



**Hull and East Yorkshire  
Credit Union Limited**

# **Annual Report and Financial Statements 30 September 2025**

Authorised by the Prudential Regulation Authority  
and regulated by the Financial Conduct Authority  
and the Prudential Regulation Authority

Registered number 591C

FRN 213620



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# **Hull and East Yorkshire Credit Union Limited**

## **Credit Union Information**

### **Directors**

Chloe Birr-Pixton  
Tony Craggs  
Allan Davidson  
Joseph Hendon  
Alan Hignett  
Sharon Hofman  
Ken McCall  
Andrew Stankard  
Theresa Vaughan

### **Auditors**

Jacksons  
First Floor  
Albion House  
Albion Street  
Hull  
HU1 3TE

### **Bankers**

The Co-operative Bank PLC

### **Registered office**

38 Brook Street  
Kingston upon Hull  
HU2 8LA

### **Registered number**

591C FRN 213620

REPORT OF THE DIRECTORS for the year ended 30 September 2025

Fellow Members,

We have pleasure in submitting our Report and the Audited Accounts of the Credit Union for the period ended 30 September 2025.

PRINCIPAL ACTIVITIES

The Credit Union's principal activity during the year continued to be that defined in the Credit Unions Act 1979 and there have been no significant changes in the activities during the year.

GOVERNANCE

Directors and Officers

| Directors:        | Office held         | Possible attendance | Actual attendance | Committees served | Notes<br>E- Elected R -Resigned |
|-------------------|---------------------|---------------------|-------------------|-------------------|---------------------------------|
| Chloe Birr-Pixton | Assistant Secretary | 11                  | 10                | AR                |                                 |
| Tony Craggs       | Treasurer           | 11                  | 10                | AR                |                                 |
| Allan Davidson    |                     | 11                  | 11                | AR                |                                 |
| Joseph Hendon     | President           | 11                  | 9                 |                   |                                 |
| Alan Hignett      | Secretary           | 11                  | 11                | GP                |                                 |
| Sharon Hofman     |                     | 9                   | 7                 | GP                | E – Dec 2024                    |
| Ken McCall        | Vice President      | 11                  | 8                 | AR                |                                 |
| Bill Meadows      |                     | 2                   | 1                 |                   | R – Dec 2024                    |
| Helena Moss       |                     | 8                   | 4                 |                   | R – Jun 2025                    |
| Kate Pike         |                     | 2                   | 1                 |                   | R – Dec 2024                    |
| Andrew Stankard   | Vice President      | 11                  | 9                 | GP                |                                 |
| Theresa Vaughan   |                     | 11                  | 9                 | GP                |                                 |

Committees: AR – Audit & Risk; GP – General Purposes

There have been several changes on your Board this year. At the AGM in 2024 members agreed to reduce the size of the Board from 12 to 10 members. We thanked Terry Dagnall, who resigned for health reasons early in October 2024, Bill Meadows and Kate Pike, who retired at the AGM, and Helena Moss, who resigned due to home and work commitments in June, for their valued services. Sharon Hofman was elected as a new director. Apart from in-person meetings in January, June and September, Board meetings took place online.

Director Training and Development

Your Board’s aim is to ensure all Directors are well equipped to oversee the operations of a credit union of our size. Following an evaluation of the Board’s strengths and development needs, each Director was given a **Personal Director Training Plan**, appropriate to their skills, experience and length of service. In-house **Training sessions** included *Developing an Effective Board*, *What the Numbers Tell Us* and *Our Plans for the Year Ahead*.

Strategic Planning

In June, the Board held its Strategic Planning Event at The Spa, Bridlington. As well as providing an opportunity to review progress with the three-year Business Plan, directors discussed the impact of recent funding projects, Government ambitions to double the size of the UK co-operative sector, our EDI Strategy, community outreach and how we can learn from member feedback. They also explored an exciting opportunity to expand our presence in the Car Finance market, focusing primarily on under-served consumers.

**Our Four Strategic Priorities:**

Sustainable Loan Growth  
Deepen Member Relationships  
Expand the Ethical Brand  
Improve Member Experience

Audit & Risk Committee – 3 meetings

This Committee meets to oversee key areas of work, reporting back to the Board. Our internal auditors, TIAA, reviewed Cash Handling and Lending Compliance, in each case reporting ‘Substantial Assurance’. The Committee regularly monitors our Risk Registers and any emerging risks, such as the potential that a major employer may exit our region. Regarding Credit Risk, we noted the increasing take up of IVAs and DROs is

often fuelled by mis-selling and has unexpected consequences for borrowers such as huge fees and penalties for default. We joined with our trade body, ABCUL, to press for better regulation of the insolvency industry. Our Investment Portfolio is continually checked for compliance with PRA Rules on concentration and quality, and to ensure that we have liquid funds readily available when savings withdrawals and lending demand peak in the run up to Christmas.

### Succession Planning

Andy Stankard stepped down after seven years as your President in December, and we thank him for his exemplary service in this key role. Following an extensive selection and handover period, your Board chose Joe Hendon as Andy's successor, and a smooth transition was achieved. Joe attended a Chair's Development Workshop run by the Swoboda Research Centre in March.

