



Safe, Strong, Secure.

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Credit unions are regulated by the Financial Regulator

CU AT YOUR PLACE



Notice is hereby given that the

Annual General Meeting

of Malahide & District Credit Union Ltd.
will take place in the

Grand Hotel, Malahide

on **Monday, December 7th, 2009**

at **8pm** sharp

**FREE DRAW
FOR MEMBERS WHO
ATTEND AGM**

The Board has agreed that, in order to encourage
members to attend the AGM, there will be a

€1,000 Prize Draw

First Prize €500
and five Runner-Up Prizes of €100

DIRECTORS AND OTHER INFORMATION

Directors

Bryan O'Flaherty (Chairperson)
Brian Mulligan (Vice-chairperson)
Donal Murphy (Treasurer)
Alan Kelly (Secretary)
Maureen Fox
Pat Costello
Michael Dowling
Clare Gibson
Anne Halligan
Liz O'Connor
Caroline Wallace
Maria O'Doherty (Resigned 9th November)

Supervisory Committee

Eileen Mooney (Chairperson)
Niall Duffy
Dermot McCourt

Staff

Vivienne Keavey (Manager)
Lucia Kane
Kathleen Jennings
Aileen Lawlor
Eimear McDonnell
Caroline McDonnell

Registered Number

268CU

Registered Office

1 Railway Avenue
Malahide, Co. Dublin

Auditor

FMB Chartered Accountants
Longboat, 56 Sir John Rogersons Quay
Dublin 2

Bankers

National Irish Bank Limited
Main Street, Malahide, Co. Dublin

Christmas Opening Hours 2009

Closing

Thursday 24th December 2009
at 12.00pm

Re-Opening

Wednesday 30th December
at 10.00am

Closed: 1st & 2nd January 2010



AGENDA

ANNUAL GENERAL MEETING 7 DECEMBER 2009

1. Acceptance of proxies (if any) by the Board of Directors
2. Ascertainment that a Quorum is present
3. Adoption of Standing Orders
4. Reading and Approval (or correction) of minutes of last Annual General Meeting
5. Report of the Board of Directors
6. Report of the Treasurer
7. Report of the Auditor
8. Report of Supervisory Committee
9. Declaration of Dividend
10. Committee Reports
11. Nomination Committee Report
12. Appointment of Tellers
13. Elections:
 - a. Auditor for 2009-2010
 - b. Vacancies on the Board of Directors
14. Motions
15. Amendments of Rules
16. Any other business
17. Announcement of Election Results
18. Adjournment or Close of Meeting

NOTICE OF ELECTIONS

for the year ended 30 September 2009

Elections will be held to fill vacancies on the board of Directors, as in accordance with Rule 62 and the position of Auditor.

Nominations for the positions of Directors and Auditor must be in writing and signed by a proposer and seconder (who must be Members of the Credit Union) and also by the person nominated so as to indicate his/her consent.

Nomination forms are available from the office and completed nomination forms must reach the Credit Union's Registered Office not later than 12.30 p.m. on Saturday 5 December 2009. All those nominated (other than for the position of Auditor) must be Members of the Credit Union and have reached age 18.

On behalf of the Nominating Committee:
Alan Kelly,
Vivienne Keavey

DIRECTORS' REPORT

for the year ended 30 September 2009

The directors present their report and audited financial statements for the year ended 30 September 2009.

Principal Activity and Review of Business

The credit union continued to attract additional members' savings during the financial year. Lending activity remained slow in line with trends in the economy.

Results for the year and State of Affairs at 30 September 2009

The income and expenditure account and the balance sheet for the year ended 30 September 2009 are set out on pages 10 and 11.

Principal Risks and Uncertainties

The credit union, as with many other financial institutions, are facing uncertainties arising from the general economic downturn. The board are actively monitoring the effects of these conditions on the operations of the credit union.

The principal areas currently requiring risk management include:

- Loan approval and guarding against subsequent default

- Prudent investment selection policy, guarantee of capital and monitoring of performance
- Liquidity management and control of costs

Dividends

The directors recommend payment of a dividend of €104,437.00 (1.00%) for the year, (2008 - 1.50%)

Accounting Records

The Directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the credit union are maintained at the company's premises at 1 Railway Avenue, Malahide, Co. Dublin.

