



30 September

2023

Firm registration number 475226

**Directors'
Report and
Financial
Statements**

Administrative information

Directors	D Wright C Carlisle H Ward MJ Isted D Greenwood M Jasper K Hennings R Kullar
Secretary	R Kullar
Registration Number	740C
Financial Conduct Authority Registration	475226
Registered Office	17 Liverpool Gardens Worthing West Sussex BN11 1RY
Auditors	Lindley Adams 28 Prescott Street Halifax West Yorkshire HX1 2LG
Bankers	National Westminster Bank 27 South Street Worthing West Sussex BN11 3AR The Co-Operative Bank PO Box 101 Manchester M60 4EP Contis Financial Services Navigation House Belmont Wharf Skipton BD23 1RL Cambridge Building Society 51 New Market Road Cambridge CB5 8EQ Cambridge & Counties Bank Charnwood Court 5b New Walk Leicester LE1 6TE

Contents

	Page
Directors' Report	3
Independent Auditors' Report	4-5
Revenue Account	6
Balance Sheet	7
Statement of changes in Retained Earnings	8
Cash flow statement	9
Notes to the financial statements	10-18

Directors' Report

for the year ended 30 September 2023

The directors present their report and financial statements for the year ended 30 September 2023.

Principal activities

The principal activity of the credit union are the promotion and encouragement of regular saving and prudent borrowing by its members, as defined in the Credit Unions Act 1979.

During the year, the West Sussex and Surrey Credit Union Limited was fortunate to receive financial assistance from a number of bodies. Where funds have been received directly by the credit union, the income has been recognised within these financial statements. We would like to thank all of our funding partners for their assistance.

Financial results for the year

The surplus for the year, after taxation, amounted to £6,102 (2022: £60,072). In addition, there were 12,141 adult members (2022: 11,599), with 2,740 members (2022: 2,704) holding loans with the credit Union.

Dividends

The Directors recommend the payment of a 0.20% dividend (2022: 0.40%). This will be voted upon at the Annual General Meeting and if approved will be included in the following year's financial statements.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Wright
C Carlisle
H Ward
MJ Isted
D Greenwood
M Jasper
K Hennings
R Kullar

Directors' interests

All of the directors are members of the West Sussex and Surrey Credit Union Limited. All transactions are undertaken on the credit union's standard commercial terms.

Auditors

A resolution proposing that Lindley Adams be reappointed as auditors of the credit union will be put to the Annual General Meeting.

Financial risk management objectives and policies

The main financial risks arising from the Credit Union's activities are credit risk, liquidity risk and interest-rate risk. The Board reviews and agrees policies for managing of these risks and these are summarised below:

Credit Risk: All loan applications are assessed with reference to the Credit Union's lending policy. Changes to policy are approved by the Board.

Interest Rate Risk: The main interest rate risk arises from differences between interest rate exposures on assets and on liabilities that form an integral part of the credit union's operations. The Credit Union considers interest rates when deciding on the dividend rates to propose on share accounts.

Liquidity Risk: The Credit Union's policy is to maintain sufficient funds in a liquid form at all times to ensure that the Credit Union can meet its liabilities as they fall due. The objective of liquidity is to help smooth mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise.

These are outlined in greater detail in section 13a of the Notes to the Financial Statements.

Directors' responsibilities

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

Legislation requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under 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 surplus or deficit 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 accounting 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the credit union and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and the Credit Unions Act 1979. 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.

Statement of disclosure to the credit union's auditors

So far as the directors are aware there is no relevant audit information of which the credit union's auditors are unaware. Additionally, the directors have taken all necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the credit union's auditors are aware of that information.

The Directors' Report was approved by the Board of Directors on 26 March 2024 and signed on its behalf by:

D Wright



M Jasper



Independent Auditors' Report**TO THE MEMBERS OF WEST SUSSEX AND SURREY CREDIT UNION LIMITED****Opinion**

We have audited the financial statements of West Sussex and Surrey Credit Union Ltd (the 'credit union') for the year ended 30 September 2023 which comprise revenue account, balance sheet, statement of changes to retained earnings, cash flow statement and notes to the financial statements, 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance 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 the provisions available for small entities, in the circumstances as set out in note 19 to the financial statements, 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 relating 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 annual report other than the financial statements and our auditor's report thereon. The Board is responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company 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:

- a satisfactory system of control over transactions has not been maintained;
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the Statement of Directors' responsibilities set out on page 2, the Board is 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 they 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 Board is 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 Board 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, and instances of non-compliance with laws and regulations. We design procedures based on assessed risk and 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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the credit union and determined that the following were most relevant: FRS 102, Co-operative and Community Benefit Societies Act 2014 and the Credit Unions Act 1979. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities. Including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations irrespective of the size of amounts involved;
- 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 risks of irregularities and fraud (which we outline below) and whether there was any known, suspected or alleged fraud;
- we identified the laws and regulations applicable to the credit union through discussions with senior management;
- identified laws and regulations were communicated within the audit team who remained alert to instances of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including override of controls) and addressed the risk through:

- making enquiries of those charged with governance as to their knowledge of actual, suspected and alleged instances of fraud;
- considering the internal controls in place to mitigate the risks of fraud.