### Governance

In line with good governance practice, your Board concluded an Appraisal of the CEO in March and a Board Members' Effectiveness Review in September, and all Board policies are reviewed and updated where necessary on a rolling annual programme. At the 2024 AGM, members voted to expand our field of membership to include the whole of Lincolnshire (population 775,864) and the York & North Yorkshire Combined Authority (population 828,011). Our new geographical area covers 2.54 million people and spans 118 postcode areas. It was registered with the FCA Mutuals Registrar on 13 January.

## REVIEW OF THE YEAR

### Membership

|               | <b>Total as at 30.9.24</b> | <b>New accounts</b> | <b>De-listed</b> | <b>Total as at 30.9.25</b> | <b>% change</b> |
|---------------|----------------------------|---------------------|------------------|----------------------------|-----------------|
| Adult Members | 17,197                     | 4,932               | 4,264            | 17,865                     | +3.9%           |
| Junior Savers | 1,233                      | 67                  | 81               | 1,219                      | -1.1%           |

### Savings, Loans and Assets

|                                   | <b>2025</b> | <b>2024</b> | <b>% change</b> |
|-----------------------------------|-------------|-------------|-----------------|
| Adult Members' Savings deposits   | £14,273,624 | £13,693,390 | +4.2%           |
| Junior Savings deposits           | £732,923    | £661,709    | +10.8%          |
| Average deposits per Adult Member | £799        | £796        | +0.4%           |
| Average deposits per Junior Saver | £601        | £537        | +11.9%          |
| Total Members' Loans              | £8,834,551  | £8,143,764  | +8.5%           |
| Average loan per borrowing Member | £1,712      | £1,699      | +0.8%           |
| Total Assets                      | £16,959,878 | £16,144,029 | +5.1%           |

### Key Ratios

| <b>Indicator of:</b>          | <b>Indicator</b>                               | <b>2025</b> | <b>2024</b> | <b>Target</b> |
|-------------------------------|------------------------------------------------|-------------|-------------|---------------|
| Effective financial structure | Capital to Total Assets                        | 11.1%       | 10.6%       | >10%          |
|                               | Borrowings to Total Assets                     | 0%          | 0%          | 0%            |
|                               | Total Shares to Total Assets                   | 84.2%       | 84.8%       | 70-90%        |
|                               | Net Loans to Total Assets                      | 47.4%       | 46.4%       | >45%          |
| Protection                    | Bad Debt Written Off to Total Loans            | 1.8%        | 2.0%        | <10%          |
|                               | Net Assets to Total Shares and Junior Deposits | 112.5%      | 111.9%      | >105%         |
| Asset quality                 | Arrears (over 3 mths) to Total Loans           | 8.3%        | 7.3%        | <20%          |
|                               | Non-earning Assets to Total Assets             | 5.8%        | 6.1%        | <10%          |
| Returns                       | Loan income to Average Total Loans             | 15.5%       | 16.0%       | >6%           |
| Efficiency                    | Administrative Expenses to Total Assets        | 7.6%        | 7.9%        | <8%           |
|                               | Members and Juniors served per FTE Staff       | 1,143       | 1,075       | >1,000        |

### Financial Results

Our Revenue Account improved significantly this year. Recognising the ongoing cost of living challenges, we again resolved to support members by not raising any of our lending rates. Despite this, Income from Lending grew by 9.7% due to further steady Loan book growth. Investment earnings declined slightly, as market rates

reduced and we managed to get more funds out on loan, but still contributed £187,338 after Tax to our bottom line. Overall Operating Income was up by £170,225 or 10.4%.

Thanks to careful cost control and value-for-money appraisal, Administrative Expenses only increased by £4,232 or 0.3%. Personnel Costs were up by 10.7% as we continued to honour our commitment to pay all colleagues above the Real Living Wage and absorbed the National Insurance Tax rise (adding £12,000 in a full year). This was offset by a welcome reduction in Bad Debt costs of 23.3%. Dividend costs reflected a record pay out of £299,071 to our members. Overall Expenditure was 0.51% higher than a year ago.

The net result is a much higher **Surplus** (after Tax and Dividends) of £166,645 (2024: £4,818), which has been added to our Reserves.

We were also pleased to see the inflow of £651,448 (+4.5%) in **Members' and Juniors' Savings**, reversing the overall reductions experienced in 2023 and 2024. Your **Balance Sheet** is in a healthy state, with fully funded **Reserves** at 11.1% of Total Assets, well above the regulatory minimum required. A new interest-bearing bank account in which we hold short-term liquid funds has enabled us to make even more productive use of your funds, as the Key Ratios above show.

### **Sustainable Loan Growth**

*This means being able to expand our loan book, year by year, by providing the best possible outcomes for our ever-growing membership, meeting their borrowing needs affordably and responsibly, while managing the risks effectively so as to remain sustainable.*

**Loan book** growth, at 8.5%, was lower than in recent years, as difficult market conditions impacted consumers' appetite to use credit for 'big ticket' purchases, despite our very competitive terms. This reduced the average value of new loans issued. However, the number of loans granted was a new record 7,544.

We worked with two local authorities – North East Lincolnshire and East Riding of Yorkshire – to utilise grants from the **Household Support Fund** to expand our support for families who have previously struggled to obtain affordable credit from reputable lenders in their areas. We provide the lending capital while the funds received are used to underwrite losses, thereby generating extra lending of £500k for every £50k granted.

Our **School Uniform Loan** goes from strength to strength. We have promoted it to good effect via postcards in school suppliers, posters on supermarket community notice boards, and in an email campaign.

