HARP AND CROWN CREDIT UNION

HARP & CROWN
CREDIT UNION LIMITED

2025

Twenty Seventh Annual Report

Serving our Members Savings & Loans

2025 - Twenty Seventh Annual Report

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27th ANNUAL GENERAL MEETING

The Board of Directors of the Harp and Crown Credit Union invite all members to attend the AGM on 11th December 2025 at 2.00pm at Newforge Sports Complex, 18b Newforge Lane, Belfast.

AGENDA

- Confirmation of Quorum
- Apologies
- Declarations of Conflicts of Interest
- Minutes of Last AGM – 29/11/2024
- Matters Arising
- Report of the Board of Directors
- Treasurer's Report
- Auditor's Report
- Internal Auditor's Report
- Declaration of Dividend
- Appointment of Auditor
- Appointment of Internal Auditor
- Motions
- Elections to the Board of Directors
- Any Other Business

President’s Report

As President of Harp & Crown Credit Union, it is my pleasure to launch our 2025 Annual Report. This report covers the period from 1st October 2024 to 30th September 2025 and includes an extract from our financial accounts, reports from key committees, and highlights of the progress achieved this year.

From the reports that follow, you will learn that this has been another successful year for the Harp & Crown Credit Union. There have been many challenges facing the organisation and it’s members, including the steep rise in the cost of living, which puts increased pressure on family and individual finances. I see our role as supporting you our members through these challenging times.

There have been many successes this year which have been highlighted by our Chief Executive and our Treasurer. These successes would not have been possible without our Senior Management Team led by our CEO Siobhan Barclay and our staff who work so diligently to provide you our members with the excellent service you deserve.

This year also marked the retirement of our former President Fred Boyd after 26 years of dedicated service to the organisation. When a key member of an organisation steps down, there are often over used phrases such as inspirational and visionary to describe their contribution. However, in the case of Fred and the Founding Directors of Harp & Crown CU, this speaks to the core of what they have achieved. I can’t imagine that as they sat around a table all those years ago planning the startup of our Credit Union they would have envisaged the huge success the organisation has had. The legacy which Fred has left is truly remarkable, as he has often remarked “not bad for a bunch of peelers!”

Finally, a big thank you to my fellow Directors on our Board. Although I have the privilege of being President, without their input and support the organisation would not be the success that it is today.

Alistair McGowan
President

Back row from left: Fred Boyd, Stephen Beverland, Drew Buchanan MBE and Leslie Nixon.

Front row from left: Jimmy Spratt, Les Rodgers MBE and David McClurg MBE OBE.

The Harp and Crown Credit Union Board of Directors at the registration meeting on 9th June 1998.

Chief Executive's Report

I'm proud to reflect on another remarkable year of growth and achievement at Harp & Crown Credit Union. Our loan book has reached a record high of just over £18 million, a milestone that underscores our continued commitment to providing accessible and affordable credit to our members.

This year saw the launch of three new loan products, each designed to meet the evolving needs of our membership:

- **Flexi-Loan:** Replacing our annual loan promotion, and offering members greater flexibility, this product gives members a line of credit that they have control over when to draw-down.
- **School Uniform Loan:** A 0% interest loan to help families manage the rising cost of school uniforms, repayable over a maximum six months to spread the cost over a more manageable period.
- **McCloud Remedy Loan:** Developed in partnership with the Police Federation NI, this loan supports members impacted by pension remedy measures under the 1988 pension scheme, offering an alternative to using commutation.

We remain deeply committed to supporting the wider police family. Over £19,000 was distributed in sponsorships and charitable donations this year, a testament to our values and community mindset.

Membership has grown for the third consecutive year, reflecting the trust our members place in us. Our most significant achievement this year was the introduction of our member APP, giving members immediate access to their funds 24 hours a day 7 days per week. The APP has only been made possible by the successful migration to our new Caroma banking platform. We also published our Strategic Plan 2025–2028, Beyond the Numbers. This plan sets out our vision to better understand member needs and to invest in the development of our Board and staff to serve those needs with excellence.

I extend thanks to our new President, Alistair McGowan, and to the entire Board of Directors for their steadfast support. I also wish to honour Fred Boyd, our former President, who stepped down in August 2025 after more than two decades of dedicated service. His legacy is woven into the very fabric of our credit union as a founder Member, and he is greatly missed.

To our exceptional staff team, thank you for your unwavering dedication and for consistently delivering the highest quality service for our members. And finally, to our members: your continued support enables us to fulfil our mission *'to provide safe, ethical and flexible financial services to police and wider police family in Northern Ireland'*. Together, we are building a stronger, more inclusive financial future.

Siobhan Barclay
CEO

Treasurer's Report

It gives me great pleasure to present to you the Treasurer's report for the financial year ended September 2025 in what has continued to be another financially challenging year for many households. Unfortunately, the cost-of-living crisis in the UK is still ongoing, with many of us facing significant financial adjustments to cover essential costs. Inflation remains stubbornly high at 3.8%, well above the inflation goal of 2% determined by the Bank of England. The Bank Base Rate remains at 4%, as decision makers cautiously await the outcomes from the upcoming Autumn budget.

Throughout this financial year Harp and Crown Credit Union have been privileged to continue to support and assist our members, and I am delighted to report that we have for a fourth year, exceeded our budgeted financial objectives and have achieved an operating surplus of £1.13m, £127K more than budgeted. This financial year has seen an uplift of £30.5K in income in comparison to the previous year and a £74K negative variance for expenditure. This year our loan book has grown from £17m to £18.1m, and our share book is currently £42.9m, resulting in a loan to share ratio of 42.28%.

