



MALAHIDE CREDIT UNION LOCAL LOYAL LENDING 2021 ANNUAL REPORT

**YOU DECIDE WITH
MALAHIDE!**

**Dream Big,
Low Rate,
APPLY NOW**

**6.9%
(7.12% APR)**

Whatever you're planning,
Malahide Credit Union can
provide you with the finance to
make your dreams come true



Exceptional offer available for a very limited period

Borrow between €20k - €75k for just 6.9% (7.12% APR)

New Loans Only. Limited Availability until 31st March 2022 only

APPLY NOW. NOT YET A MEMBER? JOIN & APPLY STRAIGHT AWAY!

THINKING ABOUT:

- ✓ Upgrading your car (perhaps choosing Electric or Hybrid)
- ✓ Renovating your home
- ✓ Creating a home office
- ✓ Retrofitting your home for energy efficiency
- ✓ Planning a once in a lifetime holiday

**APPLYING IS QUICK
& EASY, CHOOSE
ONLINE, OVER THE
PHONE OR CALL
INTO US**



**TOGETHER
WE'RE STRONGER**

**Annual General Meeting
7.30pm on 15th February
to be held remotely**



**MALAHIDE
CREDIT UNION**

**Together We're
Stronger**

LOCAL, LOYAL & LENDING

Malahide Credit Union welcomes new members. Apply online from the comfort of your home or drop into our office and meet our friendly team!

Why not enquire to discover our attractive rates on loans up to €75,000. All come with the benefits of credit union membership.

JOIN ONLINE – APPLY & DRAW DOWN LOANS ONLINE



We've Been at The Heart of Your Community for Over 50 years.

Malahide Credit Union has been at the heart of the community and serving our members since 1969. Malahide Credit Union is owned by the members – to allow people who live or work in the area save & borrow money at a fair and competitive rate – people just like you.

**Malahide Credit Union is regulated by the Central Bank of Ireland.
Loans are subject to approval. Terms and Conditions apply.**



01 845 1400

info@malahidecu.ie

4 Main Street, Malahide, Co. Dublin

www.malahidecu.ie

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MISSION STATEMENT

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



NOTICE OF ANNUAL GENERAL MEETING

Invitation from the Secretary

2021 Annual General Meeting to be held remotely on 15th February at 7.30pm

Due to the restrictions on gatherings and travel under the regulations and guidance issued by the Government of Ireland and the Department of Health relating to Coronavirus (COVID-19), the Annual General Meeting will be held virtually. Notice is hereby given that the AGM of Malahide & District Credit Union Ltd. will be held on 15th February 2022 at 7.30pm virtually via the LogMeIn webinar platform.

Registration Process

To register to attend your AGM, please click on the following link:

<https://register.gotowebinar.com/register/7194357887942312463>

or copy it into a browser where you will then be directed to register and submit any questions or comments in advance of the meeting. Registration will close on Sunday 13th February.

Other information required, in order to validate your attendance at the meeting, is your membership number. We will also require a contact phone number should we need to contact you in relation to your registration.

We will confirm your registration to attend the AGM by email. You will receive a further email on the morning of the AGM including your unique link to join the webinar.

The AGM is open to all members of Malahide & District Credit Union Limited. Members who are over 16 years of age and who hold more than €1.00 in their share account on 30th September 2021 are entitled to vote during the meeting.

There will be two vacancies on the Board of Directors and one position of Auditor.

I hope that you will be able to join us online for this year's AGM.

A handwritten signature in black ink, appearing to read 'Geraldine Fay'.

Geraldine Fay - Secretary



AGENDA

- (1) Ascertainment that a Quorum is present
- (2) Adoption of Standing Orders
- (3) Reading and approval (or corrections) of Minutes of 2020 Annual General Meeting
- (4) Report of the Board of Directors
- (5) Presentation of Financial Statements
- (6) Report of the Auditor
- (7) Declaration of Dividend
- (8) Motions
- (9) Rule Changes
- (10) Report of the Board Oversight Committee
- (11) Committee Reports
 - Credit Committee
 - Credit Control Committee
 - Membership Committee
 - Nomination Committee
- (12) Elections, conducted virtually
 - Election to fill vacancies on the Board of Directors
 - Election of Auditor
- (13) Any other business
- (14) Announcement of Election results
- (15) Adjournment or close of meeting.



DIRECTORS AND OTHER INFORMATION

Directors

John O'Halloran (Chairperson)
Michael Dowling (Vice-chairperson)
Geraldine Fay (Secretary)
Martin Sisk
Donal Murphy (Resigned September 2021)
Mary Gleeson
Suzanne Finn
Sheilagh McGirl (Resigned September 2021)
Louis Moore
Niamh Ni Chonghaile
Bryan Conway
Sinead Neeson (Co-opted October 2021)
Frances Kelly (Co-opted October 2021)

Board Oversight Committee

Liz O'Connor (Chairperson)
Catherine Leahy
Louise Lyon

CEO

Pauline Cummins

Internal Auditor

Moore

Registered Number

268CU

Registered Office

4 Main Street,
Malahide, Co. Dublin.

Independent Auditor

FMB Advisory Limited,
4 Ormond Quay Upper, Dublin 7

Bankers

Bank of Ireland,
The Mall, Malahide, Co. Dublin.

Solicitors

Devaney & Partners,
Main Street, Malahide,
Co. Dublin

NOTICE OF MOTIONS

It is proposed that:

1. The affiliation fee to the Irish League of Credit Unions (ILCU) for the year ended 30th September 2021 will be €1.50 per adult member, to be deducted from member's shares.

RULE CHANGES

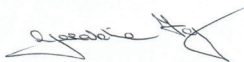
The following amendment to the Standard Rules (ROI) from the League AGM 2020.

Resolution No. 10. "That this Annual General Meeting agrees to delete Rule 63(4) of the Standard Rules for Credit Unions (Republic of Ireland) (2019) to remove the requirement for credit unions to complete and return the Return of Officers form to the Irish League of Credit Unions." You will note that this rule amendment facilitates the deletion of Rule 63 (4) of the Standard Rules pertinent to completing and returning the Return of Officers form to the ILCU. The Standard Rules for Credit Unions (Republic of Ireland) (2021) have been updated to reflect this change. Rule 98(2)(c)

That this Annual General Meeting amends Rule 98(2)(d) by the deletion of "and" in line 4 so as to read as follows: (d) shall, within the relevant period, be delivered personally or by post to the Bank, to the auditor, to the Irish League of Credit Unions and to each member of the credit union and, if delivered by post to any member, shall be so delivered to the address of that member as recorded in the books of the credit union; Rule 99(3)(a)

That this Annual General Meeting amends Rule 99(3)(a) of the Standard Rules for Credit Unions (Republic of Ireland) to provide for the notice requirements for an adjourned meeting (to include information with respect to an electronic meeting) so as to read as follows: (3) Subject to paragraph (3) in rule 98: (a) Paragraph (2)(a), (b), (d), (e), (f) of Rule 98 shall apply to a notice under paragraph (2)(b) of this rule as they apply to a notice under paragraph (1) of that rule.

Signed:



Secretary - **Geraldine Fay**



Director - **John O'Halloran**



Member - **Michael Dowling**



Member - **Liz O'Connor**



WE WANT TO STAY IN TOUCH WITH YOU!

Communications and marketing preferences form.

Please complete and return this page to us to update your account. You can send it by email to **info@malahidecu.ie** or you can drop it into us at the counter or by post to **Malahide Credit Union, 4 Main Street, Malahide, Co Dublin.**

From time to time, Malahide Credit Union may wish to inform you of goods, services, products, competitions, promotional offers and Credit Union news which may be of interest to you.

The use of your details for these purposes will depend on the preferences that you express below.

You can update your preferences at any time by contacting us by letter or email.

Please note, the Credit Union may still contact you where there is a legal or legitimate interest basis for that contact.

Yes, I would like to be contacted by:

Email Telephone Post Text

No, I do not want to be contacted

***** Please note that you have the right to 'Opt-Out' at any stage and the right to access personal data held about you by the Credit Union and to correct any inaccuracies in such data*****

Signature of Member _____

Date: _____

Witnessed by Credit Union staff: _____

Date: _____

**PIN AVAILABLE FOR ONLINE ACCESS,
Just call us or pop in to request**





STANDING ORDERS FOR AGM

The purpose of standing orders is to ensure that the annual general meetings are run in an orderly fashion and within the time specified.

The meeting will start at 7.30pm and in light of the Covid-19 pandemic, this year's AGM will be held virtually once again, via the LogMeIn webinar platform.

Any reference in these standing orders to a member present and voting at the AGM shall be taken including a reference to a member in attendance and voting at the AGM conducted by use of electronic communications technology (within the means of section 78A of the Credit Union Act 1997 (as amended)).

1. VOTING

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with section 82(2) of the Credit Union Act, 1997 (as amended).

2 - 3 ELECTION PROCEDURE

2. Elections to the Board of Directors, to the Board Oversight Committee and the position of Auditor shall be by majority vote and by secret ballot.
3. A ballot paper for the election to the Board of Directors, Board Oversight Committee and Auditor, where applicable, will be available to each member at the AGM through a dedicated voting site email to each registered attendee.

