Banc Ceannais na hÉireann
Central Bank of Ireland
Eurosystem

Financial Conditions of Credit Unions: 2013-2018

Issue 3, August 2018

Welcome to 'Financial Conditions of Credit Unions' Publication – 3rd Edition

Welcome to the third edition of the statistical information release 'Financial Conditions of Credit Unions'. In this edition, we continue our sectoral analysis, including analysis by credit union asset size and common bond type, focusing primarily on data reported in the regulatory returns for the half-year position as at 31 March 2013 to 31 March 2018[1]. The next edition of this publication will be based on September year-end data and will be published in December 2018.

Overall, for the period 31 March 2013 to 31 March 2018, positive trends in the reported financial position of credit unions have continued in the areas of increased new lending, reduction in reported arrears and an increase in overall reserves. While credit unions benefit from a strong brand and have a high level of trust amongst members, many significant challenges remain for credit unions by virtue of individual size and scale, narrowing cost to income margins, low loan to assets ratio, common bond profile and member demographics.

In line with our statutory mandate of ensuring protection by credit unions of members' funds, maintenance of financial stability and wellbeing of credit unions generally and to support the sector in its quest for sustainability, our approach in 2018 is focussing in particular on:

- *Supervisory proportionality* in our engagement approach with credit unions, designed to strengthen core functions;
- *Regulatory responsiveness* whereby we commit to evolve the regulatory framework in a responsive manner to support prudent business model development; and
- *Earned flexibility* by using our regulatory powers to facilitate strong credit unions in safe hands in undertaking business model development.

Specific initiatives from the Registry in 2018, including the launch of the CEO Forum and Credit Union Workshops together with publications, including 2018 supervisory commentary, findings of thematic reviews, provisioning guidance and the Financial Conditions of Credit Unions series, are intended to support credit unions building strong core foundations in the areas of governance, risk management and operational capability so that credit unions are in a position to deliver a sustainable business model.

We hope that you will find this report useful and informative. We welcome your comments or feedback including financial issues to be addressed in future publications. Any feedback should be provided to rcuanalytics@centralbank.ie.

Patrick Casey

Registrar of Credit Unions

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[1] *The credit union sector data table at Appendix 1 covers the 31 March position for the 5 years 2013 to 2018 (the two previous editions focused on the 30 September year-end positions). We have also updated the analysis by credit union asset size to reflect the recent refinement of the supervisory engagement approach for 2018 which differentiates credit unions on a proportionate basis between small (under €40 million total assets), medium (€40 million to €100 million total assets) and large credit unions (€100 million or more total assets).*

Notes

Source of Data:

The data contained and presented in this publication is derived from recurring information submitted by credit unions to the Registry of Credit Unions. This data is sourced from the quarterly and annual regulatory submissions that have been collated and consolidated by the Registry's Analytics Team to provide a sector-wide view of financial performance. Half-year data ranging from March 2013 to March 2018 and annual data ranging from September 2012 to September 2017 relate to credit union data available as at 26 July 2018.

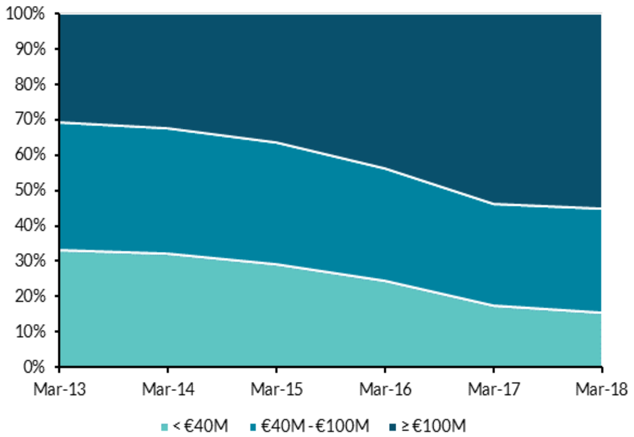
Notes:

1. Unless otherwise stated, this document refers to data available on 26 July 2018.
2. Unless otherwise stated, prudential return data is as at the reporting date from 2013 to 2018 and relates to 31 March of the relevant year.
3. Unless otherwise stated, year-end data is as at the reporting date from 2012 to 2017 and relates to 30 September of the relevant year.
4. Figures provided from the quarterly Income and Expenditure Statement and figures on new lending are reported on a year-to-date basis. Where stated, these figures are annualised.
5. Unless otherwise stated, the aggregate credit union data refer to all credit unions operating in the Republic of Ireland.
6. The list of registered credit unions is updated monthly and available at http://www.centralbank.ie.
7. Unless otherwise stated, "≥ €100M" relates to those credit unions with assets of €100 million or more, "€40M - €100M" relates to credit unions with assets between €40 million and €100 million and "<€40M" relates to credit unions with assets of under €40 million.

Financial Conditions of Credit Unions

Chart 1 | % Sector Assets by CU Asset Size

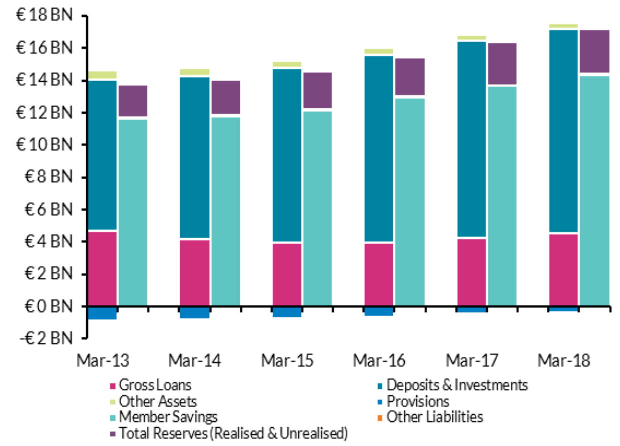
Per cent



Source: Data submitted by credit unions to RCU

Chart 2 | Balance Sheet Structure

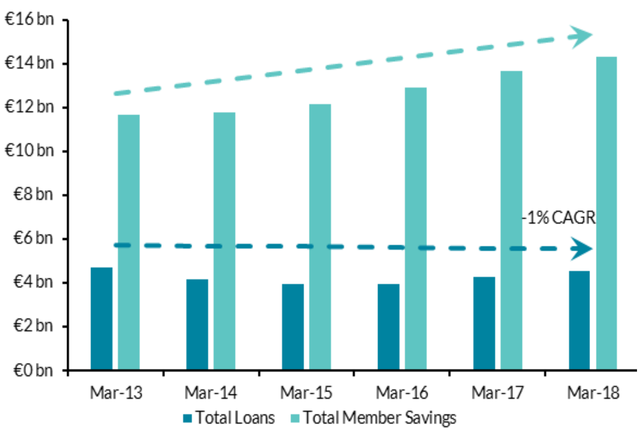
€ billion



Source: Data submitted by credit unions to RCU

Chart 3 | Loans and Member Savings

€ billion



Source: Data submitted by credit unions to RCU

1. Sector Overview

"Continued change in the profile of the sector, with some growth in the sector balance sheet"