Approved by the Board on:
30 November 2009

Donal Murphy
Treasurer

Bryan O'Flaherty
Chairperson

MOTIONS

It is proposed that:

1. The affiliation fee to the Irish League of Credit Unions (ILCU) for the year ended September 30th, 2009 will be €2.00 per adult member, to be deducted from members shares.
2. The contribution to the ILCU International Development Trust Fund for the year ended September 30th 2009 is 64c per adult member, to be deducted from members shares.

INFORMATION FOR MEMBERS

1. Elections: There are vacancies for board membership to be filled. Nomination forms are available at the office.
2. Malahide & District Credit Union pays a Death Benefit Insurance Premium, on behalf of each member at no cost to the member.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

for the year ended 30 September 2009

The Credit Union Act 1997 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the credit union and of the income and expenditure of the credit union for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 keeping proper accounting records which disclose with reasonable accuracy the financial position of the credit union and which enables them to ensure that the financial statements comply with the Credit Union Act, 1997. 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 Credit Union Act 1997 requires the appointment of a Supervisory Committee which will oversee Directors in the performance of their functions, examine books and documents of the credit union and verify a sample of members' balance.

STATEMENT OF SUPERVISORY COMMITTEE'S RESPONSIBILITIES

for the year ended 30 September 2009

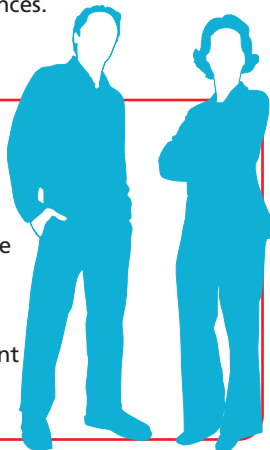
The Credit Union Act 1997 requires the appointment of a Supervisory Committee which will oversee Directors in the performance of their functions, examine books and documents of the credit union and verify a sample of members' balances.

Eileen Mooney Member of Supervisory Committee

Get Involved in Your Credit Union!

We would like to take this opportunity to invite those of you who are interested to contact the office for more information on how to get involved in your Credit Union.

Volunteers are always welcome and as there are a number of different committees that you can opt to be involved in suiting your particular talents and interests. Go on, GIVE SOMETHING BACK!



TREASURER'S REPORT

for the Year Ended 30th September 2009

Results

The results for the year show a 6% increase in overall income compared to last year. This is a good achievement in a year when financial markets are in such turmoil in Ireland and globally with sound lending and investment policies to protect member's interests. Total expenditure for the year rose by almost 30%.

Interest on member's loans for the year held up very well considering the downturn, showing an increase of 2%. The amount of loans to members has decreased, which is a reflection of the overall economic environment. The special reduced rate loans have been very successful and many members have used the opportunity to avail of the very competitive rates on offer across a broad range of areas. Interest rates will remain as competitive as possible for members on an ongoing basis.

Our policy of pursuing safe and secure investments, whilst availing of opportunities for good returns continues, and is reflected in the fact that none of our current investments have lost any of their original value despite the major financial crisis and stock-market downturn. Income from investments rose in excess of 30% which is reflective of this shrewd policy following the extremely high returns in 2007.

Despite the major worldwide downturn your credit union is in a good financial state with no liquidity problems. This is, in no small way, a reflection of the shrewd and prudent management affairs of the credit union by the current board and previous boards over the past number of years. In particular credit control and management of the loans in difficult circumstances keeps your credit union in a healthy state.

The Manager Vivienne Keavey and her conscientious and hard working staff deserve tremendous thanks and praise for their continued efforts and vigilance in maintaining the standards necessary for the successful operation of your credit union, as do all those on the Board and the various committees who give their services on a voluntary basis.

Dividend

The dividend has been set at 1%. The Board did consider paying no dividend this year, due to the very exceptional financial circumstances that pertain at this time. However with further reserves being set aside in agreement with the Financial Regulator and the prudent setting aside of reserves over the past few years enables the payment of a reasonable dividend for the year and we are pleased to be in a position to do so.

Conclusion

Our credit union has currently weathered the current economic downturn and the current year's performance reflects this strong result. Continuous prudence is required in the coming year to protect member's interests. As all members of the credit union live in, work in or have some connection with the local community, it is important that we all stick together in the current economic difficulties. In this regard, it is vital that any financial difficulties are brought to the attention of the manger and that every effort is made to continue repayments on a regular and realistic basis. Finally I would like to offer my sincere thanks to all the staff for their efforts and to the Board, Committee Members and Supervisors for their support during the year.

