HARP AND CROWN CREDIT UNION

HARP & CROWN
CREDIT UNION LIMITED



2026

Twenty Eighth Annual Report

Serving our Members' Savings & Loans



HARP & CROWN
CREDIT UNION LIMITED

2026 - Twenty Eighth Annual Report

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(including independent Auditor's Report)



HARP & CROWN
CREDIT UNION LIMITED

28th ANNUAL GENERAL MEETING

The Board of Directors of the Harp and Crown Credit Union invite all members to attend the AGM on 14th December 2026 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 – 11/12/2025
- 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



HARP & CROWN
CREDIT UNION LIMITED

President's Report

As the President of the Harp and Crown Credit Union, it gives me great pleasure to present our 2026 Annual Report in our 28th year. This report covers the period from 1st October 2025 to 30th September 2026 and includes an extract from our financial accounts, reports from our CEO and Treasurer, and highlights of the progress achieved this year.

I am pleased to advise that 2026 has been another successful year for Harp and Crown Credit Union. During this financial year the Board of Directors and staff have been working hard to respond to your needs. This resulted in a new loan product being launched - the Signature Loan - which has proven to be very successful (with many new members being able to borrow straightaway without the usual 20% pledged shares required).

However, as world events continue to impact the overall cost of living, our role supporting you through these challenging times remains unchanged and we will continue to seek your advice and feedback as to how we may improve our services for you in the future.

Our previous CEO, Siobhan Barclay, left the Credit Union this year to take up a post with Ulster Rugby and we wish her well. Siobhan's contribution to Harp and Crown Credit Union cannot be overstated, having steered the Credit Union towards its current robust position.

I would like to welcome our new CEO, Craig Logan, to the AGM and Harp and Crown Credit Union. I have no doubt he will prove to be a real asset in the years ahead. His experience and knowledge will be of great benefit to the Credit Union and our members.

Alistair McGowan unfortunately has decided not to put himself forward for re-election as a Board member. Alistair joined the board in January 2022 and during his time with us, he proved to be a valuable director and capable President and we wish him well.

Similarly, I also wish to acknowledge the contribution of Andrew Brown, who resigned as a Board member during the year and to thank him for his service to the organisation.

I would like to thank my fellow Board members for their help and guidance during my interim term as President.

To our staff we owe a debt of gratitude and thanks for your hard work over the year. Our members have certainly benefitted from all that you did, seen and unseen.

JR Stratton
President

Chief Executive's Report

In my first report, I am pleased to report continued growth and achievement at Harp and Crown Credit Union. Our gross loan book has reached a record high of over £19 million, and total loan income rose to £2.51m, an increase of 7.4% from the previous year.

Particular highlights during the year included:

- Supporting over 15 Police Family organisations this financial year through sponsorship and charitable donations. This involved a varied range of initiatives including sport; mental health and wellbeing; and various events encompassing our diverse police family membership;

- Achieving our highest response rate thus far from members completing our annual survey - 96% of Harp and Crown members told us they were very satisfied with their overall experience as a member. We really appreciate each and every one of you who take the time to complete our annual survey, this helps us understand your needs better and pave the way for future improvements;

- Launching the New Signature Loan in March 2026, which has provided easier loan access given that there is no initial requirement to pledge shares; and