Independent Auditors' Report - continued**TO THE MEMBERS OF WEST SUSSEX AND SURREY CREDIT UNION LIMITED**

In response to the risk of irregularities and non-compliance with laws and regulations, we designed our audit procedures which included, but were not limited to:

- reviewing the financial statements disclosures and determining whether accounting policies have been appropriately applied;
- obtaining third party confirmation of bank balances, members shares and members loans;
- reviewing the minutes of meetings of those charged with governance;
- reviewing relating party transactions of those charged with governance and determining whether the information provided is complete and appropriately disclosed in the financial statements;
- reviewing and testing the internal controls in place for loans and savings and determining whether controls have been appropriately applied;
- reviewing and testing of revenue recognition processes and determining completeness of income;
- checking expenses are bona fide transactions of the credit union, and;
- reviewing post balance sheet and subsequent events, both financial and non-financial, that have occurred in the period between the financial year end and the signing of the audit report.

There is a risk that we will not detect all irregularities, including fraud, because of the inherent limitations of an audit, including those leading to a material misstatement in the financial statements of non-compliance with regulations. The areas in the financial statements that are most susceptible to fraud are Loans and Advances to Members and Subscribed Capital. We have investigated in particular where there is:

- Inadequate responses to third party confirmations of bank balances, members shares and members loans;
- Impairment losses stated above the minimum requirements laid down by credit union prudential guidelines.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the credit union, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the credit union those matters we are required to state to it in a Report of the auditor's 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, for our audit work, for this report, or for the opinions we have formed.

Lindley Adams Limited

Lindley Adams Limited (Mar 26, 2024 13:44 GMT)

Lindley Adams Limited
Chartered Accountants and Statutory Auditors
28 Prescott Street,
Halifax, HX1 2LG

Date: Mar 26, 2024

Revenue Account

for the year ended 30 September 2023

	Note	2023 £	As restated 2022 £
Loan interest receivable and similar income	4	1,392,571	1,258,142
Interest payable	5	(48,399)	(44,318)
Net interest income		1,344,172	1,213,824
Fees and commissions payable		(9,600)	(5,967)
Net fees and commission payable		(9,600)	(5,967)
Other income		11,294	66,673
Administrative expenses	6a	(783,275)	(732,010)
Depreciation and amortisation	9	(29,899)	(30,987)
Other operating expenses	6b	(30,680)	(42,166)
Impairment losses on loans to members	10e	(483,094)	(407,648)
Surplus before taxation		18,918	61,719
Taxation	8a	(12,816)	(1,647)
Surplus for the financial year		6,102	60,072
Other comprehensive income		-	50,563
Total Comprehensive Income		6,102	110,635

There are no items of other comprehensive income. West Sussex and Surrey Credit Union Limited has chosen the single-statement approach to the Revenue Account.

Balance Sheet

as at 30 September 2023

	Note	2023 £	As restated 2022 £
ASSETS			
Cash, cash equivalents and liquid deposits			
Loans and advances to banks	14	3,022,151	3,477,658
Loans and advances to members	10	5,896,627	5,894,983
Tangible fixed assets	9	76,307	56,334
Other receivables		3,610	3,823
Prepayments and accrued income		84,349	71,982
Total assets		9,083,044	9,504,780
LIABILITIES			
Subscribed capital - repayable on demand	11a	8,167,545	8,531,192
Other payables	12	220,487	241,123
		8,388,032	8,772,315
Retained earnings		165,952	159,850
Other reserves		61,078	68,071
Deferred shares	11b	296,782	280,720
Subordinated debt - over 4 years remaining	13g	135,000	150,000
Subordinated debt - 4 years and fewer remaining	13g	36,200	73,824
Total liabilities		9,083,044	9,504,780

The financial statements were approved, and authorised for issue, by the Board on 26 March 2024 and signed on its behalf by:

D Wright
Director



M Jasper
Director



R Kullar
Secretary



Statement of changes in Retained Earnings

for the year ended 30 September 2023

	Retained earnings	Capital Grants	2023 £	As restated 2022 £
As at 1 October 2022	159,850	68,071	227,921	69,215
Fair4All acquisition grant		(6,993)	(6,993)	48,071
Total comprehensive income for the year	6,102	-	6,102	110,635
As at 30 September 2023	165,952	61,078	227,030	227,921