Donal Murphy,
Treasurer

SIGNIFICANT ACCOUNTING POLICIES

for the year ended 30 September 2009

The results for the year have been determined and the Balance Sheet compiled in accordance with the following accounting policies :-

1. Historical Cost Convention

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland

The credit union has consistently applied all relevant accounting standards

2. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Credit Union and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following criteria must also be met before revenue is recognised:

Interest on Members' Loans

Interest on Members' Loans is recognised when payment is received as specified in Section 110[1] [C] [i] of the Credit Union Act, 1997 (i.e. on a cash basis)

Investment Income

Investment income is recognised when received or irrevocably receivable. Investments are recognised at cost less any permanent diminution in capital value but ignoring any increase in capital value or encashment value until realised in the form of cash or cash equivalents

3. Investments

The specific investment products held by the credit union are accounted for as follows:- Bank deposits and other short term deposits These are valued at the deposit amount plus any accrued interest and interest income is recognised in the income statement on an accruals (time) basis

Term deposits and fixed interest investment bonds

Term deposits and fixed interest investment bonds with fixed maturity dates are valued at the lower of cost or encashment value and interest income is recognised in the income statement when it is received or irrevocably receivable

Investments with return of capital guarantee

Investments with return of capital guarantee are valued at the lower of cost or market

value but not lower than the capital guaranteed amount and dividend or other income is recognised in the income statement when it is received or irrevocably receivable

With profit bonds

With profit bonds with capital guaranteed, are valued at cost. Declared bonuses are recognised in the income statement when irrevocably receivable or earlier if the bond becomes realisable in the form of cash or cash equivalents in a secondary market. Terminal bonuses are recognised in the income statement when the credit union become irrevocably entitled to receive them

Bonds with guaranteed capital and variable interest rates

Interest income is recognised as received. Some bonds pay high rates of interest in early years and lower rates in later years. Paying higher amounts in early years reduces (impairs) the capital value of the bond. The capital value of the bond is tested annually for impairment and impairment losses are taken to the income statement. Impairment gains which reverse a previous impairment loss are taken to the income statement with any gains in excess of the cost of the product ignored until the bond matures

4. Depreciation

Depreciation is calculated to write off the original cost of the Fixed Assets, less their expected residual value, over their estimated useful lives at the following annual rate:

Premises	-	Straight Line over forty years
Computer equipment	-	25% Straight Line
Office equipment	-	10% Straight Line

The carrying value of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable

5. Pension Costs

The credit union operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the credit union in an independently administered fund. The pension charge represents contributions payable by the credit union to the scheme

6. Bad and Doubtful Debts

Bad debts written off are included in other Management Expenses. Bad debts recovered are included in the Income and Expenditure Account. Provision for doubtful debts is made against current loan balances

7. Dividends and other returns to members

Final dividends and other returns to members are accounted for as a liability after they are approved by the members in general meeting

INCOME & EXPENDITURE ACCOUNT

for the year ended 30th September 2009

	Schedule	2009 €	2008 €
Income			
Interest on members' loans		654,996	639,315
Other interest receivable and similar income	1	125,676	95,606
Net interest income		780,672	734,921
Other income	2	8,121	6,390
Total Income		788,793	741,311
Expenditure			
Salaries		135,141	126,810
Other management expenses	3	406,134	282,276
Depreciation		32,084	38,505
Provision for bad and doubtful debts		108,255	79,280
Bad debts recovered		(51,995)	(41,939)
Total Expenditure		629,619	484,932
Excess of Income over Expenditure		159,174	256,379
Add: Undistributed surplus 1 October		276,023	309,552
Total:		435,197	565,931
Less:			
Transfer to statutory reserve		(15,917)	(25,638)
Transfer to additional regulatory reserve		(219,625)	-
Transfer from general reserve		94,695	210,000
Transfer to dividend reserve		-	(250,000)
Transfer to bad debt reserve		-	(40,000)
Dividend paid		(146,967)	(184,270)
Total:		(287,814)	(289,908)
Undistributed surplus 30 September 2009		147,383	276,023

On behalf of the Credit Union :-

Donal Murphy Treasurer

Eileen Mooney Member of Supervisory Committee

Bryan O'Flaherty Member of the Board of Directors

The accompanying notes form part of these accounts.

