

**CREDIT UNIONS SOURCEBOOK
(CONSEQUENTIAL AMENDMENTS) INSTRUMENT 2001**

Powers exercised

- A. The Financial Services Authority amends the Supervision manual, the Complaints sourcebook and the Glossary in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (the "Act"):
- (1) section 138 (General rule-making power);
 - (2) section 149 (Evidential provisions);
 - (3) section 156 (General supplementary powers);
 - (4) section 157(1) (Guidance); and
 - (5) section 340 (Appointment).
- B. The provisions of the Act relevant to rules and listed above are specified for the purpose of section 153(2) of the Act (Rule-making instruments).

Commencement

- C. This instrument comes into force on 1 July 2002.

Amendments to SUP, DISP and the Glossary

- D. The Supervision manual, the Complaints sourcebook and the Glossary are amended in accordance with:
- (1) Annex A to this instrument (Amendments to SUP, DISP and the Glossary); and
 - (2) Annex B (Forms QR and AR).

Citation

- D. This instrument may be cited as the Credit Unions Sourcebook (Consequential Amendments) Instrument 2001.

By order of the Board
20 December 2001

Annex A
Amendments to SUP, DISP and the Glossary

In this Annex, where amendments are shown rather than described, underlining indicates new text and striking through indicates deleted text.

Supervision manual

SUP 3.1.2R Insert the following new row in the table:

Category of firm		Sections applicable to the firm	Sections applicable to its auditor
(5 A)	<i>Credit union</i>	<i>SUP 3.1- SUP 3.7</i>	<i>SUP 3.1, SUP 3.2, SUP 3.8</i>

SUP 16.1.3R Amend the rows for SUP 16.4 and SUP 16.5, and for SUP 16.7, as shown:

16.1.3 R Table Application of different sections of SUP 16

(1) Sections	(2) Categories of firm to which section applies	Applicable rules and guidance
<i>SUP 16.4 and SUP 16.5</i>	All categories of <i>firm</i> except: (-a) a <i>credit union</i>; (a) an <i>ICVC</i> ;	Entire sections
<i>SUP 16.7</i>	<u><i>Credit union</i></u> <u><i>Bank,....</i></u>	<u><i>SUP 16.7.62R to 16.7.63R</i></u>

SUP 16.4.1G Amend as shown :

16.4.1 G The effect of *SUP 16.1.1R* is that this section applies to every *firm*

except:

~~(-1) a *credit union*;~~

(1) an *ICVC*;

....

SUP 16.5.1G Amend as shown :

16.5.1 G The effect of *SUP* 16.1.1R is that this section applies to every *firm* except:

(-1) a credit union;

(1) an *ICVC*;

....

SUP 16.7.5G Insert the following new row at the beginning:

Firm category	Applicable rules and guidance
<i>Credit union</i>	<i>SUP</i> 16.7.62R to <i>SUP</i> 16.7.63R

SUP 16.7 After *SUP* 16.7.61G, insert the following new heading and rules:

Credit unions

16.7.62 R A *credit union* must submit reports to the *FSA* in accordance with, and in the same format as, the forms contained in *SUP* 16 Ann 13R, as set out in *SUP* 16.7.63R.

16.7.63 R Table: Financial reports required from a credit union (see *SUP* 16.7.62R)

Content of report	Form	Frequency	Due date
Key financial data	QR	Quarterly	One <i>month</i> after quarter end
Annual audited financial statement	AR	Annually	Seven <i>months</i> after financial year end

SUP App 1 1.3.1G Insert an additional row in the appropriate alphabetical position, and amend Note 2, as shown:

Prudential categories (Note 1)	Applicable prudential requirements (Note 2)	Prudential sub-categories
<u><i>Credit union</i></u>	<u><i>CRED</i> 7, 8, 9, and 10</u>	<u><i>Version 1 credit union</i></u> <u><i>Version 2 credit union</i></u>
Note 2 = Only the requirements in the Interim Prudential sourcebooks, and <i>LLD</i> ₂ and <i>CRED</i> are listed in the column. Requirements in other parts of the <i>Handbook</i> will also apply.		

Complaints sourcebook

DISP 1.1.1R Amend as shown:

This chapter applies to every *firm* in respect of activities carried on from an establishment maintained by the *firm* (or its *appointed representative*) in the *United Kingdom*, except:

(1)(a) a *firm* that is exempt under *DISP* 1.1.7R; or

(b) a *UCITS qualifier*; or

(c) an *authorised professional firm* in so far as its *non-mainstream regulated activities* are concerned; or

(d) a *credit union*; or

(2) in relation to the Society of Lloyd's and members of the Society and managing agents, *DISP* 1 applies subject to *DISP* 1.7 (The society of Lloyd's).