Cash flow statement

for the year ended 30 September 2023

	Note	2023 £	As restated 2022 £
Cash flows from operating activities			
Surplus before taxation		18,918	61,719
Adjustment for non-cash items:			
Depreciation and loss on disposal	9	29,899	33,041
Impairment losses	10e	505,609	419,761
		<u>535,508</u>	<u>452,802</u>
Movements in:			
Prepayments, accrued income and other receivables		(12,154)	(67,616)
Grants		(6,993)	48,071
Other payables		<u>(30,758)</u>	<u>(18,588)</u>
		<u>(49,906)</u>	<u>(38,133)</u>
Cash flows from changes in operating assets and liabilities			
Cash inflow from subscribed capital	11a	4,924,099	4,558,449
Cash outflow from repaid capital	11a	(5,287,746)	(4,141,326)
New loans to members	10a	(3,616,026)	(3,580,326)
Repayment of loans by members	10a	3,108,774	2,588,811
Cash inflow from deferred shares	11b	16,062	720
Cash outflow from repayment of subordinated loans		<u>(52,624)</u>	<u>(46,625)</u>
		<u>(907,461)</u>	<u>(620,297)</u>
Taxation paid		<u>(2,694)</u>	-
Net cash flow from operating activities		<u>(405,635)</u>	<u>(143,909)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(49,872)	(45,772)
Net cash flow from managing liquid deposits		<u>(180,535)</u>	<u>(1,885,896)</u>
Net decrease in cash and cash equivalents		<u>(636,042)</u>	<u>(2,075,577)</u>
Cash and cash equivalents at beginning of year		1,591,762	2,743,365
Cash arising on acquisition (net of current assets and liabilities)			<u>923,974</u>
Cash and cash equivalents at end of year	14	<u>955,720</u>	<u>1,591,762</u>

Notes to the financial statements

for the year ended 30 September 2023

1 Legal and regulatory framework

West Sussex and Surrey Credit Union Limited is a society 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. West Sussex and Surrey Credit Union Limited has registered with the Financial Conduct Authority and is regulated by the Prudential Regulatory Authority under the provisions of the Financial Services and Markets Act 2000. The registered office address is 17 Liverpool Gardens, Worthing, West Sussex BN11 1RL.

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 West Sussex and Surrey Credit Union Limited has issued redeemable shares and deferred 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. The financial statements are prepared in sterling, which is the functional currency of the Credit Union.

Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The Directors of the Credit Union believe that it is appropriate to prepare the financial statements on the going concern basis. In accordance with PRA Rulebook Guidelines outlined in Section 8.5 (2), the credit union must maintain a minimum Capital-To-Total assets ratio of 5%. The relevant ratios are 2023: 7.65% (2022: 7.71%).

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. Exempt interest on members loans is not recognised.

Deferred grants and funding/revenue contribution:

Deferred grants in respect of capital expenditure are credited to the income and expenditure account over the estimated useful life of the relevant fixed assets. Deferred grants and funding in respect of revenue items are credited to the income and expenditure account over the period to which they relate or to match the relevant expenditure. The grants/funding shown in the balance sheet represents the grants/funding receivable to date less the amount so far credited to the income and expenditure account.

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 transaction is recognised when the transaction is completed.

Other income: Other income is recognised when it falls due or is received and is comprised primarily of grants and other investment income.

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. West Sussex and Surrey Credit Union Limited 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 West Sussex and Surrey Credit Union Limited from which profits are chargeable to corporation tax, it is unlikely that deferred tax will arise

Tangible fixed assets

Tangible fixed assets comprise items of computer equipment, fixtures, fittings and equipment and leasehold buildings, which are at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is provided to write off the cost of each item of computer equipment, fixtures, fittings and equipment and leasehold buildings, less its estimated residual value over its expected useful life as follows:

Computer equipment	33.3% straight line
Fixtures & fittings	15% written down value
Leasehold building	10 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the revenue account.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and with the bank and loans and advances (i.e. cash deposits 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 made to members for provident or productive purposes on such security (or without security) and terms as the rules of the Credit Union provide.

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. [In accordance with relevant regulations] West Sussex and Surrey Credit Union Limited does not transfer loans to third parties.

Impairment of financial assets

West Sussex and Surrey 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, 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 West Sussex and Surrey Credit Union Limited 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.

In addition to the above ordinary shares, deferred shares to the value of £296,782 have been issued. Deferred members' shareholdings in the Credit Union are only redeemable in the event of liquidation and therefore is classified as equity in accordance with Section 22 of FRS 102. These shares qualify for dividends in the same way as ordinary shares, and only one vote is permitted per shareholder regardless of the amount of deferred shares held.

Notes to the financial statements

for the year ended 30 September 2023

Employee benefits

Defined contribution plans: The amounts charged as expenditure for the defined contribution plan are the contributions payable by West Sussex and Surrey Credit Union Limited for the relevant period.

Termination benefits are recognised immediately as an expense when the Credit Union is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Other employee benefits: Other short and long term employee benefits, including holiday pay, are recognised as an expense over the period they are earned.

Reserves

Subordinated debt represents fixed term loans provided to West Sussex and Surrey Credit Union Limited for the sole benefit of its members.

Other reserves brought forward represent one off non repayable grants from certain Housing Associations for their tenants to gain access to affordable credit. The grants will be utilised as required by West Sussex and Surrey Credit Union Limited. In August 2022, the Credit Union received the first tranche grant of £35,000 from Fair4All for the acquisition of Community Savings & Loans (Berkshire) Credit Union Limited, and the development of the Credit Union's computer systems. The second tranche is for a further £34,900 and is due to be received in January 2023 and has been accrued for as at the reporting date within prepayments and accrued income. The amount of the grant unspent at the reporting date, being £30,691, is held within other reserves on the Balance Sheet.