There has been significant change and restructuring in the credit union sector in recent years with **264 active credit unions** at 31 March 2018, compared to 396 active credit unions at 31 March 2013. Total sector assets stand at a record high of **€17.2 billion** and the number of credit unions with an asset size of €100 million or greater has increased from 26 credit unions at 31 March 2013 to **53 credit unions** at 31 March 2018. The largest credit union has assets of over €400 million. Credit unions with assets of €100 million or greater now account for **55 per cent** of total sector assets, while credit unions with assets of less than €40 million account for **16 per cent** of total sector assets. This represents a considerable change in the structure of the sector since 31 March 2013 when the assets of credit unions with an asset size of less than €40 million represented 33 per cent of total sector assets and the assets of credit unions with assets of €100 million or greater represented 31 per cent of total sector assets. (Chart 1)

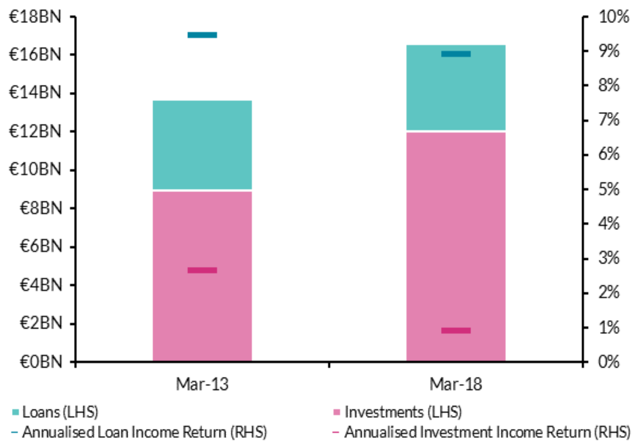
There has been continued growth in total sector reserves from €2.0 billion at 31 March 2013 to **€2.8 billion** at 31 March 2018 and the average realised reserves ratio at 31 March 2018 was **16.5 per cent**; compared with the minimum regulatory requirement of 10 per cent. **Three credit unions** reported reserves less than the 10 per cent minimum regulatory requirement at 31 March 2018[2].

Following a period of decline, credit union sector loans have experienced annual growth after 31 March 2015; however, gross loans outstanding have still not reached the levels achieved in 2013. Gross loans outstanding decreased by €0.2bn, from €4.7 billion at 31 March 2013 to **€4.5 billion** at 31 March 2018, representing a compound annual **decline of 1 per cent** over the period. Savings have outpaced loans with continuous annual growth since 2013. Savings increased from €11.7 billion at 31 March 2013 to €14.3 billion at 31 March 2018, an increase of €2.7 billion, representing a compound annual growth rate of **4 per cent**. (Chart 2, Chart 3)

The average sector loan to asset ratio fell from 35 per cent at 31 March 2013 to **27 per cent** at 31 March 2016 and has remained at this level to 31 March 2018. Total sector loan interest income has also decreased over the 5 year period, falling from €209 million for the six months to 31 March 2013 to €172

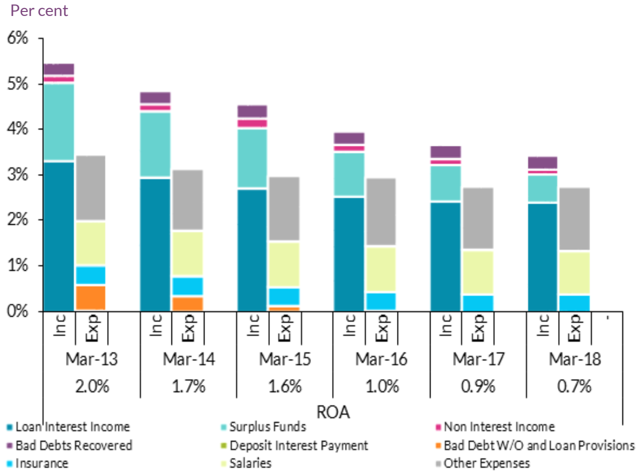
[2] All of these credit unions have since transferred to other credit unions under the transfer of engagements process.

Chart 4 | Loans and Investments



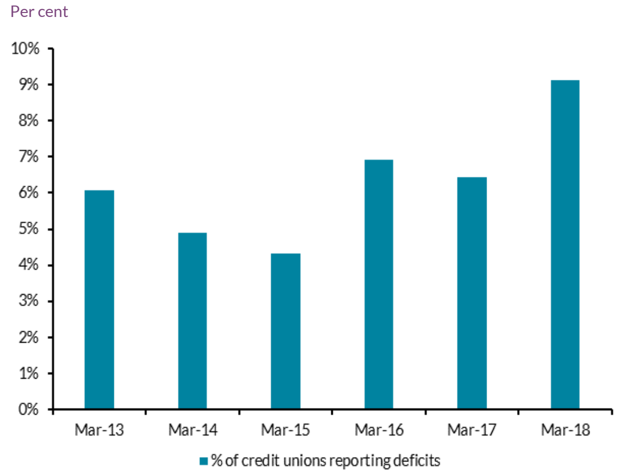
Source: Data submitted by credit unions to RCU

Chart 5 | Sector Average ROA Components (Annualised)



Source: Data submitted by credit unions to RCU

Chart 6 | % of CU Reporting a Deficit



Source: Data submitted by credit unions to RCU

million for the six months to 31 March 2016, and was reported as **€186 million** for the six months to 31 March 2018. This resulted in an average annualised return of **9 per cent** on loans.