DISP 1.1.4G Renumber the existing provision as (1) and insert the following new paragraph:

“(2) *Rules and guidance* relating to complaints handling by *credit unions* are contained in *CRED* 17.”

Glossary

Delete the existing definition of “credit union”

Insert the following new definitions in the appropriate alphabetical position:

<i>credit union</i>	a body corporate registered under the Industrial and Provident Societies Act 1965 as a credit union in accordance with the Credit Unions Act 1979, which is an <i>authorised person</i> .
<i>registered only credit union</i>	a body corporate registered under the Industrial and Provident Societies Act 1965 as a credit union in accordance with the Credit Unions Act 1979, which is not an <i>authorised person</i> .
<i>version 1 credit union</i>	a <i>credit union</i> whose <i>Part IV permission</i> includes a <i>requirement</i> that it must not lend more than £10,000 in excess of a member's shareholding; in this definition a "member's shareholding" means any shares held by a member of the <i>credit union</i> within limits set by section 5 of the Credit Unions Act 1979.
<i>version 2 credit union</i>	a <i>credit union</i> which is not a <i>version 1 credit union</i> .

Annex B
Forms QR and AR

After SUP 16 Ann 12 G, insert:

Sup 16 Ann 13R: Forms QR and AR



CREDIT UNION QUARTERLY RETURN

for quarter ended [] / [] / []

Name [] Credit Union Limited

Register No []

Meetings of Officers during the quarter

Board of Directors/Committee of Management

Credit/Loans Committee

Supervisory/Internal Audit Committee

Number of Meetings [] [] []

Fidelity Insurance (Section 15 Credit Unions Act 1979)

Did the Credit Union maintain in force during the period of this quarterly return a policy of insurance complying with the requirements of section 15 of the Credit Unions Act 1979 ?

Enter YES or NO []

Membership

Number of members at end of quarter

Ordinary Non-qualifying Juveniles [] [] []

Affiliation

The Credit Union is affiliated to

[]

Management Reports

(i) During this quarter, have all the reports required by the registered Rules of the Credit Union been made ?

Enter YES or NO []

(ii) Have any financial statements been prepared since completion of the previous Quarterly Return ?

Enter YES or NO []

BALANCE SHEET

at quarter ended on / /

Assets

	£
Fixed assets	<input type="text"/>
Investments	<input type="text"/>
Juvenile deposits	<input type="text"/>
Members' loans	<input type="text"/>
less: Provision for doubtful debts	()
Credit Union Loans	<input type="text"/>
Cash and Bank balances	<input type="text"/>
Other assets (<i>specify</i>) 	<input style="width: 100%; height: 100%;" type="text"/>
.	
.	
.	
Total Assets	<input type="text"/>

Liabilities

	£
Shares	<input type="text"/>
General Reserve	<input type="text"/>
Other reserves	<input type="text"/>
Juvenile fund	<input type="text"/>
Credit Union Loans	<input type="text"/>
Bank loans	<input type="text"/>
Bank overdrafts	<input type="text"/>
Other liabilities (<i>specify</i>) 	<input style="width: 100%; height: 100%;" type="text"/>
.	
.	
.	
Profit / (Loss)	<input type="text"/>
Total Liabilities	<input type="text"/>

REVENUE ACCOUNT

Income

	This quarter	Year to date
	£	£
Entrance fees	<input type="text"/>	<input type="text"/>
Loan Interest	<input type="text"/>	<input type="text"/>
Bank Interest	<input type="text"/>	<input type="text"/>
Credit Union Loan Interest	<input type="text"/>	<input type="text"/>
Grants and Donations	<input type="text"/>	<input type="text"/>
Other Income (<i>specify</i>)	<input style="width: 100%; height: 100%;" type="text"/>	<input style="width: 100%; height: 100%;" type="text"/>
.		
.		
.		
Total Income	<input type="text"/>	<input type="text"/>

