€
Cost								
1 October 2021	6,892,104	2,901,784	485,680	1,953,794	568,248	363,044	24,500	13,189,154
Additions	1,273,340	-	7,940	227,985	209,017	33,429	-	1,751,711
On transfer of engagements	5,838	-	-	1,166	3,063	758	-	10,825
Transfer of WIP	2,801,554	(2,801,554)	-	-	-	-	-	-
At 30 September 2022	10,972,836	100,230	493,620	2,182,945	780,328	397,231	24,500	14,951,690
Depreciation								
1 October 2021	5,097,578	-	159,143	1,544,323	448,306	242,260	24,500	7,516,110
Charge for year	486,342	-	49,098	243,222	75,250	118,787	-	972,699
At 30 September 2022	5,583,920	-	208,241	1,787,545	523,556	361,047	24,500	8,488,809
Net book value								
At 30 September 2022	5,388,916	100,230	285,379	395,400	256,772	36,184	-	6,462,881
At 30 September 2021	1,794,526	2,901,784	326,537	409,471	119,942	120,784	-	5,673,044

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

12. INVESTMENT PROPERTIES

	2022 €	2021 €
Balance at 1 October	400,000	507,500
Disposal	-	(107,500)
As at 30 September	400,000	400,000

As at 30 September 2022 the credit union holds one investment property which was acquired by way of Transfer of Engagements in previous years.

13. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2022 €	2021 €
Loan interest receivable	437,964	382,860
Prepayments	476,894	410,021
Other debtors	2,892,867	3,199,825
As at 30 September	3,807,725	3,992,706

14. MEMBERS' SAVINGS

	2022 €	2021 €
As at 1 October	366,175,313	335,165,103
Members' savings arising on transfer of engagements	2,597,748	-
Received during the year	233,571,076	207,816,912
Withdrawn during the year	(226,637,494)	(176,806,702)
As at 30 September	375,706,643	366,175,313

Members' savings are analysed as follows:

	2022 €	2021 €
Members' shares	358,237,490	348,684,334
Members' deposits	11,661,334	12,618,883
Other members' funds	5,807,819	4,872,096
Total members' savings	375,706,643	366,175,313

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

15. MEMBERS' BUDGET ACCOUNTS

	2022 €	2021 €
As at 1 October	1,144,972	1,044,151
Lodgements during the year	3,505,967	3,719,496
Withdrawals during the year	(3,531,113)	(3,618,675)
As at 30 September	1,119,826	1,144,972

16. MEMBERS' CURRENT ACCOUNTS

	2022 €	2021 €
As at 1 October	576,816	207,097
Lodgements	19,835,797	7,180,705
Withdrawals	(17,559,543)	(6,810,986)
As at 30 September	2,853,070	576,816

Provision

Provision held on overdrawn current account	70,438	43,996
As at 30 September	70,438	43,996

Member current accounts debit

Balance of accounts held	87,795	70,841
Less provision held	(70,438)	(43,996)
As at 30 September	17,357	26,845

Member current accounts credit

Balance of accounts held	2,940,865	647,657
As at 30 September	2,940,865	647,657

	No. of Accounts	Balance of Accounts €
Debit (net of provision)	463	17,357
Credit	1448	2,940,865
Permitted overdrafts	126	130,150

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

17. OTHER LIABILITIES, CREDITORS, ACCRUALS AND CHARGES

	2022 €	2021 €
Members' draw balance	440,389	411,778
PAYE/PRSI	108,150	152,055
Other creditors and accruals	2,055,371	1,640,783
As at 30 September	2,603,910	2,204,616

18. OTHER PROVISIONS

	2022 €	2021 €
Holiday pay accrual		
At 1 October	5,539	36,375
Charged to the income and expenditure account	27,912	(30,836)
As at 30 September	33,451	5,539

19a. FINANCIAL INSTRUMENTS – MEASURED AT AMORTISED COST

Financial assets	2022 €	2021 €
Financial assets measured at amortised cost	398,110,749	380,697,783
Financial liabilities	2022 €	2021 €
Financial liabilities measured at amortised cost	382,404,695	370,178,097

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, members' current accounts overdrawn, 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.



**OUR MEMBERS OPENED 1291
CURRENT ACCOUNTS IN 2022.**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

19b. 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 2022	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	38,136,078	-	38,136,078	-
Bank bonds	12,012,519	-	12,012,519	-
Total	50,148,597	-	50,148,597	-

At 30 September 2021	Total	Level 1	Level 2	Level 3
	€	€	€	€
Accounts in authorised credit institutions	38,122,746	-	38,122,746	-
Bank bonds	12,012,519	-	12,012,519	-
Total	50,135,265	-	50,135,265	-

There was no fair value movement recognised in the income and expenditure account for the financial year ended 30 September 2022 (2021: €nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

20. RESERVES

	Balance 01/10/21	Arising on transfer of engagements	Appropriation of of current year surplus	Transfers between reserves	Balance 30/09/22
	€	€	€	€	€
Regulatory reserve	44,831,369	326,392	-	1,450,000	46,607,761
Operational risk reserve	3,340,593	10,000	138,062	-	3,488,655
Other reserves Realised					
General reserve	8,193,920	230,882	3,768,275	(1,450,000)	10,743,077
Total realised reserves	8,193,920	230,882	3,768,275	(1,450,000)	10,743,077
Unrealised					
Interest on loans reserve	382,860	-	55,104	-	437,964
Investment income reserve	52,228	-	10,911	-	63,139
SPS reserve	-	-	180,884	-	180,884
Total unrealised reserves	435,088	-	246,899	-	681,987
Total reserves	56,800,970	567,274	4,153,236	-	61,521,480

21. CREDIT RISK DISCLOSURES

In line with regulatory requirements, the credit union

- 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); and
- requires specified lending practices to be in place where loans are made to certain sectors such as business loans, community loans or loans to another credit union.

The carrying amount of the loans to members represents the credit union'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.

CAR LOAN vs. PCP?

Here are **5** reasons a HSSCU Car Loan is better for you than a PCP:



- 1 Ownership** – YOU own the car from the start, not the dealer!
- 2 Flexible Repayments** – WE organise payments to suit YOU! You are in charge and we have no penalties for early repayment.
- 3 No Balloon Payments** – PCP Balloon Payments can cost as much as 50% of the value of the car itself. HSSCU has no hidden fees or charges.
- 4 Mileage** – PCPs often place mileage restrictions on your car. With a HSSCU Car Loan – you do what you want to do with your car.
- 5 Car Maintenance** – PCPs can often have strict service schedules and from specific suppliers. Again, with HSSCU, the freedom to choose is all yours.