BALANCE SHEET

for the year ended 30th September 2009

	Note	2009 €	2008 €
Assets			
Cash at bank and on hand	4	294,822	241,988
Deposits and investments		5,690,216	4,350,084
Members' loans		6,882,742	7,596,761
Less provision for bad and doubtful debts		(312,254)	(203,999)
Tangible fixed assets	5	573,239	599,848
Prepayments and accrued income		34,742	36,522
Total Assets		13,163,507	12,621,204
Liabilities			
		-	261
Members' deposits	6	36,598	41,664
Other liabilities, accruals and charges		36,598	41,925
Members' Resources			
Members' shares	14	10,897,871	10,362,448
Statutory reserve	7	1,096,725	1,080,808
Additional regulatory reserve	7	219,625	-
Other reserves	8	912,688	1,136,023
		13,126,909	12,579,279
Total Liabilities		13,163,507	12,621,204

On behalf of the Credit Union :-

Donal Murphy Treasurer

Eileen Mooney Member of Supervisory Committee

Bryan O'Flaherty Member of the Board of Directors

The accompanying notes form part of these accounts.

CASH FLOW STATEMENT

for the year ended 30th September 2009

	2009 €	2008 €
Opening cash and investments	4,592,072	4,435,593
Receipts		
Members' shares	4,095,498	4,200,425
Members' deposits	-	7
Members' loans repaid	4,750,306	4,810,002
Members' loan interest received	654,996	639,315
Investments interest received	125,676	95,606
Bad debts recovered	51,995	41,939
Other receipts	8,121	6,390
Decrease/(Increase) in prepayments	1,780	(2,209)
Total	9,688,372	9,791,475
Disbursements		
Members' shares withdrawn	3,560,075	3,482,863
Members' deposits withdrawn	261	-
Members' loans granted	4,191,405	5,506,415
Dividends paid	146,967	184,270
Operating expenses	386,157	313,553
Fixed assets purchased	5,475	107,918
(Increase)/Decrease in other liabilities	5,066	39,977
Total	8,295,406	9,634,996
Closing cash and investments	5,985,038	4,592,072

On behalf of the Credit Union :-

Donal Murphy Treasurer

Eileen Mooney Member of Supervisory Committee

Bryan O'Flaherty Member of the Board of Directors

The accompanying notes form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30th September 2009

	2009 €	2008 €
1. Employees		
Employment costs		
Wages and salaries	135,141	126,810
Social welfare costs	11,901	11,510
Other pension costs	<u>2,380</u>	<u>1,893</u>
	149,422	140,213
2. Pension costs		
Pension costs amounted to €2,380 (2008 - €1,893)		
3. Analysis of Investment Income	2009 €	
Received during the year	102,201	
Receivable within 12 months	23,475	
Other investment income	<u>-</u>	
	125,676	
4. Investments	2009 €	2008 €
Investments are classified as follows:		
Cash and short term deposits	1,703,801	2,106,026
Fixed term deposits	2,233,507	312,500
Central Bank Reserve Deposit	121,597	-
Investment bonds	<u>1,631,311</u>	<u>1,931,558</u>
	5,690,216	4,350,084

The Board of Directors of Malahide & District Credit Union Limited hosted an afternoon of celebrations on Saturday 26th September in the Credit Union offices on Railway Avenue, commemorating 40 years of service to the community of Malahide. They were joined by past and present volunteers including two of the original founding members, Nick Lundberg and Sean O'Reilly, who shared their memories of the early days in the Dispensary and Parish Hall.



The Board - 1969

MALAHIDE CREDIT UNION DONATES DEFIBRILLATOR

A group of local fire fighters are organising the provision of defibrillators for use in locations all around Malahide.

To date devices have been placed in all the schools and sports clubs in the area.

Malahide Credit Union, in recognition of their 40 years of service to the local community, are delighted to sponsor a device which will be available round the clock at Malahide Garda Station.



Pictured at the presentation are Keith Murphy, Tara Street Fire Station, Fergus Byrne, North Strand Fire Station, Vivienne Keavey, Malahide Credit Union, Paul McEvoy & Tom McLoughlin both of Swords Fire Station.