Expenditure

	This quarter	Year to date
	£	£
Officers and staff	<input type="text"/>	<input type="text"/>
Audit	<input type="text"/>	<input type="text"/>
Occupancy	<input type="text"/>	<input type="text"/>
Printing, etc.	<input type="text"/>	<input type="text"/>
Bank Charges	<input type="text"/>	<input type="text"/>
Credit Union Loan Interest	<input type="text"/>	<input type="text"/>
Insurance	<input type="text"/>	<input type="text"/>
Bad debts written off	<input type="text"/>	<input type="text"/>
Bad Debt Provision	<input type="text"/>	<input type="text"/>
Other Expenditure (<i>specify</i>)	<input style="width: 100%; height: 100%;" type="text"/>	<input style="width: 100%; height: 100%;" type="text"/>
.		
.		
.		
Total Expenditure	<input type="text"/>	<input type="text"/>

CASH FLOW STATEMENT

Receipts

	This quarter £	Year to date £
Share receipts	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Loan repayments:		
Capital	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Interest	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Other receipts (<i>specify</i>)	<input style="width: 100%; height: 100%;" type="text"/>	<input style="width: 100%; height: 100%;" type="text"/>
...		
...		
Total receipts	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>

Payments

	This quarter £	Year to date £
Shares repaid	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Loans to members	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Management expenses	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Other payments (<i>specify</i>)	<input style="width: 100%; height: 100%;" type="text"/>	<input style="width: 100%; height: 100%;" type="text"/>
...		
...		
Total payments	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>

Juvenile Deposits

	£
Fund at start of quarter	<input style="width: 100%;" type="text"/>
Add New deposits	<input style="width: 100%;" type="text"/>
Interest on fund	<input style="width: 100%;" type="text"/>
Deduct Deposits withdrawn	(<input style="width: 100%;" type="text"/>)
Administration charge	(<input style="width: 100%;" type="text"/>)
Fund at end of quarter	<input style="width: 100%;" type="text"/>

Credit Union Loans

	This quarter £	Year to date £
Loans to other credit unions		
Payments		
Receipts		
Loans from other credit unions		
Receipts		
Payments		

Analysis of loans in arrears (after write-offs) at end of quarter

	Over 1 month up to 3 months	Over 3 months up to 6 months	Over 6 months up to 12 months	Over 12 months	Total
Number					
Amount	£	£	£	£	£

Total amount of loans more than 1 month in arrears as a percentage of total loans outstanding

%

Loans in arrears considered to be irrecoverable

Number

Amount £

Loans in arrears refinanced or rescheduled

Number

Amount £

Changes in Personnel - please give details of changes in the Board of Directors/Committee of Management and other Officers since the submission of the last quarterly return. Also include any changes in private address of current personnel.

Name
(Please state title
Mr, Mrs, Miss etc.)

Address
(Please state full postal address
including post code)

Office **On/Off** **Training received** **Date of change**

					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /
					/ /

Verification

Cash and Bank balances at end of quarter

Enter YES or NO

Has all cash been banked as per the Credit Union's policy document and its policy of insurance?

I, _____, a member of _____, *
hereby certify that I have counted the 'Cash in custody of officers', and found the total to be in agreement with the figure shown below; and reconciled the figure for 'Cash at Bank' as shown below with the bank statements.

Insert whether a member of the Supervisory or Internal Audit Committee or other office. The Treasurer or Assistant Treasurer should **not make the verification.*

Cash in custody of officers (as per books of account)
£ <input type="text"/>

Cash at Bank (as per books of account)
£ <input type="text"/>

<input type="text"/>
Signature*

<input type="text" value=" / /"/>
Date

Signatures - One signatory should be the Treasurer, the Chair or the Secretary (no deputies); and the second signatory should be the Chair of the Supervisory Committee/Internal Audit, or one of his/her deputies.

	Signature and Name	Contact phone no.	Date
President or Chair/ Treasurer/Secretary	<input type="text"/>	<input type="text"/>	<input type="text" value=" / /"/>
Chair of Supervisory /Internal Audit Committee	<input type="text"/>	<input type="text"/>	<input type="text" value=" / /"/>



Annual Return for a Credit Union
 Industrial and Provident Societies Acts 1965 to 1978
 Credit Unions Act 1979

PUBLIC RECORD

Form AR 20

If the details above are incorrect please amend clearly

Year Ended

The Credit Union's year end was

/ /

Other Accounts

Has the Credit Union issued to its members other accounts made up for the period (or any part thereof) covered by this return

Yes / No

(delete as appropriate)

Common Bond

The nature of the common bond is

Section 15 Insurance

Did the Credit Union maintain in force during the period of this return a policy of insurance complying with the requirements of section 15 Credit Unions Act 1979?