Interested in a HSSCU Car Loan? Call us on 01 677 8648.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

21. CREDIT RISK DISCLOSURES (CONTINUED)

	2022		2021	
	€	%	€	%
Loans not impaired				
Total loans not impaired, not past due	218,654,734	95.08%	190,262,147	94.26%
Impaired loans:				
Not past due	1,374,165	0.60%	2,543,628	1.26%
Up to 9 weeks past due	2,923,643	1.27%	2,333,979	1.16%
Between 10 and 18 weeks past due	903,418	0.39%	873,483	0.43%
Between 19 and 26 weeks past due	393,499	0.17%	703,080	0.35%
Between 27 and 39 weeks past due	1,070,057	0.46%	782,331	0.39%
Between 40 and 52 weeks past due	413,018	0.18%	396,100	0.20%
53 or more weeks past due	4,246,724	1.85%	3,950,350	1.95%
Total impaired loans	11,324,524	4.92%	11,582,951	5.74%
Total loans	229,979,258	100.00%	201,845,098	100.00%

22. RELATED PARTY TRANSACTIONS

22a. Loans

	2022		2021	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	13	314,075	4	77,500
Total loans outstanding to related parties at the year end	25	614,412	31	670,875
Total provision for loans outstanding to related parties		31,099		34,910

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 0.27% of the total loans outstanding at 30 September 2022 (2021: 0.33%).

22b. Savings

The total amount of savings held by related parties at the year end was €478,332 (2021: €550,419).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

23. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

23a. Financial risk management

The credit union manages its members' savings and loans so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from the credit union'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 the credit union's loans policies. Credit risk mitigation may include the requirement to obtain collateral as set out in the credit union's loans policies. Where collateral or guarantees are required, they are usually taken as a secondary source of repayment in the event of the borrower's default. The credit union maintains policies which detail the acceptability of specific classes of collateral. The principal collateral types for loans are: an attachment over members' pledged shares; personal guarantees; and charges over assets. The nature and level of collateral required depends on a number of factors such as the term of the loan and the amount of exposure. All loan applications are assessed with reference to the loans policies in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

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

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

Interest rate risk: The credit union's main interest rate risk arises from adverse movements in interest rates receivable which would affect investment income. The credit union 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.

23b. 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

23c. Interest rate risk disclosures

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

	2022		2021	
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	229,979,258	7.26%	201,845,098	7.35%

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.

24. DIVIDENDS AND INTEREST REBATES

The following distributions were paid during the year:

	2022		2021	
	%	€	%	€
Dividend on shares	-	-	-	-
Loan interest rebates	-	-	-	-

The directors are proposing a dividend in respect of the financial year ended 30 September 2022 of €350,154 (0.10%) and a loan interest rebate of €391,479 (2.50%), (2021: The directors did not propose a dividend or loan interest rebate).

25. RATE OF INTEREST PAID ON MEMBERS' DEPOSIT ACCOUNTS

	2022		2021	
	%	€	%	€
Interest on regular deposits	-	-	0.10%/0%	7,832
Christmas savings' deposits	-	-	0.10%/0%	900

The rate of interest on deposits for the period 1 October 2020 to 30 June 2021 was 0.10% and thereafter the rate of interest on all deposit accounts reduced to 0%.

26. EVENTS AFTER THE END OF THE FINANCIAL YEAR

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

27. INSURANCE AGAINST FRAUD

The credit union has Insurance against fraud in the amount of €5,200,000 (2021: €5,200,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

28. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2022. There was a capital commitment pertaining to refurbishment works to the High Street premises at 30 September 2021. These refurbishment works commenced during the third quarter of 2020 and concluded during the financial year ended 30 September 2022.

29. COMMITMENTS UNDER OPERATING LEASES

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

	2022 €	2021 €
Less than 1 year	49,200	49,200
1 to 5 years	196,800	196,800
Greater than 5 years	4,100	53,300
As at 30 September	250,100	299,300

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

	2022 €	2021 €
Less than 1 year	5,000	5,000
1 to 5 years	13,750	18,750
As at 30 September	18,750	23,750

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: 15/12/2022

SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditors' report on pages 15 to 17.

SCHEDULE 1 – OTHER INTEREST INCOME AND SIMILAR INCOME

	2022	2021
	€	€
Investment income received/receivable within 1 year	1,120,251	1,085,313
Investment income receivable outside of 1 year	10,911	40,027
Total per income and expenditure account	1,131,162	1,125,340

SCHEDULE 2 – OTHER INCOME

	2022	2021
	€	€
ECCU rebate	86,907	186,166
Commissions, fees and sundry income	111,160	111,305
Rental income	31,200	33,800
MPCAS fees	90,776	47,090
SPS refund	1,808,840	-
Total per income and expenditure account	2,128,883	378,361

SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022 (CONTINUED)

SCHEDULE 3 – OTHER MANAGEMENT EXPENSES

	2022	2021
	€	€
Printing and stationery	117,747	109,894
Office expenses	245,849	69,290
Rates	81,510	56,443
Leasing	54,200	54,200
Postage and telephone	288,562	245,593
Light and heat	107,190	86,918
Cleaning	99,249	86,801
Security costs	123,835	135,952
Travel and subsistence	64,363	18,897
Share and loan insurance	1,495,812	1,431,541
Death benefit insurance	741,221	657,210
Convention, training and annual conference	91,314	64,713
Repairs and maintenance	108,157	57,934
General insurance	130,328	113,987
Audit fee	31,980	31,980
Internal audit	31,365	29,013
Computer and software maintenance	820,412	770,661
AGM expenses	60,756	58,881
Regulatory levies and charges	836,234	848,928
Affiliation fees	50,250	37,500
MPCAS expenses	80,228	71,032
Savings protection scheme fund contribution	14,129	(8,615)
Professional fees and repayment costs	608,749	475,285
Marketing and advertising	137,972	116,175
I.T. strategy / national advertising	45,549	40,910
Donations and sponsorship	67,489	39,171
Bank charges	222,269	196,584
Bursary expenses	158,095	164,875
Provision for current account	26,442	43,996
Transfer of engagement costs	95,373	-
Total per income and expenditure account	7,036,629	6,105,749

REPORT OF THE CREDIT COMMITTEE 2021 /22

Fellow members,

When we look back on the last year, it contained lockdowns / opening up, fuel crises, war in Europe, all following a global pandemic! In short, constant turmoil for us all. Despite all this your credit union saw a gradual return to something akin to normal with members starting to take holidays abroad, look at changing cars, and in general a return to more normal borrowing activity.

In relation to the past year; we received a total of **21,300** loan applications, compared with **17,313** received in 2020/21, an increase of approximately 21%, which was a reflection of the returning to some kind of normality following the pandemic.

Of the total applications received, **20,174** applications were approved, **1,126** applications were refused, or **5.3%** of all applications received. The total value of loan applications approved was **€123,094,151**.