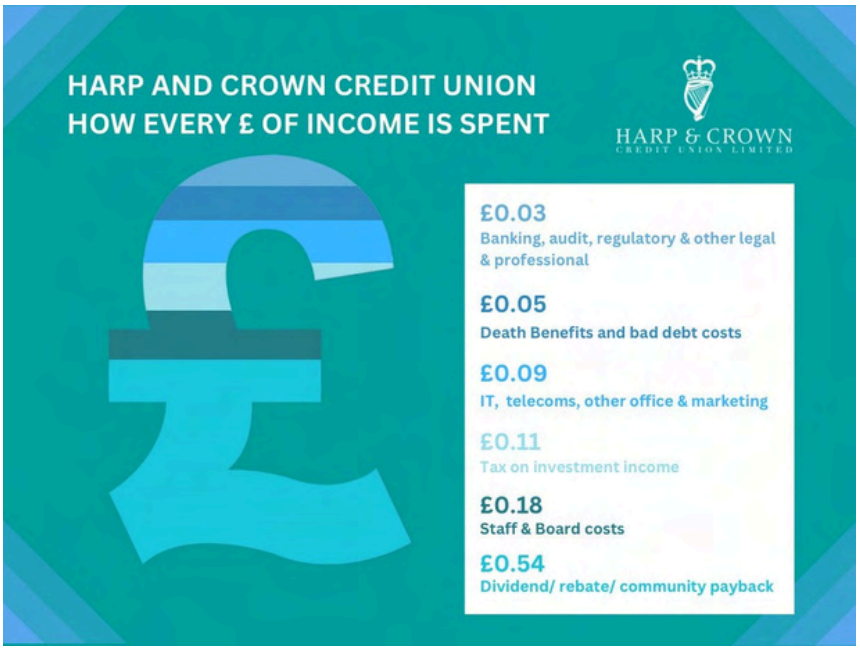
- Achieving a big milestone with the loan book – reaching £19M+ in June 2026 with over £1.1M in new loans that month alone.



Harp and Crown Credit Union Senior Loans and Member Services Officer, Nigel McGonigle in celebratory mode with Harp and Crown member and Neighbourhood Inspector Lynsey Moutray, as a big loan book milestone is reached in June 2026.

- Continuing our upward trajectory in total membership growth.

We remain deeply committed to supporting the wider police family. Over half (54%) of our income received (see below) was returned to our members (via our dividend or interest rebate) or used to support the wider police family (> £25,000 distributed via sponsorship or charitable donations) - a testament to our values and strategic objective to strengthen our community impact.



Having only recently joined Harp & Crown, I have been warmly welcomed by Directors, colleagues, and members alike and I hope to build on the foundations and success firmly established by our former CEO, Siobhan Barclay.

I specifically wish to extend my sincere thanks to our President, John Stratton, who has been a bedrock of the organisation since its establishment in 1998 and on behalf of the many people who have benefitted from John's support and advice over the years, I wish him well for all future endeavours.

To our exceptional staff team and Board of Directors, thank you for your ongoing dedication and for consistently delivering the highest quality service.

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'. With your support, we will continue to strive to build a stronger, more inclusive financial future.

Craig Logan
CEO



HARP & CROWN
CREDIT UNION LIMITED

Treasurer's Report

It gives me great pleasure to present to you the Treasurer's report for the financial year ended September 2026, 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. Many external factors continue to dominate and influence our financial markets. Not least the conflict in the Middle East which has disrupted the transportation and supply of energy, raising its price and pushing up households' motor fuel costs and utility bills. Current UK inflation rate remains at 3.5% significantly higher that the inflation goal of 2% determined by the Bank of England, who recently increased the Bank Rate to 4% in an attempt to lower household spending and curb inflation.

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 fifth year, exceeded our budgeted financial objectives and have achieved an operating surplus of £1.33m (previous year £1.13m) - largely driven by an increase in loan interest receivable (and similar income) of £172K. This year our gross loan book has grown from £18.1m to £19.2m, and our share book is currently £45.2m, resulting in a loan to share ratio of 42.63%. In addition, we currently have £1.1m in junior deposits.

These outstanding results have been achieved due to the continued and dedicated efforts of 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 former CEO, and staff for their contribution to these excellent results. I also want to acknowledge and applaud the work of our three Managers, who in the absence of a CEO worked diligently to ensure the smooth running and growth of the Credit Union. May I also take this opportunity to welcome our recently appointed CEO, Craig Logan.

This year saw the launch of our new loan product – "Signature Loan". This loan is a bespoke product designed to help our members, who have a borrowing requirement but do not have adequate shares available to be pledged as required by our other loan products. In short, members can avail of a Signature Loan and borrow up to £15,000 at a competitive rate of 9.9% without pledging any shares.