Yes / No

(delete as appropriate)

Affiliation

The Credit Union is affiliated to

<i>For Official Use</i>						
	Date Received	Accounts	Fee Paid	Ack'd.	Ab.	Ex.
1st	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2nd	<input type="text"/>					

BALANCE SHEET

at / / (year end)

				Note	£		[prior year end]	
					£	£	£	£
Fixed assets	...	...	...	2	A	<input type="text"/>		<input type="text"/>
Investments	...	...	...	3	B	<input type="text"/>		<input type="text"/>
Investments - juvenile depositors	...	...	...	5(b)	C	<input type="text"/>		<input type="text"/>
Balance due from members for loans						<input type="text"/>		<input type="text"/>
Secured	...	...	...	4(a)	D	<input type="text"/>		<input type="text"/>
Unsecured	...	...	...	4(a)	E	<input type="text"/>		<input type="text"/>
<i>Less: Provision for doubtful debts</i>	4(b)	F	<input "="" type="text" value="("/>		<input "="" type="text" value="("/>
					G	<input type="text"/>		<input type="text"/>
Cash and bank balances	...	...	...	10(c)	H	<input type="text"/>		<input type="text"/>
Other debtors (including interest due)	...	...	...		I	<input type="text"/>		<input type="text"/>
Prepaid expenses	...	...	...		J	<input type="text"/>		<input type="text"/>
Other assets (specify)	...	...	...		K	<input type="text"/>		<input type="text"/>
TOTAL ASSETS	...	...	...		L	<input type="text"/>		<input type="text"/>
Capital and reserves						<input type="text"/>		<input type="text"/>
Share capital	...	...	...	6(b)	M	<input type="text"/>		<input type="text"/>
General reserve	...	...	...		N	<input type="text"/>		<input type="text"/>
Other reserves (specify)	...	...	...		O	<input type="text"/>		<input type="text"/>
Appropriation account	...	...	...		P	<input type="text"/>		<input type="text"/>
					Q	<input type="text"/>		<input type="text"/>
Juvenile depositors fund	...	...	...	5(a)	R	<input type="text"/>		<input type="text"/>
Loans						<input type="text"/>		<input type="text"/>
Bank loans	...	...	...	7	S	<input type="text"/>		<input type="text"/>
Bank overdrafts	...	...	...	10(c)	T	<input type="text"/>		<input type="text"/>
Credit union loans	...	...	...	7	U	<input type="text"/>		<input type="text"/>
					V	<input type="text"/>		<input type="text"/>
Other liabilities						<input type="text"/>		<input type="text"/>
Expenses and interest payable	...	...	...		W	<input type="text"/>		<input type="text"/>
Interest to juvenile depositors	...	...	...		X	<input type="text"/>		<input type="text"/>
Taxation	...	...	...		Y	<input type="text"/>		<input type="text"/>
Others (specify)	...	...	...		Z	<input type="text"/>		<input type="text"/>
					AA	<input type="text"/>		<input type="text"/>
Applications	...	...	...		BB	<input type="text"/>		<input type="text"/>
TOTAL RESERVES AND LIABILITIES	...	...	...		CC	<input type="text"/>		<input type="text"/>

