

**Report of the Directors and  
Financial Statements  
for the year ended 30 September 2025  
for  
Moneywise Credit Union Limited  
FCA registration number 213486**

**Moneywise Credit Union Limited**

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for the year ended 30 September 2025**

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**Moneywise Credit Union Limited**  
**Company Information**  
**for the year ended 30 September 2025**

<b>DIRECTORS:</b>	Andrew Breese Alistair Chisolm Suzanne Halliwell Geoffrey Ellingham Phillip Goad David Allsopp Jane Edmends Lee Williams
<b>REGISTERED OFFICE:</b>	187 - 189 Shields Road Byker Newcastle upon Tyne Tyne and Wear NE6 1DP UNITED KINGDOM
<b>SECRETARY:</b>	A Breese
<b>SOCIETY REGISTERED NUMBER:</b>	IP00257C
<b>FINANCIAL CONDUCT AUTHORITY REGISTRATION NUMBER:</b>	213486
<b>SENIOR STATUTORY AUDITOR:</b>	Kevin Shotton BA BFP FCA
<b>AUDITORS:</b>	Clive Owen LLP Chartered Accountants & Statutory Auditors 140 Coniscliffe Road Darlington County Durham DL3 7RT

**Moneywise Credit Union Limited**

**Report of the Directors  
for the year ended 30 September 2025**

The directors present their report with the financial statements of the company for the year ended 30 September 2025.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 October 2024 to the date of this report.

Andrew Breese  
Alistair Chisolm  
Suzanne Halliwell  
Geoffrey Ellingham  
Phil Goad  
David Allsopp  
Jane Edmends  
Lee Williams

**PRINCIPAL ACTIVITY**

The principal activity of the credit union is that of the provision of savings and lending facilities for the benefit of its members.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law 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 company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company 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;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Moneywise Credit Union Limited**

**Report of the Directors  
for the year ended 30 September 2025**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Clive Owen LLP, are deemed to be reappointed under section 478(2) of the Companies Act 2006.

This report has been prepared in accordance with the special provisions for small credit unions under the Co-operative and Community Benefit Societies Act 2014 and the Credit Unions Act 1979.

**ON BEHALF OF THE BOARD:**



-----  
Signer ID: ZNEGHPFZDR...

Director

Date: 12/16/2025 UTC

## **Report of the Independent Auditors to the Members of Moneywise Credit Union Limited**

### **Opinion**

We have audited the financial statements of Moneywise Credit Union Limited (the 'credit union') for the year ended 30 September 2025 which comprise the Revenue Account, Balance Sheet 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 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; 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 for 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 Auditors' 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 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 directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of Moneywise Credit Union Limited**

### **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 Report of the Directors.

We have nothing to report in respect of the following matters where 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; or
- the society has not kept proper accounting records; or
- 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 directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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 company'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 company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' 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 a Report of the Auditors 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. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Credit Union. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations set out by the PRA. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law.
- Enquiry of directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance.
- Review of board minutes and correspondence with regulators.
- Enquiry of directors and management as to areas of the financial statements susceptible to fraud and how these risks are managed.
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

**Report of the Independent Auditors to the Members of  
Moneywise Credit Union Limited**

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Report of the Auditors.

**Use of our report**

This report is made solely to the credit union, as a body, 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 Auditors 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 this report, or for the opinions we have formed.