Since the Signature Loan's launch in March 2026, we are delighted to have issued loans with a total value of over £1.45m to 176 members. We look forward to helping many more of our members avail of this new loan product.



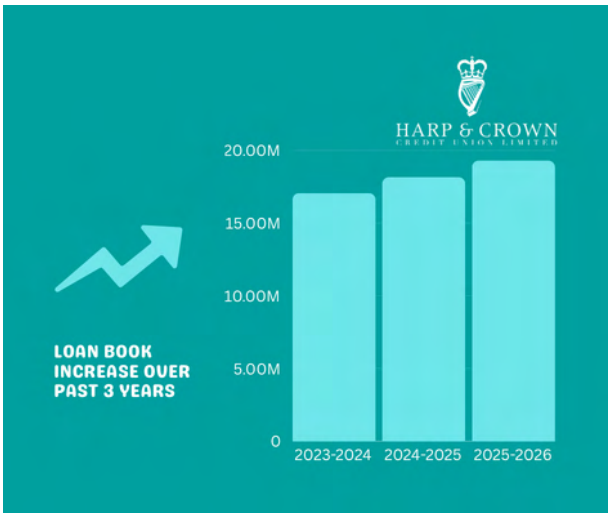
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As required by the Prudential Regulation Authority Rulebook, a full programme of internal audit was completed in relation to financial compliance. The Internal Auditor has continued to assume responsibility for the Supervisory Function within the Credit 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.

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 that for another year we give our members a dividend of 3%, and our junior accounts an interest rate of 3%. 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%
- Signature Loan – 9.9%
- Loan £5K + – 7.9%
- Loan £20K + - 6.9%
- First Time Loan - 5.5%
- McCloud Remedy Loan - 4%
- Loyal Saver Loan - 3.9%



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

NEW

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Signature LOAN



- **Borrow £5K - £15K**
- **20% Pledged Shares NOT Required INITIALLY!**
- **Ideal for NEW members or members with a small savings pot.**

**Ts/Cs apply*

With FREE LIFE COVER up to age 70.

E: creditunion@harpandcrown.co.uk

harpandcrown.co.uk



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Proposed Rule Changes

Rule No.	Current Rule	Proposed Rule
42	4.2	Reference revised to 42.2

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DIRECTORS' REPORT & FINANCIAL STATEMENTS for the year ended 30 September 2026

Registration No: CU182 & Firm Reference No: 577113



Harp and Crown Credit Union Limited
Administrative Information
For the year ended 30 September 2026

Directors	Mr John Stratton	President
	Mr John Magill	Secretary
	Mrs Lorraine Black	Treasurer
	Mr Alistair McGowan	(resigned 13 October 2026)
	Mr Andrew Brown	(resigned 22 September 2026)
	Mr Dee Corbett	
	Mr Gregory Quigg	
	Mrs Dympna Thornton	
	Mr Douglas Grant	
	Ms Siobhan Barclay	(appointed 29 May 2026)
	Police Staff	
	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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CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
For the year ended 30 September 2026

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HARP & CROWN
CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
Statement of Directors' Responsibilities
For the year ended 30 September 2026

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 & CROWN
CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
Directors' Report
For the year ended 30 September 2026

The directors present their report and the financial statements for the year ended 30 September 2026.

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 18.

The directors recommend a dividend of 3% (2025 – 3%) and interest rebates at loan issued rate, i.e. 12%, 9.9%, 7.9%, 6.9%, 5.9%, 5.5%, 4.9%, 4% and 3.9% for the year ended 30 September 2026 (2025 – 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 £265,858 (2025 - £226,675) 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 £1,361,845 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 12.

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 14 December 2026 and signed on its behalf by:

Signed: Secretary

Dated:



HARP & CROWN
CREDIT UNION LIMITED

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 2026 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 4 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.



