



**Macleod Savings**

& Credit Union Ltd.

**Claresholm Branch\***

Box 1056  
Claresholm, AB T0L 0T0  
(403) 625-4401

**Fort Macleod Branch\***

Box 940  
Fort Macleod, AB T0L 0Z0  
(403) 553-4414

**Nanton Branch\***

Box 548  
Nanton, AB T0L 1R0  
(403) 646-2610

**Vulcan Branch\***

Box 305  
Vulcan, AB T0L 2B0  
(403) 485-2268

**Administration Office**

Box 1659  
Claresholm, Alberta T0L 0T0  
(403) 625-2179

**[www.macleodcu.com](http://www.macleodcu.com)**

\*ATM locations

**THIRD QUARTER REPORT**  
ending JULY 31, 2009



*Moving Forward*



**one byte at a time**



**Macleod Savings**  
& Credit Union Ltd.

**MACLEOD SAVINGS AND CREDIT UNION LTD.  
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL  
REPORTING**

The interim financial statements for the Third Quarter ending July 31, 2009, and all other information contained in these reports are prepared and presented by management, which is responsible for their accuracy, objectivity and completeness. This responsibility includes presenting the statements in accordance with generally accepted accounting principles.

Management is responsible for maintaining a system of internal controls designed to provide reasonable assurance as to the reliability of financial information and the safeguarding of assets.

These interim financial statements have not been audited or reviewed.

**MACLEOD SAVINGS & CREDIT UNION LTD.  
DISCLOSURE STATEMENT FOR COMMON SHARES, FINANCIAL  
POSITION**

(\$ Thousands) (Unaudited)

In summary, as of July 31, 2009, Macleod Savings & Credit Union Ltd. had:

|   | 2008       | 2009       |
|---|------------|------------|
| Assets (including loans) of                           | \$ 132,301 | \$ 147,251 |
| Liabilities (including deposits) of                   | \$ 122,860 | \$ 137,088 |
| Members equity (deficit) of                           | \$ 9,441   | \$ 10,163  |
| Net Income (loss) for the fiscal year of              | \$ 670     | \$ 95      |
| Non accrual loans of:                                 |            |            |
| consumer of   | \$ 45      | \$ 110     |
| residential mortgage of                               | \$ 227     | \$ 307     |
| commercial loans of                                   | \$ 0       | \$ 38      |
| agricultural loans of                                 | \$ 66      | \$ 1       |
| total non accrual loans of                            | \$ 338     | \$ 456     |
| Allowance for impaired loans of                       | \$ 429     | \$ 533     |
| Allowance for impaired loans as a % of total loans of | 0.37%      | 0.41%      |
| Total risk weighted assets of                         | \$ 89,162  | \$ 94,792  |
| Total primary capital of                              | \$ 10,232  | \$ 10,479  |
| Total secondary capital of                            | \$ 354     | \$ 333     |
| Total capital of                                      | \$ 10,566  | \$ 10,792  |
| Total capital as a % of total risk weighted assets of | 11.85%     | 11.38%     |

Macleod Savings & Credit Union Ltd.

September 4, 2009

President & Chief Executive Officer

Vice President Finance and Operations

**MACLEOD SAVINGS & CREDIT UNION LTD.  
INTERIM FINANCIAL STATEMENTS FOR THE  
THIRD QUARTER ENDING JULY 31, 2009 (UNAUDITED)**

**BALANCE SHEET, AS AT JULY 31** (\$ Thousands)

|   | 2008              | 2009              |
|---|-------------------|-------------------|
| <b>Assets</b>                                 |                   |                   |
| Cash  | \$ 875            | \$ 952            |
| Investments + Accrued Interest                | \$ 12,479         | \$ 12,219         |
| Derivatives                                   | \$ 22             | \$ 283            |
| Other Assets                                  | \$ 466            | \$ 108            |
| Loans to Members                              | \$ 116,145        | \$ 130,970        |
| Properties Held for Resale                    | \$ 0              | \$ 0              |
| Capital Assets                                | \$ 2,314          | \$ 2,719          |
|   | <b>\$ 132,301</b> | <b>\$ 147,251</b> |
| <b>Liabilities</b>                            |                   |                   |
| Accounts Payable + Accrued Liabilities        | \$ 394            | \$ 281            |
| Loans Payable                                 | \$ 3,322          | \$ 6,416          |
| Derivatives                                   | \$ 0              | \$ 0              |
| Deposit Accounts + Accrued Interest           | \$ 119,144        | \$ 130,391        |
|   | <b>\$ 122,860</b> | <b>\$ 137,088</b> |
| <b>Members Equity &amp; Retained Earnings</b> |                   |                   |
| Common Shares                                 | \$ 6,237          | \$ 6,790          |
| Retained Earnings                             | \$ 3,204          | \$ 3,373          |
|   | <b>\$ 9,441</b>   | <b>\$ 10,163</b>  |
|   | <b>\$ 132,301</b> | <b>\$ 147,251</b> |

**STATEMENT OF INCOME FOR THE THIRD QUARTER ENDING JULY 31**

(\$ Thousands)

|   | 2008            | 2009            |
|---|-----------------|-----------------|
| <b>Financial Income</b>                       |                 |                 |
| Interest on Member Loans                      | \$ 4,890        | \$ 4,379        |
| Interest on Investments                       | \$ 343          | \$ 143          |
|   | \$ 5,233        | \$ 4,522        |
| <b>Financial Expenses</b>                     |                 |                 |
| Interest on Deposit Accounts                  | \$ 2,154        | \$ 2,060        |
| Interest on Borrowings                        | \$ 25           | \$ 59           |
| Derivative Charges                            | \$ (22)         | \$ (225)        |
|   | \$ 2,157        | \$ 1,894        |
|   | <b>\$ 3,076</b> | <b>\$ 2,628</b> |
| <b>Financial Margin</b>                       |                 |                 |
| Charge (Recovery) for Loan Impairment         | \$ 63           | \$ 50           |
| <b>Financial Margin after Loan Impairment</b> | <b>\$ 3,013</b> | <b>\$ 2,578</b> |
| Other Income                                  | \$ 862          | \$ 608          |
|   | <b>\$ 3,875</b> | <b>\$ 3,186</b> |
| <b>Gross Margin</b>                           |                 |                 |
| Operating Expenses                            | \$ 3,033        | \$ 3,061        |
| <b>Net Income Before Taxes</b>                | <b>\$ 842</b>   | <b>\$ 125</b>   |
| Income Taxes                                  | \$ 172          | \$ 30           |
| <b>Net Income</b>                             | <b>\$ 670</b>   | <b>\$ 95</b>    |

Audited Financial Statements are available from Macleod Savings & Credit Union Ltd., upon request.

September 4, 2009

President & Chief Executive Officer

Vice President Finance and Operations