In the same period, the average sector investments to assets ratio has increased from 63 per cent at 31 March 2013 to **68 per cent** at 31 March 2018. Investments have grown from €9 billion at 31 March 2013 to **€12 billion** at 31 March 2018. In contrast to this increase in investments, the average annualised return on investments has decreased from 2.6 per cent to **0.9 per cent** over the period. Total sector investment income has decreased over the period falling from €139 million for the six months to 31 March 2013 to **€64 million** for the six months to 31 March 2018. This fall in investment income reflects the prevailing low interest rate environment. (Chart 4)

Finally, specifically in relation to the six-month period to 31 March 2018 compared with the six-month period 31 March 2017, interest income continues to trend upwards with a sector growth of 5 per cent while investment income continues to trend downwards with a sector decrease of 21 per cent for the same period.

2. Return on Assets

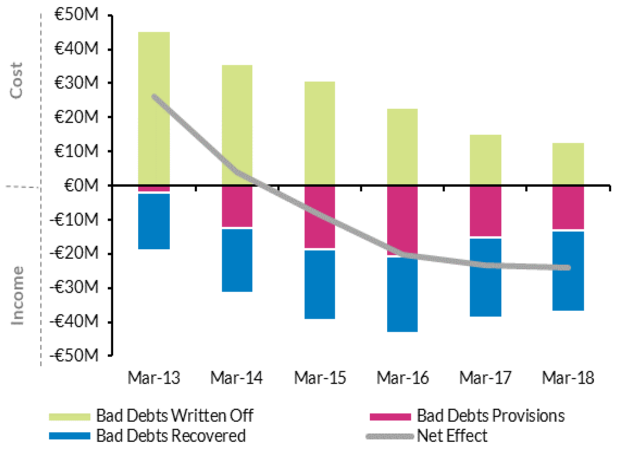
"Falling investment and loan returns leading to increased pressure on Return on Assets"

As the income and expenditure performance of credit unions in the March returns is reported for the six months to March of the relevant year, the average return on assets has been annualised. The average annualised return on assets (ROA) has dropped from 2 per cent at 31 March 2013 to 0.7 per cent at 31 March 2018. At 31 March 2013, loan interest income and investment income combined accounted for a positive impact of 5 per cent on ROA but, while they remain the principal components of credit union income at 31 March 2018, they now only account for a positive impact of 3 per cent on ROA. The negative impact of total expenses on ROA has decreased from 3.4 per cent to 2.7 per cent over the same period with increases in operational expenses somewhat offset by a reduction in bad debt write-offs, coupled with continued loan provision write-backs and bad debts recovered. (Chart 5, Chart 7)

The decrease in ROA for credit unions, was accompanied by a gradual increase in the percentage of credit unions reporting a deficit year-to-date, with

Chart 7 | Loan Book Related I&E Items

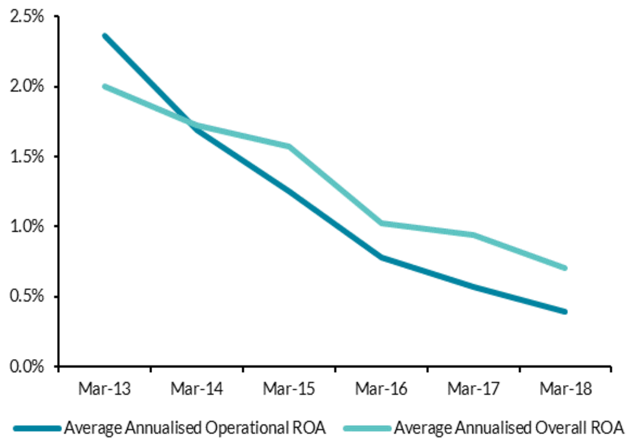
€ million



Source: Data submitted by credit unions to RCU
Note: Data is for the six months to 31 March of the relevant year

Chart 8 | Return on Assets Trend (Annualised)

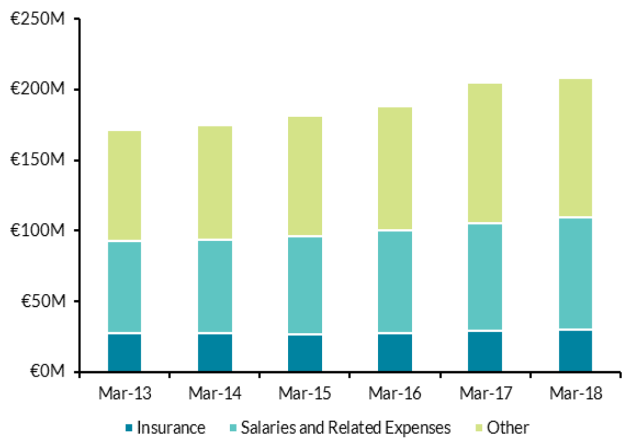
Per cent



Source: Data submitted by credit unions to RCU
Note: Data is for the six months to 31 March of the relevant year

Chart 9 | Operational Expenses

€ million



Source: Data submitted by credit unions to RCU
Note: Data is for the six months to 31 March of the relevant year

9 per cent of credit unions (24 credit unions) reporting a deficit at 31 March 2018, compared to 6 per cent (18 credit unions) at 31 March 2017. (Chart 6)

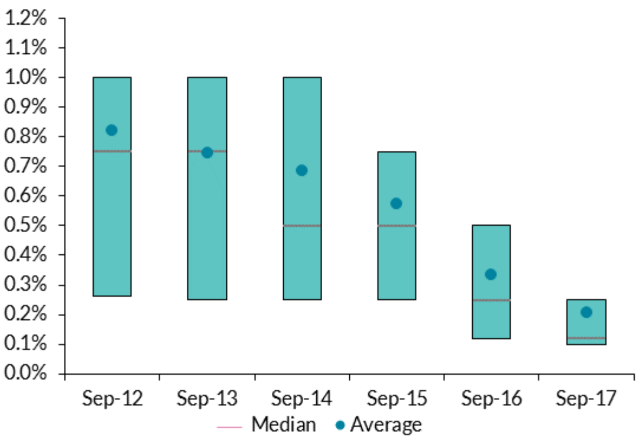
Provisions (including in the form of releases), write-offs and bad debts recovered accounted for an accumulated expense of €26 million in the six months to 31 March 2013 on the credit union income and expenditure account. In the context of the reduction in loan arrears, loan write-offs and provisioning releases somewhat offset each other and the net impact of provisions (including in the form of releases), write-offs and bad debts recovered on credit union income and expenditure became positive after 31 March 2014. Net provisions have created an additional income buffer for credit unions post-March 2014 resulting in the average annualised overall ROA of credit unions being higher than the average annualised operational ROA[3]. At 31 March 2018, the net impact of provisions (including in the form of releases), write-offs and bad debts recovered for the six months to 31 March 2018 was a contribution to income of €24 million. The non-operational nature of this income cannot be relied upon for contributing to surpluses in the future. (Chart 7, Chart 8)

In terms of expenses, overall, six-month operational expenses have increased gradually throughout the period 31 March 2013 to 31 March 2018 with salaries and related expenses and insurance costs having consistently been significant constituents of the operational expenses. Salaries and related expenses have risen from €65 million for the six months to March 2013 to almost €80 million for the six months to March 2018. Insurance costs have remained relatively stable over the same period, increasing from €28 million to €30 million. (Chart 9)

[3] Operational ROA is calculated taking account of income that includes interest income, investment income and other income and operational expenses that includes net loan protection/life savings insurance, salaries and related expenses, interest on borrowings and deposits and other expenses.