REVENUE ACCOUNT

for the year ended / /

							£	[prior year] £
Income						Note		
Entrance fees	...	...	...	...		A	<input type="text"/>	<input type="text"/>
Total interest receivable	...	...	...	...		8(a) B	<input type="text"/>	<input type="text"/>
Bad debts recovered previously written off	...					C	<input type="text"/>	<input type="text"/>
Administration charge - juvenile deposits	...					5(c) D	<input type="text"/>	<input type="text"/>
Profit on investment sales	...	...	...	...		E	<input type="text"/>	<input type="text"/>
Other income								
Grants	...	...	...	...		F	<input type="text"/>	<input type="text"/>
Donations	...	...	...	...		G	<input type="text"/>	<input type="text"/>
Other (<i>specify</i>)	...	...	...	...		H	<input type="text"/>	<input type="text"/>
Total income	...	...	...	...		I	<input type="text"/>	<input type="text"/>
<i>less:</i>								
Expenditure								
Administration expenses	...	...	...	...		9(a) J	<input type="text"/>	<input type="text"/>
Depreciation - fixed assets	...	...	...	...		2 K	<input type="text"/>	<input type="text"/>
Bad debts written off	...	...	...	...		L	<input type="text"/>	<input type="text"/>
Provision for doubtful debts	4(b)	...	...	...		M	<input type="text"/>	<input type="text"/>
Loan interest payable:								
Bank loans (<i>including overdrafts</i>)	...					N	<input type="text"/>	<input type="text"/>
Credit union loans	...	...	...	...		O	<input type="text"/>	<input type="text"/>
Loss on investment sales	...	...	...	...		P	<input type="text"/>	<input type="text"/>
Other outgoings (<i>specify</i>)	...	...	...	...		Q	<input type="text"/>	<input type="text"/>
Total expenditure	...	...	...	...		R	<input type="text"/>	<input type="text"/>
Profit /(loss) for year before taxation	...	...	...	...		S	<input type="text"/>	<input type="text"/>
<i>less: taxation</i>	...	...	...	...		T	<input type="text"/>	<input type="text"/>
Profit after tax: transferred to appropriation account	...	...	...	...		U	<input type="text"/>	<input type="text"/>
(Loss) after tax: transferred to general reserve	...	...	...	...		V	<input style="font-size: 0.8em; vertical-align: middle;" type="text" value="("/>)	<input style="font-size: 0.8em; vertical-align: middle;" type="text" value="("/>)

APPROPRIATION ACCOUNT

for the year ended / /

Profit after tax: transferred from revenue account	...	...	...	£	A <input style="width: 80px;" type="text"/>
Compulsory transfer				£	
<i>to</i> general reserve	...	...		B	(<input style="width: 60px;" type="text"/>)
<i>from</i> general reserve	...	...		C	<input style="width: 60px;" type="text"/>
Voluntary transfer				£	
<i>to</i> general reserve	...	...		D	(<input style="width: 60px;" type="text"/>)
<i>from</i> general reserve	...	...		E	<input style="width: 60px;" type="text"/>
Net transfers	...	...	...	F	<input style="width: 60px;" type="text"/>
Amount available for distribution	...	...		G	<input style="width: 60px;" type="text"/>
Applications					
Dividend at	...	<input style="width: 40px;" type="text"/> %	...	H	(<input style="width: 60px;" type="text"/>)
Rebate of interest at	...	<input style="width: 40px;" type="text"/> %	...	I	(<input style="width: 60px;" type="text"/>)
Donations	...	<input style="width: 40px;" type="text"/> %	...	J	(<input style="width: 60px;" type="text"/>)
Total applied	...	...	...	K	(<input style="width: 60px;" type="text"/>)
Percentage applied	...	<input style="width: 40px;" type="text"/> %	...		
Transfer					
<i>to</i> other reserves	...	...		L	(<input style="width: 60px;" type="text"/>)
Balance unapplied	...	...	...	M	<input style="width: 60px;" type="text"/>
Appropriation account balance at beginning of year	...	...	...	N	<input style="width: 60px;" type="text"/>
Voluntary transfer					
<i>to</i> general reserve	...	...		O	(<input style="width: 60px;" type="text"/>)
<i>to</i> other reserves	...	...		P	(<input style="width: 60px;" type="text"/>)
<i>from</i> other reserves	...	...		Q	<input style="width: 60px;" type="text"/>
Net transfers	...	...	...	R	<input style="width: 60px;" type="text"/>
Applications					
Dividend at	...	<input style="width: 40px;" type="text"/> %	...	S	(<input style="width: 60px;" type="text"/>)
Rebate of interest at	...	<input style="width: 40px;" type="text"/> %	...	T	(<input style="width: 60px;" type="text"/>)
Donations	...		...	U	(<input style="width: 60px;" type="text"/>)
Other applications (<i>specify</i>)	...		...	V	(<input style="width: 60px;" type="text"/>)
Total applied	...	...	...	W	(<input style="width: 60px;" type="text"/>)
Balance unapplied	...	...	...	X	<input style="width: 60px;" type="text"/>
Appropriation account balance at end of year	...	...	...	Y	<input style="width: 60px;" type="text"/>

RESERVES
for the year ended / /

General reserve

Beginning of year A [prior year]
 (Loss) after tax: transferred from revenue account B () ()

Compulsory transfers

from appropriation account

where general reserve is less than 10% total assets
 the lower of either
 20% profit after tax per revenue account or
 10% total assets less general reserve at beginning of year C

to appropriation account

where general reserve is more than 20% total assets
 general reserve at beginning of year less 20% total assets D () ()

Voluntary transfers

from appropriation account E
to appropriation account F () ()
from other reserves G