Retained earnings are the accumulated surpluses and deferred shares to date that have not been declared as dividends returnable to members.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

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 West Sussex and Surrey Credit Union Limited'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, is disclosed below:

Impairment losses on loans to members

Impaired losses are stated after specifically reviewing all loans in arrears. The criteria used is whether the loan will be repaid within the term of the loan based upon the current regular pattern of repayments.

When a loan is significantly in arrears and there are some repayments being received by West Sussex and Surrey Credit Union Limited then it is not written off. All loans are provided for at various percentages based on the weeks the loans are in arrears.

4 Loan interest receivable and similar income.

	2023	2022
	£	£
Loan interest receivable from members	1,328,025	1,246,512
Bank interest receivable on cash and liquid deposits	64,546	11,630
Total loan interest receivable and similar income	1,392,571	1,258,142

5 Interest expense

Interest expense is the dividend paid to members for the prior year. 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.

Interest paid during the year also relates to interest payable on juvenile accounts and subordinated loans.

Interest and dividend payments are shown within interest payable in the accounts.

	Note	2023	2022
		£	£
Interest paid during the year			
Non-deferred shares		29,946	720
Deferred shares		1,062	17,001
		31,008	17,721
Dividend rate:			
Share accounts		0.40%	0.30%
Interest proposed, but not recognised		16,500	31,008
Dividend rate:			
Share accounts		0.20%	0.40%
Interest paid on juvenile accounts during the year			
Rate		2.00%	2.00%
Amount		7,501	10,288
Interest payable on subordinated loans			
Rate		6.41%-7.21%	6.41%-7.21%
Amount		9,890	16,309
Total interest payable		48,399	44,318

6 Expenses

	Note	2023	2022
		£	£
Administrative expenses	6a	783,275	732,010
Depreciation and amortisation	9	29,899	30,987
Other operating expenses	6b	30,680	42,166
		843,854	805,163

6a Administrative expenses

	Note	2023	2022
		£	£
Employment costs	7b	589,011	544,418
Staff training		568	1,484
Directors' expenses		611	776
Auditors' remuneration	6c	7,800	9,910
Telephone and broadband		15,145	14,737
Computer maintenance		27,384	31,281
Legal and professional		1,045	-
General expenses		136,976	100,922
Acquisition costs		-	21,160
Printing, postage and stationery		2,622	5,332
Other insurance		2,113	1,990
Total administrative expenses		783,275	732,010

Notes to the financial statements

for the year ended 30 September 2023

6b Other operating expenses

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

	2023 £	2022 £
Cost of occupying offices (excluding depreciation)		
Rent and rates	21,842	21,905
Cleaning	1,077	1,048
Repairs and maintenance	738	4,300
Heating and lighting	1,314	9,290
	<u>24,971</u>	<u>36,543</u>
Regulatory and financial management costs		
Financial Conduct Authority fees	1,394	1,630
Financial Services Compensation Scheme levy	-	-
Fidelity insurance	4,315	3,993
	<u>5,709</u>	<u>5,623</u>
	<u><u>30,680</u></u>	<u><u>42,166</u></u>

6c Auditors' remuneration

West Sussex and Surrey Credit Union Limited voluntarily presents an analysis of its auditors' remuneration in accordance with the Companies (Disclosure of Auditor Remuneration and Liability Limited Agreements) Regulations 2008.

	2023 £	2022 £
Fees payable for the audit of West Sussex and Surrey Credit Union Limited's annual accounts	<u>7,800</u>	<u>9,910</u>
Total auditors' remuneration	<u><u>7,800</u></u>	<u><u>9,910</u></u>

7 Employees and employment costs**7a Number of employees**

The average monthly number of employees (excluding directors) during the year were:

	2023 Number	2022 Number
Office staff	<u>22</u>	<u>22</u>

7b Employment costs

	2023 £	2022 £
Wages and salaries	534,320	494,168
Social security costs	38,240	38,242
Payments to defined contribution pension schemes	12,801	12,008
Staff Benefit Scheme	3,650	-
Total employment costs	<u><u>589,011</u></u>	<u><u>544,418</u></u>

7c Directors' remuneration

The Executive and Non-Executive Directors' and the Senior Management Team of West Sussex and Surrey Credit Union Limited are its key management personnel.

The Non-Executive Directors' of West Sussex and Surrey Credit Union Limited act on a volunteer basis and hence are not paid a salary and do not incur any related costs.

The Executive Directors' remuneration is as follows:

	2023 £	2022 £
Remuneration for qualifying services	27,596	26,166
Payment to defined contribution pension schemes	1,005	960
	<u><u>28,601</u></u>	<u><u>27,126</u></u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2022: 1)

Aggregate remuneration of key management personnel, which includes Executive Directors' remuneration, totals £161,587 (2022: £154,666). Included within this figure are payments to defined contribution pension schemes of £3,621 (2022: £3,426).