NOTES TO THE FINANCIAL STATEMENTS cont'd

5. Tangible fixed assets

	Premises	Computer & office equipment	Office & furniture equipment	TOTAL
	€	€	€	€
Cost				
At 1 October 2008	706,399	86,848	129,950	923,197
Additions	-	2,541	2,934	5,475
At 30 September 2009	706,399	89,389	132,884	928,672
Depreciation				
At 1 October 2008	147,538	82,608	93,203	323,349
Charge for the year	17,660	1,136	13,288	32,084
At 30 September 2009	165,198	83,744	106,491	355,433
Net book values				
At 30 September 2009	541,201	5,645	26,393	573,239
At 30 September 2008	558,861	4,240	36,747	599,848

6. Other Liabilities and Charges

	2009	2008
	€	€
PAYE/PRSI control account	6,923	3,406
DIRT tax payable	7,984	-
Accruals	21,691	38,258
	36,598	41,664

7. Statutory & Regulatory Reserve

	Balance 01/10/08	Net Movement	Balance 30/09/09
	€	€	€
Statutory Reserve	1,080,808	15,917	1,096,725
Additional Regulatory Reserve	-	219,625	219,625
Total Statutory & Additional Regulatory Reserve	1,080,808	235,542	1,316,350

The balance on the combined statutory and additional regulatory reserve represents 10.00 % of total assets as at 30 September 2009. The statutory reserve represents 10.54% of members' savings as at 30 September 2008.

8. Other Reserves

	Balance 01/10/08	Net Movement	Balance 30/09/09
	€	€	€
General reserve	520,000	(94,695)	425,305
Bad debts reserve	90,000	-	90,000
Undistributed Surplus	276,023	(128,640)	147,383
Dividend reserve	250,000	-	250,000
	1,136,023	(223,335)	912,688

9. Dividends, Loan Interest Rebate and Other Returns to Members

The directors recommend the following distributions:

	2009	2008
	Rate %	Rate %
Dividend on shares	1.00%	1.50%
	€	€
	104,437	146,446

In accordance with FRS 21 "Events after the balance sheet date", dividends and returns to members are accounted for in the financial statements after they are approved by the members in general meeting.

10. Related party transactions

The company has identified the following transactions which are required to be disclosed under the terms of FRS8 'Related Party Transactions'

Transactions with officers

The following details relate to officers accounts with the credit union.

	2009	2008
	€	€
Aggregate amount of shares held by officers	74,006	68,485
Aggregate amount of loans outstanding by officers	65,913	95,266

The aggregate amount of loans issued to officers during the year under Section 36(3) of the Credit Union Act, 1997 was €8,800.

11. Insurance Against Fraud

The credit union has insurance against fraud in the amount of €1,300,000 in compliance with Section 47 of the Credit Union Act 1997.

NOTES TO THE FINANCIAL STATEMENTS cont'd

12. Rate of Interest Charged on Members' Loans

Standard Loan	9.90%
Car Loan	6.99%
Home Improvement Loans	7.99%
Education Loan	6.90%
Christmas Loan	8.50%
Covered Loan	5.50%
Holiday Loan	6.90%

13. Contingent liabilities

All capital invested in bonds are guaranteed only if held to maturity. In the unlikely event of early encashment, there may exist an early settlement penalty.

14. Members' shares

	2009
	€
Regular share accounts	7,637,237
Special share accounts	3,260,634
Medium term share accounts	-
Long term share accounts	-
Total per balance sheet	10,897,871

15. Authorisation and approval of financial statements

The board of directors authorised and approved these financial statements for issue on 7th November 2009

Schedule 1. Other Interest Receivable and Similar Income

	2009	2008
	€	€
Central credit union dividend	1,461	1,413
Investment income	124,215	94,193
	125,676	95,606

Schedule 2. Other Income

	2009	2008
	€	€
Entrance fees	206	206
E.C.C.U. rebate	4,799	2,830
Other income	3,116	3,354
	8,121	6,390

Schedule 3. Other Management Expenses

	2009	2008
	€	€
Staff pension costs	2,380	1,893
Staff training	5,200	3,907
E.C.C.U. Insurance	68,081	59,125
Death benefit expense	26,772	21,757
Savings protection scheme	6,734	6,734
Rates	6,017	5,739
General insurance	6,594	6,750
Light and heat	3,748	3,126
Cleaning	97	220
Property maintenance	2,810	-
Security & alarm	10,274	5,385
Printing, postage, stationery and office expenses	26,486	17,990
Advertising	4,527	6,709
Telephone	4,305	2,830
Computer costs	8,551	8,370
Chapter dues	587	200
Convention and seminar expenses	21,275	18,275
Social expenses	3,219	-
Legal and professional	14,321	5,456
Audit	11,893	11,424
Bank charges	5,457	4,516
Bad debts	155,118	95,533
Losses on investments	-	16,036
General expenses	3,019	(27,370)
Affiliation & regulation fees	5,919	5,230
Subscriptions and donations	2,750	2,441
	406,134	282,276

INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of Malahide and District Credit Union Limited for the year ended 30 September 2009 which comprise of the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and related notes. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies

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. Our audit work has been undertaken so that we might state to the credit union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the credit union's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of the Directors and Auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Generally Accepted Accounting Practice in Ireland and the Credit Union Act, 1997. We also report to you whether in our opinion, proper accounting records have been kept by the credit union. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the credit union's financial statements are in agreement with the accounting records

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report and Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the credit union's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

Opinion In our opinion the financial statements: - give a true and fair view of the state of the credit union's affairs as at 30 September 2009 and of its income and expenditure for the year then ended; - have been properly prepared in accordance with Generally Accepted Accounting practice in Ireland and in accordance with the requirements of the Credit Union Act, 1997

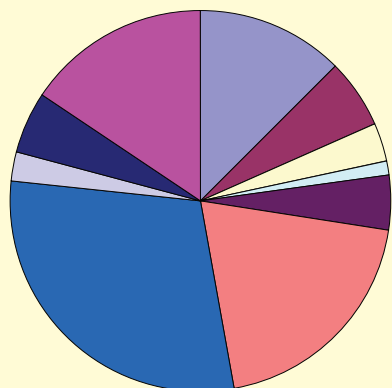
We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper accounting records have been kept by the credit union. The financial statements are in agreement with the accounting records

In our opinion, the information given in the Directors' Report is consistent with the financial statements

FMB
Chartered Accountants
Registered Auditor
Longboat,
56 Sir John Rogersons Quay,
Dublin 2

REPORT OF THE CREDIT COMMITTEE

BREAKDOWN OF LOANS GRANTED 2008-2009



LOAN TYPE	AMOUNT	NO.
Motor/expenses	€665,141	95
Christmas	€74,550	46
Consolidation	€211,470	26
Domestic	€20,608	8
Education	€134,625	35
Holidays	€353,348	151
Home Improvements	€1,449,492	226
Miscellaneous	€51,090	20
Re-Schedules	€640,877	39
Other loans	€538,210	120
TOTALS	€4,139,411	766

Providing loans for Members is one of the key services offered by the Credit Union. It is the role of the Credit Committee to oversee our loan approval process.

- No Application Fee
- No Transaction Charges
- No Interest Charged on Interest
- You can repay loans quicker with no penalty
- Quick Decisions

The year ended 30th September 2009 was a busy one for the Credit Committee. A total of 766 loans were issued, totalling €4,139,410. Outstanding loans to members were €6,882,742 representing approximately 63% of Members' Savings.

I am pleased to say the Credit Union has remained very attractive to Members for loans, for the following reasons:

- Low, Stable Rate of Interest
- Free Loan Protection Insurance
- Top-up Loans

For the convenience of members, an increasing number of loans are granted on the spot. This is generally available if a Member has a strong record of savings and loan repayments. Up to recently, the Credit Committee refused loans in very few cases and these were refused only after every effort had been made to accommodate the member involved.

However conscious as we are now of the absolute necessity to be prudent with member's savings, we have recently signed off on, and are now implementing, a new loans

policy. This puts the emphasis very firmly on the ability of the applicant to repay the loan whilst at the same time taking into account the member's previous good record.

It is our goal to issue loans on a practical basis to applicants, ensuring that repayments are met without putting even more pressure on those in straitened circumstances. However we also need to be aware that we are lending members savings and these savings must also be kept safe.

It is a tight rope we walk with caution, depending on the honesty and goodwill of all concerned.

Anne Halligan
On behalf of the Credit Committee

REPORT OF THE CREDIT CONTROL COMMITTEE

The main function of the Committee is to monitor all loans and the recovery of any debts, which have to be written off.

The work of the Committee grows more important as time goes on and we would like to acknowledge the continuous, diligent work of the staff in their dealings with Members on behalf of the Committee. Interviews are held with Members who are in difficulties and every effort is made to help them. We would like to ask you, our Members, to help us to help you. If a problem arises which affects your loan payments, please contact us and let us know. Some Members find it difficult to call in if they have been missing repayment dates for some time. We assure you that all such problems are dealt with in a sympathetic manner and in total confidence. We again urge all Members not to ignore our call/correspondence.

A number of loans had to be written off this year, totalling €155,118 (last year €95,533) and the committee will continue to follow up on these to recover the outstanding amounts. We are very pleased to report that the sum of €51,995.08 (last year €41,938.70) from previous bad debts was recovered.