This outstanding result has been achieved due to continued and dedicated efforts of our CEO and our entire staff team, who have worked tirelessly to serve our members, by delivering a high level of customer service; offering competitive and innovative loan products whilst remaining focused on adherence to our loan policies; and offering assistance to those members who found themselves faced with financial hardship. I would like to take this opportunity to thank our CEO and staff for their contribution to these excellent results.

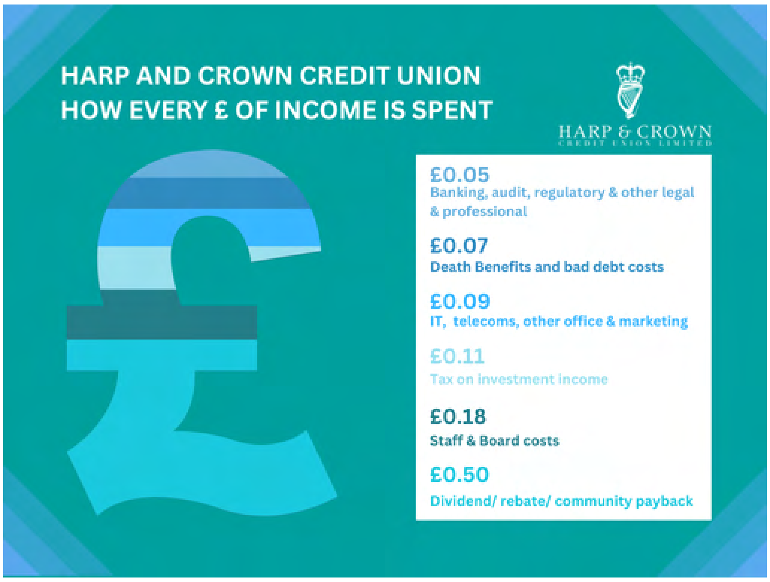
The Board of Directors have reviewed the year-end accounts, along with the auditor Brian Ruddell, Ruddell & Company and are pleased to report that the year-end financial positions are well within regulatory requirements in terms of capital reserves, liquidity and counterparty exposure.

Given our strong financial performance this year, I am delighted to propose a dividend of 3%, a further increase on last year. In addition, I propose that the previously agreed matrix for calculating and applying loan interest rebate be applied. Therefore, our rate of interest rebate is detailed below:

- Standard Loan – 12%
- Loan £5k + – 7.9%
- Loan £20k+ – 6.9%
- Loyal Saver Loan – 3.9%
- First Time Loan – 5.5%

As required by the Prudential Regulation Authority Rulebook, a full programme of internal audit was completed in relation to financial compliance. The Internal Auditor has continued to assume responsibility for the Supervisory Function within the Credit Union. The Directors are pleased to have been provided with assurance from the internal audit reports that internal controls encompassing the governance, operations and information systems are in place, and are operating effectively in both financial compliance and supervisory function.

We recently launched our three-year strategic plan "Beyond the Numbers". The CEO, staff and Directors are very excited by these new opportunities and challenges. This plan sets a clear course for the future in relation to our commitment to our members, our people and our performance. One of our goals was to clearly demonstrate how every £ of income is spent. The following graphic shows our performance for this financial year.



As always, our biggest challenge remains to continually grow our loan book, and increase our membership whilst improving how we serve you as our members As Treasurer, may I ask you all to assist us with these challenges, consider us first the next time you need to borrow money; save with us regularly either for yourself, your children or your grandchildren, or indeed follow us on our social media platforms. We are a highly reputable, well established, compliant Credit Union and are privileged to continue to serve our Police family.

Lorraine Black
Treasurer

Harp and Crown Credit Union Loans

Representative examples over a 5 year term.

	Amount	Monthly Payments
Standard Loan up to £5K (12%)	£4,000	£89
£20K+ Loan (6.9%)	£20,000	£395
Standard Loan £5K+ (7.9%)	£15,000	£303
First Time Loan (5.5%)	£12,000	£229
Loyal Saver Loan (3.9%)	£10,000	£184
Flexi-Loan (9.5%) **over 36 mths*	£3,000	£97
School Uniform Loan (0%) *over 6 mths	£400	£67

Loans can be repaid early/overpaid with no fees.

With FREE LIFE COVER up to age 70.

T: 028 9068 5198

E: creditunion@harpandcrown.co.uk

Newforge Sports Complex,
18b Newforge Lane, Belfast BT9 5NW

harpandcrown.co.uk

Proposed Rule Changes

Rule No.	Current Rule	Proposed Rule
5	**Membership Qualification**	

Membership of the Credit Union is not open to the general public. The Credit Union must have a Common Bond which all of its members and potential members have in common and which is approved by the relevant authorities.

The qualification for admission to membership of the credit union shall be that of:

Rule No.	Current Rule	Proposed Rule
5.1	a) being a serving officer, employee, support staff or retired member currently in receipt of a continuing and regular contractual payment arising from an occupation within the Police Service. b) an individual who is otherwise associated with members of the Police Service and who is employed by one of the following: i. The Harp and Crown Credit Union ii. RUC Athletic Association iii. Northern Ireland Police Fund iv. Police Rehabilitation & Retraining Trust v. Police Benevolent Fund vi. National Crime Agency	a) being a serving officer, employee, support staff or retired member currently in receipt of a continuing and regular contractual payment arising from an occupation within the Police Service. b) an individual who is otherwise associated with members of the Police Service and who is employed by one of the following: i. The Harp and Crown Credit Union ii. RUC Athletic Association iii. Northern Ireland Police Fund iv. Police Rehabilitation & Retraining Trust v. Police Benevolent Fund vi. National Crime Agency vii. Forensic Science Northern Ireland
11.1	Subject to Rule 13, a member may be suspended and subsequently expelled from membership of the credit union by resolution of the majority present at a meeting of the Board of Directors, for a grave and sufficient reason including, but not limited to, the following: A. wilful and persistent breach of, or refusal to comply with, any of these rules; B. divulging confidential information obtained by reason of being an officer of the credit union; C. deceiving the credit union with regard to the purpose of money borrowed there from and its subsequent use;	Subject to Rule 13, a member may be suspended and subsequently expelled from membership of the credit union by ~~resolution of the majority present at a meeting of the Board of Directors~~, the Chief Executive Officer for a grave and sufficient reason including, but not limited to, the following: A. wilful and persistent breach of, or refusal to comply with, any of these rules; B. divulging confidential information obtained by reason of being an officer of the credit union; C. deceiving the credit union with regard to the purpose of money borrowed there from and its subsequent use;

Proposed Rule Changes

Rule No.	Current Rule	Proposed Rule
11.1	D. default and continual refusal to honour a debt, the loan repayment terms of which had been agreed in a signed loan agreement; E. maliciously and knowingly spreading false reports about the management of the finances of the credit union; F. wilfully making any entry, or erasure in, or omission from any passbook, record or return of the credit union with intent to falsify it; G. using the credit union as a vehicle for committing an offence constituting money laundering as defined in the Money Laundering and Terrorist Financing (Amendment) Regulations 2019, (or such successor legislation); H. allowing their membership to become dormant and failing to rectify the situation in accordance with Rule 14; I. abusive behaviour towards credit union Directors, officers, staff or volunteers; J. becoming a non-qualifying member contrary to, or in excess of any limit in, these rules; K. committing an offence of dishonesty against the credit union, wilfully destroying or damaging records or other property of the credit union, or passing forged notes or other instruments through the credit union; or L. if, after admission, any declaration in their application for membership is found to be wilfully false or misleading or any defect is discovered in respect of their qualifications of membership at the time of their admission which, in the opinion of the Board of Directors, of such consequence as to justify expulsion; or	D. default and continual refusal to honour a debt, the loan repayment terms of which had been agreed in a signed loan agreement; E. maliciously and knowingly spreading false reports about the management of the finances of the credit union; F. wilfully making any entry, or erasure in, or omission from any passbook, record or return of the credit union with intent to falsify it; G. using the credit union as a vehicle for committing an offence constituting money laundering as defined in the Money Laundering and Terrorist Financing (Amendment) Regulations 2019, (or such successor legislation); H. allowing their membership to become dormant and failing to rectify the situation in accordance with Rule 14; I. abusive behaviour towards credit union Directors, officers, staff or volunteers; J. becoming a non-qualifying member contrary to, or in excess of any limit in, these rules; K. committing an offence of dishonesty against the credit union, wilfully destroying or damaging records or other property of the credit union, or passing forged notes or other instruments through the credit union; or L. if, after admission, any declaration in their application for membership is found to be wilfully false or misleading or any defect is discovered in respect of their qualifications of membership at the time of their admission which, in the opinion of the ~~Board of Directors~~ Chief Executive, is of such consequence as to justify expulsion; or

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Proposed Rule Changes

Rule No.	Current Rule	Proposed Rule
11.1	M. behaviour which although not covered in these rules above, in the opinion of the Board of Directors is such that the expulsion of the member is in the best interests of the credit union.	M. behaviour which although not covered in these rules above, in the opinion of the ~~Board of Directors~~ Chief Executive is such that the expulsion of the member is in the best interests of the credit union. In the absence of the Chief Executive Officer or, in a case where it may reasonably be considered the Chief Executive Officer should not perform the role due to conflict of interest, the President of the Harp and Crown Credit Union shall at their sole discretion appoint another person who is an employee or Director of the Harp and Crown Credit union to perform this role. In the case of a Director performing this role, that Director will not participate in any appeal against expulsion.
12.2	A notice of expulsion of a member shall be sent to the last known address of the member and shall contain a reference to the expulsion appeals procedure. A notice sent in writing to a member's address shall be deemed to have been duly served forty-eight hours after its posting. The notice of expulsion of the member shall not become effective until 30 clear days after the date of posting the notice of expulsion or until the result of any appeal, if any, whichever is the later.	A notice of expulsion of a member shall be sent to the last known address of the member and shall contain a reference to the expulsion appeals procedure. A notice sent in writing to a member's address shall be deemed to have been duly served forty-eight hours after its posting. The notice of expulsion of the member shall not become effective until ~~30~~ 21 clear days after the date of posting the notice of expulsion or until the result of any appeal, if any, whichever is the later.