End of year H

Other reserves

Beginning of year I

Transfers

to general reserve J () ()
from appropriation account K
to appropriation account L () ()

End of year M

General reserve at end of year as a percentage of total assets N

Profits after tax as a percentage of average total assets O

Applied profits after tax as a percentage of average total assets P

CASH FLOW STATEMENT

for the year ended / /

	Note	£	£	[prior year]	
				£	£
Operating activities					
Entrance fees	A				
Interest received	B				
Bad debts recovered	C				
Administration of juvenile deposit fund	D				
Expenses paid	E	()		()	
Loans made to members	F	()		()	
Repayment of members' loans	G				
Grants received	H				
Other (<i>specify</i>)	I				
Net cash inflow/(outflow) from operating activities			J		
Returns on investments and servicing of finance					
Interest paid	K	()		()	
Dividends and other distributions	L	()		()	
Other (<i>specify</i>)	M				
Net cash inflow/(outflow) from returns on investments and servicing of finance			N		
Taxation					
Tax paid			O	()	()
Investing activities					
Purchase of fixed assets	P	()		()	
Sale of fixed assets	Q				
Purchase of investments	R	()		()	
Sale of investments	S				
Other (<i>specify</i>)	T				
Net cash inflow/(outflow) from investing activities			U		
Net cash inflow/(outflow) before financing			V		
Financing					
Share capital received	W				
Share capital withdrawn	X	()		()	
Loans received	Y				
Loans repaid	Z	()		()	
Other (<i>specify</i>)	AA				
Net cash inflow/(outflow) from financing			BB		
Increase/(decrease) in cash and bank balances	10		CC		

NOTES TO THE FINANCIAL STATEMENTS

1. Principal accounting policies

Basis of accounting

The Credit Union is registered under the Industrial and Provident Societies Act 1965. The financial statements have been prepared under the historical cost accounting rules in accordance with the Industrial and Provident Societies Acts 1965 to 1978 and the Credit Unions Act 1979. Applicable accounting standards have been followed.

Fixed assets

Fixed assets are stated at cost. Depreciation of fixed assets is charged by equal annual instalments commencing with the year of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives as follows:

Freehold offices	<input type="text" value=""/>	years
Leasehold offices	Over period of lease	
Office equipment	<input type="text" value=""/>	years

Investments

These are stated at cost, less provision for permanent diminution in value where necessary.

Subsidiary companies

The Credit Union has no subsidiary companies.

Provision for doubtful debts

This is made in accordance with guidance issued by the Registry of Friendly Societies.

Amount of interest

Interest receivable on loans and other investments and payable on loan made to the Credit Union are accrued.

Juvenile depositors

The amounts received by the Credit Union for juvenile depositors are held in a trust fund for those depositors and are excluded from the Revenue account and the statement of cash flow except to the extent of a charge for the administration of the trust fund.

1. Principal accounting policies *(continued)*

Other

Any other material matters should be set out below, or if insufficient space, a separate sheet should be attached to this page.

2. Fixed assets

	Freehold Offices £	Leasehold Offices £	Office Equipment £	Other £	Total £
Cost					
Beginning of year					
Additions					
Disposals					
End of year					
Depreciation					
Beginning of year					
Charge for year					
Elimination in respect of disposals					
End of year					
Net book amount					
End of year					
Beginning of year					

Name of computer system/bureau (if any)

4. Loans

(a) Loans to members

Amount

Beginning of year
 New loans
 Interest on loans (less rebates)
 Loan repayments including interest and transfers of share capital
 Bad debts written off
 End of year

£	[Prior year] £
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
()	()
()	()
<input type="text"/>	<input type="text"/>

Number

Beginning of year
 New loans
 Loans repaid
 Loans written off
 End of year

Number	[Prior year] Number
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
()	()
()	()
<input type="text"/>	<input type="text"/>

Loans to members as percentage of total assets

	[Prior year]
<input type="text"/> %	<input type="text"/> %

Secured and unsecured loans

Beginning of year
 End of year
 Largest loan above shareholding made during year
 Longest repayment period for loans made during year

	Secured Loans £	Unsecured Loans £
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/> months	<input type="text"/>	<input type="text"/> months