Chart 10 | Dividend Between the 25th and the 75th Percentile

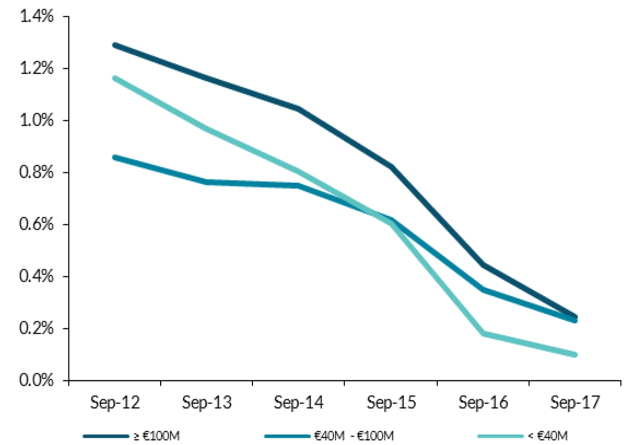
Per cent



Source: Data submitted by credit unions to RCU
Note: Data is taken from the Year-End Draft Financial Statements submitted by credit unions

Chart 11 | Average Dividend by CU Size

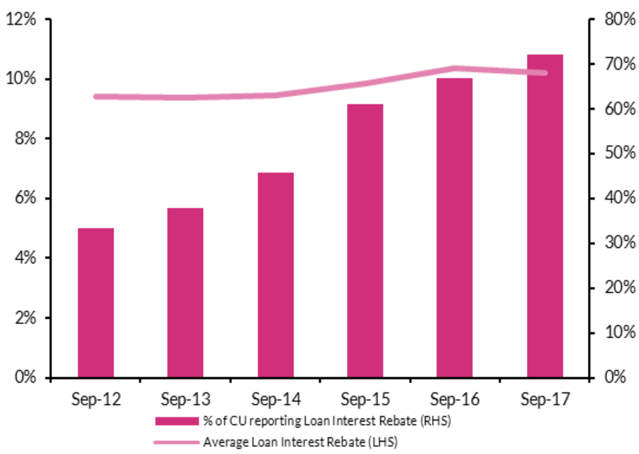
Per cent



Source: Data submitted by credit unions to RCU
Note: Data is taken from the Year-End Draft Financial Statements submitted by credit unions

Chart 12 | Average Loan Interest Rebate

Per cent



Source: Data submitted by credit unions to RCU
Note: Data is taken from the Year-End Draft Financial Statements submitted by credit unions

3. Dividend and Loan Interest Rebate

"Increased number of credit unions proposing loan interest rebate while average proposed dividend falls"

As information on the proposed dividends and loan interest rebate is only reported by credit unions in the year-end returns, data in this section is based on information received in the September year-end returns. The average sector dividend proposed has decreased from 0.8 per cent at 30 September 2012 to 0.2 per cent at 30 September 2017. The range between the proposed dividend of the top quarter of credit unions and the bottom quarter of credit unions has decreased significantly. At 30 September 2012, half of credit unions proposed dividends of 0.75 per cent or higher, while 75 per cent of credit unions proposed dividends of 0.25 per cent or less at 30 September 2017. (Chart 10)

The variation in the average dividend proposed between credit unions of different asset sizes was more prominent at 30 September 2012. The average dividends proposed have contracted over the period and the variation in the averages of the proposed dividend is now smaller.

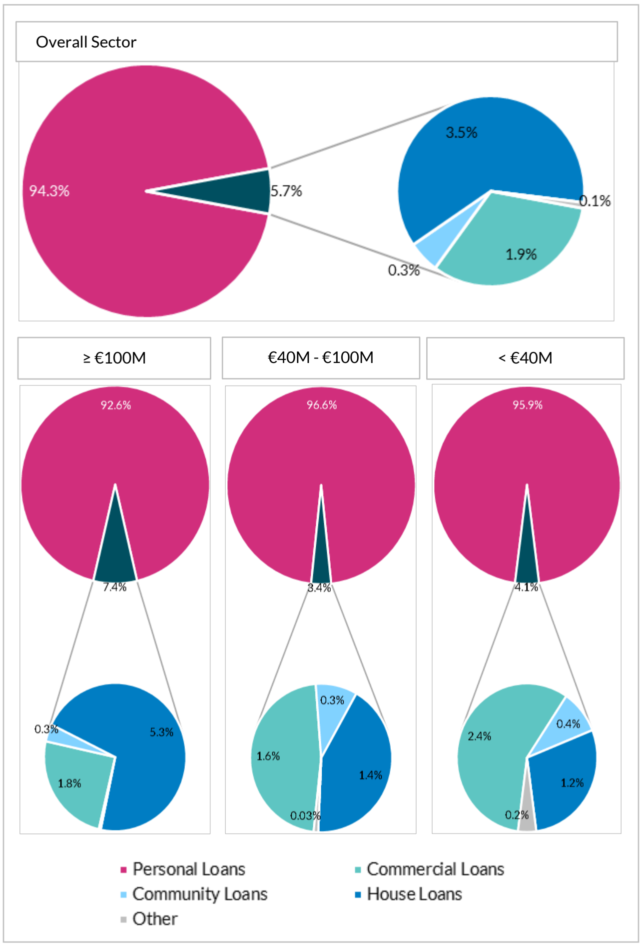
At 30 September 2012 the average dividend proposed by credit unions with an asset size of at least €100 million was 1.3 per cent. This has decreased to an average dividend proposed by credit unions with an asset size of at least €100 million of 0.2 per cent at 30 September 2017.