Kevin Shotton BA BFP FCA  
for and on behalf of Clive Owen LLP  
Chartered Accountants & Statutory Auditors  
140 Coniscliffe Road  
DARLINGTON  
County Durham  
DL3 7RT

Date:

*18/12/25*

Moneywise Credit Union Limited

Revenue Account  
for the year ended 30 September 2025

	Note	2025 £	2024 £
Loan interest receivable and similar income	4	928,998	837,138
Interest payable	5	<u>(13,283)</u>	<u>(13,744)</u>
<b>Net interest income</b>		<b>915,715</b>	<b>823,394</b>
Fees and commissions receivable	6	<u>29,491</u>	<u>25,127</u>
<b>Net fees and commissions receivable</b>		<b>29,491</b>	<b>25,127</b>
Other income	7	202,027	134,400
Administrative expenses	8a	(771,023)	(626,941)
Depreciation and amortisation	11	(14,661)	(9,298)
Other operating expenses	8b	(148,486)	(146,051)
Impairment losses on loans to members	12e	<u>(126,854)</u>	<u>(127,134)</u>
<b>Surplus before taxation</b>		<b>86,209</b>	<b>73,497</b>
Taxation	10a	<u>(33,456)</u>	<u>(37,720)</u>
<b>Surplus for the financial year</b>		<b>52,753</b>	<b>35,777</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<b><u>52,753</u></b>	<b><u>35,777</u></b>

**Moneywise Credit Union Limited**

**Balance Sheet  
for the year ended 30 September 2025**

	Note	2025 £	2024 £
<b>ASSETS</b>			
Cash, cash equivalents and liquid deposits	16	-	-
Cash and balances with the Bank of England	16	-	-
Loans and advances to banks	16	<u>3,459,114</u>	<u>3,849,312</u>
Loans and advances to members	12	2,781,143	2,441,468
Tangible fixed assets	11	23,693	16,453
Prepayments and accrued income		49,717	25,270
Other debtors		<u>1,250</u>	<u>33,643</u>
<b>Total assets</b>		<u><u>6,314,917</u></u>	<u><u>6,366,146</u></u>
 <b>LIABILITIES</b>			
Subscribed capital – repayable on demand	13	5,463,208	5,658,259
Other payables	14	<u>207,606</u>	<u>116,537</u>
		5,670,814	5,774,796
Retained earnings		644,103	591,350
Subordinated loan		-	-
Deferred member shares		-	-
<b>Total liabilities and equity</b>		<u><u>6,314,917</u></u>	<u><u>6,366,146</u></u>

12/16/2025 UTC

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

*Phillip Goad*

Signer ID: MEWATGUMSL...

Chairperson

*David Allsopp*

Signer ID: YL9H4HUDVX...

Director

*[Signature]*

Signer ID: ZNEGHPFZDR...

Director

Moneywise Credit Union Limited

Statement of Changes in Retained Earnings  
for the year ended 30 September 2025

	Retained earnings	Deferred member shares	Total
	£	£	£
As at 1 October 2024	591,350	-	591,350
Total comprehensive income for the year	52,753	-	52,753
Share buy back	-	-	-
<b>As at 30 September 2025</b>	<b>644,103</b>	<b>-</b>	<b>644,103</b>

**Moneywise Credit Union Limited**

**Cash Flow Statement  
for the year ended 30 September 2025**

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Surplus/(deficit) before taxation		86,209	73,497
Adjustments for non-cash items:			
Depreciation	11	14,661	9,298
Impairment losses	12c	126,854	127,134
		141,515	136,432
Movements in:			
Accrued interest			
Other receivables		7,946	(29,121)
Other payables		95,333	(24,627)
		103,279	(53,748)
<b>Cash flows from changes in operating assets and liabilities</b>			
Cash inflow from subscribed capital	13	17,168,478	16,466,735
Cash outflow from repaid capital	13	(17,363,529)	(16,703,174)
New loans to members	12a	(3,159,980)	(2,805,783)
Loan write-offs	12c	(215,466)	(364,272)
Repayment of loans by members	12a	2,908,917	2,808,732
		(661,580)	(597,763)
Taxation paid		(37,720)	(11,325)
		(368,297)	(452,907)
<b>Net cash flows from operating activities</b>			
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	11	(21,901)	(6,608)
Net cash flow from managing liquid deposits		228,532	127,896
		206,631	121,288
<b>Cash flows from financing activities</b>			
Repurchase of deferred shares		-	(35,000)
		-	(35,000)
<b>Net increase/(decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of year		2,259,442	2,626,061
<b>Cash and cash equivalents at end of year</b>	16	2,097,776	2,259,442

## Moneywise Credit Union Limited

### Notes to the Financial Statements for the year ended 30 September 2025

#### 1. Legal and regulatory framework

The Credit Union is a society established under the Co-operative and Community Benefits Societies Act 2014, whose principal activity is to operate as a credit union, within the meaning of the Credit Unions Act 1979. The 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.

