

WHITE CART CREDIT UNION LTD

Firm Reference No 213903

Registered No 21CUS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2014

Business Focus & Systems Ltd

Chartered Accountants, Business Advisors & Statutory Auditors



4 Chevin Mill
Leeds Road
Otley
West Yorkshire
LS21 1BT



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Registered in England & Wales at the above address. Company Number 4669692.

Directors: A.M. Massarella FCA, N.Firth ACA, Company Secretary: L. Lewis MAAT

Registered to carry on audit work in the UK and regulated for a range of investment business activities by The Institute of Chartered Accountants in England & Wales

STATEMENT OF THE DIRECTOR'S RESPONSIBILITIES TO THE MEMBERS OF
WHITE CART CREDIT UNION LTD

RESPECTIVE RESPONSIBILITIES OF DIRECTORS

The directors are responsible for preparing financial statements for each financial year in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. In preparing those financial statements the directors are required to:-

- show a true and fair view of the state of affairs of the Credit Union and the surplus/deficit for that period
- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare financial statements on a going concern basis unless this 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 at any time the financial position of the Credit Union, and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and the Credit Union Act 1979. They are also responsible for safeguarding the assets of the Credit Union, and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE BOARD:

Name of Director 1: AGNES HANNAH

Signature Agnes Hannah

Date: 15/1/15

Name of Director 2: ANNE CULLEN

Signature acullen

Date: 15/1/15

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
WHITE CART CREDIT UNION LTD**

We have audited the financial statements, being the primary statements of Income and Expenditure and Balance Sheet, together with the Notes thereto which are set out on pages 2 to 5. These statements have been prepared in accordance with the accounting policies set out therein. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report is made solely for the Credit Union's members as a body, and our audit work has been undertaken so that we might state to the Credit Union's members those matters that we are required to declare 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's members as a body for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 1a, the directors are responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standard for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether the accounting policies are appropriate to the Credit Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provision Available for Small Entities in the circumstances set out in Note 5 to the Financial Statements.

OPINION ON THE FINANCIAL STATEMENTS

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 2014 and of its income and expenditure of the year then ended; and,
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and with the Co-operative and Community Benefit Societies Act 2014 and the Credit Union Act 1979.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- proper books of account have not been kept by the Credit Union in accordance with the requirements of the legislation.
- a satisfactory system of control over transactions has not been maintained by the Credit Union in accordance with the requirements of the legislation,
- the revenue account or the other accounts (if any) to which our report relates, and the balance sheet are not in agreement in the books of account of the credit union.
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Business Focus & Systems Ltd
Chartered Accountants and Statutory Auditors
4 Chevin Mill
Leeds Road
Otley
West Yorkshire
LS21 1BT

12/2/2015



WHITE CART CREDIT UNION LTD

Income and Expenditure Account for the year ended 30 September 2014

INCOME	Notes	2014	2013
Entrance fees		148	148
Income from loans to members.	2	57,561	45,799
Interest received on investments		367	395
Bad debts recovered		824	-
Grants released		1,403	3,332
Annual membership fees		4,860	3,600
Dividends surplus		40	-
Other Income		-	3,202
TOTAL INCOME FOR THE YEAR		65,203	56,476
EXPENDITURE			
Administration Expenses		16,869	19,025
Auditors Remuneration		1,560	1,368
Fidelity Bond Insurance		1,495	1,267
Bank charges		30	30
Bad Debt Provision		18,145	3,574
Bad Debts written off		7,135	7,620
Savings & Loan Insurance		9,344	8,474
Other Insurance		263	250
PRA Fees		1,285	1,153
Trade Association Dues		1,481	1,266
Depreciation of assets	3	2,576	2,081
TOTAL EXPENDITURE FOR THE YEAR		60,183	46,108
SURPLUS FOR YEAR BEFORE TAX		5,020	10,368
TAXATION		73	79
SURPLUS FOR YEAR AFTER TAX		4,947	10,289
Appropriations:-			
To General Reserve compulsory transfer		990	2,058
To General Reserve voluntary transfer		227	-
To Revenue Reserve	6	3,730	-
To transfer to Development Reserve		0	4,472
To dividends proposed (2013 0.5 %)	6	0	3,759
TOTAL APPROPRIATIONS		4,947	10,289

Note :There are no recognised gains or losses other than those included on the income and expenditure account

All figures included on the income and expenditure account are from continuing activities.

WHITE CART CREDIT UNION LTD


Balance Sheet as at 30 September 2014

	Notes	2014		2013
FIXED ASSETS	3		19,756	22,332
MEMBERS LOAN ACCOUNTS	2			
Current balances		549,645	421,659	
Less provision for unperforming loans		<u>(39,257)</u>	<u>510,388</u>	<u>400,547</u>
SUNDRY DEBTORS			2,396	572
INVESTMENTS				
Deposit accounts: Fixed Term Account Bank of Scotland		509,238 <u>-</u>	509,238 <u>-</u>	426,418 <u>426,418</u>
IMMEDIATE LIQUIDITY				
Cash at bank on current account.		57,188	63,216	
Cash in hand.		<u>20</u>	<u>20</u>	
		<u>57,208</u>	<u>57,208</u>	<u>63,236</u>
TOTAL ASSETS			<u><u>1,098,986</u></u>	<u><u>913,105</u></u>
LIABILITIES	2,7			
Ordinary members shares.	10	973,615	803,385	
Junior members shares		64,682	49,056	
Dividends Proposed	6	<u>0</u>	<u>1,038,297</u>	<u>856,256</u>
OTHER PAYABLES				
Creditors and accruals		2,560	2,258	
Grants Carried Forward		2,265	3,668	
Taxation due within one year		<u>73</u>	<u>79</u>	
		<u>4,898</u>	<u>4,898</u>	<u>6,005</u>
RESERVES				
General reserve		41,413	40,196	
Revenue reserve	6	4,558	-	
Development Reserve	6a	<u>9,820</u>	<u>55,791</u>	<u>50,844</u>
TOTAL CAPITAL AND RESERVES			<u><u>1,098,986</u></u>	<u><u>913,105</u></u>

We hereby approve and adopt the attached accounts for circularisation to our members.