The average dividend proposed for credit unions with an asset size of between €40 million and €100 million was 0.9 per cent at 30 September 2012 and this fell to 0.2 per cent at 30 September 2017.

The average dividend proposed by credit unions with an asset size of less than €40 million also fell over the period from 1.2 per cent at 30 September 2012 to 0.1 per cent 30 September 2017. (Chart 11)

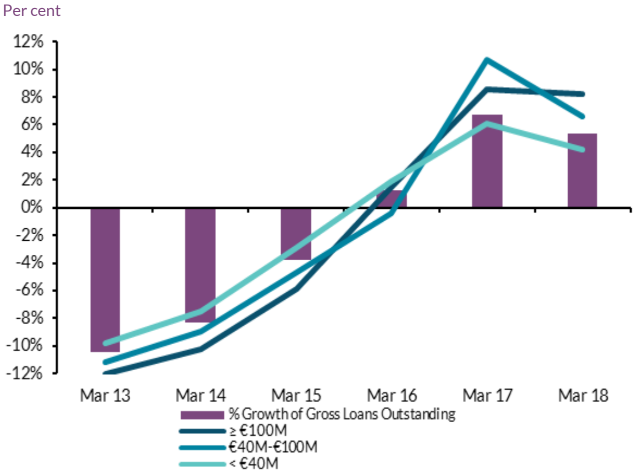
In contrast to the downward dividend trend, the number of credit unions reporting a proposed loan interest rebate has increased significantly over the period. At 30 September 2012, 33 per cent of credit unions proposed a loan interest rebate. This has increased steadily each year and at 30 September 2017, 72 per cent of credit unions proposed a loan interest rebate. For credit unions that reported a proposed loan interest rebate, the average rate proposed has not varied significantly over the period with an average of 9.4 per cent reported at 30 September 2012 compared to 10.2 per cent at 30 September 2017. (Chart 12)

Chart 13 | Gross Loans Outstanding by Category Mach 2018



Source: Data submitted by credit unions to RCU

Chart 14 | Growth in Loans Outstanding



Source: Data submitted by credit unions to Rcu
Note: This graph is based on the 263 credit unions that reported for 31 March 2018 with the loans of all transferor credit unions between March 2013 and March 2018 included in the loans of their transferee credit unions for the purpose of estimating a more accurate growth rate

4. Lending

"Continued decrease in arrears and indications of change in loan book structure"

4.1 Gross Loans Outstanding

At 31 March 2018, the overall sector average loan to asset ratio stands at 27 per cent with total sector loans outstanding of €4.5 billion. Credit union lending is primarily comprised of personal loans, which account for 94.3 per cent of total gross loans outstanding. House loans account for 3.5 per cent while the balance of 2.2 per cent of total gross loans outstanding are made up of community loans, commercial loans and other loans.

For credit unions with an asset size greater than €100 million, personal loans account for 92.6 per cent of total gross loans outstanding while house loans account for 5.3 per cent of gross loans outstanding.

For credit unions with an asset size between €40 million and €100 million, personal loans account for 96.6 per cent and house loans account for 1.4 per cent of gross loans outstanding

For credit unions with an asset size of less than €40 million, personal loans account for 95.9 per cent and house loans account for 1.2 per cent of gross loans outstanding.

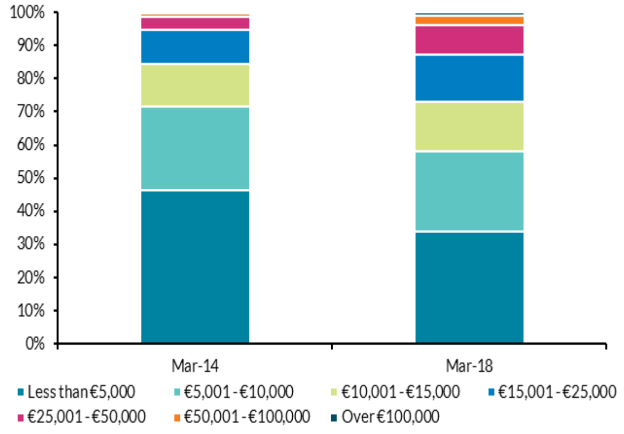
For credit unions in both the asset categories of '€40 million to €100 million' and 'less than €40 million', commercial loans are the second largest category of lending after personal loans, accounting for 1.6 per cent of gross loans outstanding in the €40 million to €100 million asset size category and 2.4 per cent in the less than €40 million asset size category. (Chart 13)

Credit union sector average gross loans outstanding experienced a decline between March 2013 and March 2015. This recovered to positive growth after March 2015. The sector average gross loans outstanding growth rate from 31 March 2017 to 31 March 2018 was 5 per cent.[4] This trend is mirrored when analysed by credit union asset size. From 31 March 2017 to 31 March 2018, the average loan growth rate for credit unions with assets of at least €100 million was 8 per cent while credit unions with assets of less than €40 million had loan growth of 4 per cent. (Chart 14)

[4] Analysis of the growth in gross loans outstanding is based on the data of the 263 credit unions that reported for 31 March 2018 with the gross loans outstanding of all transferor credit unions between March 2013 and March 2018 included in the loans of the relevant transferee credit unions in order to provide a complete picture on overall sectoral loan growth.

Chart 15 | New Loans Advanced by Amount

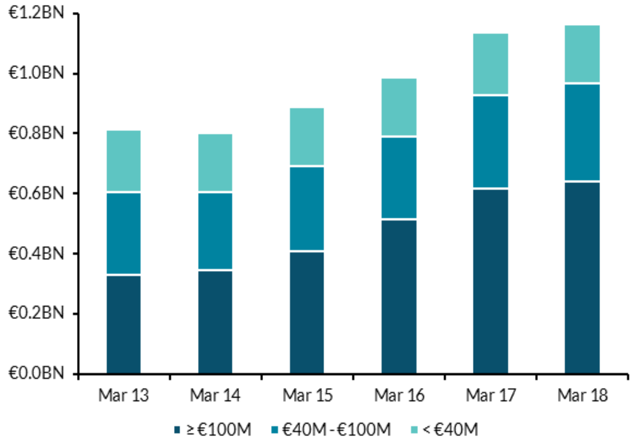
Per cent



Source: Data submitted by credit unions to RCU
Note: Data on new loans is year-to-date and represents new lending for the six months to March of the relevant year

