



MALAHIDE
CREDIT UNION

ANNUAL REPORT 2011

NOTICE OF AGM
TUESDAY 24TH JANUARY 2012
THE GRAND HOTEL, MALAHIDE

“Our mission is to fulfil the financial needs of our members, through excellent service, based on mutual trust and integrity.”



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NOTICE OF AGM

Notice is hereby given that the Annual General Meeting of Malahide & District Credit Union Ltd. will take place at the Grand Hotel, Malahide, on Tuesday, 24th January 2012, at 8.00pm sharp.

NOTICE OF ELECTIONS

(For the year ended 30th September 2011)

Nominations for the positions of Directors, Supervisors 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 included in this Notice and completed forms must reach the Credit Union's Registered Office no later than 12.30pm on 21st January 2012. All those nominated (other than for the position of Auditor) must be members of the Credit Union and have reached the age of 18.

Alan Kelly & Vivienne Keavey
Nominating Committee

NOTICE OF MOTIONS

It is proposed that:

1. The affiliation fee to the Irish League of Credit Unions (ILCU) for the year ended September 30th 2011 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 2011 is 64c per adult member, to be deducted from members' shares.

INFORMATION FOR MEMBERS

1. Elections: There is one vacancy for Board membership and one vacancy for Supervisory Committee membership to be filled. Nomination Forms are available at the end of this Report.
2. Malahide Credit Union pays a Death Benefit Insurance Premium on behalf of each member at no cost to the member.

AGENDA

- 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
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- 16 Any Other Business
- 17 Announcement of Election Results
- 18 Adjournment or Close of Meeting

* PRIZE DRAW

There will be a free prize draw for members who attend the AGM.

**First prize €500.
Five runner-up prizes €100 each.**

MESSAGE FROM OUR CHAIRPERSON

At the beginning of this year, we announced that, after a period of over 40 years and much deliberation, your Board of Directors took the decision to move from Railway Avenue to new premises on Main Street.

We launched our 'CU on Main Street' campaign shortly after and following months of planning, building and construction, I am delighted to say that the move to your brand new Credit Union is almost complete. We very much look forward to welcoming all of you through our doors towards the end of the month.

Over the years, we have endeavoured to raise the profile of our Credit Union in Malahide. One of our objectives was to move to a central and more prominent location. With the purchase of 4 Main Street, we now have one of the key buildings in the heart of Malahide village.

Having obtained the premises, we sought to make a positive visual contribution to the village streetscape. Following extensive research, we decided to remove the existing timber paneling and rebuild the piers. Many of you will remember these premises being occupied by Hogans Supermarket. Using traditional materials of brick and timber, the new façade represents a modern solution, while respecting the traditional appearance of the village. Internally, the building has been completely refurbished to comply with modern building standards including access, insulation and security. We now have a building in the centre of Malahide and one with which you, the members, can be proud to be associated with.

We are now in a time when every community needs a strong Credit Union to help them through the recession and we firmly believe that this move will play a key role in supporting this. Our view is that to continue the success we have enjoyed in the past, we need to build on it together for our future.

We have the significant benefit of being part of a strong Credit Union movement and, in the case of members of Malahide Credit Union, we are fortunate to be part of a group in our community who recognise the benefits of organising their finances on a "not for profit" basis rather than relying totally on banks and similar financial institutions.

Through the power of using our own savings, we have money to lend, despite the fact that there is a general shortage of credit. For genuine members who have found themselves in financial difficulty through no fault of their own, we have offered a sympathetic ear and practical advice to help them manage their finances in a way that works in the current environment. For savers, your Credit Union offers a very safe and secure home.

We have done this together in the face of the most difficult year that we have ever faced as a Credit Union.

The investment in our new premises has positioned us well to deal with the ongoing economic situation and the increasing challenges of members' needs. Overall, we are well placed to face 2012 and we look forward to continuing to serve you over the coming year.