In March we made a presentation to the East Riding Rural Partnership to introduce our services and ambition to provide tailored lending services for the County's **Agricultural Community**. We have also partnered with **YorEnergy** to provide finance for homeowners in the City of York to enable them to take up retrofit energy saving opportunities. A dedicated web page has been launched to handle applications for this scheme. Plans have also been developed to expand our **Car Finance** offering, to support low-risk consumers who are not well served by existing market lenders. We are working with several other credit unions in a nationwide co-operative venture which will be ready to launch shortly.

### **Payroll partnership development**

Three more employers signed up to promote our **Payroll Save & Borrow** staff well-being benefit during 2025, namely The Haxby Group, Nurtrio and North Kesteven District Council. We provided roadshows / workplace visits to Ongo Recruitment, DWP, KWL, Humber Bridge, Sewell Group, University of Hull, and Turner Price to recruit new members. New jigsaw-style display boards were introduced for these visits. At two of our partners, messages on payslips and internal display screens led to a big upsurge in members joining. We also promoted **Flexi Credit** as an exclusive product for payroll members, a much cheaper solution for unexpected bills than typical bank overdrafts.

### **Deepening Member Relationships**

*This priority focuses on better serving members with a range of products suited to their needs at all stages of their life, encouraging life-long loyalty and a willingness to recommend us to their family and friends.*

Having been notified that the **Engage Bank** facility, used by around 800 members, was closing down, our Member Services teams worked hard to support members to transfer their business to Suits Me or other banks

by the end of January. Members were generally very understanding of the change, which was outside our control. We continue to assist members to find basic transactional bank accounts.

Besides attending nearly 50 events to give talks, run stalls and provide information, this year our team had a very worthwhile presence at **Driffield Show** and at Playdays events in several Hull parks. The Spin the Wheel game proved popular and enabled them to talk to some 800 people interested in learning more about HEY Credit Union. In June and September an advice officer from **Hull Warm Zone** provided drop-in sessions at Hull branch, to speak with members about grants, energy and benefits.

## Expanding the Ethical Brand

*Here the aim is to communicate our purpose and ethics, establish community partnerships and demonstrate social impact.*

On 8 November we concluded our **Silver Anniversary** celebrations with a splendid event in Hull Guildhall, our original home. We were delighted that many of our founder members, staff, volunteers, service providers and partner organisations were able to join us to hear speeches by the Lord Mayor of Kingston upon Hull and Council Leaders and enjoy a look back at our history, a fun quiz and a buffet kindly provided by Hull City Council. Congratulatory messages were received from former Government Minister Alan Johnson, Emma Hardy (MP for Hull West & Haltemprice) and Chris Smith, Credit Union Mentor. We presented our founder CEO, John Smith, with a certificate to mark his 25 years' service.

At the start of each year we prepare a **Marketing Calendar** setting out key dates for events, activities and campaigns, to ensure we are continually spreading awareness of credit union values and ethics across the large region we now serve. This year we have run seasonal campaigns featuring each of our loan products, celebrated *International Credit Union Day* and *Talk Money Week*, had prominent features in *The Hull Story*, *Your East Riding* magazine, *Hessle Town Council News* and *Stronger Together (North East Lincs)*, and reintroduced Facebook advertising to reach out to our newer areas. In April we exceeded 1,000 followers on LinkedIn. Five new blogs were added to our **Financial Wellbeing** page, including tips on *Protection from Scams*, *Smart Supermarket Shopping* and *What is a Pension?*

We hosted a visit by Mike Akers, CEO of Hello Credit Union, Florida, USA on his way to the ABCUL Conference, enabling us to learn, share and compare experiences of credit union operations in different settings.

## Improving the Member Experience

*This priority is about continually finding new and better ways to serve our members, with simple to use services accessed easily whether online or in branch.*

Early in 2025 **Immingham** contact point moved from the Library to the Family Hub, to better connect with local families. **Grimsby branch** was forced to leave Central Library, which closed in April pending extensive repairs. After a difficult two months for our team, they were able to move across the road to a temporary base in Doughty Learning Centre, which opened on 18 June. In April we were pleased to open a new fortnightly contact point to serve the town of **Hornsea**, in the Parish Hall when the playgroup meets.

We were thrilled to receive two awards in 2025. Firstly, at the ABCUL Conference, we were presented with a trophy for **Best Scores in the Yorkshire & North East Forum Area** by 1872 Metrics Ltd. The positive feedback we received from members in the 2024 Temperature Check Survey made this award possible. Then, in August, we were judged **UK Treating Customers Fairly Champions** in the Smart Money People Consumer Credit Awards, as well as finalists in three other categories: Customer Service Champion, Best Credit Union (North) and Best Credit Union Loan Provider. To win the award, we had received 1,167 glowing reviews from our members, with an average score of 4.97 stars! We should like to thank you for your kind support and encourage you to read some of the reviews on our website – they are truly heart-warming.

## Our People

In September, Jo (Branch Leader – Goole) left to take up a new career opportunity. We thank Jo for her contribution over the past 12 years and wish her all the best for the future.

We were saddened to learn of the passing of Alex, our Hull Office Cleaner, in February and John Bailey, one of our founder members and a former Director with 20 years' service, in June.

We continue to offer all staff the **HealthShield** Cash Plan benefit, which we know they really appreciate.