Committee Member


Committee Member

 15/11/15
Secretary Date

WHITE CART CREDIT UNION LTD

NOTES ON THE ACCOUNTS

1 ACCOUNTING POLICIES

- a. The Credit Union is registered under the Industrial and Provident Societies Act 1965. The financial statements have been prepared under the historic cost accounting rules in accordance with the Co-operative and Community Benefit Societies Act 2014 and the Credit Union Act 1979. Applicable accounting standards have been followed.
- b. Fixed Assets are stated at cost. Depreciation of fixed assets is charged by equal instalments commencing in the year of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives as follows:
- | | |
|-----------------------------|----------|
| Office Furniture & Fittings | 5 Years |
| Computers | 3 years |
| Office Premises | 50 years |
- c. Interest is accounted for on the basis of amounts receivable or payable in the year covering these accounts.
- d. Provision for Doubtful Debts is stated after specifically reviewing all loans in arrears. The criteria used is whether the loan will be repaid within the medium term and whether there is a regular pattern of repayments.
- e. Juvenile transactions are included within the accounts unless specifically shown otherwise.

2 SUMMARY OF MEMBERS SHARE (including Junior members) AND LOAN ACCOUNTS

	SHARES		LOANS	
	2014	2013	2014	2013
Balances brought forward from last year	852,441	686,722	421,659	317,937
Shares saved and loans repaid.	496,901	392,781	(550,214)	(422,647)
Dividends paid	3,775	3,206		
Shares withdrawn	(314,820)	(230,268)		
Loans granted			627,774	488,190
Interest charged			57,561	45,799
Loans Written off			(7,135)	(7,620)
Balances carried forward to next year.	<u>1,038,297</u>	<u>852,441</u>	<u>549,645</u>	<u>421,659</u>

3 TANGIBLE FIXED ASSETS

COST	Software & Printer	Office Premises	Office furniture and equipment	Total
Cost at 30th September 2013	16,424	24,000	1,204	41,628
Additions during year.	-	-	-	-
Disposals at cost	-	-	-	-
Cost at 30th September 2014	<u>16,424</u>	<u>24,000</u>	<u>1,204</u>	<u>41,628</u>

DEPRECIATION

Depreciation at 30th September 2013	11,967	6,240	1,089	19,296
Charged in these accounts	1,981	480	115	2,576
Depreciation eliminated on disposal				
Depreciation at 30th September 2014	<u>13,948</u>	<u>6,720</u>	<u>1,204</u>	<u>21,872</u>
VALUE ON 30TH SEPTEMBER 2014	<u>4,457</u>	<u>17,280</u>	<u>0</u>	<u>19,756</u>
VALUE ON 30TH SEPTEMBER 2013	<u>4,457</u>	<u>17,760</u>	<u>115</u>	<u>22,332</u>

4 NUMBER OF MEMBERS (including Juniors)

	2014	2013
Number at beginning of year	1,521	1,329
Joined during year	374	214
Lapsed during year	(29)	(22)
Number at end of year.	<u>1,866</u>	<u>1,521</u>

5 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.

WHITE CART CREDIT UNION LTD

NOTES ON THE ACCOUNTS (Cont.)

6 REVENUE RESERVE

A Revenue Reserve will now be used to ensure that future dividend proposals are met and distributed properly. This is summarised as follows:

		2014
Balance transferred from dividend reserve last year		3,815
Less: Dividends paid during the year		(3,775)
Dividends overpaid released to Revenue account		(40)
To dividends proposed: 0.5 % (2013 0.5 %):		
Transfer from surplus		3,730
6a <u>Transfer from development reserve to revenue reserve:</u>		
Balance brought forward on development reserve	10,648	
Less, transfer to Revenue Reserve	828	828
Balance carried forward on development reserve	<u>9,820</u>	
Balance transferred from revenue accounts to be carried forward to next year.		<u><u>4,558</u></u>

7 RE-CLASSIFICATION OF SHARES

Shares are now shown as liabilities as they are allowed to be withdrawn at any time, subject to the credit unions attachment of share rules.

8 RELATED PARTY TRANSACTIONS

During the year, 13 members of the board, staff and management team and 18 of their close family members had shares and loans with the Credit Union.

None of the directors, staff or their close family members, have any preferential terms on their loans or shares.

9 GOING CONCERN

The credit union must maintain a minimum Capital-To-Total assets ratio of 3%, in accordance with PRA Guidelines outlined under CREDS 5.3.1 (T.P. 1.1). The relevant ratios are:-

2014	2013
5.08%	5.57%

10 CORPORATE MEMBERS

The credit union has admitted a small number of corporate members. A proposed change to the rules will be presented to the members at the AGM. If corporate members are accepted into the membership, the new rules will be registered with the Prudential Regulation Authority. If the rule change is not accepted by the membership, the monies held in the corporate accounts will be returned and all the corporate accounts will be closed with immediate effect.