At the end of the day, the Credit Control Committee and the Board of Directors are responsible for Members' savings and it is incumbent on us to pursue all debts owing the Credit Union by all legal means. In conclusion, we thank you for your continued support and hopefully with your assistance, we will see an even better year for Credit Control in 2010.

Pat Costello
On behalf of the Credit Control Committee

Make Malahide Credit Union your first choice for loans!

When you borrow from your local credit union you not only get value for money, you also get a range of benefits not available in other financial institutions!!!

- **Free Loan Cover***
Yes – we offer Free Loan Cover* on the lives of eligible members. This means your loan will be repaid in full in the event of your death or permanent disability, providing you were in good health when taking out the loan. Other financial institutions usually charge extra for this type of insurance.



- **Interest is calculated on the reducing loan balance**, which means you only pay interest on what you owe. This is a great advantage and can lower the total interest you pay over the term of your loan. Most financial institutions calculate the interest at the start of your loan. This means that even as you reduce the size of your loan, your interest will remain the same throughout. The quicker you pay off your credit union loan, the less interest you pay!
- **NO Fees on loans, NO hidden charges and NO penalties for early repayment!**

SUPERVISORY COMMITTEE REPORT

The members of the Supervisory Committee in 2009 were Eileen Mooney (chairperson), Dermot McCourt and Niall Duffy (secretary).

This is a welcome opportunity for me to let you know that the S.C. works on behalf of all members to ensure that the Credit Union is operated in accordance with the rules and that therefore your interests are looked after. Specifically for this reason, the S.C. is independent and separate from the Board. We undertake to carry out our duties along the guidelines set out in the Credit Union manual.

The committee meets monthly, in advance of the Board meeting to review the checks and balances we carried out that month and to agree items to be brought to the Board meeting. In addition, the S.C. formally meets with the Board four times during the year in line with the requirement under the Credit Union rules.

The S.C. has carried out checks as required in the following areas: loan applications; share withdrawals; bank reconciliation; closing cash; officers' loans; and the required annual verification of accounts. We also contribute to the revision of policies as this arises. A member of the S.C. usually attends the monthly Board meeting. We also get feed back from the auditors about our activities. This year they felt that we were not always recording our activities in enough detail. We will address this in the coming year.

We are satisfied that the Credit Union is being run in a satisfactory manner.

I would like to take this opportunity to thank the members of the Board and the Manager and Staff for their help and cooperation and we look forward to continuing good relationships, while protecting member's interests, throughout our term of office.

Thank you.

Niall Duffy,
Secretary of the Supervisory Committee.

The European Communities (Payment Services) Regulations 2009 came into effect in November 2009. This legislation imposes certain obligations on financial institutions, including credit unions, in the Republic of Ireland. The main requirements are as follows:

The provision of certain information to members; and

The timely processing of payments into and out of members' accounts.

Credit unions are obliged to provide 'Regulation 53 Information' to members which includes, amongst other details, how payments in and out of the member's account will be processed. A copy of this information is available from the credit union office on request.

INSURANCE REPORT

The insurance cover organised by Malahide & District Credit Union is a key benefit for members. Perhaps the most important form of insurance we provide, free of charge to members, is our Loan Protection and Life Savings Insurance. Our insurers are ECCU Assurance Company Limited, a subsidiary of the Irish League of Credit Unions.

The premium for this cover is included in the running costs of the Credit Union. The policy pays off a Member's Loan in the event of death and also pays a benefit, which is related to their shares at the date of their death.

The Credit Union also offers a Death Benefit Rider Insurance, which provides additional life cover to Members. This cover is also provided free to all Members, once they have joined before age seventy (70) and were in good health at the time.

During the year, we processed sixteen (16) claims on behalf of deceased Members and one (1) permanent disability claim. The total benefit received was €85,723.17 and was allocated as follows:

Loan Protection Insurance i.e. Loans Cleared
€47,209.25
Life Savings Insurance on Shares
€19,013.92
Death Benefit Rider Insurance
€19,500.00
Total:
€85,723.17

The Board of Directors, Staff and Volunteers would like to extend their sympathies to the families and friends of the Members who passed away during the year.

In addition to the above, the Credit Union offers Home Union, a home insurance package through Allianz. We also offer Auto Union, a discount car insurance with First Call Direct and Holiday Insurance for members. Also as a member of Malahide & District Credit Union you can avail of multiple discounts through Le Cheile General Insurances in partnership with AXA Insurance Ltd. by making a simple phone call on 1890 336339. Details are available at the Credit Union office.