4 PROCEDURES FOR ATTENDEES TO COMMUNICATE QUESTIONS AND COMMENTS

The method of asking questions while in attendance at the AGM is through the "Raise Your Hand" function on the LogMeIn platform, where the attendee will be given the option to verbally ask a question. Alternatively, members can submit any questions or comments in advance of the meeting through the online registration page in advance of the deadline which is midnight on 13th February.

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 chair 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 chair 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 chair.



10. The chair shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

11 - 17 MISCELLANEOUS

11. The Chair of the Board of Directors shall be the Chair of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chair, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as chair of any general meeting.
12. The Chair 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 Chair.
14. The Chair's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
15. The Chair shall have a casting vote in addition to their own vote.
16. 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.
17. 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.

18. 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.

19. 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.

20. ADJOURNMENTS

Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act, 1997 (as amended).



NOMINATION COMMITTEE REPORT /NOTICE OF ELECTIONS

The role of the Nomination Committee, once appointed by the Board of Directors, is to provide suitable candidates for Director and Board Oversight Committee positions within Malahide & District Credit Union. The Nomination Committee, comprising of at least 3 board members, meets a minimum of four times per year. Among the duties of the Nomination Committee is the review of the succession plan on an annual basis. In doing this, the committee must ensure that there is at least one suitable candidate for each vacancy for which an election is required at the subsequent AGM. The committee must also review the composition of the board and ensure a balance and sufficiency of skills. This is particularly relevant in the dynamic of today's credit union movement with new governance demands, new technology, mergers and financial challenges. The Nomination Committee is satisfied that the Board of Directors and the Board Oversight Committee are well suited in balance, succession and sufficiency of skills to meet the challenges facing your credit union.

At the time of writing there are two vacancies on the Board of Directors, both precipitated by retirements. During the year, Donal Murphy & Sheilagh McGirl informed the Board of their intention to retire as Directors at the end of the financial year. The Board thanks both Donal & Sheilagh for their longstanding commitment and contribution to Malahide & District Credit Union and wish them both well. They will be missed by all who have had the privilege of working with them on the board and the various committees they have served on over many years.

During the course of the year, the Nomination Committee identified two candidates to stand for election to the Board of Malahide & District Credit Union, to replace the retiring officers. The candidates for these controlled functions have been assessed under the Central Bank's Fitness and Probity regime with satisfactory results. The names of such candidates appear on the ballot paper for this AGM.

John O'Halloran has served the maximum term of 4 years permitted by Central Bank regulations as Chair of the Board of Directors of our credit union and will step down from this role at the AGM. John will remain as a director on the Board. The Nomination Committee would like to thank John for his dedication and commitment in his role as Chair during his tenure in that role.

Michael Dowling has served the maximum term of 4 years in his role as Vice Chair to the Board and will step down from this position at the AGM. The Nomination Committee would like to thank Michael for his service in this role over the last four years. Michael Dowling has been proposed as a candidate for the position of Chair to the Board of Malahide & District Credit Union for the next term of office.

The nominee for the role of Vice Chair to the Board is Suzanne Finn.

The Board of Directors will vote on the proposed candidates for the Chair & Vice Chair positions at a board meeting after the AGM.

All members are entitled to put themselves forward for nomination to the Board/Board Oversight Committee for future years. Expressions of interest can be submitted in writing to The Nomination Committee, Malahide & District Credit Union, 4 Main Street, Malahide, Co Dublin. The Nomination Committee must undertake due diligence on all applicants which includes the Fitness and Probity assessment.

There is one candidate proposed by the Board of Directors for the position of Auditor, FMB Advisory Limited. We in the credit union are always looking to recruit new volunteers to work on committees, with a view to joining the Board of Directors in due course. If you have an interest in joining us as a volunteer, please contact any member of the Nomination Committee who will be very happy to speak with you.

On behalf of the Nomination Committee,

A handwritten signature in black ink, appearing to read 'Suzanne Finn'.

Suzanne Finn - Chair

Committee members: Suzanne Finn, Mary Gleeson, Bryan Conway



MESSAGE FROM OUR CHAIRPERSON ANNUAL REPORT 2021



Dear Members,

We all continue to be challenged by the continued presence of Covid19 in the world. It has changed our homes, workplaces, schools, businesses, and society in general.

Changes we thought were temporary are becoming a normal part of life as we adapt to ways of living that protect ourselves and those around us. We held our 2020 AGM virtually in the hope it would be a unique experience but find that the current levels of infection dictate we should choose this virtual option again for our 2021 AGM. I hope that this format works for as many members as possible and that you will be able to attend the meeting when it is held.

The broader implications of the restrictions in the last two years continue to affect the operations and results of our credit union. Lending continued to fall in 2021 although it started to increase towards the end of the year. We are hopeful this recent trend will continue with the improved economic conditions and suitably targeted promotional loans supporting greater interest in lending. Despite the challenges, our manager, Pauline Cummins, and her staff were able to keep our office open throughout the pandemic, and they have always been available to all members at the counter, on the phones or on-line. They have continued to show great flexibility by adapting opening hours, staffing levels, and working procedures to meet public health guidelines while maintaining a service to all members. An example is the on-line loan application which makes it possible to complete all steps of a loan process electronically without the need to attend our office. I wish to thank Pauline and all the staff for their persistence, commitment and hard work.

Each year sees changes in the membership of our Board. In 2021 Donal Murphy and Sheilagh McGill stepped down from the Board and were replaced, subject to election at the AGM, by Frances Kelly and Sinead Neeson. I thank both Donal and Sheilagh for their excellent contributions over many years and look forward to working with Frances and Sinead in 2022. I also wish to recognise the excellent work being done on our behalf by all of our volunteers on the Board, the Board Oversight Committee, and other Committees. The work they do is vital to the continued success of our Credit Union, and I thank them all.

I believe we have one of the best Boards and BOCs in the country, but membership needs to be refreshed every year as terms are time limited. Our continued existence depends on members continuing to serve on the Board and Committees. Many members have excellent skills, experience and judgement that would add value to our Credit Union. I again encourage all members to consider volunteering in some capacity.

The annual report includes the results for the Financial Year to September 2021. They show a small net surplus and a reduction in total assets from €24.5m to €21.2m. Your Board are satisfied with this reduction in assets which is due to the deliberate reduction in members shares that took place in late 2020. The impact of this action sees our reserves ratio increase from 12.9% to 15.1% in the year. This was an important step to secure the long-term future of our Credit Union, but it will not provide a permanent solution. Without increased and sustained profitability our reserves ratio is likely to slowly decline as our balance sheet gradually grows. This is why the focus of our Strategic Plan is to focus on loan growth which moves spare cash away from low-yielding investments to higher interest-earning loans. Our Loan Book has not been large enough to generate the interest income needed to cover the costs of operation and to grow our reserves sufficiently. We need all members to consider our Credit Union as the first and best option for their borrowing needs and have a large range of loan types to suit your requirements.

This is the end of my four-year term as Chair of our Credit Union. It has been an honour and privilege to lead a super group of people, both staff and volunteers, during this time. I believe we are as strong and secure a Credit Union today as we have ever been. A new Chair and Vice-Chair will be chosen by your Board after our next AGM, and I wish them every success in their roles.

I wish you all a healthy, happy, and safe 2022 and encourage you to always consider your local credit union for your borrowing needs.

John O'Halloran - Chairman



THE YEAR IN REVIEW

A message from Pauline Cummins, CEO

Dear Members

It is with pleasure that we share our Annual Report for 2021 with you and we shall welcome you to our AGM this year which once again is being held remotely for the safety of all.

Malahide & District Credit Union has remained open throughout the year, as Credit Unions were deemed an essential service. We take all necessary precautions to ensure everyone's safety when calling into our office. Our team continue to work tirelessly on your behalf and I thank them all for their dedication to our members through difficult times. We operated split teams where necessary and continued to serve you every day in person, as well as expanding our online services for members who preferred to operate their accounts from home.

Our credit union withstood the challenges that Covid brought and we have demonstrated the power of a local, community based, not for profit co-operative. We have really proven to be an "essential service". We are a resilient, agile, flexible organisation that puts people, not profit, first.

During 2021, further bank branch closures were announced. Meanwhile we have been adding services and are absolutely committed to providing face to face member service and supporting local organisations within the community. Banks like credit unions need you to borrow from them, but why borrow from an organisation that does not value you. When you use the services of our credit union, you're also doing more for your local area.

Lending is the backbone of our credit union and we offer extremely attractive loan products, from modest purposes, to changing your car and even extensive home renovations. Our latest loan offer, You Decide With Malahide, offers our members loans from €20k - €75k at an extremely attractive nominal rate of just 6.90%. This has very limited availability until 31st March 2022, so if you're thinking of purchasing a "big-ticket" item, make sure you don't miss out on this chance.

We're here to consider all loan applications, big or small, for any prudent purpose and our lending team turn them around very quickly once all supporting documentation has been received. You only need to hold €100 in your account before applying for a loan. We'll find the loan solution that meets your individual needs and repayment capacity.

