

WHITE CART CREDIT UNION LTD

Firm Reference No 213903

Registered No SP0021CU

**DIRECTORS REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

30 SEPTEMBER 2025

WHITE CART CREDIT UNION LTD

ADMINISTRATIVE INFORMATION

Directors

Agnes Hannah
James Greer
Margaret Shirley
Joseph Murren
Pauline Hannah
Suzanne McGlip

Secretary

Dorothy Stewart

Society Registration Number

SP0021CU

**Financial Conduct Authority
Registration Number**

213903

Registered Office

73 Neilston Road
Paisley
Renfrewshire
PA2 6NA

Auditors

Lindley Adams Limited
Chartered Accountants and Statutory Auditors
28, Prescott Street
Halifax,
HX1 2LG

Bankers

Bank of Scotland Plc
The Mound
Edinburgh
EH1 1YZ

Hampshire Trust Bank
131 Finsbury Pavement
London
EC2 1NT

WHITE CART CREDIT UNION LTD

CONTENTS

Directors' Report	1-2
Independent Auditors' Report	3-4
Revenue Account	5
Balance Sheet	6
Statement of changes in Retained Earnings	7
Cash flow statement	8
Notes to the financial statements	9-17

WHITE CART CREDIT UNION LTD
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Directors present their report and the financial statements for the year ended 30 September 2025.

Principal activity and Business Review

The principal activities of the credit union are the promotion and encouragement of regular saving and prudent borrowing by its members, as defined in the Credit Unions Act 1979.

Results and Dividends

The surplus for the year, after taxation, amounted to £124,297 (2024 - £126,867). In addition, there were 1,772 (2024 - 1,685) adult members with 679 (2024 - 722) members holding loans with the Credit Union.

The Directors recommend the payment of a 0.50% dividend at the yearend. This will be voted upon at the Annual General Meeting.

Directors

The directors who served during the year are as stated below:

Agnes Hannah
James Greer
Ruby Hardie - resigned
Dorothy Stewart - resigned
Margaret Shirley
Joseph Murren
Pauline Hannah
Suzanne McGlip

Financial risk management objectives and policies

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 and these are summarised below:

- Credit Risk: All loan applications are assessed with reference to the Credit Union's lending policy. Changes to policy are approved by the Board.
- Interest Rate Risk: The main interest rate risk arises from differences between interest rate exposures on assets and on liabilities that form an integral part of the credit union's operations. The Credit Union considers interest rates when deciding on the dividend rates to propose on share accounts.
- Liquidity Risk: The Credit Union's policy is to maintain sufficient funds in a liquid form at all times to ensure that the Credit Union can meet its liabilities as they fall due. The objective of liquidity is to help smooth mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise.

These areas are outlined in greater detail in section 15 of the Notes to the Financial Statements.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Credit Union legislation requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Ireland" (United Kingdom Accounting Standards and applicable law). Under Credit Union legislation the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the credit union and of the surplus or deficit of the Credit Union for that year. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Credit Union's transactions and disclose with reasonable accuracy at any time the financial position of the Credit Union and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and with the Credit Union Act 1979. 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:

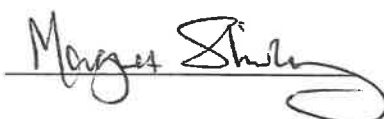
- There is no relevant audit information (information needed by the Credit Union's auditors in connection with preparing their report) of which the Credit Union's auditors are unaware, and
- The directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Credit Union's auditors are aware of that information.