This year we have seen an increase in our refusal rate, over last year. We do our best to facilitate members borrowing requirements, but unfortunately, we do have to refuse loan applications at times.

Our main consideration when assessing a loan application is a members capacity to service all their debts, those with HSSCU and with all other financial institutions. Debt commitments versus income is still the most common reason for a loan refusal.

Other reasons for refusal can be:

- Performance of other debt – i.e. loans in arrears / not being paid with other institutions.
- Mortgage / rent status, i.e. arrears.
- Arrears history / payment record with the HSSCU.

We are constantly looking at ways of improving our loan application & approval systems, but where members are looking for larger sums of money, or already have high outstanding loan balances, we are required to look for more paperwork, which can make the process a little longer. Also, sometimes paperwork provided, or results of Central Credit Register search, can require further paperwork to be provided, as always, we advise members, that if they require an application decision by a specific time, please apply as early as possible.

Please find below comparative statistics for the last two years, showing loan approval and refusal details. In the year 2021/2022 the average loan approved was **€6,101**, in 2020/21 the average was **€6,446**.

	2021/22	2020/21
No. of loan applications received	21,300	17,313
No. of loans approved	20,174	16,470
Total value of loans approved in year	€123,094,151	€106,160,462
No. of refusals during year	1,126	843
% refusals of total applications received	5.3%	4.9%

BREAKDOWN OF LOAN PURPOSES

	2021/2022	2020/2021
HOUSING		
Home improvements, Mortgages* (see details below), Special Rate Home improvement loans.	€54,268,471	€49,051,977
MOTORING		
Car purchase, repair, insurance, Mobile home, Motorbike.	€24,935,907	€25,838,444
PERSONAL FINANCE		
Household bills, debt consolidation etc.	€7,298,615	€5,904,713
HEALTH & LEISURE		
Holidays, Christmas, Weddings, Communion, confirmation, Special rate education loans, Etc.	€23,425,380	€12,783,937
MISCELLANEOUS		
All other purposes & all secured loans.	€12,856,426	€12,581,388
TRANSFER OF ENGAGEMENTS LOAN BALANCES		
(Jim Larkin Credit Union)	€309,350	-

During the year we saw the biggest increases in loans for holidays, Christmas, weddings, again a reflection of the post pandemic return to more normal activities.

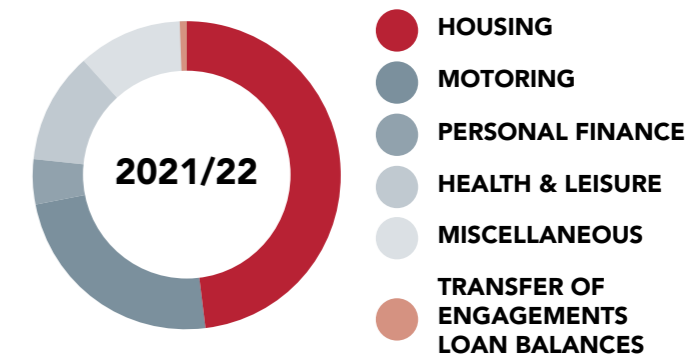
In relation to our mortgage products, we saw another year of growth with the following mortgages being approved:

- **49** First time buyer mortgages to a value of **€7,785,699**
- **16** Standard mortgages to a value of **€1,613,500**

With a tough winter expected ahead and more financial uncertainty in 2023, members will be challenged by it all. As always, we strive to assist our members as much as possible, and will continue to do so during these difficult times.

The following members served on the Credit Committee in 2021/22:

Claire O Donovan Connolly, Volunteer & Chair
Shane Hamilton, Director & Secretary
Emer Walsh, Director
Patricia Carter, Volunteer
Dolores O Neill, Volunteer
Damien O Brien, Volunteer



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

Claire O Donovan Connolly,
Chairman

REPORT OF THE CREDIT CONTROL COMMITTEE 2022

As I am sure you will all agree the last 12 months has been especially challenging for us all with the increasing cost of living due to both domestic and foreign events.

We would like to take this opportunity to thank our members for the loyalty and support they have shown to us by continuing to honour their commitment to repay their loans in these challenging times.

As always, there will be members experiencing some level of financial difficulty due to circumstances beyond their control. It is very important that you engage with our Credit Control Team as early as possible to discuss any change in circumstances.

Members in such circumstances can always be assured that their situation will receive immediate attention and they will be treated with absolute confidentiality by our Credit Control Team.

The Committee would like to stress to all members the importance of ensuring payments are being made in accordance with your signed credit agreement with us as the Central Credit Register (CCR) has become the sole agency for gathering an individual's credit history. A detailed repayment history is not just viewable by HSSCU but all financial institutions as we are legally obliged to report to the CCR the performance of all loans.

As always, we wish to acknowledge our appreciation to the staff of the Money Advice and Budgeting Service who also provide a valuable service free of charge to any members who find themselves in difficulty.

The Credit Control Committee met every month during the year and report to the Board of Directors at the end of each month. The Key Performance Indicators gives the Credit Control Committee an overall view of the performance of the loan book which allows us to monitor the workload of the Credit Control Team.

Like all major financial agencies, your Board of Directors continues to recognise that a small number of our overall membership no longer have the same capacity to meet their agreed level of repayments. The Credit Control committee acknowledges that some of these loans may no longer be viable, and which necessitates being written off. All accounts which are written off will be pursued by our solicitors or collections agents until an acceptable arrangement is made regarding repayment of any remaining balances outstanding.

WRITTEN OFF ACCOUNTS

150 accounts necessitated being written off this year and the value of these accounts was €1,194,257. This amount is a slight increase from last year's figure but is also based on a higher loan book which actually equates to a similar percentage than the previous 3 years. The total amount written off in 2022 represents just 0.52% of our total loan book at year end.

BAD DEBTS RECOVERED

The total amount of monies recovered in respect of accounts previously written off was €735,520.

REPORT OF THE CREDIT CONTROL COMMITTEE 2022 (CONTINUED)

RESCHEDULING OF LOANS

Every year we still find it necessary and appropriate for members to reschedule their loan repayments during the year due to changing financial circumstances. We continue to advise all our members to contact our office immediately if they are experiencing any financial difficulties. Any changes to the member's repayment schedule are recorded by the CCR.

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 total provision amounts to €12,040,472, for the year end, and this is reviewed and adjusted, on a monthly basis during the year.