Interest rates charged on loans during the year

Normal rate
 Maximum rate
 Minimum rate

% per month
<input type="text"/>
<input type="text"/>
<input type="text"/>

4. Loans [continued]

(b) Provision for members' doubtful debts

Changes in year

	General £	Specific £	Total £
Beginning of year	<input type="text"/>	<input type="text"/>	<input type="text"/>
Increase/(decrease) in provision	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amounts written off in year	(<input type="text"/>)	(<input type="text"/>)	(<input type="text"/>)
End of year	<input type="text"/>	<input type="text"/>	<input type="text"/>

Provision for members' doubtful debts
as a percentage of

		[Prior year]
average total assets	<input type="text"/> %	<input type="text"/> %
total loans at year end	<input type="text"/> %	<input type="text"/> %

Analysis of loans in arrears (after write offs)

	Up to 3 months	3 to 6 months	6 to 12 months	Over 12 months	Total
Number	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount	£ <input type="text"/>	£ <input type="text"/>	£ <input type="text"/>	£ <input type="text"/>	£ <input type="text"/>

Loans in arrears (after write offs) as a
percentage of total loans outstanding

	[Prior year]
<input type="text"/> %	<input type="text"/> %

Loans in arrears refinanced

	Number	Amount	[Prior year]	Number	Amount
	<input type="text"/>	£ <input type="text"/>		<input type="text"/>	£ <input type="text"/>

5. Juvenile deposits

(a) Fund

	Number of depositors		Amount £
Beginning of year	<input type="text"/>	Beginning of year	<input type="text"/>
New deposits	<input type="text"/>	New deposits (and interest distributed)	<input type="text"/>
Deposit accounts closed	(<input type="text"/>)	Deposits withdrawn	(<input type="text"/>)
End of year	<input type="text"/>	End of year	<input type="text"/>

(b) Investments

	£
Beginning of year	<input type="text"/>
Purchased during year	<input type="text"/>
Sold during year	(<input type="text"/>)
Profit/(loss) on transactions	<input type="text"/>
End of year	<input type="text"/>

(c) Distribution

	£
Interest on investments	<input type="text"/>
Profit/(loss) on transactions	<input type="text"/>
Administration charge	(<input type="text"/>)
Total available for distribution	<input type="text"/>

The distribution will be (was) made to depositors on / /

6. Members and Share Capital

(a) Members

	Qualifying members	Non-qualifying members	Total members
Beginning of year	<input type="text"/>	<input type="text"/>	<input type="text"/>
Added during year	<input type="text"/>	<input type="text"/>	<input type="text"/>
Ceased during year	(<input type="text"/>)	(<input type="text"/>)	(<input type="text"/>)
End of year	<input type="text"/>	<input type="text"/>	<input type="text"/>

The percentage of members not qualifying under the common bond was %

(b) Share Capital

	Amount £
Beginning of year	<input type="text"/>
Received during year	<input type="text"/>
Withdrawn during year	(<input type="text"/>)
Transferred during year	(<input type="text"/>)
End of year	<input type="text"/>

7. Borrowings

	Amount outstanding at end of year £	Due for repayment on	Interest rate %	Name of organisation
Bank loans	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total	£ <input type="text"/>			
Credit union loans	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total	£ <input type="text"/>			

Borrowings represents % of share capital

8. Income

(a) Interest receivable

	£	[Prior year] £
Loans to members	<input type="text"/>	<input type="text"/>
Investments	<input type="text"/>	<input type="text"/>
Bank deposits	<input type="text"/>	<input type="text"/>
Credit union loans	<input type="text"/>	<input type="text"/>
Total interest receivable	<input type="text"/>	<input type="text"/>
Yield on average total assets	<input type="text"/> %	<input type="text"/> %

(b) Loans to credit unions in accordance with section 10(1) Credit Unions Act 1979

Name of Credit Union	Date of Loan	Amount of Loan £	Interest rate %	Interest receivable £
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total		<input type="text"/> £	Total	<input type="text"/> £

9. Expenditure and Staff

(a) Administration expenses

	£	[Prior year] £
Expenses of directors/committee members	<input type="text"/>	<input type="text"/>
Honoraria to officers	<input type="text"/>	<input type="text"/>
Other staff - remuneration	<input type="text"/>	<input type="text"/>
- expenses	<input type="text"/>	<input type="text"/>
Auditors' remuneration	<input type="text"/>	<input type="text"/>
Costs of occupying offices	<input type="text"/>	<input type="text"/>
Printing and stationery and advertising	<input type="text"/>	<input type="text"/>
Bank charges	<input type="text"/>	<input type="text"/>
Fidelity insurance	<input type="text"/>	<input type="text"/>
Other insurance	<input type="text"/>	<input type="text"/>
Other expenses (<i>specify</i>)	<input type="text"/>	<input type="text"/>
Total administration expenses	<input type="text"/>	<input type="text"/>
Administration expenses as a percentage of average total assets	<input type="text"/> %	<input type="text"/> %