This report was approved by the Board on3/4/26..... and signed on its behalf by:

Name of Director 1: AGNES HANNAH

Signature 

Name of Director 2: MARGARET SHIRLEY

Signature 

REPORT OF THE INDEPENDENT AUDITOR TO WHITE CART CREDIT UNION LTD

OPINION

We have audited the financial statements of White Cart Credit Union Ltd (the 'credit union') for the year ended 30 September 2025 which comprise revenue account, balance sheet, statement of changes to retained earnings, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the credit union's affairs as at 30 September 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014 and the Credit Unions Act 1979.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described 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 the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances as set out in note 20 to the financial statements, 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 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Board is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained;
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE BOARD

As explained more fully in the Statement of Directors' responsibilities set out on page 2, the Board is responsible for the preparation of the financial statements and for being satisfied that they 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 Board is responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Credit Union or to cease operations, or have 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 (UK) 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. Irregularities, including fraud, and instances of non-compliance with laws and regulations. We design procedures based on assessed risk and in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the credit union and determined that the following were most relevant: FRS 102, Co-operative and Community Benefit Societies Act 2014 and the Credit Unions Act 1979. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations irrespective of the size of amounts involved;
- we enquired of management the systems and controls the credit union has in place, the areas of the financial statements that are mostly susceptible to the risks of irregularities and fraud (which we outline below) and whether there was any known, suspected or alleged fraud;
- we identified the laws and regulations applicable to the credit union through discussions with senior management;
- identified laws and regulations were communicated within the audit team who remained alert to instances of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including override of controls) and addressed the risk through:

- making enquiries of those charged with governance as to their knowledge of actual, suspected and alleged instances of fraud;
- considering the internal controls in place to mitigate the risks of fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed our audit procedures which included, but were not limited to:

- reviewing the financial statements disclosures and determining whether accounting policies have been appropriately applied;
- obtaining third party confirmation of bank balances;
- reviewing the minutes of meetings of those charged with governance;
- reviewing relating party transactions of those charged with governance and determining whether the information provided is complete and appropriately disclosed in the financial statements;
- reviewing correspondence from professional advisors and regulators;
- reviewing and testing the internal controls in place for loans and savings and determining whether controls have been appropriately applied;
- reviewing and testing of revenue recognition processes and determining completeness of income;
- checking expenses are bona fide transactions of the credit union, and;
- reviewing post balance sheet and subsequent events, both financial and non-financial, that have occurred in the period between the financial year end and the signing of the audit report.

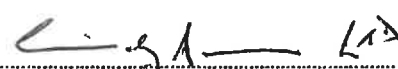
There is a risk that we will not detect all irregularities, including fraud, because of the inherent limitations of an audit, including those leading to a material misstatement in the financial statements of non-compliance with regulations. The areas in the financial statements that are most susceptible to fraud are Loans and Advances to Members and Subscribed Capital. We have investigated in particular where there is:

- Inadequate internal controls, resulting from: management override, lack of oversight, segregation in duties or supervisory controls;
- Inadequate record keeping, resulting from: lack of complete and timely reconciliations of bank or cash or a lack of timely and appropriate documentation of transactions;
- Evidence of past or suspected fraud in the credit union;
- A high turnover of senior management or key staff;
- High volumes of cash being handled and processed;

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the credit union, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the credit union those matters we are required to state to it in a Report of the auditor's 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, for our audit work, for this report, or for the opinions we have formed.


 Lindley Adams Limited
 Chartered Accountants and Statutory Auditors
 28 Prescott Street,
 Halifax, HX1 2LG

Date..... 31 April / 2026

WHITE CART CREDIT UNION LTD

Revenue Account for the year ended 30 September 2025

	Note	2025 £	2024 £
Loan Interest receivable and similar income	4	244,576	248,299
Interest payable	5	(15,253)	(15,243)
Net interest income		229,323	233,056
 Fees and commissions receivable	6	7,848	7,314
Fees and commissions payable		(120)	0
Net fees and commissions receivable		7,728	7,314
 Other income	7	16,307	18,095
Administrative expenses	8a	(44,482)	(41,129)
Depreciation and amortisation	11	(2,303)	(4,294)
Other operating expenses	8b	(61,190)	(61,873)
Impairment losses on loans to members	12e	(4,059)	(3,687)
 Surplus Before Taxation		141,324	147,482
 Taxation		(17,027)	(20,615)
 Surplus for the Financial Year		124,297	126,867
 Total comprehensive income		124,297	126,867

Note: There is no comprehensive income other than those included on the Revenue Account.