The following shows the detail of our loan arrears and provision as of 30th September 2022:

	No of Loans	Gross Loans €	Attached Savings €	Net Loans €	Provision €
Loans not in arrears	13,296	158,380,995	17,844,834	140,536,161	6,001,538
1-9 weeks	4,511	57,914,565	5,456,094	52,458,471	2,302,520
10-18 weeks	288	2,664,673	245,732	2,418,941	746,353
19-26 weeks	109	1,182,345	76,487	1,105,858	705,243
27-39 weeks	103	950,491	117,327	833,164	833,164
40-52 weeks	55	533,743	37,705	496,038	496,038
53+ weeks	138	1,115,081	159,465	955,616	955,616
Total Arrears	5,204	64,360,898	6,092,810	58,268,088	6,038,934
Covered loans	2,416	7,237,365	7,237,365		
Total loans	20,916	229,979,258	31,175,009	58,268,088	12,040,472

As a group, we would like to commend our Credit Control Team in HSSCU for their professionalism, compassion and assistance to our members during the past year.

Finally, this report represents the work and involvement of my fellow committee members, David, Marie, Jane and Amanda. I also thank them for their great dedication and commitment.

Thank you.

Suzanne McGarry

Committee: **Suzanne McGarry**, (Chairperson),
Marie Walsh (Secretary),
David O'Brien, **Jane Joyce** and **Amanda Buggle**.



Total No of Loans
20,916

REPORT OF THE MEMBERSHIP, EDUCATION & DEVELOPMENT COMMITTEE

Membership of committee:

Ken Byrne, David O'Brien, Jane Joyce, Pascal Keeve and Claire O'Donovan-Connolly.

Recording secretaries: Luke Casey and Alan Duff

MEMBERSHIP REPORT

There was a total of 4,959 new members added for 2022, this is a record number of new members for a single year. It is also an impressive 8.3% growth year on year. Our membership now stands at a total of 64,439, i.e. members with a balance > €6.35.

The following are the biggest categories of new members from last year:

Hospital / Employment Area	Totals
Family Member	893
HSE (general)	681
Nursing Home	327
HSE South & South East	297
Ranelagh Area	180
HSE West, West North West & West Mid West	154
St James Hospital	153
Beaumont Hospital	142
HSE DNL Midland Area	138
Mater Hospital	103
CIE & Irish Rail	66



REPORT OF THE MEMBERSHIP, EDUCATION & DEVELOPMENT COMMITTEE (CONTINUED)

MEMBER COMMUNICATIONS

Social Media

Social media remains a key part of our communications strategy and how we engage directly with you our member. With 14,200 likes on Facebook, almost 3,300 on Instagram and 1,400 on Twitter we continue to try to engage with you our member as much as we can. Make sure to join us on any of these platforms to ensure you are part of any competitions that we run periodically during the year.

HSSCU's eZine

Our regular e-Zine is an email communication sent directly to those who have signed up to receive it. To subscribe you can join us via our website homepage. The e-zine is mailed throughout the year featuring the latest news from HSSCU, prize draw winners, Betty Noone Bursary and Higher education Scholarship reminders any new products and much, much more...

Kredit

This is our inhouse magazine that is sent with our statement run twice a year. It is our way of keeping you up to date on latest offerings from HSSCU and features competitions and articles of interest. If you have any ideas for content please email us at marketing@hsscu.ie

BETTY NOONE BURSARY

This year HSSCU has paid out €118,750 to 521 members resulting in an average of €227 paid out. This is a free service to our members and a tradition that HSSCU is proud to maintain. Whilst the majority of request were successful there were a number that were ineligible due to no transactions on the account, no letter from the employer or the wrong year being applied for. This year to improve access for members we created an online application form making it more convenient for members to apply.

We were able to give the members an extension this year to get paperwork in as the Scholarship closing date had been extended. Next year there will be a strict deadline and one email/phone call telling them of their paperwork requirements. We are anxious that our members receive this fantastic benefit, but we need your co-operation to ensure we succeed.



REPORT OF THE MEMBERSHIP, EDUCATION & DEVELOPMENT COMMITTEE (CONTINUED)

HIGHER EDUCATION SCHOLARSHIPS

We would like to congratulate this year's HSSCU Scholarship winners. They have received the first instalment of their share of €50,000 towards their further education costs. We received a very high volume of applications this year with a bumper number submitted.

The decision process was not an easy one due to the high quality of applications and the increased volume submitted to the judging panel.

Congratulations once again to the 2022 Scholarship Winners:

Name	Location
Matthew Comiskey	Donegal
Janice Curran	Dublin
Georgia Gargan	Dublin
Sophie Molloy	Dublin
Michelle Reilly	Dublin

We are proud to support each of you in your further education and wish each of you all the best in your studies. Thank you to all applicants and we would encourage those unsuccessful this year to apply again next year if they are eligible. As with the winners we wish every applicant all the best in their studies. Applications will be open again at the start of Summer 2023.

Again, we are delighted to support members in their education providing a total of €168,050 in our Bursary and Scholarship schemes.

MEMBER PRIZE DRAW:

Our Member Prize Draw continues to grow – our prize fund is now over €1 million per annum! (see pg 49 for a list of the main monthly prize winners last year and a breakdown of monies in and out during the financial year). We have additional prize giveaways during the Summer and Countdown to Christmas plus the 1,000 members winning €500 each.

Remember it is easy to enter the draw by downloading and completing the form from our website

www.hsscu.ie

Charitable Donations: Annually we encourage our members to seek support for any cause or charity that is close to your heart. If you have any charity or event that you think is deserving of support you can complete the form online and our Committee will review any requests received and where possible make donations on your behalf. This year HSSCU has donated almost €67,489 for a variety of causes – you can see the full list on page 51.

Ken Byrne

Chairperson.

DONATIONS WERE MADE TO THE FOLLOWING ORGANISATIONS THROUGHOUT 2022:

Organisation	Organisation	Organisation
Alone	CUDA golf classic (Galway Hospice)	Merchants Quay Irl.
An Saol Foundation	Danu Special School Charity	Mullingar Pride
Bethany Bereavement Group	Debra Ireland	Naomh Peadar CLG Dunboyne
Bonagee United	Dolphin Swimming Club	North Kerry Env. Group
Born into a World I Don't Belong, book	Dublin Rhino's American Football	Ongar Chasers Basketball Club
Bru Columbanus	Edenderry Athletics Club	Our Lady's Hospice (Blackrock)
Canteen Ireland	Eir golf society Cork	Our Ladys Hospice Light up a life
CASA (Caring & Sharing Org)	Enfield Development Group	Ranelagh Arts Festival
Childrens Health Foundation	Eurospideal 96 Football Tournament	SIMON - Cork
Clane Rugby Club	Exceed Ireland	SIMON - Dublin
Clares Wish Foundation	Helium Arts	SIMON - Galway
Cobh General Hospital	Irish Community Air Ambulance	SIMON - Limerick Mid-west
Coláiste Ghlór Na Mara	Kilmainham Inchicore Musical Society	St. Mochta's Football Club
Coolmine Tehrapeutic Community	LauraLynn - Ireland's Children's Hospice	Tallaght University Hospital Foundation
Cork Current Account group	LauraLynn - Ireland's Children's Hospice	Threshold
Crumlin Scout troop	Liberties Festival 2022	Trinity Med Day
Cuan Mhuire	Medical Research UCC	Womens Aid

If you have a charitable organisation that you want to support and feel is worthy of consideration, please submit an application via our Online Sponsorship Application Form on www.hsscu.ie.