9. Expenditure and Staff *[continued]*

(b) Number of paid employees of the credit union as at year end

		[Prior year]
Full time	<input type="text"/>	<input type="text"/>
Part time	<input type="text"/>	<input type="text"/>

10. Cash and Bank Balances

(a) Banks

The Credit Union's bankers are

(b) Analysis of changes in cash and bank balances

	£	[Prior year] £
Beginning of year (net of overdrafts)	<input type="text"/>	<input type="text"/>
Increase/(decrease) per cash flow statement	<input type="text"/>	<input type="text"/>
End of year (net of overdrafts)	<input type="text"/>	<input type="text"/>

(c) Analysis of cash and bank balances

	Beginning of year £	End of year £	Change in year £	Change in prior year £
Cash	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Bank balances	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Bank overdrafts	()	()	<input type="text"/>	<input type="text"/>
Total	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

AUDITORS' REPORT

to the members of the credit union

We have audited the financial statements on pages 2 to 16 which have been prepared under the accounting policies set out on pages 7 and 8.

Respective responsibilities of the committee of management and auditors

As described on page 19 the committee of management is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to the credit union.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the committee of management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the credit union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

Registered Auditor	
Signature	Name &
Name (block capitals)	Address of firm
Name of contact at firm	Date
Tel. no.	/ /

Lay Auditors	
Signature	
Name (block capitals)	
Occupation	
Address	
Date	/ /

Name (BLOCK CAPITALS)	Post Held	Address and postcode (BLOCK CAPITALS)	Year of birth
Loans/Credit Committee			
Supervisory/Internal Audit Committee			

Statement of committee of management's responsibilities

The committee of management are required under credit union legislation to prepare financial statements, for each financial year, which give a true and fair view of the state of affairs of the credit union at the end of the financial year, and of the income and expenditure of the credit union for the year ended on that date.

In preparing these financial statements they are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether accounting standards have been followed, and give details of any departures; and
- prepare the financial statements on a going concern basis unless in their view the credit union will be unable to continue in operation.

They are also responsible for:

- keeping proper accounting records;
- maintaining a satisfactory system of control over the accounting records and transactions;
- safeguarding the credit union's assets; and
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statutory compliance with Credit Unions Act 1979

Did any shareholding exceed the maximum permitted during the financial year? *[S. 5(3)]*

Did any amount borrowed by the credit union at any time during the year exceed in the aggregate one half of the total paid-up share capital? *[S. 10(1)]*

Did any juvenile depositor at any time during the year have a balance in excess of the statutory maximum? *[S. 9(1)]*

Did the rate of interest charged at any time during the year exceed the statutory maximum? *[S. 11(5)]*

Were all members individuals above the age of sixteen? *[S. 9(1)]*

Has the Credit Union held, purchased or taken on lease in its own name any land for a purpose other than conducting its business thereon? *[S. 12(1)]*

Are all juvenile deposits kept apart from the general funds of the credit union and invested only in "narrower range" investments under the Trustee Investments Act 1961? *[S.9(2)]*

Is any person directly or indirectly concerned in the management of the credit union an undischarged bankrupt or a person convicted on indictment of any offence involving fraud or dishonesty? *[S. 27]*

Fidelity Insurance (Section 15 Credit Unions Act 1979)

Policy issued by

Aggregate value of share subscriptions and deposits received and not repaid at relevant date

Date of inception of policy or last renewal

Amount of cover in respect of:
a. any one claim

Date of expiry of policy

b. all claims made in any one year

Date of next renewal of policy

Relevant date

Were any claims made on the policy during the period covered by the return ?

In accordance with the requirements of the Friendly and Industrial and Provident Societies Act 1968, the financial statements on pages 2 to 16 and the other reportable items on pages 1 and 18 to 20, which together comprise the annual return of the credit union, were approved by the committee of management on

and signed on its behalf by:

	Signature	NAME in BLOCK CAPITALS
Member of the committee of management	<input type="text"/>	<input type="text"/>
Member of the committee of management	<input type="text"/>	<input type="text"/>
Secretary of the credit union	<input type="text"/>	<input type="text"/>