I believe Malahide Credit Union to be a special organisation comprised of people proud of their past and excited about their future. Above all, I believe we are defined by the character and integrity of our members and for all our members, we focus on providing excellent quality and service in all that we do. We continue to strive to serve our members by developing strong technology, and products; to innovate and create, with a view to providing higher visibility, more efficient operations, enhanced services and ultimately growing membership.

We will continue to implement a comprehensive marketing and advertising plan over the coming weeks, culminating in an official launch and celebration of your new Credit Union premises in February 2012.

I would like to take this opportunity to thank all those who gave freely of their services, for the benefit of our Credit Union. To Donal, our Treasurer, Alan our Secretary, our Board of Directors, Supervisors, and Volunteers who, with their level of commitment, help keep the Credit Union running.

Of course the Credit Union could not operate without our professional staff, who work tirelessly to provide services and products to our members. I would like to thank Vivienne, our Manager, Lucia, Kathleen, Aileen, Caroline and Helen for the efficient, courteous and friendly manner in which they conduct the day to day running of the Credit Union.

I would like to thank you, our members. You recognise what your Credit Union is doing for you and we acknowledge what you, in turn, are doing for the Credit Union. Thank you for the trust and loyalty you continue to place in us. We greatly appreciate it and will continue to work hard to earn your trust every day. I invite you to share your comments and suggestions with us, as we are constantly looking for new ways to better serve you.

I wish you all a very Happy New Year and CU on Main Street in the next few weeks!



Bryan O'Flaherty
Chairperson
December 2011



Photo by Aisling Keavey

**OUR NEW
PREMISES**

4



MALAHIDE CREDIT UNION

L'S

DIRECTORS, STAFF & OTHER INFORMATION

DIRECTORS

Bryan O'Flaherty Chairperson
Brian Mulligan Vice-Chairperson
Alan Kelly Secretary
Donal Murphy Treasurer
Michael Dowling
Clare Gibson
Liz O'Connor
Martin Sisk
Maureen Fox
Stephen MacDonagh
Bernard Donaldson
Thomas O'Sullivan
Alban Kelly-Mor

SUPERVISORY COMMITTEE

Eileen Mooney Chairperson
Niall Duffy
Dermot McCourt

STAFF

Vivienne Keavey Manager
Lucia Kane
Kathleen Jennings
Aileen Lawlor
Caroline McDonnell
Helen Daffy

REGISTERED OFFICE

4 Main Street
Malahide, Co Dublin

REGISTERED NUMBER

268CU

AUDITOR

FMB
Longboat, 56 Sir John Rogersons
Quay
Dublin 2

BANKERS

Bank of Ireland
The Mall, Malahide, Co Dublin

SOLICITORS

Devaney & Partners Solicitors
Main Street
Malahide, Co Dublin

**STRONG
SAFE
SECURE**



REPORT OF THE SUPERVISORY COMMITTEE

The members of the Supervisory Committee in 2011 were Eileen Mooney (Chairperson), Dermot McCourt and Niall Duffy (Secretary). Dermot has recently retired from the Committee. Siobhan O'Sullivan has been co-opted as a Supervisor to fill this gap until a formal election takes place. Welcome Siobhan! Many thanks to Dermot for his great work as a Supervisor. Dermot has been working with us for over 3 years and without him we would not have been able to cover the ground necessary to ensure that members' interests are protected.

This is a welcome opportunity for us, the Supervisors, to let you know that the Supervisory Committee works on behalf of all members to ensure that the Credit Union is operated in accordance with the rules and therefore your interests are looked after. Specifically for this reason, the Supervisory Committee 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 Supervisory Committee formally meets with the Board four times during the year in line with the requirement under the Credit Union rules.