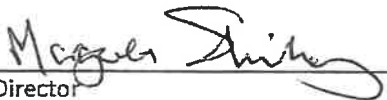
WHITE CART CREDIT UNION LTD

Balance Sheet as at 30 September 2025

	Note	2025 £	2024 £
ASSETS			
Loans and advances to banks	16	2,575,257	2,381,001
Loans and advances to members	12	1,414,560	1,395,535
Tangible fixed assets	11	15,080	17,383
Prepayments and accrued income		36,566	53,970
Total assets		4,041,463	3,847,889
LIABILITIES			
Subscribed capital - repayable on demand	13	3,316,678	3,228,254
Other payables	14	38,429	57,576
		3,355,107	3,285,830
Retained earnings		686,356	562,059
Total liabilities		4,041,463	3,847,889

The financial statements were approved, and authorised for issue by the board on 3/4/26 and signed on its behalf by:


Director


Director

Laraire Daans
Secretary

WHITE CART CREDIT UNION LTD

Statement of Changes in Retained Earnings for the year ended 30 September 2025

	2025 £	2024 £
As at 1 October 2024	562,059	435,192
Total comprehensive income for the year	124,297	126,867
As at 30 September 2025	686,356	562,059

Movement in reserves

	Retained earnings			Total
	General reserve	Revenue reserve	Development reserve	
As at 1 October 2024	537,921	17,586	6,552	562,059
Surplus for year	124,297	0	0	124,297
Other movements	0	0	0	0
As at 30 September 2025	662,218	17,586	6,552	686,356

WHITE CART CREDIT UNION LTD

Cash flow statement for the year ended 30 September 2025

	Note	2025 £	2024 £
Cash Flows from operating activities			
Surplus Before Taxation		141,324	147,482
Adjustments for non-cash items			
Depreciation	11	2,303	4,294
Impairment losses	12e	5,538	5,999
		<u>7,841</u>	<u>10,293</u>
Movements in:			
Prepayments and accrued income		17,404	(10,440)
Other payables		<u>(19,147)</u>	<u>(5,963)</u>
		<u>(1,743)</u>	<u>(16,403)</u>
Cash flows from changes in operative assets and liabilities			
Cash inflow from subscribed capital	13	1,609,049	1,687,830
Cash outflow from repaid capital	13	(1,520,625)	(1,641,529)
New loans to members	12a	(991,939)	(1,077,694)
Repayment of loans by members	12a	967,376	1,003,143
		<u>63,861</u>	<u>(28,250)</u>
Taxation paid		<u>(17,027)</u>	<u>(20,615)</u>
Net Cash flows from operating activities		194,256	92,507
Cash flows from investing activities			
Purchase of property, plant and equipment	11	0	0
Net cash flow from managing liquid deposits		<u>(250,036)</u>	<u>(50,000)</u>
		<u>(250,036)</u>	<u>(50,000)</u>
Net increase (decrease) in cash and cash equivalents		(55,780)	42,507
Cash and cash equivalents at beginning of the year		481,000	438,493
Cash and cash equivalents at end of year	16	<u>425,220</u>	<u>481,000</u>

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025

1 Legal and regulatory framework

The Credit Union is a society established under the Co-operative and Community Benefit Societies Act 2014, whose principal activity is to operate as a credit union, within the meaning of the Credit Unions Act 1979. The Credit Union has registered with the Financial Conduct Authority and is regulated by the Prudential Regulation Authority under the provisions of the Financial Services and Markets Act 2000.

In accordance with the regulatory environment for credit unions, deposits from members can be made by subscription for redeemable shares, deferred shares and interest - bearing shares. At present the Credit Union has only issued redeemable shares.