We review our rates against our competitors regularly and, when you take into account our competitive interest rates, flexibility and our Loan Protection insurance which is offered at no charge (free) to our borrowers which would pay off your loan in the event of your death, we strongly believe that our loan products offer exceptional value.

We now offer a full suite of online services, which have become immensely popular over the last two years. By using our online platform, many members are now enjoying the benefits of accessing & transacting on their accounts 24/7. The process of applying for a loan, as well as drawing it down digitally without coming into the office is also much quicker & easier. The entire loan process is completed online from start to finish, with loan documents signed digitally and funds transferred directly into their bank.

With the introduction of digital onboarding, new members can join our credit union at any time too.

In the next few months, we shall be improving our existing Credit Union App, making it more appealing & more interactive.

The work of our Board of Directors, Board Oversight Committee and volunteers continues behind the scenes, offering up their invaluable expertise for the benefit of you our members, as well as for the ongoing development of your credit union. I thank them for their continued dedication & support to myself and our team.

I would like to thank all our members, for your continued business and the loyalty you have shown Malahide Credit Union over the years. We look forward to remaining a strong, integral part of your community with your ongoing support. We are determined to remain independent and to do this, we must remain financially strong. As 2022 unfolds, we look forward to sharing new innovations with you all, enhancing the benefits of your membership and building solid growth as we step forward to a path of sustainable recovery for us all.

To the 193 new members who joined our credit union during the year, you are most welcome and we look forward to serving your needs for many years.

Our members are the best promoters of the credit union, so please encourage your family and friends to join us and when needed choose Malahide Credit Union for their borrowing needs.



Pauline Cummins - Chief Executive Officer



REPORT OF THE CREDIT COMMITTEE

Malahide Credit Union has seen its fair share of lending challenges since the start of Covid-19 pandemic, much in line with other lenders here in Ireland and beyond. However, we are actively lending to our members and we remain committed to increasing the number of borrowers who select us as their first choice when taking out a new loan. I would ask you to consider your Credit Union first for your borrowing requirements as we provide very competitive interest rates and a suite of flexible loan products.

Members are required to hold a minimum of just €100 in their accounts in order to apply for a loan with us, which many of you may not realise.

We welcome applications from all adult members, based primarily on your loan repayment capacity, plus our standard lending criteria. Last year we approved over 95% of all loan requests.

We take this opportunity to remind you of our most popular loan products below. Remember that all of our loans have the benefit of interest being charged on a reducing balance; this means that as your total loan amount owed reduces, so too does the interest you are charged with each payment.

Remember also our Loan Protection insurance that is available at no extra charge (FREE) to our borrowers, subject to a few standard terms and conditions.

You Decide with Malahide! This is our current promotional loan offer for all new loans between €20,000 - €75,000. This can be used for any purpose repayable over a maximum of 10 years and has a very attractive interest rate of just 6.9% (7.11% APR). This offer is only available to 31st March 2022, so don't miss out.

Welcome Loan, introductory loan for new members or existing members who have never borrowed from us. Loans from €5,000 upwards for any purpose repayable over a maximum term of 5 years at a very low interest rate of 7.9% (8.19% APR.)

Promotional Car Loan provides finance for new or used cars for up to €50,000, repayable over terms of up to ten years with an extremely competitive interest rate of just 7.9% (8.19% APR). If you are currently tied into a Personal Contract Plan (PCP) with a motor dealer, you can also borrow from us at this low rate to finance your PCP "balloon" payment. It is also perfect for financing imported cars. These loans are proving very popular with our members, as you own the car from day one.

Home Renovation Loan, for home extension or renovation costs up to €75,000, repayable over longer terms if required, with a low interest rate of 7.5% (7.76% APR).

Covered Loan, this is available for any purpose and is a cost-effective way of borrowing, whilst leaving your savings nest egg intact. You can borrow up to the value of your savings at a special low interest rate of 6% (6.12% APR). As you will see from the table below, this is our most popular loan product.

Our product range and our interest rates are reviewed regularly to ensure we are looking after our member's borrowing requirements and maintaining the best value for them. We lent €2,630,476 to 441 members during the last financial year to September 2021, averaging at €5,964.

WHAT HAVE OUR MEMBERS BORROWED FOR LAST YEAR?



I would like to thank my fellow members of the Credit Committee for their time, expertise and guidance. I would like to thank my fellow Board members and staff for all their input. Malahide Credit Union wants to lend and we have products and interest rates to beat or match our competitors.

Michael Dowling - Chairman
Committee Members: Michael Dowling, Ciaran Lynam,
Mary Gleeson and Geraldine Fay



CREDIT CONTROL COMMITTEE REPORT

The main function of the Credit Control Committee is to oversee the Credit Control function to ensure that members repay their loans in accordance with the terms of the Credit Agreements, thereby protecting our members' savings.

The Committee works closely the Credit Control team by meeting on a monthly basis. All loans are monitored to ensure the Credit Control team proactively engages with members especially at the early stage where we can develop a workable repayment plan for the member.

In circumstances where members do not engage with the Credit Union, our Credit Control team will pursue recovery of debts through all means necessary which may include legal proceedings.

When a loan is charged off, it is not forgotten but is pursued for full payment or revisited to see if the member's circumstances have changed.

STATISTICS FOR 2021

Bad debts recovered	€27,588	(€29,741 in 2020)
Loans charged off	€1,709	(€3,825 in 2020)

Members should note that the Central Credit Register holds information on a loan for 5 years after it has been repaid. Any loan that remains unpaid may impact on your ability to obtain credit from other financial institutions in the future.

The majority of our members pay their loans in accordance with their credit agreement and we thank them, however we also understand that some member's financial circumstances can change and repayment of a loan can become a struggle. Our staff are highly trained and experienced in dealing with this sensitive area and we would encourage any member in difficulty not to ignore the problem and to contact a member of the credit control team at the earliest opportunity. We generally can agree a solution or recommend a course of action based on each member's individual circumstances.

Continuing through 2021, Malahide & District Credit Union continued to engage with its members who had been impacted by the ongoing effects of Covid 19. Some members availed of a short payment break during the pandemic without affecting their credit rating. Thankfully the prolonged effect for members & the credit union has been minimal and we are optimistic of a more settled outlook for the future.

The Committee wishes to acknowledge the outstanding work performed by the Manager and the ongoing work of her Credit Control team during the year, which has resulted in our bad debt ratio remaining significantly below the national average, and, in fact, the best in our asset group of credit unions across Ireland, in spite of the current financial climate.

The Committee also wishes to thank Bryan O'Flaherty and Sheilagh McGirl for their dedication to our credit union & assistance with this committee during the year. Both have retired from their positions this year and we wanted to acknowledge their contributions.

In conclusion, we thank you for your continued support and, hopefully with your assistance, we will see an even better year for Credit Control and your Credit Union in 2021.

A handwritten signature in black ink, appearing to read 'Louis Moore'.

Louis Moore - Chair

Committee members: Stephen MacDonagh, Sheilagh McGirl, Bryan O'Flaherty and Niamh Ni Chonghaile.



REPORT OF THE BOARD OVERSIGHT COMMITTEE

The Credit Union Act 1997 requires the appointment of BOC to assess whether the board of Directors operate in accordance with regulations and any other matters prescribed by Central Bank. We are not directly involved in the operations of MDCU as our role is a Supervisory one.

We, BOC act on your behalf (members) to ensure the Board of Malahide Credit Union act in a manner that keeps our money safe. We attend monthly board meetings as observers and also committee meetings. We liaise with the Internal Auditor and ensure statutory training is carried out.

BOC are satisfied that the Board demonstrate high standards of Governance, and also adhere to regulations and all matters from Central Bank contained in the 1997 Act.

Malahide Credit Union Management Team are the backbone of MDCU, keeping the members money safe and operating excellent customer service even under these extremely challenging times.

A handwritten signature in cursive script that reads 'Liz O'Connor'.

Liz O'Connor

Chairperson of the Board Oversight Committee



**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
REGISTRATION NUMBER 268CU**





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DIRECTORS' REPORT

for the year ended 30 September 2021

The directors present their report and audited financial statements for the year ended 30 September 2021.

Principal Activity and Review of Business

On review of the credit union's financial results the following key performance indicators were identified:

	2021	2020
Members Savings movement %	-15.54%	+9.46%
Gross Loan movement %	-12.47%	-8.95%
Regulatory Reserve % of total assets	11.00%	11.00%

Member savings have fallen by 15.54% as a result of the decision to introduce a savings cap which resulted in members reducing their savings balances below €10,000. Lending activity has been impacted during the financial year by the Covid-19 pandemic which has resulted in a decrease in the gross loan book of 12.47% in the financial year.

Results for the year and State of Affairs at 30 September 2021

The income and expenditure account and the balance sheet for the year ended 30 September 2021 are set out on pages 29 and 30.