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Proposed Rule Changes

Rule No.	Current Rule	Proposed Rule
13.1	A member shall have 14 clear days from the receipt of a notice of expulsion to request an appeal against their expulsion. The Board of Directors shall, upon a request received in writing from the member on whom the notice of expulsion has been served, convene a special general meeting of the members to consider the matter of their expulsion.	A member shall have 14 clear days from the receipt of a notice of expulsion to request an appeal against their expulsion. The Board of Directors shall, upon a request received in writing from the member on whom the notice of expulsion has been served, ~~convene a special general meeting of the members to consider the matter of their expulsion~~ determine the appeal at their next scheduled Board of Directors meeting. The member shall have the right to be heard at the meeting and may be accompanied by a friend who is a member of the Harp and Crown Credit Union. The meeting shall be held not later than 28 clear days after the date on which the expulsion notice has been served on the member. The result of the appeal shall be final. The Board of Directors may extend the time limits set by taking into account any extenuating circumstances which led to delays in the process.
13.2	The meeting shall be held not later than 60 clear days after the date on which the expulsion notice has been served on them. The member shall have the right to be represented and heard at such special general meeting. The special general meeting shall have the power, by a majority decision of members present, to confirm the member's expulsion or to direct that they shall remain a member to the credit union. The result of the appeal shall be final. The Board of Directors may extend the time limits set by taking into account any extenuating circumstances which led to delays in the process.	Removal of Rule 13.2

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Proposed Rule Changes

Rule No.	Current Rule	Proposed Rule
47.2	If there are outstanding vacancies the chairperson of the meeting may call for further nominations from the floor. Such nominations if duly seconded and if the nominee is present and consents or has given his or her consent in writing, shall be in order.	Removal of Rule 47.2

HARP & CROWN
CREDIT UNION LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS for the year ended 30 September 2025

Registration No: CU182 & Firm Reference No: 577113

Harp and Crown Credit Union Limited
Administrative Information
For the year ended 30 September 2025

Directors

Mr Alistair McGowan	President
Mr John Magill	Secretary
Mrs Lorraine Black	Treasurer
Mr Fred Boyd	(resigned 29 August 2025)
Mr John Stratton	
Mr Andrew Brown	(appointed 29 November 2024)
Mr Dee Corbett	(appointed 29 November 2024)
Mr Gregory Quigg	(appointed 29 November 2024)
Mrs Dympna Thornton	(appointed 29 November 2024)
Police Staff	(appointed 29 November 2024)
Serving Officer	

Registered Office

18b Newforge Lane
Belfast
BT9 5NW

Auditor

Ruddell & Company
Chartered Accountants & Registered Auditors
50 Portmore Street
Portadown
Co Armagh

Bankers

Ulster Bank Limited
Arches Retail Park
Belfast
BT5 4AF

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Harp and Crown Credit Union Limited
For the year ended 30 September 2025

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Harp and Crown Credit Union Limited
Statement of Directors' Responsibilities
For the year ended 30 September 2025

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable Credit Union law and generally accepted accounting practice in Northern Ireland including the accounting standards issued by the Financial Reporting Council and published by Chartered Accountants Ireland.

Credit Union law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union and of the surplus for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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 Credit Union (Northern Ireland) Order 1985. 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.

Signed: Director

Dated:

Harp and Crown Credit Union Limited
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.

Review of Business

The level of activity during the year and the year-end financial position were satisfactory and the directors anticipate that the present level of business will continue for the foreseeable future.

Results and Dividends

The results for the year are set out on page 22.

The directors recommend a dividend of 3% (2024 – 2.5%) and interest rebates at loan issued rate, i.e. 12%, 7.9%, 6.9%, 5.9%, 5.5%, 4.9% and 3.9% for the year ended 30 September 2025 (2024 – at loan issued rates 12%, 7.9%, 6.9%, 5.9%, 5.5%, 4.9% and 3.9%).

20% of the surplus after tax amounting to £226,675 (2024 - £235,531) is transferred to a general reserve. The surplus after tax for the purposes of this calculation is calculated after adding back the interest payable during the year of £1,144,635 in respect of share accounts (see note 5).

Details of funds held on behalf of juniors are set out in note 17.

Directors

Details of the directors who served during the year are set out on page 16.

All directors served for the entire year, unless otherwise stated.

Auditor

In accordance with Article 44 of the Credit Union (Northern Ireland) Order 1985, a resolution proposing that Ruddell & Company, Chartered Accountants & Registered Auditors, be re appointed as auditor of the Credit Union will be put to the Annual General Meeting.

This report was approved by the Board on 11 December 2025 and signed on its behalf by:

Signed: Secretary

Dated:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARP & CROWN CREDIT UNION LIMITED

We have audited the financial statements of Harp & Crown Credit Union Limited for the year ended 30 September 2025 which comprise the Revenue Account, the Balance Sheet, the Statement of changes in Retained Earnings, the Cash Flow Statement and the related notes. 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).

Respective responsibilities of directors and auditor
As explained more fully in the Directors' Responsibilities Statement set out on page 18 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 Standards for Auditors. This report, including the opinion, has been prepared for and only for the credit union's members as a body in accordance with the Credit Union (Northern Ireland) Order 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 caused by fraud or error. This includes an assessment of: 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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARP & CROWN CREDIT UNION LIMITED (cont.)

Opinion on 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 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and with the Credit Unions (Northern Ireland) Order 1985.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Credit Unions (Northern Ireland) Order 1985 requires 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 to which our report relates, and the balance sheet are not in agreement with the books of account of the credit union;
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Ruddell & Company
Chartered Accountants & Registered Auditors
50 Portmore Street
Portadown

HARP & CROWN
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Harp and Crown Credit Union Limited
Revenue Account
For the year ended 30 September 2025

	Note	**2025**	2024
		£	£
Loan interest receivable and similar income	4	**2,341,586**	2,311,136
Interest payable	5	**(1,144,635)**	(967,774)
Net interest income		**1,196,951**	1,343,362
Fees and commissions receivable	6	**905**	780
Fees and commissions payable	6	**(35,293)**	(27,389)
Net fees and commissions payable		**(34,388)**	(26,609)
Administrative expenses	7a	**(839,902)**	(764,370)
Depreciation and amortisation	10	**(17,284)**	(8,685)
Other operating expenses	7b	**(36,423)**	(40,074)
Impairment losses on loans to members	11e	**(9,337)**	(19,687)
Surplus before taxation		**259,617**	483,937
Taxation	9a	**(270,878)**	(275,058)
(Deficit) / Surplus for the financial year		**(11,261)**	208,879