2 Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 - the Financial Reporting Standard applicable in the UK and Ireland.

The financial statements are prepared on the historical cost basis.

Going concern

The directors of the Credit Union believe that it is appropriate to prepare the financial statements on the going concern basis. In accordance with PRA Rulebook Guidelines outlined in Section 8.5 (1), the credit union must maintain a minimum Capital-To-Total assets ratio of 3%.

	2025	2024
The relevant ratios are:-	16.98%	14.61%

Income

Loan interest receivable and similar income: Interest on both loans to members and loans to banks (i.e. cash and cash equivalents held on deposit with other financial institutions) is recognised using the effective interest method, and is calculated and accrued on a daily basis. Exempt interest on members loans is not recognised.

Fees and commissions receivable: Fees and charges either arise in connection with a specific transaction, or accrue evenly over the year. Income relating to individual transactions is recognised when the transaction is completed.

Other income: Other income is recognised either evenly over the period to which it relates or when the transaction is complete.

Taxation

The tax charge for the year reflects current tax payable. Current tax is the expected corporation tax payable for the year, using tax rates in force for the year. The Credit Union is not liable to corporation tax payable on its activities of making loans to members, and investing surplus funds, as these are not classified as a trade. However, corporation tax is payable on investment income.

As a result of the limited activities of the Credit Union from which profits are chargeable to corporation tax, it is unlikely that deferred tax will arise.

Deferred grants and funding / revenue contributions

Deferred grants in respect of capital expenditure are credited to the income and expenditure account over the estimated useful life of the relevant fixed assets. Deferred grants and funding in respect of revenue items are credited to the income and expenditure account over the period to which they relate or to match the relevant expenditure. The grants / funding shown in the balance sheet represent the grants / funding receivable to date less the amount so far credited to the income and expenditure account.

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025 (continued)

2 Accounting policies (cont.)**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:

Property	50 years
Computers and printers	3 years
Office equipment and furniture	5 years

Cash and cash equivalents

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

Financial assets – loans and advances to members

Loans to members are financial assets with fixed or determinable payments. Loans are made to members for provident or productive purposes on such security (or without security) and terms as the rules of the Credit Union provide. 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.

Impairment of financial assets

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, because no loans are individually significant. 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.

Any impairment losses are recognised in the revenue account, as the difference between the carrying value of the loan and the net present value of the expected cash flows.

Financial liabilities – subscribed capital

Members' shareholdings in the Credit Union are redeemable and therefore are classified as financial liabilities, and described as subscribed capital. They are initially recognised at the amount of cash deposited and subsequently measured at amortised cost.

Reserves

Retained earnings are the accumulated surpluses to date that have not been declared as dividends returnable to members.

Employee benefits

Defined contribution plans: The amounts charged as expenditure for the defined contribution plan are the contributions payable by the Credit Union for the relevant period.

Other employee benefits: Other short and long term employee benefits, including holiday pay, are recognised as an expense over the period they are earned.

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025 (continued)

3 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:

Impairment losses on loans to members

Impaired losses are stated after specifically reviewing all loans in arrears. The criteria used is whether the loan will be repaid within the term of the loan based upon the current regular pattern of repayments.

4	Loan interest receivable and similar income	2025	2024
		£	£
	Loan interest receivable from members	166,171	156,355
	Bank interest receivable from cash and liquid deposits	78,405	91,944
	Total loan interest receivable and similar income	244,576	248,299

5 Interest expense

Interest expense is the dividend paid to members for the prior year. The dividend is formally proposed by the Directors after the year end and is confirmed at the following AGM. As a result it does not represent a liability at the balance sheet date.