Principal Risks and Uncertainties

The credit union, as with many other financial institutions, continues to face uncertainties arising from the general economic conditions. 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:

- **Credit risk:** The risk of financial loss arising from a borrower, issuer, guarantor or counterparty that may fail to meet its obligations in accordance with agreed terms. In order to manage this risk the Board approves the credit unions lending policy and all changes to it. All loan applications are assessed with reference to the lending policy in force at the time. Subsequently, loans are regularly reviewed for any factors that may indicate impairment. The Board approves the credit union's credit control policy which monitors the procedures for the collection of loans in arrears and also the basis for impairment on loans.
- **Liquidity risk:** The risk that a credit union will not be able to fund its current and future expected and unexpected cash outflows as they fall due without incurring significant losses. This may occur even where the credit union is solvent. The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its obligations as they fall due. The objective of the liquidity policy is to smooth the timing between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise.
- **Capital risk:** Capital is required to act as a cushion to absorb losses arising from business operations and to allow a credit union to remain solvent under challenging conditions. Capital risk arises mainly as a result of the quality or quantity of capital available, the sensitivity of the credit union exposures to external shocks, the level of capital planning and the capital management process. Capital risk could potentially impair a credit union's ability to meet its obligations in an adverse situation. The board manage this risk by ensuring that sufficient reserves are set aside each year to absorb any potential losses.
- **Operational risk:** The risk of loss (financial or otherwise) resulting from inadequate or failed internal processes or systems of the credit union; any failure by persons connected with the credit union; legal risk (including exposure to fines, penalties or damages as well as associated legal costs); or external events; but does not include reputational risk. Examples of operational risks include hardware or software failures, cyber risk, inadequate business continuity plans, misuse of confidential information, data entry errors and natural disasters.



- **Interest rate risk:** The interest rate risk arises from differences between the interest rate exposures on loans and investments receivable, as offset by the cost of capital, which is typically that of distributions to members' payable in the form of dividends and interest rebates. The credit union considers rates of interest receivable when deciding on the appropriation of income and its returns to members. The Board monitors such policy in line with the Credit Union Act, 1997 (as amended) and guidance notes issued by the Central Bank of Ireland.
- **Strategy/business model risk:** This refers to the risk which credit unions face if they cannot compete effectively or operate a viable business model. Strategy/business model risk also includes the inherent risk in the credit union's strategy. The board have developed and approved a detailed strategic plan to formulate the short term direction of the credit union operations.
- **Covid-19:** The credit union continued to face exposure to the economic effects of Covid-19 during the current financial year. The directors confirm that, despite this impact, loan demand has been strong during the financial year with the easing and lifting of restrictions and have confirmed their expectation that further growth in the loan book will be achieved in future periods. The board of directors and management team have taken steps, which include the provision of temporary loan repayment agreement facilities to impacted members and continuing to closely monitor overhead expenditure levels, to ensure that the credit union continues to be in a position to provide a full suite of services to its membership. In addition, the directors continue to actively review overall members saving levels to ensure the maintenance of reserve levels within the credit union, which continue to be significantly in excess of minimum regulatory levels

Dividends

The directors do not recommend the payment of a dividend.

Internal Audit Function

In accordance with Section 76K of the Credit Union Act, 1997 (as amended) the board have appointed an internal audit function to provide for independent internal oversight and to evaluate and improve the effectiveness of the credit union's risk management, internal controls and governance process.

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 credit union's premises at 4 Main Street, Malahide, Co. Dublin.

Approved by the Board on: 25 November 2021

Malahide and District Credit Union Limited.

John O'Halloran
Member of the Board of Directors

Michael Dowling
Member of the Board of Directors



STATEMENT OF DIRECTORS' RESPONSIBILITIES for the year ended 30 September 2021

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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the credit union's auditor in connection with preparing the auditor's report) of which the credit union's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the credit union's auditor is aware of that information.

On behalf of the Credit Union: 25 November 2021

A handwritten signature in black ink, appearing to read 'John O'Halloran'.

John O'Halloran

Member of the Board of Directors

A handwritten signature in black ink, appearing to read 'Michael Dowling'.

Michael Dowling

Member of the Board of Directors

STATEMENT OF BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES for the year ended 30 September 2021

The Credit Union Act, 1997 (as amended) requires the appointment of a Board Oversight Committee to assess whether the board of directors has operated in accordance with Part IV, Part IVA and any regulations made for the purposes of Part IV or Part IVA of the Credit Union Act, 1997 (as amended) and any other matter prescribed by the Bank in respect of which they are to have regard to in relation to the board.

A handwritten signature in black ink, appearing to read 'Liz O'Connor'.

Liz O'Connor

Member of Board Oversight Committee



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MALAHIDE AND DISTRICT CREDIT UNION LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Malahide and District Credit Union Limited ('the Credit Union') for the year ended 30 September 2021 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies set out on pages 29-45. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Credit Union as at 30 September 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Credit Union Act, 1997 (as amended).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the credit union in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Credit Union Act 1997, (as amended).

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.
- In our opinion the accounting records of the Credit Union were sufficient to permit the financial statements to be readily and properly audited. In our opinion the financial statements are in agreement with the accounting records.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set on page 21, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Credit Union's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

A handwritten signature in black ink, appearing to read 'FMB'.



ACCOUNTING POLICIES **for the year ended 30 September 2021**

Statement of Compliance

The financial statements of the credit union for the year ended 30 September 2021 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Credit Union Act 1997 (as amended) and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

Basis of Preparation

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the credit union's financial statements.

1. GOING CONCERN

The financial statements are prepared on the going concern basis. The directors believe this is appropriate as the credit union:

- is consistently generating annual surpluses;
- is maintaining appropriate levels of liquidity in excess of minimum legislative requirements; and
- has reserve levels which are significantly above the minimum requirements of the Central Bank.

2. INCOME RECOGNITION

Income 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. Income 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 loans to members is recognised using the effective interest method and is calculated and accrued on a daily basis.

Investment Income

The credit union uses the effective interest method to recognise investment income.

Other Income

Other income such as commissions receivable on insurance products and foreign exchange services arises in connection to specific transactions. Income relating to individual transactions is recognised when the transaction is completed.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and loans and advances to banks (i.e. cash deposited with banks) with maturity of less than or equal to three months.



4. BASIC FINANCIAL ASSETS

Basic financial assets are initially measured at the transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method. Basic financial instruments include the following:

Loans to Members

Loans to members are financial assets with fixed or determinable payments. Loans are recognised when cash is advanced to members and measured at amortised cost using the effective interest method.

Loans are derecognised when the right to receive cash flows from the asset have expired, usually when all amounts outstanding have been repaid by the member.

Investments held at Amortised Cost

Investments designated on initial recognition as held at amortised cost are measured at amortised cost using the effective interest method less impairment. This means that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount; minus, in the case of a financial asset, any reduction for impairment or uncollectability. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.

Central Bank Deposits

Credit unions are obliged to maintain certain deposits with the Central Bank. These deposits are technically assets of the credit union but to which the credit union has restricted access. The funds on deposit with the Central Bank attract nominal interest and will not ordinarily be returned to the credit union while it is a going concern. In accordance with the direction of the Central Bank the amounts are shown as current assets and are not subject to impairment reviews.

5. DE-RECOGNITION OF FINANCIAL ASSETS

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the credit union transfer to another party substantially all the risks and rewards of ownership of the financial asset, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated party.

In the case of loans to members, loans are derecognised when the right to receive cash flows from the loans have expired, usually when all amounts outstanding have been repaid by the member.

6. OTHER RECEIVABLES

Other receivables such as prepayments are initially measured at transaction price including transaction costs and are subsequently measured at amortised cost using the effective interest method.

7. OTHER PAYABLES

Other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Other payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.



8. TANGIBLE FIXED ASSETS

Tangible fixed assets comprises items of property, plant and equipment, which are stated at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is provided to write off the cost of each item of property, plant and equipment, less its estimated residual value, on a straight line basis over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

Premises	-	2.5% Straight Line
Computer equipment	-	25% Straight Line
Office equipment	-	10% Straight Line

Gains or losses arising on the disposal of an asset are determined as the difference between the sale proceeds and the carrying value of the asset, and are recognised in the Income and Expenditure account.

At each reporting end date, the credit union reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the credit union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income and Expenditure account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Income and Expenditure account.

9. EMPLOYEE BENEFITS

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.

Other Employee Benefits

The costs of short-term employee benefits, including holiday pay, are recognised as a liability and as an expense (unless those costs are required to be recognised as part of the cost of fixed assets) over the period they are earned.



10. IMPAIRMENT OF MEMBERS LOANS

The credit union assesses, at each balance sheet date, if there is objective evidence that any of its loans to members are impaired. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised.

Bad debts/impairment losses are recognised in the Income and Expenditure Account, as the difference between the carrying value of the loan and the net present value of the expected cash flows.

11. FINANCIAL LIABILITIES - MEMBERS' SHARES AND DEPOSITS

Members' shareholdings and deposits are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at the nominal amount.

12. DE-RECOGNITION OF FINANCIAL LIABILITIES

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

13. DIVIDENDS AND OTHER RETURNS TO MEMBERS

Dividends are made from current year's surplus or a dividend reserve set aside for that purpose. The Board's proposed distribution to members each year is based on the dividend and loan interest rebate policy of the credit union.