Chart 16 | New Loans Advanced

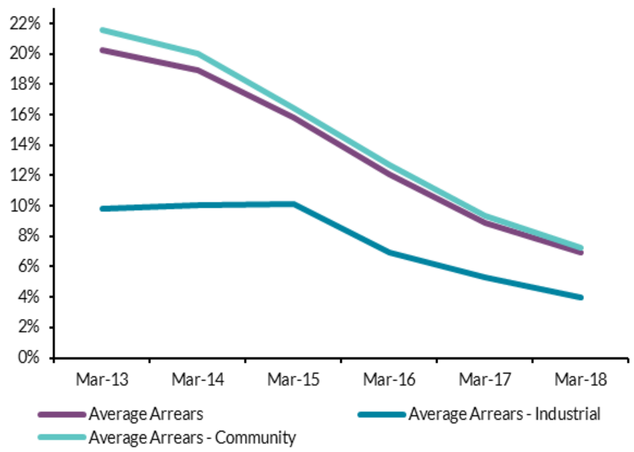
€ billion



Source: Data submitted by credit unions to RCU
Note: Data on new loans is year-to-date and represents new lending from Sep to Mar of the relevant year
Note: This graph is based on the 263 credit unions that reported for 31 March 2018 with the new loans of all transferor credit unions between March 2013 and March 2018 included in the new loans of their transferee credit unions for the purpose of estimating more accurate growth

Chart 17 | Average Arrears by Common Bond

Per cent



Source: Data submitted by credit unions to RCU

4.2 New Lending

The profile of new loans advanced by amount has changed since 31 March 2014[5]. There has been an increase in the portion of new lending in loans over €15,000 since 31 March 2014. The share of new loans advanced as a proportion of total new loans advanced in the band '€15,001-€25,000' has increased from 10 per cent to 14 per cent. The band of '€25,001-€50,000' has increased from 4 per cent to 9 per cent with the combined bands of '€50,001-€100,000' and over €100,000 increasing from 1 per cent to 4 per cent. (Chart 15)

The total amount of new loans advanced of €1.16 billion for the six months to 31 March 2018 has increased by 43 per cent when compared to the total amount of new loans advanced of €0.81 billion for the six months to 31 March 2013.[6]

At 31 March 2013, credit unions with assets of at least €100 million reported new loans for the six-month period of €330 million. At 31 March 2018, €639 million of new loans were reported by credit unions in this asset category for the six months to 31 March 2018.

The amount of new loans for the six-month period reported by credit unions with assets between €40 million and €100 million was €276 and €328 million new loans were reported for the six months to 31 March 2018.

The amount of new loans reported for the six-month period by credit unions with assets less than €40 million decreased slightly from €205 million to €197 million over the same period. (Chart 16)

4.3 Arrears

A declining trend in the average level of arrears reported indicates continuous improvement in sector wide credit quality in the loan book over the period. The sector average rate of arrears has fallen from 20 per cent at 31 March 2013 to 7 per cent at 31 March 2018.From a common bond perspective, average arrears for credit unions with an industrial common bond have fallen from 10 per cent at 31 March 2013 to 4 per cent at 31 March 2018. Credit unions with a community common bond have experienced a larger decline in arrears, albeit from a higher starting point, reducing from 22 per cent at 31 March 2013 to 7 per cent at 31 March 2018. (Chart 17)

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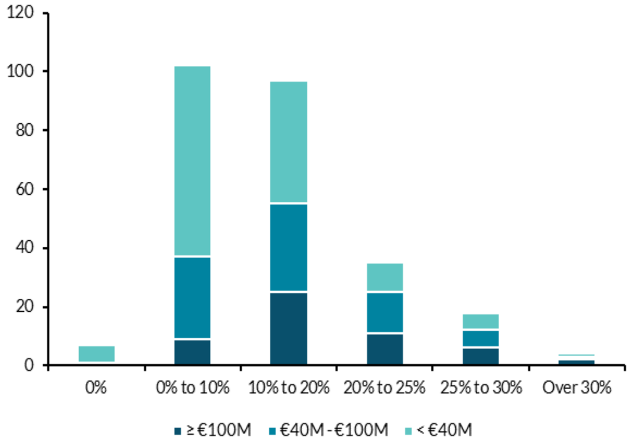
[5] Credit unions began reporting new lending by amount in March 2014
[6] Analysis of new lending is based on the data of the 263 credit unions that reported for 31 March 2018 with the new lending of all transferor credit unions between March 2013 and March 2018 included in the new loans of the relevant transferee credit unions in order to provide a complete picture on overall sectoral new lending.

Chart 18 | % of Lending Greater than 5 Years March 2018

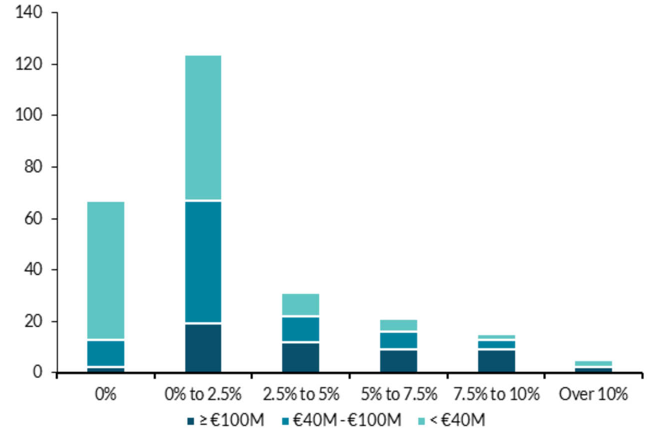
Number of Credit Unions



Source: Data submitted by credit unions to RCU

Chart 19 | % of Lending Greater than 10 Years March 2018

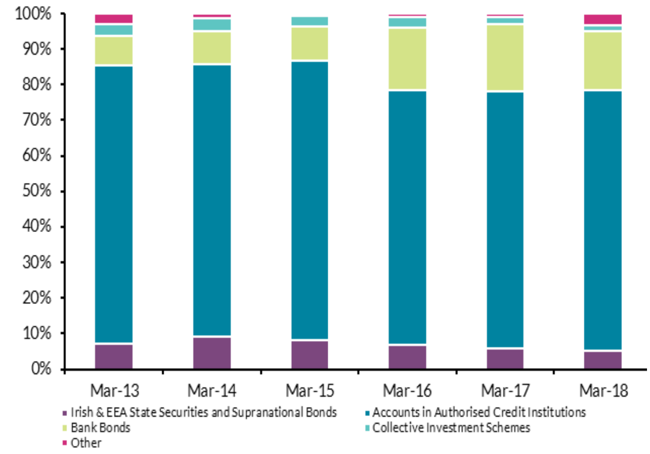
Number of Credit Unions



Source: Data submitted by credit unions to RCU

Chart 20 | Investments by Category

Per cent



Source: Data submitted by credit unions to RCU
Note: Pre-March 2016, credit unions reported investments in equities or life assurance products. These are included in the figure for Other Investments.
Also note that from March 2018 onwards credit unions are permitted to invest in supranational bonds. These are now reported in the Irish & EEA State Securities category. Credit unions have also been advised to report any investments in Corporate Bonds or Tier 3 Approved Housing Bodies in the "Other" category in the PR from March 2018 onwards.