	2025	2024
	£	£
Interest paid during the year	15,253	15,243
Dividend rate	0.50%	0.50%
Interest proposed, but not recognised	16,000	16,025
Dividend rate	0.50%	0.50%

F	Fees and commissions receivable	2025	2024
		£	£
	Entrance fees	48	52
	Annual service charge	7,800	7,262
	Total fees and commissions receivable	7,848	7,314

7	Other Income	Note	2025	2024
			£	£
	Grants and deferred income	21	16,307	17,972
	Sundry income		0	123
			16,307	18,095

8	Expenses	Note	2025	2024
			£	£
	Administrative expenses	8a	44,482	41,129
	Depreciation and amortisation	11	2,303	4,294
	Other operating expenses	8b	61,190	61,873
			107,975	107,296

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025 (continued)

8a	Administrative Expenses	Note	2025	2024
			£	£
	Employment costs	9b	29,154	27,706
	Auditors remuneration	8c	4,080	3,300
	Telephone		1,625	1,683
	Computer maintenance		6,846	5,313
	General expenses		799	1,331
	Printing, Postage and Stationery		1,614	1,432
	Other insurances		364	364
	Total Administrative Expenses		44,482	41,129
8b	Other Operating Expenses		2025	2024
	Cost of occupying offices (excluding depreciation)		£	£
	Rents and Rates		1,012	919
	Repairs and Maintenance		187	794
	Heating and Lighting		2,352	3,631
	Other Occupancy costs		513	481
			4,064	5,825
	Regulatory and financial management costs			
	Financial Conduct Authority, Prudential Regulation Authority Fees and FSCS Levy		1,006	753
	National Body Dues		3,490	3,451
	Fidelity Insurance		2,822	2,688
	Loan Protection and life savings insurance		45,415	43,082
	Debt recovery fees & Credit Checks		4,393	6,074
			57,126	56,048
	Total Other operating Expenses		61,190	61,873
8c	Auditors remuneration			
	The Credit Union voluntarily presents an analysis of its auditors' remuneration in accordance with Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008.			
			2025	2024
			£	£
	Fees payable for the audit of the Credit Union's annual accounts		3,990	3,210
	Fees payable to the Credit Union's Auditor for other services:			
	Services relating to taxation		90	90
	Total Auditors remuneration		4,080	3,300

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025 (continued)

9 Employees and employment costs

9a Number of employees	2025	2024
The average monthly number of employees during the year were:	Number	Number
Office staff	<u>2</u>	<u>2</u>
9b Employment costs	2025	2024
	£	£
Wages and salaries	28,320	26,892
Pension costs	834	814
Total employment costs	<u>29,154</u>	<u>27,706</u>

The Directors of the Credit Union are all unpaid volunteers. The key management team for the Credit Union includes the credit union manager.

	2025	2024
	£	£
Short term employee benefits	12,240	12,240
Pension costs	367	367
Total key management personnel compensation	<u>12,607</u>	<u>12,607</u>

Short-term employee benefits include wages, salaries, social security contributions and paid annual leave.

10 Taxation**10a Recognised in the Revenue Account**

The taxation charge for the year, based on the main rate of Corporation Tax of 25% and reduced by marginal relief (2024 25% and reduced by marginal relief) comprised:

	Note	2025	2024
		£	£
Current tax			
UK Corporation tax	10b	17,027	20,615
Total current tax and total taxation expense recognised in the Revenue Account		<u>17,027</u>	<u>20,615</u>

10b Reconciliation of taxation expense

The Credit Union is not liable to corporation tax payable on its activities of making loans to members, and investing surplus funds, as these are not classified as a trade. However, corporation tax is payable on investment income. As a result, tax charge for the year differs from the standard rate of corporation tax. The differences are explained below:

	2025	2024
	£	£
Surplus Before Taxation	<u>141,324</u>	<u>147,482</u>
Surplus before taxation multiplied by the main rate of corporation tax in the UK of 25% and reduced by marginal relief (2024 25% and reduced by marginal relief)	33,701	35,333
Effects of:		
Non-taxable (surplus) on transactions with members	(16,674)	(14,718)
Total tax charge for the year	<u>17,027</u>	<u>20,615</u>