Once again we have made a donation to the Credit Union Foundation to support **CU Futures**, which provides a high quality development programme for the next generation of credit union professionals. Currently one of our Member Services team is taking part.

## **DIRECTORS' RESPONSIBILITIES**

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

Co-operative and Community Benefit Society law requires the directors to prepare financial statements for each financial year. The directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102 and applicable law). Under that law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Credit Union and of the income and expenditure of the Credit Union for that period. In preparing these 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Credit Union's transactions and disclose with reasonable accuracy at any time the financial position of the Credit Union and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. 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.

## **Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

- so far as he/she is aware, there is no relevant audit information of which the Credit Union's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the Credit Union's auditor is aware of that information.

## **Compliance statement**

The Prudential Regulation Authority rulebook requires the Board to report to members at each AGM on certain areas of compliance. We are pleased to report that during the year the Credit Union has fully complied with:

- the applicable Depositor Protection Rules;
- PRA Credit Union Rule 2.10 (fidelity bond insurance requirements); and
- the requirements for compliance under the PRA "additional activities".

## **APPRECIATION**

The past year represents another period of steady growth and progress for HEY Credit Union, in a challenging operating environment. Your Directors and Chief Executive are proud of the excellent contribution made by our staff, volunteers and partners and the loyal support of our Members. To each one of you, we say a sincere 'thank you'.

This report was approved by the Board of Directors on 4 November 2025 and signed on its behalf.

**J HENDON** President

**M STEVENS** Chief Executive Officer

**Hull and East Yorkshire Credit Union Limited**  
**INDEPENDENT AUDITOR'S REPORT**  
**to the members of Hull and East Yorkshire Credit Union Limited**

**Opinion**

We have audited the financial statements of Hull and East Yorkshire Credit Union Limited for the year ended 30 September 2025 which comprise the Revenue account, Balance Sheet, Statement of Changes in Members' Funds, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the credit union's members, as a body, in accordance with the Credit Unions Act 1979. Our audit work has been undertaken so that we might state to the credit union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the Credit Union and its members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

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

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties in relation to events or conditions that, individually or collectively, may cast significant doubt on the credit union's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Co-operative and Community Benefit Societies Act 2014**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements is prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the credit union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the credit union or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the credit union has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the credit union and we determined that the following were most relevant: FRS 102, Credit Unions Act 1979, Co-operative and Community Benefit Societies Act 2014, Health and Safety at Work Act, Employment Law, FCA Handbook.
- We considered the incentives and opportunities that exist in the credit union, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly.
- Using our knowledge of the credit union, together with the discussions held with the credit union at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities, including fraud, and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records. In particular, we tested items that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. In particular, we considered impairment of loan debtors and valuation of land and buildings.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines.
- Performing physical verification of key assets.
- Obtaining third party confirmation of material balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the credit union board minutes and correspondence with regulators.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

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

**Mark Jackson BA FCA**  
**(Senior Statutory Auditor)**  
**for and on behalf of**  
**Jacksons**  
**Accountants and Statutory Auditors**  
**4 November 2025**

**First Floor**  
**Albion House**  
**Albion Street**  
**Hull**  
**HU1 3TE**

# Hull and East Yorkshire Credit Union Limited

## Revenue Account

for the year ended 30 September 2025

|                                             | Notes | 2025<br>£       | 2024<br>£       |
|---------------------------------------------|-------|-----------------|-----------------|
| Loan interest receivable and similar income | 4     | 1,558,514       | 1,462,117       |
| Dividends and interest payments             | 5     | (299,071)       | (287,815)       |
| <b>Net interest income</b>                  |       | <hr/> 1,259,443 | <hr/> 1,174,302 |
| Administrative expenses                     | 6     | (1,284,343)     | (1,280,111)     |
| Other operating income                      | 7     | 251,180         | 177,352         |
| <b>Operating surplus before taxation</b>    | 8     | <hr/> 226,280   | <hr/> 71,543    |
| Tax on surplus on ordinary activities       | 10    | (59,635)        | (66,725)        |
| <b>Surplus for the financial year</b>       |       | <hr/> 166,645   | <hr/> 4,818     |

# Hull and East Yorkshire Credit Union Limited

## Balance Sheet

as at 30 September 2025

|                                                       | Notes | 2025<br>£         | 2024              |
|-------------------------------------------------------|-------|-------------------|-------------------|
| <b>Fixed assets</b>                                   |       |                   |                   |
| Tangible assets                                       | 11    | 559,709           | 556,351           |
| <b>Current assets</b>                                 |       |                   |                   |
| Debtors                                               | 12    | 8,148,989         | 7,631,622         |
| Cash at bank and in hand                              |       | <u>8,251,180</u>  | <u>7,956,056</u>  |
|                                                       |       | 16,400,169        | 15,587,678        |
| <b>Creditors: amounts falling due within one year</b> | 17    | (63,378)          | (79,813)          |
| <b>Net current assets</b>                             |       | <u>16,336,791</u> | <u>15,507,865</u> |
| <b>Net assets</b>                                     |       | <u>16,896,500</u> | <u>16,064,216</u> |
| <b>Financial Liabilities</b>                          |       |                   |                   |
| Members' shares                                       | 18    | 14,273,624        | 13,693,390        |
| Junior savings                                        | 19    | 732,923           | 661,709           |
|                                                       |       | <u>15,006,547</u> | <u>14,355,099</u> |
| <u>Reserves</u>                                       |       |                   |                   |
| General reserve                                       |       | 1,191,091         | 1,174,446         |
| Development reserves                                  |       | 250,000           | 250,000           |
| Dividend reserve                                      |       | 350,000           | 200,000           |
| Revaluation reserve                                   |       | 98,862            | 84,671            |
|                                                       |       | <u>1,889,953</u>  | <u>1,709,117</u>  |
| <b>Members' funds</b>                                 |       | <u>16,896,500</u> | <u>16,064,216</u> |