HARP & CROWN
CREDIT UNION LIMITED

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 2026 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
CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
Revenue Account
For the year ended 30 September 2026

	Note	**2026**	2025
		£	£
Loan interest receivable and similar income	4	**2,513,801**	2,341,586
Interest payable	5	**(1,361,845)**	(1,144,635)
Net interest income		**1,151,956**	1,196,951
Fees and commissions receivable	6	**1,590**	905
Fees and commissions payable	6	**(30,752)**	(35,293)
Net fees and commissions payable		**(29,162)**	(34,388)
Administrative expenses	7a	**(816,959)**	(839,902)
Depreciation and amortisation	10	**(18,837)**	(17,284)
Other operating expenses	7b	**(36,873)**	(36,423)
Impairment losses on loans to members	11e	**(565)**	(9,337)
Surplus before taxation		**249,560**	259,617
Taxation	9a	**(282,114)**	(270,878)
(Deficit) / Surplus for the financial year		**(32,554)**	(11,261)



HARP & CROWN
CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
Balance Sheet
as at 30 September 2026

	Note	**2026**	2025
		£	£
ASSET			
Cash, cash equivalents and liquid deposits			
Loans and advances to banks	15	**35,376,994**	33,072,572
Loans and advances to members	11	**18,969,032**	17,761,237
Tangible fixed assets	10	**35,693**	33,891
Prepayments and accrued income		**223,091**	162,177
Total assets		**54,604,810**	51,029,877
LIABILITIES			
Subscribed capital – repayable on demand	12	**45,224,231**	42,023,464
Other payables	13	**2,432,554**	2,025,834
		47,656,785	44,049,298
General Reserve		**1,178,112**	912,254
Undistributed Reserve		**5,769,913**	6,068,325
Total liabilities		**54,604,810**	51,029,877

The financial statements were approved, and authorised for issue, by the Board on 14th December 2026 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 2026

Reserves	**2026**	2025
	£	£
As at 1 October 2025	**6,980,579**	6,991,840
Total comprehensive (expenditure) / income for the year	**(32,554)**	(11,261)
As at 30 September 2026	**6,948,025**	6,980,579



HARP & CROWN
CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
Cash flow statement
For the year ended 30 September 2026

	Note	2026	2025
		£	£
Cash flows from operating activities			
Surplus before taxation		**249,560**	259,617
Adjustments for non-cash items:			
Depreciation	10	**18,837**	17,284
Impairment losses	11e	**565**	9,337
		268,962	286,238
Movements in:			
Accrued interest		**101,403**	10,350
Other receivables		**(60,916)**	7,004
Other payables		**297,720**	915,064
		338,207	932,418
Cash flows from changes in operating assets and liabilities			
Cash inflow from subscribed capital	12	**19,232,362**	15,834,500
Cash outflow from repaid capital	12	**(16,031,595)**	(15,498,376)
New loans to members	11a	**(9,281,523)**	(8,140,210)
Repayment of loans by members	11a	**8,073,163**	6,944,243
		1,992,407	(859,843)
Taxation paid		**(274,517)**	(278,225)
Net cash flows from operating activities		**2,325,059**	80,588
Cash flows from investing activities			
Purchase of property, plant and equipment	10	**(20,639)**	(10,260)
Net cash flow from managing liquid deposits		**(6,672,806)**	3,576,881
		(6,693,445)	3,566,621
Net increase in cash and cash equivalents		**(4,368,368)**	3,647,209
Cash and cash equivalents at beginning of year		**18,161,777**	14,514,568
Cash and cash equivalents at end of year	15	**13,793,391**	18,161,777



HARP & CROWN
CREDIT UNION LIMITED

Harp and Crown Credit Union Limited
Notes to the financial statements
For the year ended 30 September 2026

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, less its estimated residual value, on a straight line basis over its estimated useful life. Items are 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

	2026	2025
	£	£
Loan interest receivable from members	**1,334,082**	1,214,888
Bank interest receivable on cash and liquid deposits	**1,128,454**	1,097,732
Bad debts recovered on previously written-off loans	**51,265**	28,966
Total loan interest receivable and similar income	**2,513,801**	2,341,586



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.