The rate of dividend and loan interest rebate recommended by the Board will reflect:

- the risk profile of the credit union, particularly in its loan and investment portfolios;
- the Board's desire to maintain a stable rather than a volatile rate of dividend each year; and
- members' legitimate dividend and loan interest rebate expectations;

all dominated by prudence and the need to sustain the long-term welfare of the credit union.

For this reason the Board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements.

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

14. TAXATION

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

15. RESERVES

Retained earnings are the accumulated surpluses to date that have not been declared as dividends returnable to members. The retained earnings are subdivided into realised and unrealised in accordance with the Central 'Bank Guidance Note for Credit Unions on Matters Relating to Accounting for Investments and Distribution Policy'.

Regulatory Reserve

The Credit Union Act 1997 (Regulatory Requirements) Regulations 2016 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10% of the assets of the credit union. This reserve is to be perpetual in nature; freely available to absorb losses; realised financial reserves that are unrestricted and non-distributable. This reserve is similar in nature and replaces the Statutory Reserve which was a requirement of previous legislation.



Operational Risk Reserve

Section 45(5)(a) of the 1997 Act requires each credit union to maintain an additional reserve that it has assessed is required for operational risk having regard to the nature, scale and complexity of the credit union. Credit unions are required to maintain a minimum operational risk reserve having due regard for the sophistication of the business model.

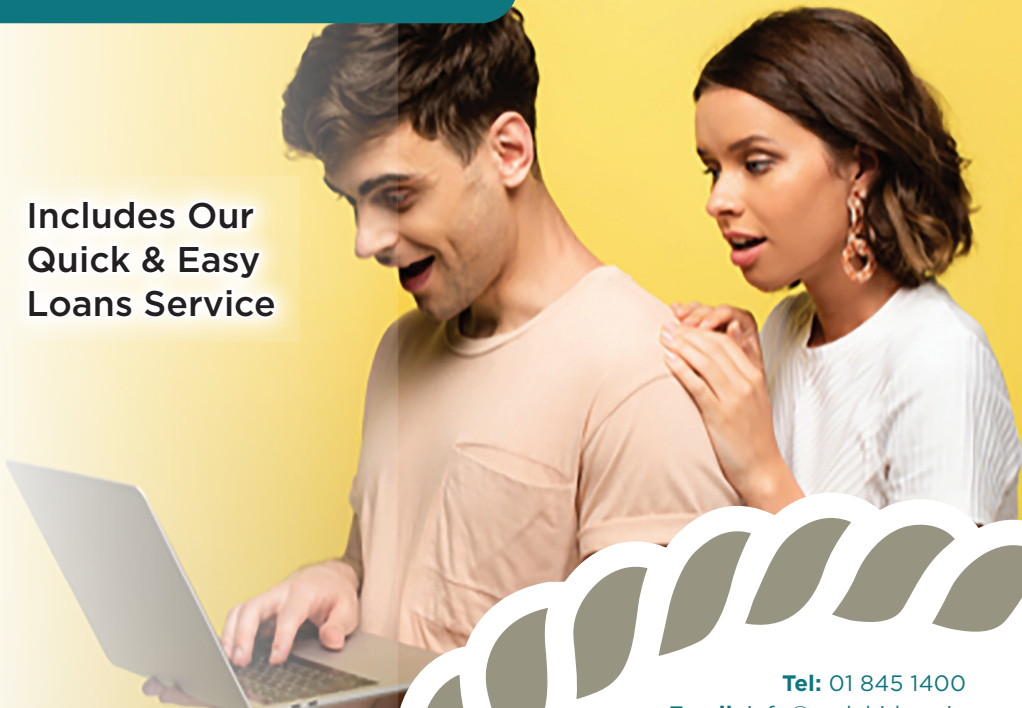
The definition of operational risk is the risk of losses stemming from inadequate or failed internal processes, people and systems or from external events. The directors have considered the requirements of the Act and have considered an approach to calculation of the operational risk reserve based on indicative guidance issued by the Central Bank.

Access your account anytime

ONLINE BANKING

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Includes Our
Quick & Easy
Loans Service



Loans are subject to approval. Terms and conditions apply. If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating which may limit your ability to access credit in the future.

Malahide Credit Union Limited is regulated by the Central Bank of Ireland.

Tel: 01 845 1400

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4 Main Street, Malahide, Co. Dublin

www.malahidecu.ie



INCOME AND EXPENDITURE ACCOUNT for the year ended 30 September 2021

	Schedule	2021 €	2020 €
INCOME			
Interest on loans	1	524,507	588,254
Other interest income and similar income	2	136,063	98,156
Net Interest Income		<u>660,570</u>	<u>686,410</u>
Other income	3	32,096	3,394
Other gains	4	68,050	72,517
TOTAL INCOME		<u>760,716</u>	<u>762,321</u>
EXPENDITURE			
Salaries		257,915	238,318
Other management expenses	5	401,971	422,075
Depreciation		62,496	58,288
Bad debts provision		2,357	25,803
Bad debts recovered		(27,588)	(29,741)
Bad debts written off		1,709	3,825
TOTAL EXPENDITURE		<u>698,860</u>	<u>718,568</u>
EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR		61,856	43,753
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		<u><u>61,856</u></u>	<u><u>43,753</u></u>

On behalf of the Credit Union : 25 November 2021

John O'Halloran
Member of Board
of Directors

Liz O'Connor
Member of the
Board Oversight Committee

Pauline Cummins
CEO

The accompanying notes form part of these financial statements.



BALANCE SHEET
as at 30 September 2021

	Note	2021 €	2020 €
ASSETS			
Cash and cash equivalents	6	2,840,285	2,641,011
Investments	7	10,952,734	13,477,158
Loans	8	6,249,778	7,139,782
Less provision for bad debts	11	(145,782)	(143,425)
Tangible fixed assets	12	1,208,470	1,240,814
Debtors, prepayments and accrued income	13	92,219	108,010
TOTAL ASSETS		<u>21,197,704</u>	<u>24,463,350</u>
LIABILITIES			
Members' shares	14	17,843,965	21,127,723
QuickCASH accounts	15	86,019	134,101
Other liabilities, creditors, accruals and charges	16	45,354	41,016
TOTAL LIABILITIES		<u>17,975,338</u>	<u>21,302,840</u>
RESERVES			
Regulatory reserve	18	2,331,747	2,690,969
Operational risk reserve	18	73,064	74,766
Other reserves			
- Realised reserves	18	817,555	394,022
- Unrealised reserves	18	-	753
TOTAL RESERVES		<u>3,222,366</u>	<u>3,160,510</u>
		<u>21,197,704</u>	<u>24,463,350</u>

On behalf of the Credit Union: 25 November 2021

John O'Halloran
Member of Board
of Directors

Liz O'Connor
Member of the
Board Oversight Committee

Pauline Cummins
CEO

The accompanying notes form part of these financial statements.



STATEMENT OF CHANGES IN RESERVES for the year ended 30 September 2021

	Regulatory Reserve €	Operational Risk Reserve €	Undistrib-uted Surplus €	General Reserve €	Special Reserve €	Total Reserves €
Opening Balance at 1 October 2019	2,487,282	74,766	263,519	290,437	753	3,116,757
Total comprehensive income	-	-	43,753	-	-	43,753
Transfer between reserves	203,687	-	(203,687)	-	-	-
Closing balance at 30 September 2020	2,690,969	74,766	103,585	290,437	753	3,160,510
Total comprehensive income	-	-	61,856	-	-	61,856
Transfer between reserves	(359,222)	(1,702)	361,677	-	(753)	-
Closing Balance at 30 September 2021	2,331,747	73,064	527,118	290,437	-	3,222,366

The balance on the regulatory reserve represents 11.00% of total assets as at 30 September 2021 (11.00% as at 30 September 2020).

On behalf of the Credit Union: 25 November 2021

John O'Halloran
Member of Board
of Directors

Liz O'Connor
Member of the
Board Oversight Committee

Pauline Cummins
CEO



CASH FLOW STATEMENT
for the year ended 30 September 2021

	Note	2021 €	2020 €
Opening cash and cash equivalents		2,641,011	5,706,936
Cash flows from operating activities			
Loans repaid		3,518,772	3,715,596
Loans granted		(2,630,477)	(3,017,220)
Loan interest received		527,555	590,036
Investments interest received		153,579	71,363
Bad debts recovered		27,588	29,741
Operating expenses		(659,886)	(660,393)
Net cash flows from operating activities		<u>937,131</u>	<u>729,123</u>
Cash flows from investing activities			
Fixed assets purchased		(30,152)	(10,448)
Net cash flow from investments		2,524,424	(5,659,706)
Other gains		68,050	72,517
Net cash flows from investing activities		<u>2,562,322</u>	<u>(5,597,637)</u>
Cash flows from financing activities			
Members' shares received		6,022,835	7,855,056
Members' QuickCASH account paid in		89,566	128,741
Members' shares withdrawn		(9,306,593)	(6,028,286)
Members' QuickCASH account withdrawn		(137,648)	(140,635)
Net cash flows from financing activities		<u>(3,331,840)</u>	<u>1,814,876</u>
Other			
Other receipts		32,096	3,394
Decrease/(Increase) in prepayments		(4,773)	(8,749)
(Increase)/Decrease in other liabilities		4,338	(6,932)
		<u>31,661</u>	<u>(12,287)</u>
Closing cash and cash equivalents	6	<u>2,840,285</u>	<u>2,641,011</u>

On behalf of the Credit Union: 25 November 2021

John O'Halloran
Member of Board
of Directors

Liz O'Connor
Member of the
Board Oversight Committee

Pauline Cummins
CEO

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021

1. GENERAL INFORMATION

Malahide and District Credit Union Limited is a credit union incorporated under the Credit Union Act 1997 (as amended) in the Republic of Ireland. Malahide and District Credit Union Limited is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The financial statements have been presented in Euro (€) which is also the functional currency of the credit union.

2. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying the credit union's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below:

Bad debts/Impairment losses on loans to members

The credit union's accounting policy for impairment of financial assets is set out in accounting policies on pages 24-28 of the financial statements. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and, other external factors such as legal and regulatory requirements.

Credit risk is identified, assessed and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics as identified by the credit union. The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is doubt about their recoverability.

Loan loss provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and provision adequacy on a quarterly basis. Key assumptions underpinning the credit union's estimates of collective provisions for loans with similar credit risk characteristics, and, Incurred But Not Reported provisions ("IBNR") are based on the historical experiences of the credit union allied to the credit union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the credit union currently operates which impact on current lending activity and loan underwriting. If a loan is impaired, the impairment loss is the difference between the carrying amount of the loan and the present value of the expected cash flows discounted at the asset's original effective interest rate taking account of pledged shares and other security as appropriate. Assumptions are back tested with the benefit of experience. After a period of time, when it is concluded that there is no real prospect of recovery of loans/part of loans which have been subjected to a specific provision, the credit union writes off that amount of the loan deemed irrecoverable against the specific provision held against the loan.

Impairment of buildings

The credit union's accounting policy on tangible fixed assets is set out in accounting policies on pages 24-28 of the financial statements. As described in the accounting policy the credit union is required to assess at each reporting date whether there is any indication that an asset may be impaired. If an impairment is identified, the credit union is required to estimate the recoverable amount of the asset. If there is no indication of impairment, it is not necessary to estimate the recoverable amount.



The recoverable amount of an asset is the higher of its fair value less costs associated with sale and its value in use. In assessing whether the credit union’s property is impaired, its current market valuation is considered as being equivalent to its fair value. Where the property’s market valuation is identified as being below its carrying value, this amounts to a key indicator of the existence of impairment and the credit union is therefore required to undertake a value in use calculation on its property assets. Value in use is the present value of the future cash flows expected to be derived from the credit union’s property. This present value calculation involves the undertaking of the following steps:

- (a) Estimating the future cash inflows and outflows to be derived from continuing use of property and from its ultimate disposal, where appropriate; and
- (b) Applying the appropriate discount factor to those future cashflows.

The future cash inflows and outflows required for the value in use calculation are taken from financial projections prepared by management and approved by the board of directors. The discount factor applied in the value in use calculation is an assessment of the time value of money applicable to the credit union and will take account of previous guidance received from the Central Bank.

3. EMPLOYEES

Number of employees

The average monthly numbers of employees during the year were:

	2021	2020
	Number	Number
Tellers/Admin	<u>8</u>	<u>8</u>
	<u>8</u>	<u>8</u>

Employment costs

	2021	2020
	€	€
Wages and salaries	233,641	216,463
Social welfare costs	24,274	21,855
Pension costs	3,475	2,192
	<u>261,390</u>	<u>240,510</u>

3.1. Key Management Personnel Compensation

The Directors of Malahide and District Credit Union Limited are all unpaid volunteers. The key management team for Malahide and District Credit Union Limited would include the directors, the credit union manager and other senior staff. The number of key management for the financial year to 30 September 2021 amount to 14 (2020 -15).

	2021	2020
	€	€
Short term employee benefits paid to key management	154,054	153,136
Payments to defined contribution pension schemes	3,475	2,192
	<u>157,529</u>	<u>155,328</u>



4. PENSION COSTS

Pension costs amounted to €3,475 (2020 - €2,192).

5. ANALYSIS OF INVESTMENT INCOME

	2021	2020
	€	€
Received during the year	96,042	40,619
Receivable within 12 months	40,021	57,537
Other investment income	-	-
	<u>136,063</u>	<u>98,156</u>

6. CASH & CASH EQUIVALENTS

	2021	2020
	€	€
Cash and bank balances	2,308,318	1,118,753
Short term deposits	531,967	1,522,258
	<u>2,840,285</u>	<u>2,641,011</u>

Short term deposits are deposits with maturity of less than or equal to three months. All other deposits are included in Investments in the Balance sheet and disclosed in note 7.

7. INVESTMENTS

	2021	2020
	€	€
Investments are classified as follows:		
Fixed term deposits maturing after 3 months	1,750,019	2,800,019
Deposit Protection Account	470,851	650,859
Accounts in authorised credit institutions	2,076,000	2,576,000
Investment bonds	6,655,864	7,450,280
	<u>10,952,734</u>	<u>13,477,158</u>

The market valuation of the investment bonds as at 30 September 2021 amounts to €6,773,697. The directors have confirmed that they are satisfied that all fixed term investments will be held to maturity and therefore the recognition of an impairment is not required.

The categories of counterparties with whom the investments and short term deposits are held is as follows: -



	2021	2020
	€	€
A1	6,470,086	7,834,595
A2	981,046	660,696
A3	-	990,568
Aa2	250,000	-
Aa3	500,000	1,246,417
Baa1	1,259,754	500,000
Baa2	2,023,815	3,767,140
	<u>11,484,701</u>	<u>14,999,416</u>

8. LOANS TO MEMBERS

	2021	2020
	€	€
Opening Balance at 1 October	7,139,782	7,841,983
Loans granted	2,630,477	3,017,220
Loans repaid	(3,518,772)	(3,715,596)
Loans written off	(1,709)	(3,825)
Gross Loan Balance at 30 September	<u>6,249,778</u>	<u>7,139,782</u>

Impairment allowances

Individual loans	(107,028)	(99,864)
Groups of loans	(38,754)	(43,561)
Loan provision	<u>(145,782)</u>	<u>(143,425)</u>
Net loans as at 30 September	<u>6,103,996</u>	<u>6,996,357</u>

9. ANALYSIS OF GROSS LOANS OUTSTANDING

	No.	2021	No.	2020
		€		€
Less than one year	190	269,070	215	261,056
Greater than 1 year and less than 3 years	418	2,412,488	364	1,876,435
Greater than 3 years and less than 5 years	193	2,108,577	299	3,371,205
Greater than 5 years and less than 10 years	58	1,432,841	60	1,631,086
Greater than 10 years and less than 25 years	2	26,802	-	-
Greater than 25 years	-	-	-	-
Total Gross Loans	<u>861</u>	<u>6,249,778</u>	<u>938</u>	<u>7,139,782</u>



10. CREDIT RISK DISCLOSURES

At 30 September 2021, the Credit Union had one home loan outstanding from members on which a first charge on the property was held. All remaining loans to members are unsecured, except that there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding. There are maximum amounts set down under legislation in terms of what amount a member can borrow from a Credit Union.

The carrying amount of the loans to members represents the credit union's maximum exposure to credit risk. The following table provides information on the credit quality of loan repayments. Where loans are not impaired it is expected that the amounts repayable will be received in full.

	2021		2020	
	€	%	€	%
Gross Loans Not Impaired	5,952,571	95.24%	6,693,367	93.75%
Gross Loans Impaired				
Up to 9 weeks past due	146,043	2.34%	437,890	6.13%
Between 10 and 18 weeks past due	130,168	2.08%	8,525	0.12%
Between 19 and 26 weeks past due	-	-%	-	-%
Between 27 and 39 weeks past due	17,680	0.28%	-	-%
Between 40 and 52 weeks past due	3,026	0.05%	-	%
53 or more weeks past due	290	0.00%	-	%
	<u>297,207</u>	<u>4.76%</u>	<u>446,415</u>	<u>6.25%</u>
Total Gross Loans	6,249,778	100.00%	7,139,782	100.00%
Impairment Allowance				
Individual loans	(107,028)		(99,864)	
Collectively assessed loans	<u>(38,754)</u>		<u>(43,561)</u>	
Loan provision	<u>(145,782)</u>		<u>(143,425)</u>	
Net loans as at 30 September	6,103,996		6,996,357	

Factors that are considered in determining whether loans are impaired are discussed in Note 2, dealing with estimates.