The Supervisory Committee has carried out checks as required in the following areas: loan applications; share withdrawals; bank reconciliation; closing cash; officers' loans; dormant accounts and the required annual verification of accounts. We also contribute to the revision of policies as this arises. A member of the Supervisory Committee attends the monthly Board Meetings. We also receive feedback from the auditors about our activities. Last year they felt that we had not covered the account verification requirement under rules so; we undertook to send out additional accounts for verification. This exercise is complete.

We are pleased 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, the Manager and Staff for their help and cooperation and we look forward to continuing good relationships, while protecting members' interests, throughout our term of office.

Thank you.



Eileen Mooney
Chairperson of the Supervisory Committee
December 2011

RULE AMENDMENTS

AMENDMENTS TO STANDARD RULES ARISING FROM LEAGUE AGM 2011

RESOLUTION NO. 4

That this Annual General Meeting agrees to amend Rule 1 of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of "*and Financial Services Authority*" where it appears in the definition of "Bank" so as to read as follows:

"**Bank**" means the Central Bank of Ireland via the office of the Registrar of Credit Unions;

RESOLUTION NO. 5

That this Annual General Meeting agrees to amend Rule 1 of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of the following definition of "*civil partner*":

"**civil partner**" has the meaning assigned to it by the Civil Partnership and Certain Rights and Obligations of Cohabitants Act, 2010;

RESOLUTION NO. 6

That this Annual General Meeting agrees to amend Rule 44 (9) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of "*civil partner*", after spouse where appearing in line 2 so as to read as follows:

- (9) The Credit Union shall not accept from an officer of the Credit Union a guarantee for a loan to another member unless that other member is the officer's spouse, **civil partner**, child or parent.

RESOLUTION NO. 7

That this Annual General Meeting agrees to amend Rule 136 (2) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of "*a minimum of*" so to read as follows:

- (2) The nominating committee shall consist of **a minimum of** three members, at least one of whom shall be a director.

RESOLUTION NO. 8

That this Annual General Meeting agrees to amend Rule 152 (2) (b) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of "*civil partner*", after spouse where appearing in line 1 so as to read as follows:

- (2) None of the following persons shall be qualified for election as auditor of the Credit Union:
 - (b) a parent, spouse, civil partner, brother, sister or child of an officer or voluntary assistant of the Credit Union.

STANDING ORDERS

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

1. **VOTING**

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with Standard Rule 140.

2-4. **ELECTION PROCEDURE**

2. Nominations may be accepted from the floor in accordance with Standard Rule 138.
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.

5-10. **MOTIONS**

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 139 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 133.

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2011
REGISTRATION NUMBER 268CU

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DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2011

The directors present their report and audited financial statements for the year ended 30 September 2011.

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 2011

The income and expenditure account and the balance sheet for the year ended 30 September 2011 are set out on pages 21 and 22.

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 daily 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

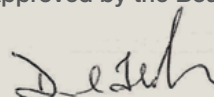
DIVIDENDS

The directors recommend payment of a dividend of €56,888.00 (0.50%) for the year, (2010 - 0.50%).

ACCOUNTING RECORDS

The Directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the credit union are maintained at the company's premises at 4 Main Street, Malahide, Co. Dublin.

Approved by the Board on: 7 November 2011


Donal Murphy
Treasurer


Bryan O'Flaherty
Chairperson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

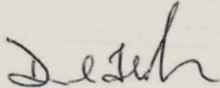
FOR THE YEAR ENDED 30 SEPTEMBER 2011

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 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 (as amended). 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.

On behalf of the Credit Union: 7 November 2011



Donal Murphy
Treasurer



Bryan O'Flaherty
Member of the
Board of Directors

STATEMENT OF SUPERVISORY COMMITTEE'S RESPONSIBILITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2011

The Credit Union Act, 1997 (as amended) requires the appointment of a Supervisory Committee to 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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MALAHIDE AND DISTRICT CREDIT UNION LIMITED

We have audited the financial statements of Malahide and District Credit Union Limited for the year ended 30 September 2011 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 (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 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 (as amended). 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MALAHIDE AND DISTRICT CREDIT UNION LIMITED (CONTINUED)

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 2011 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 (as amended).