	2026	2025
	£	£
Interest paid during the year	**1,361,845**	1,144,635
Dividend rate:		
Share accounts	**3%**	3%
Loan interest rebate:		
Standard Loan (up to £4.99k)	**12%**	12%
Loan £5k - £19.99k	**7.9%**	7.9%
Loan £5k - £19.99k (Discontinued)	**6.9%**	6.9%
Loan £20k+	**6.9%**	6.9%
Loan £20k+ (Discontinued)	**5.9%**	5.9%
Loan £20k+ (Discontinued)	**4.9%**	4.9%
Probationer Loan (Discontinued)	**3.9%**	3.9%
Loyal Saver Loan	**3.9%**	3.9%
First Time Loan	**5.5%**	5.5%
First Time Loan (Discontinued)	**3.9%**	3.9%
Interest proposed, but not recognised	**1,432,449**	1,362,744
Dividend rate:		
Share accounts	**3%**	3%
Loan interest rebate:		
Standard Loan (up to £4.99k)	**12%**	12%
Loan £5k - £19.99k	**7.9%**	7.9%
Loan £5k - £19.99k (Discontinued)	**6.9%**	6.9%
Loan £20k+	**6.9%**	6.9%
Loan £20k+ (Discontinued)	**5.9%**	5.9%
Loan £20k+ (Discontinued)	**4.9%**	4.9%
Probationer Loan (Discontinued)	**3.9%**	3.9%
Loyal Saver Loan	**3.9%**	3.9%
First Time Loan	**5.5%**	5.5%
First Time Loan (Discontinued)	**3.9%**	3.9%
Signature Loan	**9.9%**	-
McCloud Remedy Loan	**4%**	-



6. Fees and commissions receivable

	2026	2025
	£	£
Entrance fees	**1,590**	905
Investment management and other fees	**(30,752)**	(35,293)
Total fees and commissions receivable	**(29,162)**	(34,388)

7. Expenses

	Note	2026	2025
		£	£
Administrative expenses	7a	**816,959**	839,902
Depreciation and amortisation	10	**18,837**	17,284
Other operating expenses	7b	**36,873**	36,423
		872,669	893,609

7a. Administrative expenses

	Note	2026	2025
		£	£
Employment costs	8b	**372,302**	402,018
Directors' remuneration	8c	**13,633**	10,518
Management Consultancy costs		**1,905**	12,810
Recruitment, training & subscriptions		**49,615**	6,207
Promotion & advertising		**37,085**	23,011
Directors' & officers' expenses		**8,145**	5,792
Death benefit claims		**126,640**	162,412
Auditors' remuneration	7c	**23,280**	27,411
Computer costs & software		**108,307**	100,935
Telephone & broadband		**8,311**	10,202
Printing, postage & stationery		**5,588**	8,017
Donations & sponsorship		**15,500**	19,100
Legal & professional & credit control		**19,521**	21,029
Other insurance costs		**14,258**	14,011
General & other administrative expenses		**12,869**	16,429
Total administrative expenses		**816,959**	839,902



HARP & CROWN
CREDIT UNION LIMITED

7b. Other operating expenses

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

	2026	2025
	£	£
Cost of occupying offices (excluding depreciation)		
Rent & Rates	**26,526**	25,980
	26,526	25,980
Financial Conduct Authority and Prudential Regulation Authority fees	**1,347**	1,443
Fidelity insurance	**9,000**	9,000
	10,347	10,443
	36,873	36,423

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.