Member Prize Draw

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

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 2021	Alan Hatch	Dept. Social Protection
Nov 2021	Paula Flynn	Crumlin Community
Dec 2021	Elaine Healy	Our Lady's Hospital
Jan 2022	Patricia Madden	James St
Feb 2022	Evelyn Walsh	HSE Kells
Mar 2022	Madge Redmond	Retired
Apr 2022	Laura Hennessy	Dr. Steevens's
May 2022	Dymphna O'Sullivan	Retired
Jun 2022	Mary Griffin	HSE Manorhamilton
Jul 2022	Martina Dent	Tallaght Hospital
Aug 2022	Mrs Mary McCarthy	Retired
Sept 2022	Mary Shortt	Mater Hospital

Over
€1 million
in prizes this
year!

COMMITTEES

BOARD OVERSIGHT COMMITTEE

John Keppel (C)
Anthony Hoey (S)
Noreen Mc Carthy

BOARD OF DIRECTORS

Emer Walsh
Geraldine Higgins
Amanda Butler
Damian McKeown
Christine Barretto
Ken Byrne
Marie McBryan
Pascal Keeve
Claire O Donovan Connolly
Shane Hamilton
Suzanne McGarry
Coordinator:

Deirdre Downey / Louise Hughes
Meeting Requirement:
Minimum of every 6 weeks. Typically meets 14-16 times per year.

POSM COMMITTEE / OFFICER POSITIONS

Board Chair – Marie McBryan
Vice Chair – Damian Mc Keown
Secretary – Pascal Keeve
Sean Hosford - CEO
Catherine Byrne – COO
Committee Coordinator: Sean Hosford
Meeting Requirement: Typically meets once per month in advance of the Board meeting.

NOMINATIONS COMMITTEE

Pascal Keeve (C)
Shane Hamilton
Suzanne Mc Garry (S)
Committee Coordinator: Catherine Byrne
Meeting Requirements: Minimum of once per quarter. Typically meets 6 – 8 times per year on weekday evenings

RISK COMMITTEE

Emer Walsh (S)
Geraldine Higgins
Damian Mc Keown(C)
Committee Coordinator: David Hosford
Meeting Requirements: Minimum of once per quarter. Typically meets every 2 months. Meetings on weekday evenings

From time to time if Risk Tolerance is impacted the RMO may host briefings to the committee members

AUDIT & COMPLIANCE COMMITTEE

Emer Walsh (C)
Shane Hamilton (S)
Claire O Donovan Connolly
Committee Coordinator: Clare O Mahony
Meeting Requirements: Minimum of once per quarter. Typically meets 6 to 8 times per year. Meetings on weekday evenings

REMUNERATION COMMITTEE

Amanda Butler (S)
Christine Barretto
Damian McKeown(C)
Committee Coordinator: Louise McQuillan
Meeting Requirements: Minimum of once per quarter. Meetings on weekday evenings

INVESTMENT COMMITTEE

Micheal Rigney
Geraldine Higgins(S)
Amanda Butler
Pascal Keeve
Ken Byrne (C)
Committee Coordinator: Micheal Rigney
Meeting Requirements: Minimum of once per quarter. However, this committee meets every 2 months on average. Meetings on weekday evenings.

CREDIT COMMITTEE

Emer Walsh
Patricia Carter
Dolores O Neill
Damien O'Brien
Shane Hamilton(S)
Claire O'Donovan
Connolly (C)
Committee Coordinator: Anne Marie Kelly
Meeting Requirements: 2-3 Meetings typically every month, as required with 3 members of the committee, the current panel allows a rotation.

CREDIT CONTROL COMMITTEE

Marie Walsh (S)
David O Brien
Suzanne McGarry(C)
Jane Joyce
Amanda Butler
Committee Coordinator: Liam Kelly
Meeting Requirements: Monthly meeting. Meetings on weekday evenings

INFORMATION TECHNOLOGY COMMITTEE

Ken Byrne (C)
Amanda Butler (S)
Catherine Byrne
Mary Peters
David Hosford
Committee Coordinator: Paul Dimov
Meeting Requirements: Minimum of once per quarter. Meetings on weekday evenings

MEMBERSHIP, EDUCATION & DEVELOPMENT COMMITTEE

Ken Byrne (C)
Jane Joyce
Claire O Donovan Connolly (S)
Pascal Keeve
David O Brien
Committee Coordinator: Alan Duff
Meeting Requirements: Typically meets 6 times per year. Meetings on weekday evenings

ESG COMMITTEE: (appointed 25/05/2022)

Christine Barretto
Ken Byrne
Geraldine Higgins
Anne Marie Kelly
Aileen Bell
Michelle Murphy
Judy Dunne

CHAPTER DELEGATES

Geraldine Higgins
Amanda Butler

OTHER OFFICE'S PREVIOUSLY APPOINTED BY BOARD

Compliance Officer: Clare O'Mahony
clare.omahony@hsscu.ie

Risk Management Officer:

David Hosford
david.hosford@hsscu.ie

Training Liaison Officers:

Louise McQuillan
hroperations@hsscu.ie

Complaints Officer:

Clare O'Mahony
clare.omahony@hsscu.ie

Protected Disclosures Officer:

Catherine Byrne
catherine.byrne@hsscu.ie

Credit Control Officer:

Liam Kelly
liam.kelly@hsscu.ie

Money Laundering Reporting Officer:

All staff have been informed of the MRLO's name
mlro@hsscu.ie

Youth Officer:

Alan Duff
alan.duff@hsscu.ie

HIGHER EDUCATION SCHOLARSHIP PROGRAMME

HSSCU provided a total of €50,000 to members undertaking 3rd level education. To increase accessibility for members a digital form was created and hosted on HSSCU’s website. There were 294 scholarship applications completed this year, an increase on previous years. 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 very important to HSSCU. Once the successful recipients have been contacted there is always a very positive reaction. With members often stating how life changing receiving the scholarship is for them and often their families. Providing first hand accounts of its positive impact.

Each year, all applicants must submit an essay of between 400 – 500 words, where they discuss, “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 applied and also told others about the opportunity. We would encourage those eligible to apply again next year and updates on applications opening will be posted online. After successfully meeting the required criteria included in the application form, the recipients were selected based upon the merit of their essay. Due to the high volume of applications this year and the quality it made the decision process more difficult.

We would like to take the opportunity to thank all involved in making the scholarships a success once again this year. It is a powerful social tool for assisting HSSCU members in their education.