HARP & CROWN
CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
Balance Sheet
as at 30 September 2025

	Note	**2025**	2024
		£	£
ASSET			
Cash, cash equivalents and liquid deposits			
Loans and advances to banks	15	**33,072,572**	33,002,244
Loans and advances to members	11	**17,761,237**	16,574,606
Tangible fixed assets	10	**33,891**	40,915
Prepayments and accrued income		**162,177**	179,531
Total assets		**51,029,877**	49,797,296
LIABILITIES			
Subscribed capital – repayable on demand	12	**42,023,464**	41,687,340
Other payables	13	**2,025,834**	1,118,116
		44,049,298	42,805,456
General Reserve		**912,254**	685,579
Undistributed Reserve		**6,068,325**	6,306,261
Total liabilities		**51,029,877**	49,797,296

The financial statements were approved, and authorised for issue, by the Board on 11th December 2025 and signed on its behalf by:

Signed: Director

Signed Secretary

Signed Treasurer

Dated:

HARP & CROWN
CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
Statement of changes in retained earnings
For the year ended 30 September 2025

Reserves	**2025**	2024
	£	£
As at 1 October 2024	**6,991,840**	6,782,961
Total comprehensive (expenditure) / income for the year	**(11,261)**	208,879
As at 30 September 2025	**6,980,579**	6,991,840

Harp and Crown Credit Union Limited
Cash flow statement
For the year ended 30 September 2025

	Note	2025	2024
		£	£
Cash flows from operating activities			
Surplus before taxation		**259,617**	483,937
Adjustments for non-cash items:			
Depreciation	10	**17,284**	8,685
Impairment losses	11e	**9,337**	19,687
		286,238	512,309
Movements in:			
Accrued interest		**10,350**	3,329
Other receivables		**7,004**	(36,464)
Other payables		**915,064**	143,702
		932,418	110,567
Cash flows from changes in operating assets and liabilities			
Cash inflow from subscribed capital	12	**15,834,500**	12,308,119
Cash outflow from repaid capital	12	**(15,498,376)**	(14,262,153)
New loans to members	11a	**(8,140,210)**	(7,664,500)
Repayment of loans by members	11a	**6,944,243**	6,356,969
		(859,843)	(3,261,565)
Taxation paid		**(278,225)**	(165,527)
Net cash flows from operating activities		**(80,588)**	(2,804,216)
Cash flows from investing activities			
Purchase of property, plant and equipment	10	**(10,260)**	(39,959)
Net cash flow from managing liquid deposits		**3,576,881**	3,307,605
		3,566,621	3,267,646
Net increase in cash and cash equivalents		**3,647,209**	463,429
Cash and cash equivalents at beginning of year		**14,514,568**	14,051,139
Cash and cash equivalents at end of year	15	**18,161,777**	14,514,568

Harp and Crown Credit Union Limited
Notes to the financial statements
For the year ended 30 September 2025

1. Legal and regulatory framework
Harp & Crown Credit Union Ltd is registered under the Credit Unions (Northern Ireland) Order 1985, whose principal activity is to operate as a credit union. Harp & Crown Credit Union Ltd 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 Harp & Crown Credit Union Ltd 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 Republic of Ireland.

The financial statements are prepared on the historical cost basis.

Going concern
The financial statements are prepared on the going concern basis. The directors of Harp & Crown Credit Union Ltd believe this is appropriate despite a mismatch in the maturity analysis of subscribed capital and loans to members, because any such risk is mitigated by:

- The loyalty of our members, most of whom have been members for many years.
- Ensuring that we have adequate liquid funds to deal with withdrawal requests.
- Emphasising the benefits of saving with the credit union, including access to loans (which can be lost if savings are withdrawn).

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.
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 when it is received.

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. Harp & Crown Credit Union Ltd 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 Harp & Crown Credit Union Ltd from which profits are chargeable to Corporation Tax, it is unlikely that deferred tax will arise.

Tangible fixed assets
Tangible fixed assets comprises leasehold improvements, items of furniture and equipment including computer equipment, and core platform costs, 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 furniture and equipment, less its estimated residual value, on a straight line basis over its estimated useful life. Furniture and equipment is depreciated as follows:

Leasehold improvements	Over the lease term
Furniture and equipment	25% straight line
Core Platform	33.33% straight line

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and with UK regulated banks 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, and are not quoted in an active market. 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
Harp & Crown Credit Union Ltd 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 Harp & Crown Credit Union Ltd 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.

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 Harp & Crown Credit Union Ltd'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
As part of the ongoing monitoring of Harp & Crown Credit Union Ltd's loan book, Harp & Crown Credit Union Ltd makes judgements on the degree of risk of non-payment attached to loans that are in arrears. Harp & Crown Credit Union Ltd makes the following minimum impairment losses on loans to members in accordance with rules set by the Prudential Regulation Authority:

- 35% of the net liability to the credit union of borrowers where the amount is more than three months in arrears;
- 60% of the net liability to the credit union of borrowers where the amount is more than six months in arrears;
- 80% of the net liability to the credit union of borrowers where the amount is more than nine months in arrears; and
- 100% of the net liability to the credit union of borrowers where the amount is more than twelve months in arrears.