	2026	2025
	£	£
Fees payable for the audit of Harp & Crown Credit Union Ltd's annual accounts	**10,260**	9,780
Fees payable to Harp & Crown Credit Union Ltd's auditor for other services:	**-**	-
Total auditors' remuneration	**10,260**	9,780



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:

	2026	2025
	Number	Number
Office Staff	9	11

8b. Employment costs

	2026	2025
	£	£
Wages and salaries	**314,873**	342,896
Social security costs	**38,600**	38,794
Payments to defined contribution pension schemes	**18,829**	20,328
Total employment costs	**372,302**	402,018

8c. Directors' Remuneration

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

	2026	2025
	£	£
Gross emoluments (preparation and attendance)	**13,633**	10,518
Payments to defined contribution pension schemes	**-**	-
Total key management personnel compensation	**13,633**	10,518



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	**2026**	2025
		£	£
Current tax			
UK Corporation tax	9b	**282,114**	270,878
Total current tax and total taxation expense recognised in the Revenue Account		**282,114**	270,878

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:

	2026	2025
	£	£
Surplus before taxation	**249,560**	259,617
Surplus before taxation multiplied by small profits rate of corporation tax in the UK of 25.0%.	**62,390**	64,904
Effects of:		
Non-taxable surplus on transactions with members	**219,724**	205,974
Total tax charge for the year	**282,114**	270,878



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 2025	8,316	138,133	36,180	182,629
Additions	-	20,639	-	20,639
Disposals	-	-	-	
At 30 September 2026	**8,316**	**158,772**	**36,180**	**203,268**
Depreciation				
At 30 September 2025	7,636	125,022	16,080	148,738
Charge for year	209	6,568	12,060	18,837
On disposals	-	-	-	-
At 30 September 2026	**7,845**	**131,590**	**28,140**	**167,575**
Net book Value				
At 30 September 2026	**471**	**27,182**	**8,040**	**35,693**
At 30 September 2025	680	13,111	20,100	33,891



11. Loans and advances to members – financial assets

11a. Loans and advances to members

	Note	**2026**	2025
		£	£
As at 1 October 2025		**18,140,936**	17,045,616
Advanced during the year		**9,281,523**	8,140,210
Repaid during the year		**(8,073,163)**	(6,944,243)
Bad debts written off		**(68,404)**	(100,647)
Gross loans and advances to members	11b	**19,280,892**	18,140,936
Impairment losses:			
Individual financial assets	11b	**(33,478)**	(145,760)
Groups of financial assets	11c	**(278,382)**	(233,939)
		18,969,032	17,761,237

11b. Memorandum – Total loan assets for regulatory purposes

	Note	**2026**	2025
		£	£
Gross loans and advances to members	14b	**19,280,892**	18,140,936
Impairment of individual financial assets		**(33,478)**	(145,760)
Total loan assets for regulatory purposes		**19,247,414**	17,995,176



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 £35,000 or four times in excess of their attached shares, whichever is less. The average loan actually issued during the year ended 30 September 2026 was for an amount of £5,380 (£4,608 for the year ended 30 September 2025).

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.

	2026		2025	
	Amount	**Proportion**	Amount	Proportion
	£	**%**	£	%
Not impaired:				
Neither past due nor impaired	**18,741,871**	**97.2**	16,907,754	93
Up to 3 months past due	**212,883**	**1.1**	929,347	5
Between 3 and 6 months past due	**32,682**	**0.1**	39,709	0.3
Between 6 months and 1 year past due	**91,662**	**0.5**	124,521	0.7
Over 1 year past due	**201,794**	**1.1**	139,605	1
Sub-total: loans not impaired	**19,280,892**	**100**	18,140,936	100
Individually impaired:				
Not yet past due, but impaired	**(5,521)**	**17**	(11,652)	8
Up to 3 months past due	**(2,728)**	**8**	(11,153)	8
Between 3 and 6 months past due	**(1,686)**	**5**	(3,821)	3
Between 6 months and 1 year past due	**(14,051)**	**42**	(10,580)	7
Over 1 year past due	**(9,492)**	**28**	(108,554)	74
Total loans	**19,247,414**	**100**	17,995,175	100
Impairment allowance	**(278,382)**		(233,939)	
Total carrying value	**18,969,032**		17,761,237	