8 Taxation**8a Recognised in Revenue Account**

The taxation charge for the year, based on the main rate of Corporation Tax of 25% and reduced by marginal relief (2022: 19% small profits rate) comprised:

	Note	2023 £	2022 £
Current tax		-	-
UK Corporation tax	8b	<u>12,816</u>	<u>1,647</u>
Total current tax and Total taxation expense recognised in the Revenue Account		<u><u>12,816</u></u>	<u><u>1,647</u></u>

8b Reconciliation of taxation expenses

West Sussex and Surrey Credit Union Limited 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.

	2023 £	2022 £
Surplus before taxation	<u>18,918</u>	<u>61,719</u>
Surplus before taxation multiplied by applicable rate of 19% (2022: 19%)	3,594	9,451
Effects of: Non-taxable surplus on transactions with members	<u>9,221</u>	<u>(7,803)</u>
Total tax charge for the year	<u><u>12,816</u></u>	<u><u>1,647</u></u>

Notes to the financial statements

for the year ended 30 September 2023

9 Tangible fixed assets

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

	Leasehold building £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 30 September 2022	7,403	122,467	7,431	137,301
Additions	-	49,872	-	49,872
At 30 September 2023	7,403	172,339	7,431	187,173
Depreciation				
At 30 September 2022	677	75,415	4,875	80,967
Charge for the year	740	28,775	384	29,899
At 30 September 2023	1,417	104,190	5,259	110,866
Net book value				
At 30 September 2023	5,986	68,149	2,172	76,307
At 30 September 2022	6,726	47,052	2,556	56,334

10 Loans and advances to members - financial assets**10a Loans and advances to members**

	Note	2023 £	As restated 2022 £
As at 1 October 2022		7,558,290	6,053,508
Advanced during the year		3,616,026	3,580,326
Loan interest		1,328,025	1,246,512
Repaid during the year		(4,436,798)	(3,835,323)
On acquisition		-	726,676
Gross loans and advances to members	10b	8,065,543	7,771,699
Impairment losses			
Individual financial assets		(434,053)	(213,409)
Groups of financial assets	10c	(1,734,863)	(1,663,307)
		(2,168,916)	(1,876,716)
As at 30 September 2023		5,896,627	5,894,983

Included in gross loans and advances to members, £5,670,971 (2021: £5,924,108) is receivable in more than one year. Gross loans include loans secured by guaranteed funds, 2023: £25,449 (2022: £16,921)

10b Memorandum - Total loan assets for regulatory purposes

	Note	2023 £	As restated 2022 £
Gross loans and advances to members		8,065,543	7,771,699
Impairment of individual financial assets		(434,053)	(213,409)
Total loan assets for regulatory purposes	13b	7,631,490	7,558,290

10c Credit risk disclosures

West Sussex and Surrey Credit Union Limited 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 amount is £15,000.

The carrying amount of the loans to members represents West Sussex and Surrey Credit Union Limited'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.

	2023		As restated 2022	
	Amount £	Proportion %	Amount £	Proportion %
Not impaired:				
Neither past due nor impaired	4,785,326	59.33%	4,819,313	62.01%
Up to 3 months past due	760,003	9.42%	734,209	9.45%
Between 3 months and 6 months past due	358,972	4.45%	361,626	4.65%
Between 6 months and 9 months past due	184,847	2.29%	214,960	2.77%
Between 9 months and 1 year past due	198,564	2.46%	93,349	1.21%
Over 1 year past due	390,427	4.84%	339,437	4.37%
Sub-total: loans not impaired	6,678,139	82.80%	6,562,894	84.45%
Individually impaired:				
Not yet past due, but impaired	-	0.00%	-	0.00%
Up to 3 months past due	28,668	0.36%	18,839	0.25%
Between 3 months and 6 months past due	22,645	0.28%	23,419	0.30%
Between 6 months and 9 months past due	75,263	0.94%	36,159	0.47%
Between 9 months and 1 year past due	69,818	0.87%	61,917	0.80%
Over 1 year past due	1,191,010	14.77%	1,068,471	13.75%
Total loans	8,065,543	100.00%	7,771,699	100.00%
Impairment allowance	(2,168,916)		(1,876,716)	
Total carrying value	5,896,627		5,894,983	

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

Notes to the financial statements

for the year ended 30 September 2023

10d Allowance account for impairment losses	Note	2023	As restated 2022
		£	£
As at 1 October 2022		1,663,307	1,246,741
Introduced on acquisition		<u>-</u>	<u>210,214</u>
		1,663,307	1,456,955
Increase in allowances during the year	10e	71,556	206,352
As at 30 September 2023		<u>1,734,863</u>	<u>1,663,307</u>

10e Impairment losses recognised for the year		2023	As restated 2022
		£	£
Impairment of individual financial assets		434,053	213,409
Increase in impairment allowances during the year		<u>71,556</u>	<u>206,352</u>
		505,609	419,761
Reversal of impairment where debts recovered		<u>(22,515)</u>	<u>(12,113)</u>
Total impairment losses recognised for the year		<u>483,094</u>	<u>407,648</u>