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

DATE: 24 November 2011

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 SEPTEMBER 2011

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 (as amended) (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.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2011

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. A minimum provision for doubtful debts is made against loan balances in arrears as at 30 September 2011 based upon the number of weeks a loan is in arrears. In addition, a full loan book review is carried out to identify additional specific provisions required over and above the weeks in arrears calculations and an amount of €196,503 has been identified in respect of this.

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 AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2011

	Schedule	2011 €	2010 €
Income			
Interest on members' loans		539,683	584,021
Other interest receivable and similar income	1	149,660	147,644
Net interest income		689,343	731,665
Other income	2	26,102	16,798
Total Income		715,445	748,463
Expenditure			
Salaries		153,202	144,612
Other management expenses	3	391,575	386,899
Depreciation		50,630	57,964
Provision for bad and doubtful debts		48,511	-
Bad debts recovered		(45,714)	(36,336)
Total Expenditure		598,204	553,139
Excess of Income over Expenditure		117,241	195,324
Add: Undistributed surplus 1 October		54,234	147,383
Total:		171,475	342,707
Less: Transfer to statutory reserve		(11,724)	(19,532)
Transfer to additional regulatory reserve		(80,634)	(30,812)
Transfer (to)/from general reserve		80,634	(133,689)
Dividend paid		(54,234)	(104,440)
Total:		(65,958)	(288,473)
Undistributed surplus 30 September 2011		105,517	54,234

On behalf of the Credit Union: 7 November 2011

Donal Murphy
Treasurer

Eileen Mooney
Member of Supervisory
Committee

Bryan O'Flaherty
Member of the Board
of Directors

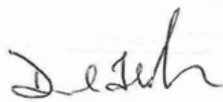
The accompanying notes form part of these accounts

BALANCE SHEET

AS AT 30 SEPTEMBER 2011

	Note	2011 €	2010 €
Assets			
Cash at bank and on hand		535,458	543,861
Deposits and investments	4	7,146,420	6,576,645
Members' loans		5,518,098	6,217,316
Less provision for bad and doubtful debts		(360,765)	(312,254)
Tangible fixed assets	5	1,729,410	628,464
Prepayments and accrued income		21,898	18,652
Total Assets		14,590,519	13,672,684
Liabilities			
Members' shares	15	12,171,833	11,314,011
Other liabilities, accruals and charges	6	35,757	38,751
Total Liabilities		12,207,590	11,352,762
Represented by:			
Statutory reserve	7	1,127,981	1,116,257
Additional regulatory reserve	7	331,071	250,437
Other reserves	8	923,877	953,228
Total Reserves		2,382,929	2,319,922
		14,590,519	13,672,684

On behalf of the Credit Union: 7 November 2011



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 30 SEPTEMBER 2011

	2011 €	2010 €
Opening cash and investments	7,120,506	5,985,038
Receipts		
Members' shares	4,798,266	4,120,554
Members' loans repaid	3,151,053	3,651,446
Members' loan interest received	539,683	584,021
Investments interest received	149,660	147,644
Bad debts recovered	45,714	36,336
Other receipts	26,102	16,798
Decrease/(Increase) in prepayments	(3,246)	16,090
Total	8,707,232	8,572,889
Disbursements		
Members' shares withdrawn	3,940,444	3,704,414
Members' loans granted	2,609,181	3,121,938
Dividends paid	54,234	104,440
Operating expenses	387,431	395,593
Fixed assets purchased	1,151,576	113,189
(Increase)/Decrease in other liabilities	2,994	(2,153)
Total	8,145,860	7,437,421
Closing cash and investments	7,681,878	7,120,506

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2011

1. Employees

Employment costs	2011 €	2010 €
Wages and salaries	140,532	133,078
Social welfare costs	12,670	11,534
Other pension costs	2,632	2,506
	<u>155,834</u>	<u>147,118</u>

2. Pension costs

Pension costs amounted to €2,632 (2010 - €2,506).