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

11d. Allowance account for impairment losses

	Note	2026	2025
		£	£
As at 1 October 2025		**379,699**	471,010
Decrease in allowances in year		**(67,839)**	(91,311)
As at 30 September 2026		**311,860**	379,699

11e. Impairment losses recognised for the year

	2026	2025
	£	£
Impairment of individual financial assets	**(112,282)**	47,602
Decrease in impairment allowances during the year	**44,443**	(138,912)
Bad debts written off	**68,404**	100,647
Total impairment losses recognised for the year	**565**	9,337

12. Subscribed capital – financial liabilities

	Note	2026	2025
		£	£
As at 1 October 2025		**42,023,464**	41,687,340
Received during the year		**19,232,362**	15,834,500
Repaid during the year		**(16,031,595)**	(15,498,376)
As at 30 September 2026	14b	**45,224,231**	42,023,464

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

13. Other payables

	2026	2025
	£	£
UK Corporation Tax	**285,090**	274,517
Amount owed to juniors	**1,174,283**	879,539
Accruals and deferred income	**973,181**	871,778
	2,432,554	2,025,834



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, market 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.

	2026		2025	
	Amount £	**Average Interest Rate**	Amount £	Average Interest Rate
Financial assets				
Loans to members	**19,280,892**	**7.10%**	18,140,936	6.92%
Financial liabilities				
Subscribed capital				
Share accounts	**45,224,231**	**3%**	42,023,463	2.5%

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

	2026	2025
	£	£
Loans and advances to banks	**35,376,994**	33,072,572
	35,376,994	33,072,572
Less: amounts maturing after three months	**(21,583,603)**	(14,910,795)
Total cash and cash equivalents	**13,793,391**	18,161,777

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

17. Funds held on behalf of juniors

	2026	2025
	£	£
Cash on deposit	**0**	0
Amount owing to junior members by CU	**1,174,283**	879,539
	1,174,283	879,539
Represented by: -		
Junior members savings	**1,174,283**	879,539
Interest for distribution	**0**	0
	1,174,283	879,539

There were 926 junior members at 30 September 2026.

18. Related party transactions
Aggregated balances held by Harp & Crown Credit Union Ltd's Directors, staff and their dependants at 30 September 2026: -

	2026	2025
	£	£
Shares	**98,855**	101,196
Loans	**75,014**	76,600

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 supporting police family community 2025-2026



Harp and Crown Credit Union sponsor PSAR 55th Anniversary Dinner.



Harp and Crown Credit Union sponsor RUC GC Foundation Conferance 2026.



Harp and Crown Credit Union Gold sponsor of PFNI Bravery and Excellence Awards.



Harp and Crown Credit Union support Police family at NIRPOA Gala Dinner.



Harp and Crown Credit Union sponsor PSNI RFC for 21st year.



Harp and Crown Credit Union sponsor PSNI Cricket for the 4th year in a row.



Harp and Crown Credit Union sponsor the Alan McDonald Soccer School.



Harp and Crown Credit Union support the Police Federation at their annual conference.



Harp and Crown Credit Union sponsor PSNI Clay Pigeon Club for the first time.



Harp and Crown Credit Union sponsor WPA NI Quiz with proceeds going to Women's Aid.



Harp and Crown Credit Union donate to Police Remembrance Trust.



Harp and Crown Credit Union donate to Air Ambulance NI.



Harp and Crown Credit Union sponsor PSNI Forge Tennis.



Harp and Crown Credit Union donate to Care of Police Survivors (COPS) PSNI unity tour.



Harp and Crown Credit Union support the PSNI Cancer Support Association (CSA) Walk and Talk event, and donated to the event's charity partner, Make 2nds Count.



Harp and Crown Credit Union sponsor PSNI Bowling Club for the first time.

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.

Performance
Drive excellence and sustainability through smart operations and compliance.

Community
Create impact through community and environmental initiatives.

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

Place
Ensure accessibility of physical and digital services.

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

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HARP & CROWN
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Opening Hours: Monday – Friday 08:00 – 16:30

Harp and Crown Credit Union Ltd are authorised by Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.