4. Loan interest receivable and similar income

	2025	2024
	£	£
Loan interest receivable from members	**1,214,888**	1,168,406
Bank interest receivable on cash and liquid deposits	**1,097,732**	1,126,063
Bad debts recovered on previously written-off loans	**28,966**	16,667
Total loan interest receivable and similar income	**2,341,586**	2,311,136

5. Interest expense

Interest expense is the dividend and loan interest rebate paid to members for the prior year. The dividend and loan interest rebate are formally proposed by the Directors after the year end and are 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	**1,144,635**	967,774
Dividend rate:		
Share accounts	**2.5%**	2%
Loan interest rebate:		
Standard Loan (up to £4.99k)	**12%**	12%
Loan £5k - £19.99k	**7.9%**	7.9%
Loan £20k+	**5.9%**	5.9%
Probationer Loan	**3.9%**	3.9%
Loyal Saver Loan	**3.9%**	3.9%
First Time Loan	**5.5%**	5.5%
Interest proposed, but not recognised	**1,362,744**	1,151,004
Dividend rate:		
Share accounts	**3%**	2.5%
Loan interest rebate:		
Standard Loan (up to £4.99k)	**12%**	12%
Loan £5k - £19.99k	**7.9%**	7.9%
Loan £20k+	**6.9%**	5.9%
Probationer Loan	**3.9%**	3.9%
Loyal Saver Loan	**3.9%**	3.9%
First Time Loan	**5.5%**	5.5%

6. Fees and commissions receivable

	2025	2024
	£	£
Entrance fees	**905**	780
Investment management and other fees	**(35,293)**	(27,389)
Total fees and commissions receivable	**(34,388)**	(26,609)

7. Expenses

	Note	2025	2024
		£	£
Administrative expenses	7a	839,902	764,370
Depreciation and amortisation	10	17,284	8,685
Other operating expenses	7b	36,423	40,074
		893,609	813,129

7a. Administrative expenses

	Note	2025	2024
		£	£
Employment costs	8b	402,018	376,503
Directors' remuneration	8c	10,518	9,748
Management Consultancy costs		12,810	35,225
Recruitment, training & subscriptions		6,207	3,578
Promotion & advertising		23,011	27,041
Directors' & officers' expenses		5,792	10,169
Death benefit claims		162,412	83,089
Auditors' remuneration	7c	27,411	23,445
Computer costs & software		100,935	139,356
Telephone & broadband		10,202	7,801
Printing, postage & stationery		8,017	9,071
Donations & sponsorship		19,100	17,157
Legal & professional & credit control		21,029	(2,810)
Other insurance costs		14,011	13,131
General & other administrative expenses		16,429	11,866
Total administrative expenses		839,902	764,370

7b. Other operating expenses

Other operating expenses comprise the costs of occupying offices and regulatory and financial management costs:

	2025	2024
	£	£
Cost of occupying offices (excluding depreciation)		
Rent & Rates	**25,980**	28,604
	25,980	28,604
Financial Conduct Authority and Prudential Regulation Authority fees	**1,443**	2,470
Fidelity insurance	**9,000**	9,000
	10,443	11,470
	36,423	40,074

7c. Auditors' remuneration

Harp & Crown Credit Union Ltd voluntarily presents an analysis of its auditors' remuneration in accordance with the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008.

	2025	2024
	£	£
Fees payable for the audit of Harp & Crown Credit Union Ltd's annual accounts	**9,780**	9,300
Fees payable to Harp & Crown Credit Union Ltd's auditor for other services:	**-**	-
Total auditors' remuneration	**9,780**	9,300

8. Directors Remuneration, employees and employment costs

Directors receive a modest remuneration in recognition of their time and dedication to cover preparation time (maximum of 1 hour) and attendance time (maximum of 2.5 hours) for Board and Committee meetings. Details of staff costs have been shown below.

8a. Number of employees

The average monthly number of employees during the year were:

	2025	2024
	Number	Number
Office Staff	**11**	11

8b. Employment costs

	2025	2024
	£	£
Wages and salaries	**342,896**	326,453
Social security costs	**38,794**	31,196
Payments to defined contribution pension schemes	**20,328**	18,854
Total employment costs	**402,018**	376,503

8c. Directors' Remuneration

The Directors of Harp & Crown Credit Union Ltd are its key management personnel.

	2025	2024
	£	£
Gross emoluments (preparation and attendance)	**10,518**	9,748
Payments to defined contribution pension schemes	**-**	-
Total key management personnel compensation	**10,518**	9,748

9. Taxation

9a. Recognised in the Revenue Account

The taxation charge for the year, based on the small profits rate of Corporation Tax of 25%.

	Note	2025	2024
		£	£
Current tax			
UK Corporation tax	9b	**270,878**	275,058
Total current tax and total taxation expense recognised in the Revenue Account		**270,878**	275,058

9b. Reconciliation of taxation expense

Harp & Crown Credit Union Ltd 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, the tax charge for the year differs from the standard rate of Corporation Tax. The differences are explained below:

	2025	2024
	£	£
Surplus before taxation	**259,617**	483,937
Surplus before taxation multiplied by small profits rate of corporation tax in the UK of 25.0%.	**64,904**	120,984
Effects of:		
Non-taxable surplus on transactions with members	**205,974**	154,074
Total tax charge for the year	**270,878**	275,058

10. Tangible fixed assets

Tangible fixed assets comprise the following property, plant and equipment:

	Leasehold Improvements £	Furniture & Equipment £	Core Platform £	Total £
Cost				
At 30 September 2024	8,316	127,873	36,180	172,369
Additions	-	10,260	-	10,260
Disposals	-		-	
At 30 September 2025	**8,316**	**138,133**	**36,180**	**182,629**
Depreciation				
At 30 September 2024	7,427	120,007	4,020	131,454
Charge for year	209	5,015	12,060	17,284
On disposals	-	-	-	-
At 30 September 2025	**7,636**	**125,022**	**4,020**	**148,738**
Net book Value				
At 30 September 2025	**680**	**13,111**	**20,100**	**33,891**
At 30 September 2024	889	7,866	32,160	40,915