11a Subscribed capital - financial liabilities	Note	2023	2022
		£	£
As at 1 October 2022		8,531,192	6,846,004
Received during the year		4,886,652	4,531,160
Repaid during the year		(5,287,746)	(4,141,326)
Dividend and interest paid		37,447	27,289
On acquisition		<u>-</u>	<u>1,268,065</u>
As at 3 September 2023	13b	<u>8,167,545</u>	<u>8,531,192</u>

Deposits from members are made by way of subscription for shares. The balance includes deposits made by juvenile members of £311,180 (2022: £423,268)

11b Deferred shares		2023	2022
		£	£
As at 1 October 2022		280,720	240,000
On acquisition		<u>-</u>	<u>40,000</u>
Received during the year		15,000	-
Dividend		<u>1,062</u>	<u>720</u>
As at 3 September 2023		<u>296,782</u>	<u>280,720</u>

12 Other payables	Note	2023	2022
		£	£
UK Corporation Tax		12,816	2,694
Other payables		98,732	13,053
Provision for repayment of subordinated debt	13g	53,800	169,298
Accruals and deferred income		<u>55,140</u>	<u>56,078</u>
		<u>220,487</u>	<u>241,123</u>

13 Additional financial instruments disclosures**13a Financial risk management**

West Sussex and Surrey Credit Union Limited 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 West Sussex and Surrey Credit Union Limited'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 West Sussex and Surrey Credit Union Limited, resulting in financial loss to West Sussex and Surrey Credit Union Limited. In order to manage this risk the Board approves West Sussex and Surrey Credit Union Limited'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: West Sussex and Surrey Credit Union Limited'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 West Sussex and Surrey Credit Unions Limited'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 West Sussex and Surrey Credit Union Limited.

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

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

Notes to the financial statements

for the year ended 30 September 2023

13b Interest rate disclosures

The following table shows the average interest rates applicable to relevant financial assets and financial liabilities.

	2023		As restated 2022	
	Amount £	Average interest rate	Amount £	Average interest rate
Financial assets				
Loans to members	<u>7,631,490</u>	<u>17.40%</u>	7,558,290	16.49%
Financial liabilities				
Subscribed capital				
Savings accounts	7,856,365	0.20%	7,835,453	0.40%
Junior savers	<u>311,180</u>	<u>2.00%</u>	<u>488,230</u>	0.40%
	<u>8,167,545</u>		<u>8,323,683</u>	
Deferred shares	<u>296,782</u>	<u>0.20%</u>	280,720	0.40%

The interest rates applicable to loans to members are fixed and range from 1% to 3% per month. 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.

13c Liquidity risk disclosures

Excluding short-term other payables, as noted in the balance sheet, West Sussex and Surrey Credit Union Limited's financial liabilities, the subscribed capital, are payable on demand.

13d Fair value of financial instruments

West Sussex and Surrey Credit Union Limited does not hold any financial instruments at fair value.

13e Other income

	2023 £	2022 £
Grants	11,267	28,566
Donations	<u>28</u>	<u>39</u>
	<u>11,295</u>	<u>28,605</u>

13f Regulatory capital and capital-asset ratio

	2023 £	2022 £
Regulatory capital:		
Retained earnings	165,952	159,850
Other reserves	61,078	68,071
Deferred shares	296,782	280,720
Subordinated debt - over 4 years remaining	135,000	150,000
Subordinated debt - 4 years and fewer remaining	<u>36,200</u>	<u>73,824</u>
	<u>695,011</u>	<u>732,465</u>
Total assets:	<u>9,083,044</u>	<u>9,504,780</u>
Capital-asset ratio:	<u>7.65</u>	<u>7.71</u>

13g Subordinated loans

	2023		2022	
	Interest free £	Interest rates 6.41%-7.21% £	Interest free £	Interest rates 6.41%-7.21% £
Provision for repayment	8,000	45,800	6,000	163,298
Over 4 years remaining	135,000	-	125,000	25,000
Under 4 years remaining	<u>2,000</u>	<u>34,200</u>	<u>14,000</u>	<u>59,824</u>
	<u>145,000</u>	<u>80,000</u>	145,000	248,122

14 Cash and cash equivalents

	2023 £	2022 £
Cash and balances with the Bank of England	-	-
Loans and advances to banks	<u>3,022,151</u>	<u>3,477,658</u>
Less: amounts maturing after three months	<u>(2,066,431)</u>	<u>(1,885,896)</u>
Total cash and cash equivalents	<u>955,720</u>	<u>1,591,762</u>

15 Post balance sheet events

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

16 Contingent liabilities

West Sussex and Surrey Credit Union Limited 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. The Financial Conduct Authority (FCA) has provided details of how the calculation of next year's contribution towards the FSCS will be calculated and full provision has been included for this liability. However this is subject to future changes in interest rates and levels of deposits held by UK deposit takers. Therefore there is inherent uncertainty regarding the totality of the levy that West Sussex and Surrey Credit Union Limited will have to pay.