11. LOAN PROVISION ACCOUNT FOR IMPAIRMENT LOSSES	2021	2020
	€	€
Opening balance 1 October	143,425	117,622
Net movement during the year	4,066	29,628
Decrease as a result of loan write offs previously provided for	(1,709)	(3,825)
Closing provision balance 30 September	<u>145,782</u>	<u>143,425</u>

12. TANGIBLE FIXED ASSETS

	Premises	Computer equipment	Office equipment	Total
	€	€	€	€
Cost				
At 1 October 2020	1,521,347	193,190	36,505	1,751,042
Additions	-	16,168	13,984	30,152
Disposals	-	-	(1,596)	(1,596)
At 30 September 2021	<u>1,521,347</u>	<u>209,358</u>	<u>48,893</u>	<u>1,779,598</u>
Depreciation				
At 1 October 2020	332,526	151,328	26,374	510,228
On disposals	-	-	(517)	(517)
Charge for the year	38,034	19,368	4,015	61,417
At 30 September 2021	<u>370,560</u>	<u>170,696</u>	<u>29,872</u>	<u>571,128</u>
Net book values				
At 30 September 2021	<u>1,150,787</u>	<u>38,662</u>	<u>19,021</u>	<u>1,208,470</u>
At 30 September 2020	<u>1,188,821</u>	<u>41,862</u>	<u>10,131</u>	<u>1,240,814</u>

An independent valuation of the credit union's premises at 4 Main Street, Malahide, Co. Dublin was carried out by Quillsen, on 19 January 2022, which stated that the premises had an open market valuation of €1,400,000. The directors have confirmed that they are satisfied that no indication of impairment exists at 30 September 2021.

13. PREPAYMENTS AND ACCRUED INCOME	2021	2020
	€	€
Prepayments	36,321	31,548
Accrued income	40,021	57,537
Member Loan interest receivable	15,877	18,925
	<u>92,219</u>	<u>108,010</u>

**14. MEMBERS' SHARES**

	2021	2020
	€	€
Opening Balance at 1 October	21,127,723	19,300,953
Shares paid in	6,022,835	7,855,056
Shares withdrawn	(9,306,593)	(6,028,286)
Closing Balance at 30 September	<u>17,843,965</u>	<u>21,127,723</u>

Members' shares are repayable on demand except for shares attached to loans.
The breakdown of the shares between attached and unattached is as follows:

	€	€
Unattached Shares	15,872,356	18,965,291
Attached Shares	1,971,609	2,162,432
	<u>17,843,965</u>	<u>21,127,723</u>

15. MEMBERS' Q-CASH ACCOUNTS

	2021	2020
	€	€
Opening balance 1 October	134,101	145,995
Received during the year	89,566	128,741
Paid out during the year	(137,648)	(140,635)
Closing balance 30 September	<u>86,019</u>	<u>134,101</u>

QuickCASH accounts are repayable on demand.

16. OTHER LIABILITIES AND CHARGES

	2021	2020
	€	€
PAYE/PRSI control account	5,331	5,349
Accruals	40,023	35,667
	<u>45,354</u>	<u>41,016</u>



17. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

1. Financial risk management

Malahide and District Credit Union Limited manages its members' shares and loans to members so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from the credit union's activities are credit risk, liquidity risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk: Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to Malahide and District Credit Union Limited, resulting in financial loss to the credit union. In order to manage this risk the Board approves the credit union's lending policy, and all changes to it. All loan applications are assessed with reference to the lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

Liquidity risk: The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The credit union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

Market risk: Market risk is generally comprised of interest rate risk, currency risk and other price risk. Malahide and District Credit Union Limited conducts all its transactions in Euro and does not deal in derivatives or commodity markets. Therefore the credit union is not exposed to any form of currency risk or other price risk.

Interest rate risk: The credit union's main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a credit union's operations. The credit union considers rates of interest receivable on investments and members' loans when deciding on the dividend rate payable on shares and on any loan interest rebate.

Capital Risk: The credit union maintains sufficient reserves to buffer against losses on members' loan and investments. The current Regulatory Reserve is in excess of the minimum level set down by the Central Bank of Ireland, and stands at 11.00% of the total assets of the credit union at the balance sheet date.

2. Interest rate risk disclosures

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

	2021	2021	2020	2020
	Amount	Average Interest Rate	Amount	Average Interest Rate
Financial Assets	€	Rate	€	Rate
Loans to members	6,249,778	7.82%	7,139,782	7.89%

The dividend payable is at the discretion of the Directors and is therefore not a financial liability of the credit union until declared and approved at the AGM.



3. Liquidity risk disclosures

All of the financial liabilities of the credit union are repayable on demand except for some members' shares attached to loans and members' deposits which have a fixed maturity date.

4. Fair value of financial instruments

Malahide and District Credit Union Limited does not hold any financial instruments at fair value.

18. TOTAL RESERVES

	Balance 01/10/20 €	Dividend & loan interest rebate paid €	Appropriation of current year surplus €	Balance 30/09/21 €
Total Regulatory Reserve	2,690,969	-	(359,222)	2,331,747
Operational Risk Reserve	74,766	-	(1,702)	73,064
Other Realised Reserves				
Undistributed Surplus	103,585	-	423,533	527,118
General reserve	290,437	-	-	290,437
Total realised reserves	3,159,757	-	62,609	3,222,366
Unrealised Reserves				
Special reserve	753	-	(753)	-
Total unrealised reserves	753	-	(753)	-
Total reserves	3,160,510	-	61,856	3,222,366

The credit union is required to maintain a Regulatory Reserve that support the credit union's operations, provide a base for future growth and protect against the risk of unforeseen losses. The credit union needs to maintain sufficient reserves to ensure continuity and to protect members' savings. The Central Bank expects that credit unions whose total regulatory reserves are currently in excess of 10 per cent of total assets will continue to maintain reserves at existing levels on the basis that these continue to reflect the board of directors' assessment of the appropriate level of reserves for the credit union.

The balance on the regulatory reserve represents 11.00% of total assets as at 30 September 2021 (11.00% as at 30 September 2020).

The board of directors and the management team have undertaken a review of the credit union's risk register and risk management procedures in order to determine the adequacy of the operational risk reserve. This review consisted of a consideration of each operational risk area, the various control procedures, outsourcing agreements and insurances in place to mitigate risk and the resultant remaining residual risk. An estimated costing to the credit union has been attached to each identified area of residual risk in computing the required operational risk reserve.

The balance on the operational risk reserve represents 0.34% of total assets as at 30 September 2021.



19. DIVIDENDS, LOAN INTEREST REBATE AND OTHER RETURNS TO MEMBERS

The directors do not recommend the payment of a dividend.

In accordance with FRS102 “Events after the End of the Reporting Period”, dividends and returns to members are accounted for in the financial statements after they are approved by the members in general meeting.

The returns to members paid in the current and prior year periods were as follows:

	2021	2020
	€	€
Dividend paid during the year	<u>Nil</u>	<u>Nil</u>

20. RATE OF INTEREST CHARGED ON MEMBERS’ LOANS

The credit union currently charges interest at the following rates:

Standard Loan	11.90%
Express Loan	11.90%
Holiday Loan	9.50%
Home Renovation Loan	7.50%
Car Loan	7.90%
Covered Loan	6.00%

21. POST BALANCE SHEET EVENTS

There are no material events after the Balance Sheet date to disclose.

22. CONTINGENT LIABILITIES

All capital invested in fixed term investment products is guaranteed only if held to maturity. In the unlikely event of early encashment there may exist an early settlement penalty or capital loss. The board of directors have confirmed that they intend that all such investments are to be held until their maturity dates.

As stated in Note 7 to the financial statements, the credit union hold investments in Credit Linked Note type investments. Investments in Credit Linked Note type investments have a conditional capital protection at maturity. The initial amount invested will be received on maturity providing there has not been a credit event or default in any of the banking institutions that are party to the individual products. In the unlikely event that such credit events or defaults were to occur, the credit union could be subject to reductions in the level of return or a potential loss of capital invested. At the year end the directors are not aware of any credit events or default in any of the banking institutions party to these products and no impairments have been recognised in the financial statements.

On 17 September 2018, the Registry of Credit Unions informed credit unions in the Republic of Ireland that it had become aware of a potential matter that may impact certain credit unions in respect of accrued interest outstanding on loans where additional credit is extended to a member by way of a top-up-loan. In the intervening period, legal advice has been sought and communicated between the Registry of Credit Unions and credit union representative bodies with the goal of reaching a consensus on the required treatment steps. Malahide & District Credit Union Limited, having completed an assessment of a sample of historical loan credit agreements are satisfied that the total loan amount payable by members were adequately and appropriately communicated



and the total level of interest accrued on top up loans in the years reviewed was of a trivial level. The board of directors are satisfied that there is no evidence of the existence of a potential liability associated with the recognition of accrued interest income on top-up lending undertaken and as a result, no provision in this respect has been recognised in the financial statements to 30 September 2021.

23. CAPITAL COMMITMENTS

There were no capital commitments either contracted for or approved by the Board at the year end.

24. 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).

25. RELATED PARTY TRANSACTIONS

The credit union has identified the following transactions which are required to be disclosed under the terms of FRS102 'Related Party Disclosures'.

The following details relate to officers and related party accounts with the credit union. Related parties include the board of directors and the management team of the credit union, their family members or any business in which the director or management team had a significant shareholding.

	No. of loans	2021 €	2020 €
Total savings held by related parties		138,005	154,301
Total loans outstanding by related parties	9	88,935	120,063
% of gross loan book		1.42%	1.68%
Loans advanced to related parties during the year	3	29,095	
Total provisions for loan outstanding to related parties at year end		-	-
Total provision charge during the year for loans outstanding to related parties		-	-

26. AUTHORISATION AND APPROVAL OF FINANCIAL STATEMENTS

The board of directors authorised and approved these financial statements for issue on 25 November 2021.