11. Loans and advances to members – financial assets

11a. Loans and advances to members

	Note	2025	2024
		£	£
As at 1 October 2024		**17,045,616**	15,825,565
Advanced during the year		**8,140,210**	7,664,500
Repaid during the year		**(6,944,243)**	(6,356,969)
Bad debts written off		**(100,647)**	(87,480)
Gross loans and advances to members	11b	**18,140,936**	17,045,616
Impairment losses:			
Individual financial assets	11b	**(145,760)**	(98,158)
Groups of financial assets	11c	**(233,939)**	(372,852)
		17,761,237	16,574,606

11b. Memorandum – Total loan assets for regulatory purposes

	Note	2025	2024
		£	£
Gross loans and advances to members	14b	**18,140,936**	17,045,616
Impairment of individual financial assets		**(145,760)**	(98,158)
Total loan assets for regulatory purposes		**17,995,176**	16,947,458

11c. Credit risk disclosures

Harp & Crown Credit Union Ltd does not offer mortgages and as a result all loans to members are unsecured, except that there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding. The maximum loan to each member is either £30,000 or four times in excess of their attached shares, whichever is less. The average loan actually issued during the year ended 30 September 2025 was for an amount of £4,654 (£4,740 for the year ended 30 September 2024).

The carrying amount of the loans to members represents Harp & Crown Credit Union Ltd'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	**16,907,754**	**93**	15,137,352	89
Up to 3 months past due	**929,347**	**5**	1,447,293	8.5
Between 3 and 6 months past due	**39,709**	**0.3**	125,588	0.7
Between 6 months and 1 year past due	**124,521**	**0.7**	40,685	0.2
Over 1 year past due	**139,604**	**1**	294,698	1.7
Sub-total: loans not impaired	**18,140,936**	**100**	17,045,616	100
Individually impaired:				
Not yet past due, but impaired	**(11,652)**	**8**	(18,422)	19
Up to 3 months past due	**(11,153)**	**8**	(32,027)	33
Between 3 and 6 months past due	**(3,821)**	**3**	(25,293)	25
Between 6 months and 1 year past due	**(10,580)**	**7**	(6,183)	6
Over 1 year past due	**(108,554)**	**74**	(16,233)	17
Total loans	**17,995,175**	**100**	16,947,458	100
Impairment allowance	**(233,939)**		(372,852)	
Total carrying value	**17,761,237**		16,574,606	

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

HARP & CROWN
CREDIT UNION LIMITED

11d. Allowance account for impairment losses

	Note	2025	2024
		£	£
As at 1 October 2024		**471,010**	538,804
Decrease in allowances in year	11e	**(91,311)**	(67,794)
As at 30 September 2025		**379,699**	471,010

11e. Impairment losses recognised for the year

	2025	2024
	£	£
Impairment of individual financial assets	**47,602**	29,338
Decrease in impairment allowances during the year	**(138,912)**	(97,131)
Bad debts written off	**100,647**	87,480
Total impairment losses recognised for the year	**9,337**	19,687

12. Subscribed capital – financial liabilities

	Note	2025	2024
		£	£
As at 1 October 2024		**41,687,340**	43,641,374
Received during the year		**15,834,500**	12,308,119
Repaid during the year		**(15,498,376)**	(14,262,153)
As at 30 September 2025	14b	**42,023,464**	41,687,340

Deposits from members may only be made by way of subscription for shares.

13. Other payables

	2025	2024
	£	£
UK Corporation Tax	**274,517**	281,863
Amount owed to juniors	**879,539**	763,891
Accruals and deferred income	**871,778**	72,362
	2,025,834	1,118,116

14. Additional financial instruments disclosures

14a. Financial risk management

Harp & Crown Credit Union Ltd 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 Harp & Crown Credit Union Ltd'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 Harp & Crown Credit Union Ltd, resulting in financial loss to Harp & Crown Credit Union Ltd. In order to manage this risk the Board approves Harp & Crown Credit Union Ltd's lending policy, and all changes to it. All loan applications are assessed with reference to the lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

Liquidity risk: Harp & Crown Credit Union Ltd's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The objective of Harp & Crown Credit Union Ltd'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 Harp & Crown Credit Union Ltd.

Market risk: Market risk is generally comprised of interest rate risk, currency risk and other price risk. Harp & Crown Credit Union Ltd conducts all its transactions in sterling and does not deal in derivatives or commodity markets. Therefore Harp & Crown Credit Union Ltd is not exposed to any form of currency risk or other price risk.

Interest rate risk: Harp & Crown Credit Union Ltd'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. Harp & Crown Credit Union Ltd considers rates of interest receivable when deciding on the dividend rate payable on subscribed capital. Harp & Crown Credit Union Ltd does not use interest rate options to hedge its own positions. Harp & Crown Credit Union Ltd charges a fixed interest rate of a maximum of 1% per month on all of its loans to members. The return Harp & Crown Credit Union Ltd receives on its cash with UK regulated banks and loans and advances to banks (i.e. cash deposited with banks) is influenced by market rates and in particular by the Bank of England rate and general economic factors. To mitigate the risk of unfavourable rate movements, Harp & Crown Credit Union Ltd try to hold a proportion of its funds in one to five year fixed term accounts.