The following were selected as the recipients for our Higher Education Scholarships September 2021:

Awardee	Course
Brian O’Connell:	Furniture Design
Alison Lynch:	Post Grad Neuropsychology
Padraig Simon Yeates:	Counselling & Psychotherapy
Brona Harte:	Intellectual disability nursing
Lisa Dwyer:	Social Care



For more information on our Higher Education Scholarship scheme, visit the home page of www.hsscu.ie

BELOW ARE TESTIMONIALS FROM 2 OF LAST YEAR’S HSSCU SCHOLARSHIP RECIPIENTS

BRIAN O’CONNELL

“Fortunately, I won, and I got to go to college and study the thing that I actually really want to study and without the scholarship I wouldn’t be able to do it. This course is it’s making a huge difference to my life. I love the course.”



Brian O’Connell



Alison Lynch

ALISON LYNCH

“For over ten years, I had dreamed about returning to university to further my education in psychology and perhaps, even begin a new career. I was consistently held back due to the huge cost involved in returning to education, particularly as a mature student. As time moved on, the more difficult it became and it seemed like a pipe-dream to achieve. When I read about the HSSCU scholarship, I knew it would eliminate the main barriers in my way and saw it as the only realistic opportunity available to me.

One year on, I have completed my post grad in Applied Neuropsychology with first class honours. I now have the opportunity of a new career and future in psychology that not so long ago, seemed impossible. I have the opportunity to help other people’s lives. Life has opportunities now. None of this would have been possible without the HSSCU scholarship. For that, I am eternally grateful. Thank you.”

Winners 2022/2023 are:

Winners 2022/2023 are:	Course
Matthew Comiskey	BSc Hons Biomedical Science
Janice Curran	Bachelor of Arts (HONS) – Healthcare Management
Georgia Gargan	General Nursing & Paediatrics
Sophie Molloy	Speech and Language Therapy (Professional Qualification) MSc
Michelle Reilly	BSc. Hons Counselling & Psychotherapy
Mickel Josef Angelo Mendoza	BA (Hons) in Animation

EDUCATION LOAN

Repayment Examples (36 Monthly Instalments of):

Loan Amount	36 Monthly Instalments of	Total Interest	Total Amount Payable
€5,000	€152.11	€475.95	€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 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

REPORT OF THE AUDIT & COMPLIANCE COMMITTEE 2022

The function of the Audit and Compliance Committee is to oversee the roles and performance of the Internal Auditor and the Compliance Officer. Quarterly 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, Moore Ireland 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; Climate Change; Liquidity; Diversity and Inclusion; Current Account; Operational Resilience; Anti-Money Laundering; Staff Wellbeing; Fitness and Probity and Cybersecurity.

COMPLIANCE MANAGER | ASSISTANT COMPLIANCE MANAGER

The role of the Compliance Manager, Clare O'Mahony, and Assistant Compliance Manager, Bernadette Lee, is to ensure the management of compliance at all levels in the Credit Union. This includes ensuring that the Credit Union complies with all statutory and regulatory requirements. As part of this requirement, the compliance manager 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 Team included reviews and oversight in the areas of Legislative and Regulatory compliance; Policy Management; Anti-Money Laundering; Data Protection; Complaints, Cyber Security; Current Account; Lending and Credit Control Reviews 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 function 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 **Shane Hamilton** Secretary **Claire O'Donovan Connolly** Committee Member

REPORT OF THE RISK COMMITTEE

The Risk Committee is appointed annually by the Board of Directors to oversee and monitor the current and future risk exposures of the credit union. The Committee works in conjunction with our Risk Management Officer, as set down by the terms of reference provided to us by the Board of Directors.

The main function of the Risk Committee is to promote a strong risk management awareness and culture within Health Services Staffs Credit Union. Understanding the risks, the credit union is exposed to enables the Board of Directors to make better and more informed decisions and improve the level of service and security for our members.

The Committee is 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.
- Engagement with Central Bank of Ireland as required
- The protection of members' shares at all times.

The Committee is pleased to report that, in our opinion, all risks in the credit union are managed to a level which minimise the threat to Health Services Staffs Credit Union and its members. The Committee would like to thank the Risk Management Officer, David Hosford, for his work throughout the year. The Committee would like to further thank the Board of Directors, management and staff for their assistance throughout the year.

Damian McKeown Chairperson **Emer Walsh** Secretary **Geraldine Higgins** Committee Member



HOME IMPROVEMENT LOAN

Check out our Online Loan Calculator at: www.hsscu.ie

*Terms & conditions apply. **Annual Percentage Rate
Health Services Staffs Credit Union Limited is regulated by the Central Bank of Ireland

BOARD ATTENDANCE OCTOBER 2021 TO SEPTEMBER 2022

Directors	Oct*	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total	Excused
Marie McBryan	1	2	1	2	1	1	1	1	1	1	1	1	14	0
Damian Mc Keown	1	2	1	2	1	1	E	1	1	1	1	1	13	1
Emer Walsh	1	2	1	2	1	1	1	1	1	1	1	1	14	0
Geraldine Higgins	1	2	1	1	1	1	1	1	1	1	1	1	13	1
Amanda Butler	1	2	1	2	1	1	1	E	1	1	E	1	12	2
Pascal Keeve	1	2	1	2	1	1	1	1	1	1	1	1	14	0
Christine Barretto	1	2	E	2	N/A	N/A	N/A	N/A	1	1	1	1	9	1
Ken Byrne	1	2	1	2	1	1	1	1	1	1	1	1	14	0
Suzanne Mc Garry	1	1	1	2	1	E	1	1	1	1	E	E	10	4
Shane Hamiton	1	1	1	1	1	1	1	1	1	E	1	1	11	3
Claire O Donovan Connolly	1	2	1	2	1	1	1	1	1	1	1	E	13	1
Shay Torsney	N/A	N/A	N/A	N/A	1	1	1	1	N/A	N/A	N/A	N/A	4	0

Notes:

Christine Barretto was on special leave from Feb to May inclusive and Shay Torsney stepped in. She attended 9 of 10 meetings.