Approved by the board on 4 November 2025, and signed on its behalf

J. Hendon, President

A. Stankard, Joint Vice President

T. Craggs, Treasurer

# Hull and East Yorkshire Credit Union Limited

## Statement of Changes in Members' Funds

### for the year ended 30 September 2025

|                                    | General<br>reserve<br>£ | Development<br>reserve<br>£ | Dividend<br>reserve<br>£ | Revaluation<br>Reserve<br>£ | Total<br>£ | Members'<br>shares<br>£ | Junior<br>savings<br>£ | Total<br>£ |
|------------------------------------|-------------------------|-----------------------------|--------------------------|-----------------------------|------------|-------------------------|------------------------|------------|
| <b>At 1 October 2023</b>           | 1,269,628               | 150,000                     | 200,000                  | 84,671                      | 1,704,299  | 13,778,606              | 612,916                | 16,095,821 |
| Surplus for the financial year     | 4,818                   | -                           | -                        | -                           | 4,818      | -                       | -                      | 4,818      |
| Transfers                          | (100,000)               | 100,000                     | -                        | -                           | -          | -                       | -                      | -          |
| Movement during the financial year | -                       | -                           | -                        | -                           | -          | (85,216)                | 48,793                 | (36,423)   |
| <b>At 30 September 2024</b>        | 1,174,446               | 250,000                     | 200,000                  | 84,671                      | 1,709,117  | 13,693,390              | 661,709                | 16,064,216 |
| <b>At 1 October 2024</b>           | 1,174,446               | 250,000                     | 200,000                  | 84,671                      | 1,709,117  | 13,693,390              | 661,709                | 16,064,216 |
| Surplus for the financial year     | 166,645                 | -                           | -                        | -                           | 166,645    | -                       | -                      | 166,645    |
| Transfers                          | (150,000)               | -                           | 150,000                  | -                           | -          | -                       | -                      | -          |
| Movement during the financial year | -                       | -                           | -                        | 14,191                      | 14,191     | 580,234                 | 71,214                 | 665,639    |
| <b>At 30 September 2025</b>        | 1,191,091               | 250,000                     | 350,000                  | 98,862                      | 1,889,953  | 14,273,624              | 732,923                | 16,896,500 |

**Hull and East Yorkshire Credit Union Limited**  
**Statement of Cash Flows**  
**for the year ended 30 September 2025**

|                                                    | <b>2025</b>  | <b>2024</b>  |
|----------------------------------------------------|--------------|--------------|
|                                                    | <b>£</b>     | <b>£</b>     |
| <b>Operating activities</b>                        |              |              |
| Operating (deficit)/surplus                        | 226,280      | 71,543       |
| Adjustments for:                                   |              |              |
| Depreciation                                       | 32,675       | 41,324       |
| Impairment losses                                  | 138,000      | 225,000      |
|                                                    | 396,955      | 337,867      |
| Movements in:                                      |              |              |
| (Increase)/decrease in debtors                     | 35,420       | 3,858        |
| (Decrease)/increase in creditors                   | (9,345)      | (299,722)    |
|                                                    | 423,030      | 42,003       |
| <b>Changes in operating assets and liabilities</b> |              |              |
| Cash inflow from members' deposits                 | 23,518,360   | 22,225,948   |
| Cash outflow from repaid members' deposits         | (22,866,912) | (22,262,371) |
| New loans to members                               | (6,222,760)  | (6,001,531)  |
| Repayment of loans by members                      | 5,531,973    | 4,692,038    |
|                                                    | 383,691      | (1,303,913)  |
| Corporation tax paid                               | (66,725)     | (51,921)     |
| Cash generated by operating activities             | 316,966      | (1,355,834)  |
| <b>Investing activities</b>                        |              |              |
| Payments to acquire tangible fixed assets          | (21,842)     | (18,498)     |
| Cash (used in)/generated by investing activities   | (21,842)     | (18,498)     |
| <b>Financing activities</b>                        |              |              |
| None                                               | -            | -            |
| Cash generated by financing activities             | -            | -            |
| <b>Net cash generated</b>                          |              |              |
| Cash generated by operating activities             | 316,966      | (1,355,834)  |
| Cash (used in)/generated by investing activities   | (21,842)     | (18,498)     |
| Cash generated by financing activities             | -            | -            |
| Net cash generated                                 | 295,124      | (1,374,332)  |
| Cash and cash equivalents at 1 October             | 7,956,056    | 9,330,388    |
| Cash and cash equivalents at 30 September          | 8,251,180    | 7,956,056    |
| Cash and cash equivalents comprise:                |              |              |
| Cash at bank                                       | 8,251,180    | 7,956,056    |

## Notes to the Accounts for the year ended 30 September 2025

### 1 Legal and regulatory framework

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

### 2 Summary of significant accounting policies

#### ***Basis of preparation***

The financial statements have been prepared under the historical cost convention and in compliance 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. Hull and East Yorkshire Credit Union meets the definition of a public benefit entity under FRS 102.