4.4 Longer Term Lending

For the purposes of this section, longer term lending (LTL) refers to lending with a maturity greater than 5 years. This incorporates a wide range of loan purposes and related maturities, from 5 years to 25 years in term. For the majority of credit unions, longer term lending (LTL) represents a small proportion of total loans outstanding at 31 March 2018. 102 credit unions have '0% to 10%' of their loan book in LTL while 97 credit unions have '10% to 20%' of their loan book in LTL. 18 credit unions have '25% to 30%' of their loan book in LTL. 4 credit unions have 'Over 30%' of their loan book in LTL for which approval is required from the Central Bank. (Chart 18).

A large number of credit unions have minimal or no lending of 'greater than 10 years maturity'. Lending 'greater than 10 years maturity' represents '5% to 7.5%' of the loan book for 21 credit unions, '7.5% to 10%' of the loan book for 15 credit unions and 'Over 10%' of the loan book for 5 credit unions for which approval is required from the Central Bank. (Chart 19).

5. Investments and Liquidity

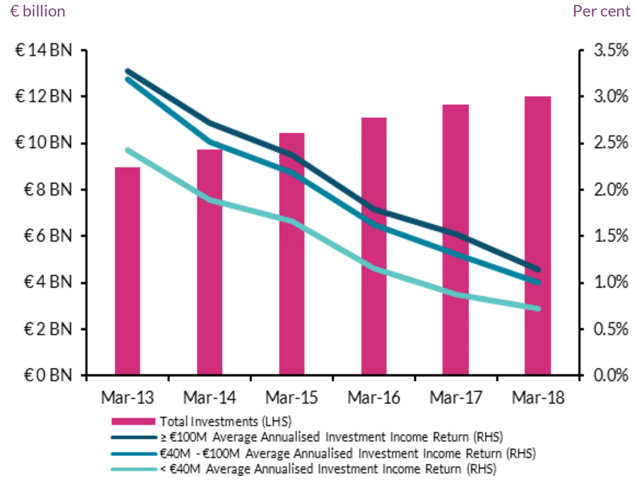
"Investment income continues to fall as investments increase "

5.1 Investments

Total credit union investments have increased over the period from 31 March 2013 to 31 March 2018 from €9 billion to €12 billion and now account for 68 per cent of total sector assets. Credit unions' investments are still concentrated primarily in deposits with authorised credit institutions and bank bonds. At 31 March 2013, 78 per cent of investments were in accounts in authorised credit institutions, falling to 73 per cent of credit union investments in this category at 31 March 2018. The proportion of total investments in bank bonds has more than doubled in the period, from 8 per cent at 31 March 2013 to 16 per cent at 31 March 2018. The new regulations under the Credit Union Act 1997 (Regulatory Requirements) Regulations 2018 (as amended)[7] commenced on 1 March 2018 expanding the list of permitted investment classes for credit unions to include supranational bonds, corporate bonds and investments in Tier 3 Approved Housing bodies through a regulated investment vehicle. As 31 March 2018 was the first prudential return submitted by credit unions since the introduction of the new

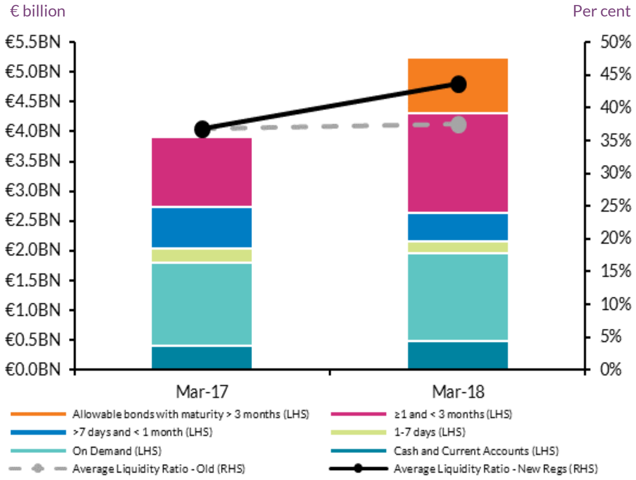
[7] http://www.irishstatutebook.ie/eli/2018/si/32/made/en/pdf

Chart 21 | Investments and Investment Income



Source: Data submitted by credit unions to RCU

Chart 22 | Composition of Sector Liquid Assets



Source: Data submitted by credit unions to RCU

regulations, it is too early to note any changes in the composition of investments arising from the new regulations. (Chart 20)

Total sector investments have increased year-on-year to 31 March 2018. Although investments are increasing, given the prevailing low interest rate environment, average annualised investment income has continued to fall. Investment income return has fallen by more than half from 31 March 2013 to 31 March 2018 across all asset size buckets. The average investment return for credit unions with assets of at least €100 million was 1.1 per cent, the average for credit unions with assets of €40 million to €100 million was 1.0 per cent and for credit unions with assets of less than €40 million was 0.7 per cent at 31 March 2018. (Chart 21)

5.2 Liquid Assets

Following the commencement of the new regulations on 1 March 2018, Irish and EEA state securities, bank bonds and supranational bonds with a maturity of greater than 3 months (with discounts applied to the current market value) are now included within an expanded definition of relevant liquid assets. These discounted investments account for €0.95 billion of 31 March 2018 liquid assets. The total level of liquid assets for the sector was €5.3 billion at 31 March 2018. Based on the previous definition of liquidity, 31 March 2017 average liquidity ratio was 37 per cent, above the minimum liquidity requirement of 20 per cent. The introduction of the expanded definition of liquid assets has resulted in a liquidity ratio of 44 per cent of total unattached savings at 31 March 2018, instead of 38 per cent if the definition had remained the same. (Chart 22)