Notes to the financial statements

for the year ended 30 September 2023

17 Operating lease commitments
Lessee

At the reporting end date the credit union had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	25,828	25,828
Between 2 and 5 years	69,426	95,254
Over 5 years	<u>74,000</u>	<u>74,000</u>
	<u>169,254</u>	<u>195,082</u>

Operating lease payments recognised as an expense during the year totalled £25,828 (2022 - £26,499).

18 Related party transactions

During the year three members of staff (2022: three members) had a loan with West Sussex and Surrey Credit Union Limited. Any loans are approved on the same basis as loans to other members of West Sussex and Surrey Credit Union Limited. None of the directors, staff or their close family members have any preferential terms on their loans. In one case a staff member was granted a loan from the NILs scheme at a rate of 0% per annum. However this was granted in accordance with the Financial Conduct Authority CREDS rulebook section 7.2.7(1)(a) and is approved on the same basis with loans of this type. Subject to this none of the directors and staff have had any preferential terms on their loans.

West Sussex and Surrey Credit Union Limited does not have an ultimate controlling party.

19 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

20 Transfer of engagement

In June 2022, the credit union took over the engagements of Community Savings & Loans (Berkshire) Limited (BRK). All the assets and liabilities of BRK were transferred to the credit union. This included members' shares of £1,308,066, loans to members (gross of impairment provisions) of £631,294 and bank balances of £923,974. Net assets transferred amounted to £50,563.

21 Nils Scheme

West Sussex & Surrey Credit Union hold funds on behalf of Adur & Worthing Councils, West Sussex County Council & Southdown Housing Association to be lent out at zero interest rate under the Nils Scheme. These amounts are included in note 12.

Notes to the financial statements

for the year ended 30 September 2023

22 Previous year adjustments

- After a detailed assessment of historical impairment of individual and group assets made during the year:
- a £828,753 of individually impaired loans were brought back into Loans and Advances to members at 1 October 2021 and are now included in the balance of impairments of groups of financial assets.
- b £80,861 of individually impaired loans were brought back into Loans and Advances to members at 30 September 2022 and are now included in the balance of impairments of groups of financial assets.
- c £41,594 in additional impairment allowances have been allocated into the Allowance account for impairment losses, with £33,223 allocated at 30 September 2021 and a further £8,371 allocated at 30 September 2022
- d A further £95,382 of individually impaired loans from the transfer of engagements with Community Savings and Loans (Berkshire) Credit Union Ltd were brought back into Loans and Advances to members at the point of the merger in June 2022 and are now included in the balance of impairments of groups of financial assets.
- e £9,600 of individually impaired loans recovered were brought back into Loans and Advances to members at 30 September 2022 and are now included in the balance of Loans and Advances to members.
- After a review of other disclosures made during previous years financial statements:
- f £17,721 in dividends and interest paid previously distributed from Retained Earnings have been allocated to Interest Payable.
- g £38,068 in unspent grants previously carried in Other payables have been allocated to Other Income.
- h £3,100 in Accruals less £782 in Prepayments originally brought forward from the Transfer of Engagements (merger) with Community Savings & Loans (Berkshire) Credit Union Ltd have been cancelled and adjusted to Other Comprehensive Income.
- i £488,229 in Juvenile Deposits previously carried in Other payables have been recategorised as part of Subscribed Capital repayable on demand.
- j £280,720 in Deferred Shares previously carried in Subscribed Capital repayable on demand have been recategorised under a separate disclosure on the balance sheet to ensure this is included as part Regulatory Capital as summarised in note 13f.
- The following disclosures have been amended to the comparative figures for 30 September 2022:

Revenue Account

Interest payable	£
Interest payable as previously stated	26,597
Dividends and Interest paid in the year to 30 September 2022	17,721 f
Revised at 30 September 2022	44,318
Other Income	£
Other Income as previously stated	28,605
Additional grants released	38,068 g
Revised at 30 September 2022	66,673
Impairment losses on loans to members	£
Impairment losses on loans to members as previously stated	399,277
Additional impairment allowance	8,371 c
Revised at 30 September 2022	407,648
Total Comprehensive income	£
Surplus after tax as previously stated	48,096
Additional grants released	38,068 g
- Dividends and Interest paid in the year to 30 September 2022	(17,721) f
- Additional impairment allowance	(8,371) c
Revised at 30 September 2022	60,072
Gain from merger as previously stated	48,245
Reversal of Accruals and Prepayments	2,318 h
Revised at 30 September 2022	50,563
Revised Total Comprehensive Income	110,635
Balance sheet	
Loans and advances to members	£
Loans and advances to members as previously stated	5,936,577
Additional impairment allowance	(41,594) c
Revised loans and advances to members	5,894,983
Prepayments and Accrued Income	£
Prepayments and Accrued Income as previously stated	72,764
Reversal of Prepayments previously allocated from the merger	(782) h
Revised Prepayments and Accrued Income	71,982
Subscribed capital - repayable on demand	£
Subscribed capital - repayable on demand as previously stated	8,323,683
Juvenile Deposits recategorised as Subscribed capital, repayable on demand	488,229 i
Deferred Shares disclosed separately on the Balance Sheet	(280,720) j
Revised Subscribed capital - repayable on demand	8,531,192
Other Payables	£
Other Payables as previously stated	770,520
Juvenile Deposits recategorised as Subscribed capital, repayable on demand	(488,229) i
Reversal of Accruals previously allocated from the merger	(3,100) h
Additional grants released	(38,068) g
Revised Other Payables	241,123
Retained Earnings	£
Retained Earnings as previously stated	161,058
Additional grants released in the year to 30 September 2022	38,068 g
Reversal of Accruals and Prepayments previously allocated from the merger	2,318 h
- Additional impairment allowance in the year to 30 September 2021 and 2022	(41,594) d
Revised Retained Earnings	159,850