#### ***Going concern***

The financial statements are prepared on the going concern basis.

#### ***Income***

Loan interest receivable and similar income: Interest on both loans to members and cash at banks (ie 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 is recognised when the criteria have been performed that enable the credit union to claim the income concerned.

#### ***Tangible fixed assets***

IT equipment and software and furniture and equipment 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.

Land and buildings are held at revaluation. The buildings are formally revalued every five years and an impairment review is carried out every year to ensure that the net realisable value of the buildings exceeds the book value.

Depreciation is provided to write off the cost of each item of tangible fixed assets, less its estimated residual value, on a straight line basis over its estimated useful life. The categories of tangible fixed assets are depreciated using the straight line method as follows:

|                           |       |
|---------------------------|-------|
| Buildings                 | 2.0%  |
| IT Equipment and Software | 25.0% |
| Furniture and equipment   | 12.5% |

#### ***Cash and cash equivalents***

Cash and cash equivalents comprise cash on hand with the Bank of England and loans and advances to banks (ie cash deposited with banks) with maturity of less than or equal to 12 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 rate 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***

Hull and East Yorkshire Credit Union Limited 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.

### ***Members' deposits***

Members' shareholdings in Hull and East Yorkshire Credit Union Limited are redeemable and therefore classified as financial liabilities. They are recognised at the amount of cash deposited.

### ***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price).

### ***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. Hull and East Yorkshire Credit Union is not liable to Corporation Tax on its activities of making loans to members as these are not classified as a trade. However, Corporation Tax is payable on investment income.

### ***Employee benefits***

Short and long term employee benefits are recognised as an expense over the period they are earned.

### ***Reserves***

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

### ***Provisions***

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

### ***Leased assets***

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

### ***Pensions***

Contributions to defined contribution plans are charged in the period to which they relate.

## **3 Critical accounting 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 Hull and East Yorkshire Credit Union's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements, are disclosed below.

### ***Impairment losses on loans to members***

Hull and East Yorkshire Credit Union Limited reviews arrears reports to identify impairment losses on loans to members.

| <b>4</b> | <b>Loan interest receivable and similar income</b>   | <b>2025</b>      | <b>2024</b>      |
|----------|------------------------------------------------------|------------------|------------------|
|          |                                                      | <b>£</b>         | <b>£</b>         |
|          | Interest receivable on loans to members              | 1,311,541        | 1,195,218        |
|          | Interest on loans to other credit unions             | -                | -                |
|          | Bank interest receivable on cash and liquid deposits | 246,973          | 266,899          |
|          |                                                      | <u>1,558,514</u> | <u>1,462,117</u> |

Unless otherwise stated the income of the credit union is derived from the area within its common bond.

## **5 Dividend payable**

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

|                                                           | <b>2025</b>    | <b>2024</b>    |
|-----------------------------------------------------------|----------------|----------------|
|                                                           | <b>£</b>       | <b>£</b>       |
| <b><i>Dividends and Interest paid during the year</i></b> |                |                |
| Dividends paid to Members                                 | 285,132        | 273,709        |
| Dividends paid on Junior Savings                          | 13,939         | 12,668         |
| Interest paid on loans from other credit unions           | -              | 1,438          |
|                                                           | <u>299,071</u> | <u>287,815</u> |

| <b>6</b> | <b>Administrative expenses</b>                | <b>2025</b>      | <b>2024</b>      |
|----------|-----------------------------------------------|------------------|------------------|
|          |                                               | <b>£</b>         | <b>£</b>         |
|          | Personnel costs                               | 642,108          | 580,106          |
|          | Training and development                      | 4,954            | 4,969            |
|          | Members' Death Benefits Scheme                | 11,521           | 6,804            |
|          | Printing, stationery, postage and advertising | 78,831           | 77,190           |
|          | IT and Communications                         | 50,352           | 50,639           |
|          | Governance, Legal and Regulatory costs        | 11,050           | 21,236           |
|          | Credit referencing and other costs            | 65,332           | 46,566           |
|          | Premises and Accommodation                    | 73,864           | 64,374           |
|          | Fidelity and General Insurance                | 8,071            | 8,271            |
|          | Subscriptions and dues                        | 17,382           | 13,476           |
|          | Depreciation of tangible owned fixed assets   | 32,675           | 41,324           |
|          | Banking and Finance costs                     | 24,627           | 25,214           |
|          | Internal and External Audit charges           | 12,079           | 11,958           |
|          | Bad debts / provisions - Charged in the year  | 251,497          | 327,984          |
|          |                                               | <u>1,284,343</u> | <u>1,280,111</u> |

| <b>7</b> | <b>Other operating income</b>  | <b>2025</b>    | <b>2024</b>    |
|----------|--------------------------------|----------------|----------------|
|          |                                | <b>£</b>       | <b>£</b>       |
|          | Membership fees                | 2,190          | 12,366         |
|          | Income from service agreements | 24,605         | 31,889         |
|          | Grants and sponsorships        | 214,225        | 122,456        |
|          | Insurance commission           | 676            | 1,135          |
|          | Sundry income                  | 9,484          | 9,506          |
|          |                                | <u>251,180</u> | <u>177,352</u> |