There were two meetings in November 2021 and two meetings in January 2022

Join Our Director Mentor Programme



#putsUfirst

Call 0818 677 864
Email info@hsscu.ie



DECEASED MEMBERS OF HEALTH SERVICES STAFFS CREDIT UNION

Adam Malone	Declan English	John (Sean) Fitzsimons	Michael O'Brien
Adetutu Olokesosi	Declan Nugent	John Adams	Miriam Maher
Aidan Lyons	Denis O'Connell	John Carroll	Myra Mary Christina Harrington
Alan Billington	Denis O'Brien	John Hallissey	Nicholas Anderson
Angela Cassin	Denise Wyer	John Hoey	Nkechi Millicent Anachebe
Angela Mongan	Dennot McNamara	John Joseph Boland	Oliver Hegarty
Ann Feeney	Dermot Forde	John Joseph Lysaght	Oyedelc Victor Ayodeji
Anna Fahy	Des (Desmond) Murphy	John Kivlehan	Patricia Connolly
Anne Catherine Byrne	Diannaid Fawsitt	John Larkin	Patricia Dunne
Anne Cummins	Donal Daniel Murphy	John O'Flaherty	Patricia O'Brien
Anne Delaney	Eamon Conalty	JohnKenny	Patricia O'Hara
Anne Farrington	Eamonn O'Malley	JohnMLowry	Patrick Byrne
Anne Maria Neukirchner	Edna Allen	Joselito Legaspi	Patrick Fagan
Anne Marie O'Reilly	Edward Daly	Joseph Howard	Patrick Donohue
Anne Morley	Edward Larkin	Joseph Mwpby	Patrick Kiely
Anne Ward	Edward Lawrence	Joseph Redmond	Patrick King
Anthony (Tony) Lynam Loane	Edward McGrath	Josephine Amalong	Patrick Lynch
Anthony (Tony) Mcsweeney	Edward O'sullivan	Josephine Frances Doyle	Patrick O'Connor
Anthony Earley	Eileen Daly	June Finegan	Patrick O'Neill
Anthony Francis Brown	Eilish Sammon	Karen Fahey	Patrick Ryan
Anthony Joseph Brady	Elizabeth Canning	Kathleen Mary McCormack	Patrick Sutton
Anthony Sherry	Elizabeth Carroll	Kathleen Omahony	Paul Donnelly
Archie Brown	Elizabeth Keogh Gracie	Kathleen Robinson	Paul Fish
Barry (John) Wyse	Elizabeth Sheridan	Kevin Connolly	Paula Byrne
Ben Noronha	Ellen Hamey	Kevin Fox	Pauline Flynn
Bernie Doran	Eugenie Carr	Kieran Lynch	Peter Casserly
Bilikisu Oladunjoye (Awesu)	Eva (Evelyn) Collins	Kieran O'Reilly	Peter Kelly
Breda Farrelly	Florence Okere	Laurence Cashell	Richard Morrison
Brendan Gaffney	Francis Burke	Laurence Coyne	Robert Boggie
Brendan Gilroy	Frank Horan	Laurie Hinchon	Robert Healy
Brendan O'Guithin	Frankie O'Donnell	Leo Capper	Robert O'Donoghue
Brian Pownall	George McKenna	Liam Sadlier	Robert O'Rourke
Bridget (Mairiao) Moore	Gerard Dwyer	Lindsay Downes	Robert Warrington
Bridget O'Meara	Gerard Horgan	Lorna Butler	Ryszard Tomaszewski
Bridget O'Kane	Gerard Kenneally	Luke Comiskey	Sarah O'Leary
Callistus Okeke	GinaNeric	Ma Carolina Mendoza	Sean O'Connor
Carol Duffy	Gladys Weston	Margaret (Monica) Kiely	Sheila (Julie) O'Riordan
Caroline McGuinness	Grainne Kennedy	Margaret Cully	Sheila Julia Browne
Gleeson	HanyWickham	Margaret Henry	Stephen Harding
Catherine (Kay) Tyrrell	Hassan Kalafounia	Margaret Maree	Stephen O'Connor
Catherine Coghlan	Hazel Martin	Margaret McAuliffe	Steven Rowsome
Catherine Dillon	Heather Lloyd	Maria Buckley Henchy	Sylvia Ryan
Catherine Punch	Helen.Q'shca	Maria-Jesusa Genesis Buidon	Teresa Mary O'Brien
Catherine Reilly	Henry-Lennon	Marita O'Keeffe	Theresa Doyle
Celene (Celine) Fagan	Imelda Basabas	Mark Trimble	Theresa Maguire
Chandrasekhararao	James Custy	Mary Brereton	Thomas Carroll
Pinnumaneni	James Daly	Mary Clifton	Thomas Crowe
Chrissie (Christina) Duggan	James Duffy	Mary Geraghty	Thomas Donnelly
Christina Foley	James Gavin	Mary Imelda Hinz	Thomas Ke'ogh
Christina Reid	James Grogan	Mary Jones	Thomas Lavery
Christopher Meehan	James Jseph Thomas	Mary McDonagh	Thomas Law
Ciaran Keating	James Ryan	Mary McDonald	Thomas McNally
Clare Keenan Daffy	James Tate	Mary McEaney	Thomas McNally
Colette Ryan (Regan)	James Tobin	Mary Quirke	Tracey Collins
ConorLane	James Ward	Mary Stynes	Tyrone Porter
Dan Leahy	James Whelan	Mary Symington	Ursula Keenan
Daniel O'sullivan	Jean Kelleher	Maureen Hannin	Valerie Duff
Daniel Tierney	Jean Kirby	Michael Brew	Vincent McElligott
Daphne Compay	Jeremiah Kavanagh	Michael Clancy	Violet McMahan
Darren Finn	Jerome Cluskey	Michael Enright	William Corcoran
Darren Flood	Joe Flynn	Michael Faherty	William McCarthy
Darren Power	Johanna Kelly	Michael Mahood	Yvonne Lang
David Anthony McNamara	John (Jackie) Fox		

Snapshots of Our Year



Deposit Guarantee Scheme - Depositor Information Sheet

Basic information about the protection of your eligible deposits:

Eligible deposits in Health Services Staffs Credit Union Ltd are protected by:
The Deposit Guarantee Scheme (DGS) (1)

If you have a joint account with other person(s):
The limit of €100,000 applies to each depositor separately (3)

To contact Health Services Staffs Credit Union Ltd for enquiries relating to your account:
Health Services Staffs Credit Union Ltd, 5 High Street, Christchurch, Dublin 8.
Tel: 01 6778648 Or : 0818 677 864
Email: info@hsscu.ie

Limit of protection:
€100,000 per depositor per credit institution (2)

Reimbursement period in case of credit institution's failure:
10 working days (4)

If you have more eligible deposits at the same credit institution:
All your eligible deposits at the same credit institution are 'aggregated' and the total is subject to the limit of €100,000(2)

Currency of reimbursement:
Euro or, for branches of Irish Banks operating in another member state of the EEA, the currency of that member state.

To contact the DGS for further information on compensation:
Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1, D01F7X3
Tel: 0818 681 681
Email: info@depositguarantee.ie

Additional information

(1) Scheme responsible for the protection of your deposit

Your deposit is covered by a statutory Deposit Guarantee Scheme. If insolvency of your credit institution should occur, your eligible deposits would be repaid up to €100,000.