3. Analysis of Investment Income

	2011 €	2010 €
Received during the year	141,019	139,272
Receivable within 12 months	8,641	8,876
Other investment income	-	-
	<u>149,660</u>	<u>148,148</u>

4. Investments

	2011 €	2010 €
Investments are classified as follows:		
Cash and short term deposits maturing with 3 months	3,025,048	2,740,839
Fixed term deposits maturing after 3 months	2,135,863	1,866,999
Deposit Protection Account	140,499	123,797
Investment bonds	1,845,010	1,845,010
	<u>7,146,420</u>	<u>6,576,645</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2011

5. Tangible Fixed Assets

	Premises €	Computer equipment €	Office equipment €	Total €
Cost				
At 1 October 2010	712,136	193,498	136,227	1,041,861
Additions	1,145,840	2,155	3,581	1,151,576
At 30 September 2011	<u>1,857,976</u>	<u>195,653</u>	<u>139,808</u>	<u>2,193,437</u>
Depreciation				
At 1 October 2010	183,001	112,556	117,840	413,397
Charge for the year	17,803	28,793	4,034	50,630
At 30 September 2011	<u>200,804</u>	<u>141,349</u>	<u>121,874</u>	<u>464,027</u>
Net book values				
At 30 September 2011	<u>1,657,172</u>	<u>54,304</u>	<u>17,934</u>	<u>1,729,410</u>
At 30 September 2010	<u>529,135</u>	<u>80,942</u>	<u>18,387</u>	<u>628,464</u>

6. Other Liabilities and Charges

	2011 €	2010 €
PAYE/PRSI control account	3,076	7,664
DIRT payable	50	54
Accruals	32,631	31,033
	<u>35,757</u>	<u>38,751</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2011

7. Statutory & Regulatory Reserve

	Balance 01/10/10 €	Net Movement €	Balance 30/09/11 €
Statutory Reserve	1,116,257	11,724	1,127,981
Additional Regulatory Reserve	250,437	80,634	331,071
Total Statutory & Additional Regulatory Reserve	1,366,694	92,358	1,459,052

The balance on the combined statutory and additional regulatory reserve represents 10.00% of total assets as at 30 September 2011.

8. Other Reserves

	Balance 01/10/10 €	Net Movement €	Balance 30/09/11 €
Realised			
General reserve	558,994	(80,634)	478,360
Bad debts reserve	90,000	-	90,000
Undistributed Surplus	54,234	51,283	105,517
Dividend reserve	250,000	-	250,000
Total other reserves	953,228	(29,351)	923,877

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

The directors recommend the following distributions:

	2011		2010	
	Rate %	€	Rate %	€
Dividend on shares	0.50%	56,888	0.50%	54,234

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2011

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.

	2011 €	2010 €
Aggregate amount of shares held by officers	88,275	66,763
Aggregate amount of loans outstanding by officers	54,246	92,354

The aggregate amount of loans issued to officers during the year under Section 36(3) of the Credit Union Act, 1997 was €37,600.

During the financial year, €17,989 was paid to O'Flaherty & Associates for architectural fees associated with the purchase of the new premises. Bryan O'Flaherty, a member of the board of directors, has a controlling interest in O'Flaherty & Associates. An amount of €5,000 was also paid to Mortgage & Financial Services Ltd in respect of the new premises. Michael Dowling, a member of the board of directors, is the managing director of this company.

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 (as amended).