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025 (continued)

11 Tangible Fixed Assets

Tangible Fixed Assets comprise the following property, plant and equipment:

	Computers and printers	Property	Office equipment and furniture	Total
Cost	£	£	£	
As at 1 October 2024	40,765	24,000	17,915	82,680
Additions	0	0	0	0
Disposals	0	0	0	0
As at 30 September 2025	<u>40,765</u>	<u>24,000</u>	<u>17,915</u>	<u>82,680</u>
Depreciation				
As at 1 October 2024	40,482	11,520	13,295	65,297
Charge for the year	283	480	1,540	2,303
Charge on disposal	0	0	0	0
As at 30 September 2025	<u>40,765</u>	<u>12,000</u>	<u>14,835</u>	<u>67,600</u>
Net Book Value				
As at 30 September 2025	<u>0</u>	<u>12,000</u>	<u>3,080</u>	<u>15,080</u>
As at 30 September 2024	<u>283</u>	<u>12,480</u>	<u>4,620</u>	<u>17,383</u>

12 Loans and advances to members

12a Loans and advances to members	Note	2025	2024
		£	£
As at 1 October 2024		1,658,129	1,592,792
Advanced during the year		991,939	1,077,694
Interest receivable		166,171	156,355
Repaid during the year		(1,133,547)	(1,159,498)
Gross loans and advances to members	12b	<u>1,682,692</u>	<u>1,667,343</u>
Impairment losses:			
Individual financial assets	12b, 12e	(20,197)	(9,214)
Groups of financial assets	12d	(247,935)	(262,594)
	12c	<u>(268,132)</u>	<u>(271,808)</u>
As at 30 September 2025		<u>1,414,560</u>	<u>1,395,535</u>
12b Memorandum - Total loan assets regulatory purposes	Note	2025	2024
		£	£
Gross loans and advances to members		1,682,692	1,667,343
Impairment of individual financial assets		(20,197)	(9,214)
Total loan assets for regulatory purposes	15b	<u>1,662,495</u>	<u>1,658,129</u>

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025 (continued)

12c Credit risk disclosures

The credit union does not offer mortgages and as a result all loans to members are unsecured, except where there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding.

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.

	2025		2024	
	Amount	Proportion	Amount	Proportion
Not impaired:				
Neither past due nor impaired	1,006,323	59.81%	990,362	59.40%
Up to 3 months past due	320,343	19.04%	248,528	14.91%
Between 3 and 6 months past due	0	0.00%	0	0.00%
Between 6 and 9 months past due	0	0.00%	0	0.00%
Between 9 months and 1 year past due	0	0.00%	0	0.00%
Over 1 year past due	0	0.00%	0	0.00%
Sub-total: loans not impaired	1,326,666	78.85%	1,238,890	74.31%
Individually impaired:				
Not yet past due, but impaired	0	0.00%	0	0.00%
Up to 3 months past due	37,536	2.23%	66,604	3.99%
Between 3 and 6 months past due	50,668	3.01%	67,913	4.07%
Between 6 and 9 months past due	19,432	1.15%	75,514	4.53%
Between 9 months and 1 year past due	21,948	1.30%	24,271	1.46%
Over 1 year past due	226,442	13.46%	194,151	11.64%
Total loans	1,682,692	21.15%	1,667,343	25.69%
Impairment allowance	(268,132)		(271,808)	
Total carrying value	1,414,560		1,395,535	

Factors that are considered in determining whether loans are impaired are discussed in note 3.