(2) General limit of protection

If a covered deposit is unavailable because a credit institution is unable to meet its financial obligations, depositors are repaid by the Deposit Guarantee Scheme. This repayment covers at maximum €100,000 per person per credit institution. This means that all eligible deposits at the same credit institution are added up in order to determine the coverage level. If, for instance a depositor holds a savings account with €90,000 and a current account with €20,000, he or she will only be repaid €100,000.

(3) Limit of protection for joint accounts

In the case of joint accounts, the limit of €100,000 applies to each depositor. However, eligible deposits in an account to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor for the purpose of calculating the limit of €100,000.

In some cases eligible deposits which are categorised as "temporary high balances" are protected above

€100,000 for six months after the amount has been credited or from the moment when such eligible deposits become legally transferable. These are eligible deposits relating to certain events which include:

- certain transactions relating to the purchase, sale or equity release by the depositor in relation to a private residential property;
- sums paid to the depositor in respect of insurance benefits, personal injuries, disability and incapacity benefits, wrongful conviction, unfair dismissal, redundancy and retirement benefits;
- the depositor's marriage, judicial separation, dissolution of civil partnership and divorce;
- sums paid to the depositor in respect of benefits payable on death; claims for compensation in respect of a person's death or a legacy or distribution from the estate of a deceased person.

More information can be obtained at www.depositguarantee.ie

(4) Reimbursement

The responsible Deposit Guarantee Scheme is:
Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1, D01F7X3.
Tel: 0818 681 681 Email: info@depositguarantee.ie Website: www.depositguarantee.ie

It will repay your eligible deposits (up to €100,000) within 10 working days from 1st January 2021 to 31st December 2023; and within 7 working days from 1st January 2024 onwards, save where specific exceptions apply.

Where the repayable amount cannot be made within 7 working days depositors will be given access to an appropriate amount of their covered deposits to cover the cost of living within 5 working days of a request.

Access to the appropriate amount will be made on the basis of data provided by the credit institution.

If you have not been repaid within these deadlines, you should contact the Deposit Guarantee Scheme since the time to claim reimbursement may be barred after a certain time limit. Further information can be obtained under www.depositguarantee.ie

Other important information

In general, all retail depositors and business are covered by Deposit Guarantee Schemes. Exceptions for certain deposits are stated on the website of the responsible Deposit Guarantee Scheme. Your credit institution will also inform you on request whether certain products are covered or not. If deposits are eligible, the credit institution shall also confirm this on the statement of account.

INTRODUCING OUR ESG COMMITTEE

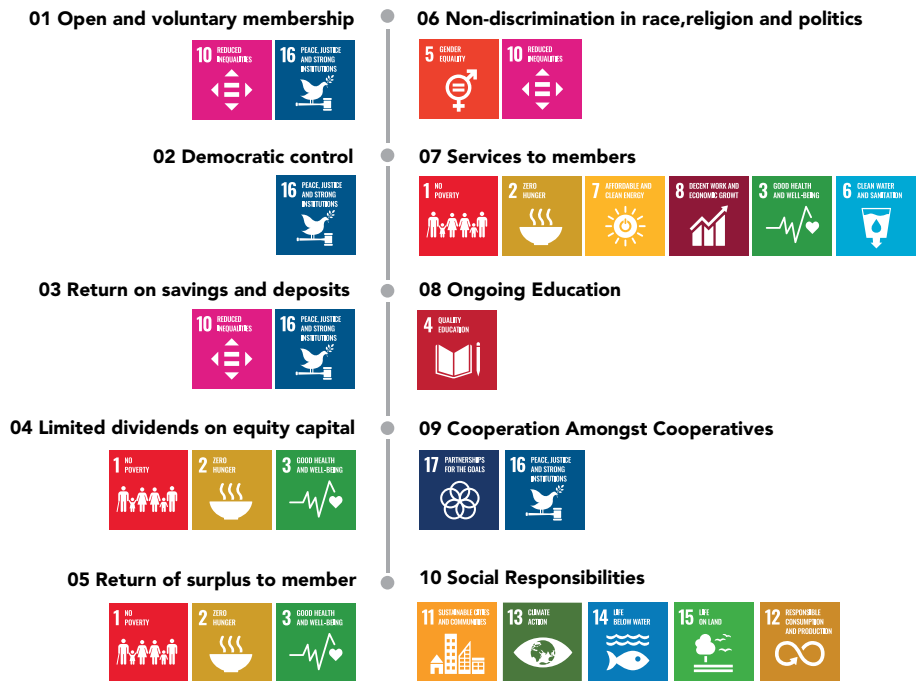
ENVIRONMENTAL SOCIAL AND GOVERNANCE COMMITTEE

The challenges associated with climate change impacts on all of our lives and as your credit union we recognise that we too have to play our part in minimising the impact we have on our environment. The ESG Committee is charged with the development of a set of standards for HSSCU's operations that strive to address the challenges associated with climate change and the broader sustainability issues that have significant implications for our members as individual householders and for the economy as a whole.

The Board of Directors views our progress on sustainability initiatives and ESG reporting as a continuous journey. We have been delivering on our operating principles for 60 years, but now we are using the UN Social Development Goals (SDGs) framework as an opportunity to challenge our Credit Union to deliver more. We will look at our core operating principles through the lens of the UN SDGs.

When we compare the credit union operating principles and the UN SDG goals, we see almost the same aspirations reflected in both frameworks.

We are proud that our operating principles closely reflect the goals that the UN and World Leaders adopted in 2015. The UN SDGs provide a unique framework to disclose our Credit Unions sustainability story.



Our next steps will include the:



Development of a plan:

With members help and guidance we will develop a plan to further deliver on the UNSDGs, while advancing our core principles



Setting of goals:

We will work with our members to develop goals that meet the needs of our members



Measurement of success:

we will establish a base line of our achievements to date and measure our performance in the future against this starting point



Reporting to members:

we will report to members on what we are doing and how well we are progressing with the achievement of our goals

We will be guided by the Credit Union core principles in delivering on the UN SDGs. If you feel that you may have something to offer in the area of sustainability and the delivery of the Un SDG's by the Credit Union, then please contact us at info@hsscu.ie.



Health Services Staffs
Credit Union

NEED TO CONSOLIDATE DEBTS THIS YEAR?

Contact HSSCU to turn
multiple debts into
1 easy repayment*

Call 1890 677 864
Email 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. This new loan may take longer to pay off than your previous loans. This means you may pay more than if you paid over a shorter term. Lending terms and conditions apply.

*Terms & conditions apply. Check out our Online Loan Calculator at:
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



This book is 100%
recyclable and is sourced
from sustainable forestry

www.hsscu.ie  

Health Services Staffs Credit Union Ltd. Registered Office: 5 High Street, Dublin 8.
Tel: 01 677 8648 or Lo Call: 0818 677 864 Fax: 01 677 8664 E-mail: info@hsscu.ie

Visit our website www.hsscu.ie for a digital copy of this AGM report.
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