|           |                                                      |             |             |
|-----------|------------------------------------------------------|-------------|-------------|
| <b>8</b>  | <b>Operating surplus before taxation</b>             | <b>2025</b> | <b>2024</b> |
|           | This is stated after charging:                       | <b>£</b>    | <b>£</b>    |
|           | Depreciation of owned fixed assets                   | 32,675      | 41,324      |
|           | Auditors' remuneration for audit services            | 6,600       | 6,300       |
| <b>9</b>  | <b>Staff costs</b>                                   | <b>2025</b> | <b>2024</b> |
|           |                                                      | <b>£</b>    | <b>£</b>    |
|           | Wages and salaries                                   | 563,756     | 511,500     |
|           | National insurance costs                             | 48,314      | 37,364      |
|           | Other pension costs                                  | 21,187      | 18,786      |
|           | Other staff expenses                                 | 8,851       | 12,456      |
|           |                                                      | 642,108     | 580,106     |
|           | <b>Average number of employees during the year</b>   | <b>2025</b> | <b>2024</b> |
|           | Administration                                       | 22          | 22          |
| <b>10</b> | <b>Taxation</b>                                      | <b>2025</b> | <b>2024</b> |
|           | <b>Analysis of charge in period</b>                  | <b>£</b>    | <b>£</b>    |
|           | Current tax:                                         |             |             |
|           | UK Corporation Tax on invested income for the period | 59,635      | 66,725      |

|           |                              |                           |                                  |                                |              |
|-----------|------------------------------|---------------------------|----------------------------------|--------------------------------|--------------|
| <b>11</b> | <b>Tangible fixed assets</b> | <b>Land and Buildings</b> | <b>IT Equipment and Software</b> | <b>Furniture and Equipment</b> | <b>Total</b> |
|           |                              | <i>At revaluation</i>     | <i>At cost</i>                   | <i>At cost</i>                 |              |
|           | <b>Cost or valuation</b>     | <b>£</b>                  | <b>£</b>                         | <b>£</b>                       | <b>£</b>     |
|           | At 1 October 2024            | 535,809                   | 298,834                          | 292,278                        | 1,126,921    |
|           | Additions                    | -                         | 20,285                           | 1,557                          | 21,842       |
|           | Disposals                    | -                         | -                                | (409)                          | (409)        |
|           | Revaluation Surplus          | 14,191                    | -                                | -                              | 14,191       |
|           | At 30 September 2025         | 550,000                   | 319,119                          | 293,426                        | 1,162,545    |
|           | <b>Depreciation</b>          |                           |                                  |                                |              |
|           | At 1 October 2024            | 73,852                    | 271,472                          | 225,246                        | 570,570      |
|           | Charge for the year          | 2,398                     | 7,369                            | 22,908                         | 32,675       |
|           | Charge Disposals             | -                         | -                                | (409)                          | (409)        |
|           | At 30 September 2025         | 76,250                    | 278,841                          | 247,745                        | 602,836      |
|           | <b>Carrying amount</b>       |                           |                                  |                                |              |
|           | At 30 September 2025         | 473,750                   | 40,278                           | 45,681                         | 559,709      |
|           | At 30 September 2024         | 461,957                   | 27,362                           | 67,032                         | 556,351      |

The land and buildings were formally valued on 30 September 2025 by Garness Jones Commercial Limited. The valuers are regulated by RICS. The assets were valued on a Market Value basis.

The equivalent historical cost of land and buildings is £374,888 (2024: £377,286).

|           |                                             |             |             |
|-----------|---------------------------------------------|-------------|-------------|
| <b>12</b> | <b>Debtors</b>                              | <b>2025</b> | <b>2024</b> |
|           |                                             | <b>£</b>    | <b>£</b>    |
|           | Loan debtors                                | 8,834,551   | 8,143,764   |
|           | Impairment losses on groups of loan debtors | (798,000)   | (660,000)   |
|           | Prepayments and accrued income              | 112,438     | 147,858     |
|           |                                             | 8,148,989   | 7,631,622   |