12d Allowance account for impairment losses	Note	2025	2024
		£	£
As at 1 October 2024		262,594	265,809
Allowances reversed during the year		(14,659)	(3,215)
Decrease in allowance during the year	12e	(14,659)	(3,215)
As at 30 September 2025		247,935	262,594

12e Impairment losses recognised for the year	2025	2024
	£	£
Impairment of individual financial assets	20,197	9,214
Decrease in impairment allowances during the year	(14,659)	(3,215)
	5,538	5,999
Reversal of impairment where debts recovered	(1,479)	(2,312)
Total impairment losses recognised for the year	4,059	3,687

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025 (continued)

13	Subscribed capital - financial liabilities	2025	2024
		£	£
	As at 1 October 2024	3,228,254	3,181,953
	Received during the year	1,593,796	1,672,587
	Dividends paid during the year	15,253	15,243
	Repaid during the year	(1,520,625)	(1,641,529)
	As at 30 September 2025	3,316,678	3,228,254

Deposits from members are made by way of subscription for shares. The balance includes deposits made by juvenile members - £251,917 (2024 - £255,910).

14	Other payables	Note	2025	2024
			£	£
	UK Corporation tax		17,027	20,615
	Accruals and deferred income		8,247	7,499
	Grants	21	13,155	29,462
			38,429	57,576

15 Additional financial instruments disclosures

15a Financial risk management

The Credit Union manages its subscribed capital 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 the Credit Union, resulting in financial loss to the Credit Union. In order to manage the 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 payment has changed. The Credit Union also monitors its banking arrangements closely in light of the current banking situation.

Liquidity risk: The Credit Union's policy is to maintain sufficient funds in liquid form at all times to ensure that it meets its liabilities as they fall due. The objective of the Credit Union's liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise. Note 2 provides further details about the impact of the maturity mismatch on the going concern status of the Credit Union.

Market risk: Market risk is generally comprised of interest rate risk, currency risk and other price risk. The Credit Union conducts all its transactions in sterling 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 when deciding on the dividend rate payable on subscribed capital. The Credit Union does not use interest rate options to hedge its own positions.

WHITE CART CREDIT UNION LTD

Notes to the Financial Statements for the year ended 30 September 2025 (continued)

15b Interest rate risk disclosures

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

	2025		2024	
	Amount	Average Interest Rate	Amount	Average Interest Rate
Financial assets	£	%	£	%
Loans to members	1,662,495	10.01%	1,658,129	9.62%

The interest rates applicable to loans to members are fixed at 12%.

15c Liquidity risk disclosures

Excluding short-term other payables, as noted on the balance sheet, the Credit Union's financial liabilities, the subscribed capital, are repayable on demand.

15d Fair value of financial instruments

The Credit Union does not hold any financial instruments at fair value.

16 Cash and cash equivalents

	2025	2024
	£	£
Loans and advances to banks	2,575,257	2,381,001
Less: amounts maturing after three months	(2,150,037)	(1,900,001)
Total cash and cash equivalents	425,220	481,000

17 Post balance sheet events

There are no material events after the balance sheet date to disclose.

18 Contingent liabilities

The Credit Union participates in the Financial Services Compensation Scheme (FSCS) and therefore has a contingent liability, which cannot be quantified, in respect of contributions to the FSCS, as required by the Financial Services and Markets Act 2000. The Financial Conduct Authority (FCA) has provided details of how the calculation of next year's contribution towards the FSCS will be calculated and full provision has been included for this liability. However this is subject to future changes in interest rates and levels of deposits held by UK deposit takers. Therefore there is inherent uncertainty regarding the totality of the levy that the Credit Union will have to pay.

19 Related Party Transactions

During the year 6 members of the board, staff, volunteers and their close family members, had loans with the Credit Union (2024 - 5 members). These loans were approved on the same basis as loans to other members of the Credit Union. None of the directors, volunteers and close family members have any preferential terms on their loans.

20 Non-audit services

In common with many other Credit Unions of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist us with the preparation of the financial statements.

21 Grants carried forward

During the 2020/21 accounting period, the credit union received a grant of £125,000 from the Scottish Community Lenders Fund. £16,307 (2024: £17,972) of this has been included in income during the year. The remaining £13,155 (2024: £29,462) is carried forward on the balance sheet to be included as income in future years.