31-Mar-13	Asset Bucket			Total Sector
	< €40M	€40M - €100M	≥ €100M	
No. Credit Unions that have Submitted Returns	**288**	**82**	**26**	**396**
Average Surplus (6 months)	€0.16M	€0.64M	€1.78M	€0.37M
Total Surplus (6 months)	€45.71M	€52.85M	€46.24M	€144.80M
Average Assets	€15.81M	€61.02M	€161.68M	€34.75M
Total Assets	€4.55BN	€5.00BN	€4.20BN	€13.76BN
Average Annualised ROA	2.0%	2.1%	2.1%	2.0%
Average Liquidity	46.8%	37.7%	39.3%	44.5%
Average Arrears > 9 weeks	20.4%	20.8%	16.3%	20.2%
Average Reserves	14.3%	14.7%	15.1%	14.5%

31-Mar-14	Asset Bucket			Total Sector
	< €40M	€40M - €100M	≥ €100M	
No. Credit Unions that have Submitted Returns	**278**	**82**	**28**	**388**
Average Surplus (6 months)	€0.14M	€0.60M	€1.87M	€0.36M
Total Surplus (6 months)	€39.07M	€49.47M	€52.45M	€140.99M
Average Assets	€16.16M	€60.93M	€161.45M	€36.11M
Total Assets	€4.49BN	€5.00BN	€4.52BN	€14.01BN
Average Annualised ROA	1.6%	1.9%	2.2%	1.7%
Average Liquidity	51.0%	39.6%	37.5%	47.7%
Average Arrears > 9 weeks	19.2%	18.9%	16.2%	18.9%
Average Reserves	15.1%	15.4%	15.5%	15.2%

31-Mar-15	Asset Bucket			Total Sector
	< €40M	€40M - €100M	≥ €100M	
No. Credit Unions that have Submitted Returns	**256**	**81**	**32**	**369**
Average Surplus (6 months)	€0.13M	€0.59M	€1.55M	€0.36M
Total Surplus (6 months)	€33.71M	€47.98M	€49.49M	€131.18M
Average Assets	€16.54M	€61.93M	€164.71M	€39.35M
Total Assets	€4.23BN	€5.02BN	€5.27BN	€14.52BN
Average Annualised ROA	1.5%	1.8%	1.9%	1.6%
Average Liquidity	47.5%	37.1%	33.1%	43.9%
Average Arrears > 9 weeks	15.9%	16.4%	13.6%	15.8%
Average Reserves	16.0%	15.9%	15.7%	15.9%

31-Mar-16	Asset Bucket			Total Sector
	< €40M	€40M - €100M	≥ €100M	
No. Credit Unions that have Submitted Returns	**213**	**79**	**41**	**333**
Average Surplus (6 months)	€0.09M	€0.41M	€1.20M	€0.30M
Total Surplus (6 months)	€19.33M	€32.05M	€49.26M	€100.63M
Average Assets	€17.62M	€62.24M	€164.23M	€46.26M
Total Assets	€3.75BN	€4.92BN	€6.73BN	€15.40BN
Average Annualised ROA	0.9%	1.3%	1.4%	1.0%
Average Liquidity	42.7%	35.5%	31.9%	39.6%
Average Arrears > 9 weeks	12.6%	11.7%	10.0%	12.1%
Average Reserves	16.0%	15.7%	15.5%	15.9%

31-Mar-17				
	Asset Bucket			Total Sector
	< €40M	€40M - €100M	≥ €100M	
No. Credit Unions that have Submitted Returns	**150**	**78**	**52**	**280**
Average Surplus (6 months)	€0.08M	€0.33M	€1.02M	€0.32M
Total Surplus (6 months)	€12.29M	€25.40M	€52.90M	€90.58M
Average Assets	€19.19M	€60.55M	€169.39M	€58.61M
Total Assets	€2.88BN	€4.72BN	€8.81BN	€16.41BN
Average Annualised ROA	0.8%	1.1%	1.2%	0.9%
Average Liquidity	40.9%	33.6%	30.3%	36.9%
Average Arrears > 9 weeks	9.9%	8.0%	7.4%	8.9%
Average Reserves	16.7%	16.8%	16.1%	16.6%

31-Mar-18				
	Asset Bucket			Total Sector
	< €40M	€40M - €100M	≥ €100M	
No. Credit Unions that have Submitted Returns	**130**	**80**	**53**	**263**
Average Surplus (6 months)	€0.06M	€0.30M	€0.83M	€0.29M
Total Surplus (6 months)	€8.22M	€23.97M	€43.84M	€76.03M
Average Assets	€20.47M	€62.91M	€179.56M	€65.44M
Total Assets	€2.66BN	€5.03BN	€9.52BN	€17.21BN
Average Annualised ROA	0.5%	1.0%	0.9%	0.7%
Average Liquidity*	46.4%	41.3%	40.4%	43.6%
Average Arrears > 9 weeks	8.0%	6.0%	5.8%	7.0%
Average Reserves	16.4%	16.8%	16.0%	16.5%

Definitions	
Average Surplus	Average of all 'Year to Date Surplus (Deficit)' reported by individual credit unions in the quarterly prudential return
Total Surplus	Total of all 'Year to Date Surplus (Deficit)' reported by individual credit unions in the quarterly prudential return
Average Assets	Average of 'Total Assets' reported by individual credit unions in the quarterly prudential return
Total Assets	Total of 'Total Assets' reported by individual credit unions in the quarterly prudential return
Average Annualised ROA	ROA (Return on Assets): Average of annualised credit union ROA as calculated from data points reported by individual credit unions in the quarterly prudential returns. ROA calculation is annualised 'Year to Date Surplus (Deficit)' divided by 'Total Assets'
Average Liquidity	Average of credit union liquidity as calculated from data points reported by individual credit unions in the quarterly prudential returns. Liquidity calculation is the sum of 'Investments available in less than 3 months' and 'Cash and Current Accounts' divided by 'Total Unattached Savings'. *Following the commencement of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016 (as amended) on 1 March 2018, Irish and EEA state securities, bank bonds and supranational bonds with a maturity of greater than 3 months (with discounts applied to the current market value) are now included within the definition of relevant liquid assets.
Average Arrears	Average of credit union arrears as calculated from data points reported by individual credit unions in the quarterly purdential returns. Arrears calculation is 'Gross Loans in Arrears > 9 weeks' divided by 'Total Gross Loans'
Average Reserves	Average of total realised reserves reported by individual credit unions in the quarterly prudential returns

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