Liz O'Connor
On behalf of Malahide & District Credit Union



REPORT OF THE MEMBERSHIP COMMITTEE

The Membership Committee is pleased to report that in the financial year ending 30th September 2009, a total of 291 applications for membership with Malahide & District Credit Union Limited were received and approved.

The breakdown is as follows: 170 Adult Members, 121 Juvenile Members (291 Total)

When joining the Credit Union, members are required to produce the following documents:

- Photographic identification (Passport, Driving Licence etc.)
- Proof of address within the last three months (bank statement or utility bill e.g. ESB bill)
- In the case of a child under 16 years (Birth Certificate, parent's signature, proof of parent's address)
- Proof of PPS number

The Membership Committee would like to thank the Staff and the Board for their support and co-operation throughout the past year.

Brian Mulligan

On behalf of the Membership Committee

OBITUARIES

The Board, Volunteers and Staff would like to extend their deepest sympathies to the families and friends of the following members who passed away during the year.

Brian Flood
Anne Byrne
Anne White
Jean Clarke
Cora Mateer
Maurice Mahon
Michael McGahan
William Corbett
Anthony Markey
Augustine O'Brien
Lorna Kinder

TAX REPORT TO REVENUE

Under new regulations, all financial institutions, including credit unions, are now required to notify the Revenue Commissioners of details of deposit interest or dividend payments where the interest or dividend payment exceeded 635 in any year. In addition, the first interest or dividend payment, irrespective of amount, on new accounts opened on or after 1st January 2008 is required to be notified to Revenue. Following discussions with the Revenue Commissioners, it has been confirmed that the voluntary disclosure initiative that Revenue introduced for deposit accounts has been extended to credit union share accounts. Therefore, if any person had 100,000 or more in credit union accounts at any time in 2005, 2006, 2007 or 2008 and had tax issues associated with these funds, that person can obtain the benefits of voluntary disclosure if a disclosure and payment is made prior to 31st March 2010. If you have tax issues relating to underlying funds held within the credit union or the interest or dividend payments, you may qualify for an unprompted voluntary disclosure under Revenue's Code of Practice. You should contact Revenue at their helpline 01 6474818 or the revenue website www.revenue.ie

NOMINATION FORM

We, the undersigned, nominate for Director of Malahide & District Credit Union Limited

Name of Nominee

block capitals

Home Address

.....

SIGNED Membership No:

proposer

SIGNED Membership No:

seconded

CONSENT OF NOMINEE: I, as a member, hereby agree to be nominated as a candidate for a vacancy on the Board of Directors Committee

Closing Date for receipt of application is 12.30 pm on Saturday 5th December 2009

SIGNED

nominee

Date: Membership No:

AMENDMENTS TO STANDARD RULES

ARISING FROM LEAGUE BDM 2009

Resolution No. 6

That this Annual General Meeting agrees to amend Rule 40 (2) of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of:

"and the balances shall be issued to each member at least quarterly, and the itemised statement shall be supplied on request to any member"

and the substitution of:

"where online access to members' accounts is available, the balances shall be issued at least annually. Otherwise balances will be issued at least quarterly. An itemised statement shall be supplied on request to any member."

STANDING ORDERS

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

5-10 MOTIONS.

1. VOTING.

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with Standard Rule 139.

2-4 ELECTION PROCEDURE.

2. Nominations may be accepted from the floor in accordance with Standard Rule 137.

3. Elections to the Board of Directors, to the Supervisory Committee and the position of Auditor shall be by majority vote and by secret ballot.

4. A Ballot Paper for the election of the Board and Supervisory Committee, where applicable, will be distributed to each member at the AGM.

5. 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.

6. A proposer of a motion may speak for such period as shall be at the discretion of the Chairman of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.

7. In exercising his/her right of reply, a proposer may not introduce new material.

8. The seconder of a motion shall have such time as shall be allowed by the Chairman to second the motion.

9. Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chairman.

10. The Chairman 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.

11-16 MISCELLANEOUS.

11. The Chairman of the Board of Directors shall be the Chairman of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chairman, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chairman of any general meeting.

12. The Chairman may at his/her discretion, extend the privilege of the floor to any person who is not a member.

13. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chairman.

14. The Chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.

15. In accordance with Standard Rule 133 (1) 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. Refer to Standard Rule 138 also re election procedure.

16. 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.

17. 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.

18. 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.

19. ADJOURNMENTS.

Adjournments of the AGM shall take place only in accordance with Standard Rule 132.