14b. 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	18,140,936	6.70%	17,045,616	6.85%
Financial liabilities				
Subscribed capital				
Share accounts	42,023,463	2.5%	41,687,340	2%

The interest rates applicable to loans to members are fixed at varying rates depending on the loan product. The interest payable on subscribed capital is determined on the basis of income less administrative expenses and, as can be seen above, a consistent margin is maintained between interest receivable and interest payable. As a result, the surplus for the year is not particularly sensitive to interest rate risk and no sensitivity analysis is presented.

14c. Liquidity risk disclosures

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

14d. Fair value of financial instruments

Harp & Crown Credit Union Ltd does not hold any financial instruments at fair value.

15. Cash and cash equivalents

	2025 £	2024 £
Loans and advances to banks	**33,072,572**	33,002,244
	33,072,572	33,002,244
Less: amounts maturing after three months	**(14,910,575)**	(18,487,675)
Total cash and cash equivalents	**18,161,997**	14,514,569

HARP & CROWN
CREDIT UNION LIMITED

16. Post balance sheet events

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

17. Funds held on behalf of juniors

	2025	2024
	£	£
Cash on deposit	**900,000**	764,802
Amount owing to junior members by CU	**(879,539)**	(763,891)
	20,461	911
Represented by: -	**£**	£
Junior members savings	**879,539**	763,891
Interest for distribution	**20,461**	911
	900,000	764,802

There were 804 junior members at 30 September 2025.

18. Related party transactions

Aggregated balances held by Harp & Crown Credit Union Ltd's Directors, staff and their dependants at 30 September: -

	2025	2024
	£	£
Shares	**101,196**	94,885
Loans	**76,600**	105,546

These loans were approved on the same basis as loans to other members of Harp & Crown Credit Union Ltd. None of the directors, staff or their dependants have any preferential terms on their loans.

Harp and Crown Credit Union support RUC GC Foundation Conference 2025 at Newforge Sports Complex and Event Hub.

Harp and Crown Credit Union sponsored PSNI RFC for the 20th year.

Harp and Crown Credit Union sponsored The Match Fishing Club of the PSNI, "The Wagglers".

Harp and Crown Credit Union sponsored Police Boxing Club, Red Triangle ABC.

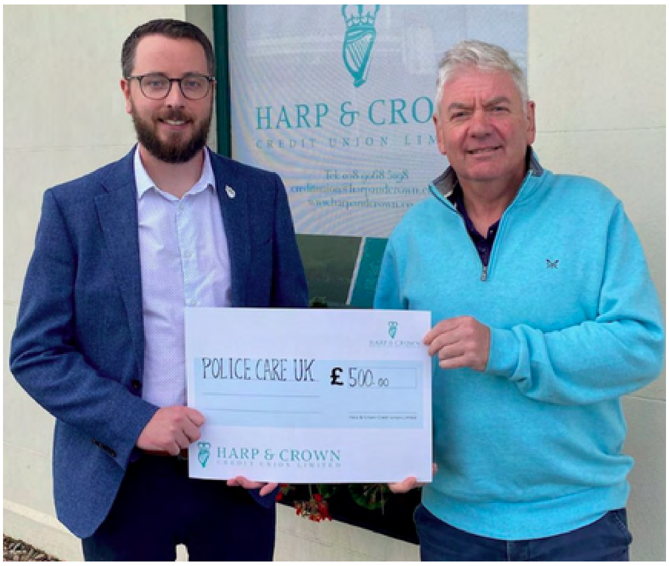
Harp and Crown Credit Union sponsored the Alan McDonald Soccer School of Excellence (June 2025) for the third year in a row.

Harp and Crown Credit Union sponsored PSNI Cricket for the 3rd year (pictured at the Police Sport Awards in May 2025 - PSNI Cricket won the Malcolm Brodie Trophy).

Harp and Crown Credit Union supported the PSNI FC awards dinner.

Dee Corbett, Harp and Crown Credit Union Assistant Treasurer (on right) presents a £1000 donation cheque to Claire Hogarth, Charis Cancer Care Events & Marketing Coordinator.

John Magill, Harp and Crown Credit Union Secretary (middle) presents £500 to Care of Police Survivors (COPS) Unity Tour, Northern Ireland Chapter.



Adam Getty, Psychological Services Lead, Police Care UK receives a donation from Harp and Crown Credit Union President, Alistair McGowan.

Siobhan Barclay (CEO, Harp and Crown Credit Union – right) presents a £1,000 donation cheque to Leigh Collins (Listen Learn Lead Facilitator, White Ribbon NI) and Kevin McReynolds (Youth Workshop Facilitator, White Ribbon NI).

STRATEGIC PLAN
2025 -2028

HARP & CROWN
CREDIT UNION LIMITED

BEYOND THE NUMBERS

MISSION
Provide safe, ethical and flexible financial services to police and wider police family in Northern Ireland.

VISION
Be the financial services provider of choice, supporting members at every life stage.

VALUES
Excellence, People-centered, Transparency, Trustworthy, and Community Responsibility.

STRATEGIC OBJECTIVES

- **Enhance Member Experience**
- **Foster an Inclusive and Empowered Team Culture**
- **Expand Reach and Strengthen Community Impact**

STRATEGIC PRIORITIES

People
Invest in staff growth, drive board diversity and foster a positive culture.

Engagement
Connect with members through meaningful digital and in-person engagement.

Performance
Drive excellence and sustainability through smart operations and compliance.

Place
Ensure accessibility of physical and digital services.

Community
Create impact through community and environmental initiatives.

Technology
Advance digital transformation and experience while staying future-ready and accredited.

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