12. Rate of Interest Charged on Members' Loans

Standard Loan	9.90%
Car Loan	9.90%
Christmas Loan	8.50%
Holiday Loan	8.50%
Education Loan	6.90%
Covered Loan	5.50%

The maximum term on the education, christmas and holiday loans is one year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2011

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. Capital Commitments

	2011 €	2010 €
Details of capital commitments at the accounting date are as follows:		
Budgeted for but not provided in the financial statements	<u>372,400</u>	<u>-</u>

The credit union has budgeted the above amount in respect of the fit-out of its new premises on Main Street, Malahide.

15. Members' Shares

	2011 €
Regular share accounts	8,297,515
Special share accounts	3,874,318
Medium term share accounts	-
Long term share accounts	-
Total per balance sheet	<u>12,171,833</u>

16. Authorisation and Approval of Financial Statements

The board of directors authorised and approved these financial statements for issue on 7 November 2011.

SCHEDULES

Schedule 1. Other Interest Receivable and Similar Income

	2011 €	2010 €
Central credit union dividend	127	504
Investment income	<u>149,533</u>	<u>147,140</u>
	<u>149,660</u>	<u>147,644</u>

Schedule 2. Other Income

	2011 €	2010 €
Entrance fees	291	264
E.C.C.U. rebate	6,405	10,039
Other income	<u>19,406</u>	<u>6,495</u>
	<u>26,102</u>	<u>16,798</u>

SCHEDULES

Schedule 3. Other Management Expenses

	2011	2010
	€	€
Staff pension costs	2,632	2,506
Staff training	562	1,589
E.C.C.U. Insurance	63,720	67,019
Death benefit expense	20,986	25,134
Savings protection scheme	6,886	6,886
Rates	14,928	6,628
General insurance	6,779	6,476
Light and heat	3,376	3,077
Cleaning	374	48
Security & alarm	7,753	7,505
Printing, postage, stationery and office expenses	14,903	12,005
New premises expenses	18,817	-
Advertising	4,359	3,029
Telephone	4,679	4,873
Computer costs	8,787	7,018
Chapter dues	474	628
Convention and seminar expenses	12,171	13,694
Travelling and subsistence	2,358	1,567
Social expenses	4,097	5,704
Legal and professional	10,833	42,722
Audit	12,779	12,431
Bank charges	6,288	6,572
Bad debts	157,346	135,918
General expenses	2,433	1,189
Affiliation & regulation fees	615	10,856
Subscriptions and donations	2,640	1,825
	<u>391,575</u>	<u>386,899</u>

NOMINATION FORMS

BOARD MEMBERSHIP FORM

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

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.

SIGNED
nominee

Date: Membership No:

Closing date for receipt of application is no later than 12.30pm on Saturday 21st January 2012.

SUPERVISORY COMMITTEE MEMBERSHIP FORM

We, the undersigned, nominate for membership of the Supervisory Committee, Malahide & District Credit Union Ltd.

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 Supervisory Committee.

SIGNED
nominee

Date: Membership No:

Closing date for receipt of application is no later than 12.30pm on Saturday 21st January 2012.

OPEN DAY AT YOUR NEW CREDIT UNION!

PLEASE JOIN US ON SUNDAY
15TH JANUARY BETWEEN
10.30AM AND 2.00PM TO GET A
SNEAK PREVIEW OF YOUR BRAND
NEW CREDIT UNION PREMISES.

WE LOOK FORWARD TO
SEEING YOU THERE!



MALAHIDE
CREDIT UNION



MALAHIDE
CREDIT UNION

OFFICE OPENING HOURS

MONDAY	10.00am – 2.00pm
TUESDAY	10.30am – 4.00pm
WEDNESDAY	10.00am – 4.00pm
THURSDAY	10.00am – 5.00pm
FRIDAY	10.00am – 7.00pm
SATURDAY	9.30am – 12.30pm

4 MAIN STREET
MALAHIDE
CO. DUBLIN
TEL: 01 845 1400
FAX: 01 845 4683
EMAIL: INFO@MALAHIDECU.IE
WEB: WWW.MALAHIDECU.IE