**Additional Information
(not forming part of the statutory audited Financial Statements)
for the year ended 30 September 2021**

Schedule 1.

Interest on Loans

	2021	2020
	€	€
Loan interest received	527,555	590,036
Loan interest receivable	<u>(3,048)</u>	<u>(1,782)</u>
Total per Income and Expenditure Account	<u><u>524,507</u></u>	<u><u>588,254</u></u>

Schedule 2.

Other Interest Income and Similar Income

	2021	2020
	€	€
Investment income	<u>136,063</u>	<u>98,156</u>
Total per Income and Expenditure Account	<u><u>136,063</u></u>	<u><u>98,156</u></u>

Schedule 3.

Other Income

	2021	2020
	€	€
Entrance fees	159	245
E.C.C.U. rebate	30,265	-
Other commissions	<u>1,672</u>	<u>3,149</u>
Total per Income and Expenditure Account	<u><u>32,096</u></u>	<u><u>3,394</u></u>

Schedule 4.

Other Gains

	2021	2020
	€	€
Gains on Investments	<u>68,050</u>	<u>72,517</u>
Total per Income and Expenditure Account	<u><u>68,050</u></u>	<u><u>72,517</u></u>



Additional Information (not forming part of the statutory audited Financial Statements) for the year ended 30 September 2021

Schedule 5.

Other Management Expenses

	2021	2020
	€	€
Staff pension costs	3,475	2,192
Staff training	3,340	2,920
E.C.C.U. Insurance	72,001	78,190
Death benefit expense	23,752	25,092
Savings protection scheme	1,322	1,635
Rates	9,077	5,054
General insurance	12,019	10,838
Light and heat	4,086	3,829
Cleaning	1,533	1,561
Security & alarm	6,366	6,153
Printing, postage, stationery and office expenses	19,702	21,809
Advertising, promotion and marketing	15,065	16,100
Telephone	7,216	6,296
Computer costs	48,420	48,435
Amortisation of bond premium	27,167	11,052
CUSOP expenses	14,076	14,352
Chapter dues	-	407
Convention and AGM expenses	10,756	10,017
Travelling and subsistence	-	567
Social expenses	-	4,148
Legal and professional	19,203	48,786
Risk and compliance costs	15,811	16,621
Internal audit	14,760	14,760
Audit	18,179	17,140
Bank charges	14,542	15,909
General expenses	3,470	2,301
Central bank levies	35,029	33,811
Subscriptions and donations	1,604	2,100
Total per Income and Expenditure Account	401,971	422,075

Schedule 6.

Other Losses

	2021	2020
	€	€
Total per Income and Expenditure Account	-	-



MAKING THE MOST OF YOUR ACCOUNT WITH US – GOOD TO KNOW

Apply & Draw Down your Loan Online Do you know that you can apply for your loan & have it paid directly into your bank account without the need to visit our office? This service is proving very popular with members who have online access to their account, it's the quickest & easiest way to get a loan from us. Simply apply online through our website or social media channels.

How Quickly Can I get a Loan? Members can apply for a loan with us as soon as they join us. Applications are taken for all prudent purposes and we offer very competitive interest rates that are reviewed regularly. Once your application & supporting documentation have been received, our lending team will assess your application straight away. In many cases you'll be notified within 24hrs. Check out our website or links on social media to discover our latest loan offers.

How Much Do I Need In My Account Before Applying For A Loan A minimum of just €100 in your share account is all you need to apply for a loan. Applications are assessed on your repayment capacity and not only the amount in your shares. Previous credit history with us is not necessary, we welcome new borrowers all the time. (T&C's apply).

How Much Can I Borrow? Loans are available for all prudent purposes and we lend for any sum up to €75,000. Repayment frequency terms can be weekly, fortnightly or monthly and are matched to your individual needs.

Applying for Online Access to your Account For instant access to your account 24/7, our online platform can be accessed from our website or social media pages, or by using our mobile App CU Mobile which is available through the App store. Our staff will be happy to assist you with this process.

Central Credit Register (CCR) Information Since the introduction of the new Central Credit Register, all lenders are obliged to obtain and report data relating to all loan applicants for loans of €500 or more. Malahide Credit Union is obliged to run a Central Credit Register enquiry on all loan applications of €2,000 and over. In order for us to fulfil our regulatory requirements we must obtain proof of a member's Personal Public Service Number (PPSN). Please note we have strong controls in place to ensure that sensitive data such as your PPSN information is protected.

General Data Protection Regulation (GDPR) & ANTI-MONEY LAUNDERING REQUIREMENTS (AML) Malahide Credit Union is required to ensure that current and accurate information is recorded and retained for our members. You may be asked to provide us with up to date forms of identification or proof of address to assist us in meeting our GDPR and AML requirements under legislation and we appreciate your support with this.

Minimum Savings Requirement Members are required to maintain a minimum balance of €1 in their Share Account to retain membership of Malahide Credit Union. If your share balance falls below this amount, your membership will cease and the account will be closed. By retaining this balance, the member may be eligible for Loan Protection and Life Savings cover (T&C's apply).

Maximum Permitted Savings Member savings are capped at €10,000 per account since 1st October 2020. A maximum monthly lodgement cap of €1,000 is also in place since that date.

Loan Protection & Life Savings Insurance Eligible members are provided with this cover at no additional cost (T&C's apply). Loan Protection Insurance will cover the outstanding balance of your loan account in the event of your death and Life Savings Insurance will cover up to €3,000 savings in the Credit Union.

Death Benefit Insurance A member must retain a Share Account balance of at least €250 to be eligible for this cover (additional T&C's apply). The level of cover is €1,300 and is provided to eligible members at no additional cost. Payment will be made directly to the individual who settles a deceased member's funeral costs.


Dormant Accounts If an account has had no member-initiated transaction for a period of 3 years, it will be flagged as dormant. The member will be notified by letter, to their last known address on file. To re-activate the account, the member must either call into our office or upload their documents; we are required to maintain up to date photographic ID, proof of address and evidence of their PPSN. They must also conduct a transaction on their account before their account can be reactivated. Please allow sufficient time to undertake this process at the counter.

Have You Updated Your Nomination? A nomination on your account relates to the process for release of your funds in the event of your death. All members should strongly consider completing an up to date Nomination.

- The statutory maximum amount that can pass under a nomination is €23,000.
- A nomination must be in writing – you can get a nomination form in our office or on our website.
- A Nomination is not revocable or variable by the terms of your will or a codicil to your will.
- A nomination is automatically revoked if your nominee dies before you.
- A nomination is automatically revoked by your subsequent marriage.
- A legal separation or divorce will not invalidate a nomination. Consequently, if your marital status changes you should review your nomination.
- A person under 16 years of age cannot make a valid nomination.

You can check your nominee in the office, where our staff will be happy to help you. If you need to change your nomination please submit a new form online through our website or in our office and we will update your account. Nomination forms must be witnessed by a credit union official.

Annual Affiliation Fee to ILCU After our AGM, the sum of €1.50 is deducted from all adult members' Share Accounts to meet this cost.

An illustration of two hands, one on the left and one on the right, holding up a light grey rectangular sign. The hands are rendered in a simple, stylized manner with orange sleeves. The sign contains the text 'We believe our members come first and our friendly team are here to help you' in a bold, teal font.

**We believe our members
come first and our friendly
team are here to help you**

TOGETHER WE'RE STRONGER

www.malahidecu.ie



DO YOU KNOW



**MALAHIDE
CREDIT UNION**

LOCAL LOYAL LENDING

**7958 TOTAL
MEMBERSHIP**

Almost 200
new members
joined us
in 2021

**441
LOANS
GRANTED**

€2.63m
in 2021

**74 OF
YOUR HOMES
IMPROVED**

**58 NEW CARS
DRIVEN AWAY**

**TAKING
CLIMATE
ACTION**

Promoting a
sustainable future

**SUPPORT AT
THE HEART OF
YOUR COMMUNITY**

Sponsoring & donating
to local organisations

**PROUD TO
BE No. 1 IN
IRELAND FOR
7 YEARS IN A ROW***

*Customer Service Experience
in Ireland Award

2021
*RESPONDING
TO CHANGE*

**APPLY &
DRAW DOWN
YOUR LOAN
SECURELY
FROM HOME**

**FRIENDLY,
PROFESSIONAL, HIGHLY
QUALIFIED STAFF**

Warmly welcoming our
members to our office

INSURANCE

Loan Protection,
Life Savings &
Death Benefit
Insurance

**EASY
LOAN
APPLICATION
PROCESS**

**ACCESS
YOUR
ACCOUNT
ONLINE
OR THROUGH
OUR MOBILE APP**

4 Main Street

Malahide

Co. Dublin

Tel: **01 845 1400**

Fax: **01 845 4683**

info@malahidecu.ie

Terms & conditions apply. All loans are subject to approval.
Malahide Credit Union is regulated by the Central Bank of Ireland.

TOGETHER WE'RE STRONGER

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