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                     |                     |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>13</b> | <b>Loans and advances to members</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>2025</b>         | <b>2024</b>         |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>£</b>            | <b>£</b>            |
|           | As at 1 October                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 8,143,764           | 6,834,271           |
|           | Advanced during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 6,222,760           | 6,001,531           |
|           | Repaid during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | (5,531,973)         | (4,692,038)         |
|           | As at 30 September                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <u>8,834,551</u>    | <u>8,143,764</u>    |
| <b>14</b> | <b>Credit risk disclosures</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                     |                     |
|           | Hull and East Yorkshire Credit Union Limited does not offer mortgages and all loans are unsecured, except for some restrictions on the extent to which borrowers may withdraw savings while loans are outstanding. The carrying amount of the loans to members represents Hull and East Yorkshire Credit Union's maximum exposure to credit risk. The following table provides information on the credit quality of loan repayments. Where loans are not impaired it is expected that the amounts repayable will be received in full. |                     |                     |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>2025</b>         | <b>2024</b>         |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>£</b>            | <b>£</b>            |
|           | Not impaired:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                     |                     |
|           | Neither past due nor impaired                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 7,788,663           | 7,189,168           |
|           | Up to 3 months past due                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>190,353</u>      | <u>171,645</u>      |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 7,979,016           | 7,360,813           |
|           | Individually impaired:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                     |                     |
|           | Between 3 and 6 months past due                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 46,802              | 88,577              |
|           | Between 6 months and over 1 year past due                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <u>808,733</u>      | <u>694,374</u>      |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 8,834,551           | 8,143,764           |
|           | Impairment allowance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <u>(798,000)</u>    | <u>(660,000)</u>    |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <u>8,036,551</u>    | <u>7,483,764</u>    |
| <b>15</b> | <b>Allowance account for impairment losses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>2025</b>         | <b>2024</b>         |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>£</b>            | <b>£</b>            |
|           | As at 1 October                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 660,000             | 435,000             |
|           | Allowances increased/(reversed) during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <u>138,000</u>      | <u>225,000</u>      |
|           | As at 30 September                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <u>798,000</u>      | <u>660,000</u>      |
| <b>16</b> | <b>Impairment losses recognised for the year</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>2025</b>         | <b>2024</b>         |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>£</b>            | <b>£</b>            |
|           | Impairment of individual financial assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 113,497             | 102,984             |
|           | Increase in impairment allowances in year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <u>138,000</u>      | <u>225,000</u>      |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <u>251,497</u>      | <u>327,984</u>      |
| <b>17</b> | <b>Creditors: amounts falling due within one year</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>2025</b>         | <b>2024</b>         |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>£</b>            | <b>£</b>            |
|           | Corporation tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 59,635              | 66,725              |
|           | Other creditors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <u>3,743</u>        | <u>13,088</u>       |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <u>63,378</u>       | <u>79,813</u>       |
| <b>18</b> | <b>Members' deposits</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>2025</b>         | <b>2024</b>         |
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>£</b>            | <b>£</b>            |
|           | As at 1 October                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 13,693,390          | 13,778,606          |
|           | Received during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 23,447,146          | 22,177,155          |
|           | Repaid during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <u>(22,866,912)</u> | <u>(22,262,371)</u> |
|           | As at 30 September                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <u>14,273,624</u>   | <u>13,693,390</u>   |

| 19 | Junior savings           | 2025    | 2024    |
|----|--------------------------|---------|---------|
|    |                          | £       | £       |
|    | As at 1 October          | 661,709 | 612,916 |
|    | Movement during the year | 71,214  | 48,793  |
|    | As at 30 September       | 732,923 | 661,709 |

## 20 Additional financial instruments disclosures

### *Financial risk management*

Hull and East Yorkshire Credit Union manages its members' deposits and loans to members so that it earns income from the margin between interest receivable and interest payable.

The main financial risks arising from Hull and East Yorkshire Credit Union's activities are credit risk, liquidity risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk: Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to Hull and East Yorkshire Credit Union, resulting in financial loss to Hull and East Yorkshire Credit Union. In order to manage this risk the Board approves Hull and East Yorkshire Credit Union's lending policy, and all changes to it. All loan applications are assessed with reference to the lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

Liquidity risk: Hull and East Yorkshire Credit Union'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 Hull and East Yorkshire Credit Union's liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise.

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

Interest rate risk: Hull and East Yorkshire Credit Union's main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a credit union's operations. Hull and East Yorkshire Credit Union considers rates of interest receivable when deciding on the dividend rate payable on members' deposits. Hull and East Yorkshire Credit Union does not use interest rate options to hedge its own positions.

### *Liquidity risk disclosures*

Excluding short-term other payables, as noted in the balance sheet, Hull and East Yorkshire Credit Union's financial liabilities are mainly repayable on demand.

### *Fair value of financial instruments*

Hull and East Yorkshire Credit Union does not hold any financial instruments at fair value.

| 21 | Cash and cash equivalents                  | 2025        | 2024        |
|----|--------------------------------------------|-------------|-------------|
|    |                                            | £           | £           |
|    | Cash and balances with the Bank of England | 86,986      | 65,307      |
|    | Loans and advances to banks                | 8,164,194   | 7,890,749   |
|    |                                            | 8,251,180   | 7,956,056   |
|    | Less: amounts maturing after three months  | (4,965,371) | (4,973,815) |
|    |                                            | 3,285,809   | 2,982,241   |

## 22 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

| <b>Land and buildings</b> | <b>2025</b> | <b>2024</b> |
|---------------------------|-------------|-------------|
| Falling due:              | <b>£</b>    | <b>£</b>    |
| within one year           | 13,000      | 8,333       |
| within two to five years  | 41,333      | 24,000      |
| in over five years        | -           | -           |
| Total                     | 54,333      | 32,333      |

## 23 Events after the reporting date

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

## 24 Contingent liabilities

Hull and East Yorkshire Credit Union participates in the Financial Services Compensation Scheme (FSCS) and therefore has a contingent liability, which cannot be quantified, in respect of contributions to the FSCS, as required by the Financial Services and Markets Act 2000.

## 25 Related party transactions

During the year, 16 members of the Board, employees and their close family members (2024: 20 members) had loans with Hull and East Yorkshire Credit Union. These loans were approved on the same basis as loans to other members of Hull and East Yorkshire Credit Union. All loans to directors, employees and their close family were in accordance with the Rules and agreed policy.

## 26 Presentation currency

The financial statements are presented in Sterling.

## 27 Legal form of entity and country of incorporation

Hull and East Yorkshire Credit Union Limited is a Co-operative and Community Benefit Society authorised by the Prudential Regulation Authority (FRN 213620).

## 28 Principal place of business

The address of the principal place of business and registered office is:

38 Brook Street  
Kingston upon Hull  
HU2 8LA