Notes to the financial statements

for the year ended 30 September 2023

22 Previous year adjustments (continued.)**Notes to the accounts****Loans and advances to members (Note 10a)**

Gross loans and advances to members	£	6,857,164
Balance at 1 October 2021 of loans brought back		828,753 a
Balance of loans brought in from the transfer of engagements		95,382 d
Repayments made during the year that were previously debts recovered		(9,600) e
Revised Gross loans and advances to members		7,771,699

Impairment losses (Note 10a, 10c & 10e)

Individual financial assets made during the year previously stated	£	294,270
Reversal impairment of individual financial assets brought back		(80,861) b
Revised Individual financial assets		213,409

Groups of financial assets (Note 10a, 10c, 10d)

Groups of financial assets previously stated	£	626,317
Balance at 1 October 2021 of loans brought back		828,753 a
Reversal impairment of individual financial assets brought back		80,861 b
Additional impairment allowance		41,594 c
Balance of loans brought in from the transfer of engagements		95,382 d
Repayments made during the year that were previously debts recovered		(9,600) e
Revised Groups of financial assets brought forward		1,663,307

Allowance account for impairment losses (Note 10d, 10e)

As at 1 October 2021	£	384,765
Balance at 1 October 2021 of loans brought back		828,753 a
Additional impairment allowance		33,223 c
Revised at 1 October 2021		1,246,741
Introduced on Acquisition as previously stated		114,832
Additional allowance for loans brought in from the transfer of engagements		95,382 d
Revised at 1 October 2021		210,214
Increase in impairment losses during the year as previously stated		126,720
Increased losses made on previous impairments made on individual assets		80,861 b
Additional impairment allowance		8,371 c
Repayments made during the year that were previously debts recovered		(9,600) e
Revised at 30 September 2022		206,352

Revised allowance account for impairment losses**1,663,307**



30 September

2023

MANAGEMENT INFORMATION

Detailed Revenue Account

for the year ended 30 September 2023

	2023	2023	2022	2022
Income				
Interest on loan to members		1,328,025		1,246,512
On acquisition		-		50,563
Grants		11,267		28,566
Bank interest		61,468		8,671
Other income		28		38,107
Bad Debts recovered		22,515		12,113
Engage Card		3,078		2,959
		<u>1,426,380</u>		<u>1,387,491</u>
Administrative expenses				
Wages and salaries	534,320		494,168	
Employer's N.I. contributions	38,240		38,242	
Staff pension costs	12,801		12,008	
Staff Benefit	3,650		-	
Severance payment	-		-	
Rent	17,500		18,125	
Rates	4,342		3,780	
General Insurance	1,213		984	
Fidelity Bond Insurance	4,315		3,993	
Directors liability Insurance	900		1,006	
Trade association membership dues	568		767	
Light and heat	1,314		9,290	
Printing, postage and stationery	2,622		5,332	
Promotion and advertising	73,173		47,540	
Telephone	15,145		14,737	
Computer running costs	27,384		31,281	
Entertainment	654		-	
Travelling expenses	1,303		1,429	
Legal and professional fees	26,931		19,224	
Audit fees	7,800		9,910	
Accountancy charge	6,710		3,354	
Bank charges	9,601		5,967	
Repairs & Renewals	738		4,300	
Relocation expenses	-		2,696	
Bad and doubtful debts	505,609		419,761	
PRA Fees	1,394		1,630	
Depreciation on fixture fittings and computers	29,899		30,987	
Office Cost	17,830		12,575	
Card payment charges	10,485		12,039	
Cleaning	1,077		1,048	
Trade Refuse	-		-	
Debt collection	378		1,504	
Junior Savers Interest	7,501		10,288	
AGM costs	1,168		-	
Loss on disposal of fixed assets	-		2,054	
Acquisition cost	-		21,160	
Subordinated loan interest payable	9,890		16,309	
		<u>1,376,455</u>		<u>1,257,488</u>
Income over expenditure		<u>49,926</u>		<u>130,004</u>
Dividend		(31,008)		(17,721)
		<u>18,918</u>		<u>112,282</u>
Taxation		(12,816)		(1,647)
Income in excess of expenditure		<u>6,102</u>		<u>110,635</u>