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 Moneywise Credit Union Limited has only 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.

There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

##### Going concern

The financial statements are prepared on the going concern basis. The directors of Moneywise Credit Union Limited believe this is appropriate.

##### 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.

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 Moneywise Credit Union Limited obtains the right to the income and is matched versus the relevant costs.

##### Government grants

Revenue based government grants are accounted for in the accounting period in which the related expenditure occurs.

##### 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. Moneywise 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 Moneywise Credit Union from which profits are chargeable to corporation tax, it is unlikely that deferred tax will arise.

## Moneywise Credit Union Limited

### Notes to the Financial Statements - continued for the year ended 30 September 2025

#### 2. Accounting policies (continued)

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

Tangible assets comprise items of property, plant and equipment, which are stated at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is provided to write off the cost of each item of property, plant and equipment, less its estimated residual value, on a straight line basis over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

Fixtures and fittings	- 5 years
Computers & equipment	- 3-5 years

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

Cash and cash equivalents comprise cash on hand and with various banks and loans and advances to banks (ie cash deposited with banks) with maturity of less than or equal to three months.

##### **Financial assets - loans and advances to members**

Loans to members are financial assets with fixed or determinable payments, and are not quoted in an active market. Loans are recognised when cash is advanced to members and measured at amortised cost using the effective interest method.

Loans are derecognised when the right to receive cash flows from the asset have expired, usually when all amounts outstanding have been repaid by the member. In accordance with relevant regulations Moneywise Credit Union Limited does not transfer loans to third parties.

##### **Impairment of financial assets**

Moneywise 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 Moneywise 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.

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 FRS102. Interest expenses made in dividends are classified as distributions to owners and are recognised in the Statement of Changes in Retained Earnings.

##### **Employee benefits**

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

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

**Moneywise Credit Union Limited**

**Notes to the Financial Statements - continued  
for the year ended 30 September 2025**

**2. Accounting policies (continued)**

**Reserves**

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

**3. Use of estimates and judgements**

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying Moneywise 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, are disclosed below:

**Impairment losses on loan to members**

Impairment 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. Provisions are included based on the requirements set out by the Prudential Regulation Authority.

**4. Loan interest receivable and similar income**

	2025	2024
	£	£
Loan interest receivable from members	782,722	680,646
Bank interest receivable on cash and liquid deposits	<u>146,276</u>	<u>156,492</u>
<b>Total loan interest receivable and other income</b>	<b><u>928,998</u></b>	<b><u>837,138</u></b>

**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.

	2025	2024
	£	£
<b>Interest paid during the year</b>	<b><u>13,283</u></b>	<b><u>13,744</u></b>
Dividend rate:		
Share accounts	0.25%	0.25%
<b>Interest proposed, but not recognised</b>	<b><u>-</u></b>	<b><u>-</u></b>

**6. Fees and commissions receivable**

	2025	2024
	£	£
Bad debts recovered	28,876	24,912
Nexus/LHA BACS charges	13	105
Ancillary service charges	602	110
<b>Total fees and commissions receivable</b>	<b><u>29,491</u></b>	<b><u>25,127</u></b>

Moneywise Credit Union Limited

Notes to the Financial Statements - continued  
for the year ended 30 September 2025

7. Other income

	2024	2023
	£	£
Revenue Grant release: SBC Health Grant	40,000	40,000
Catalyst Fairer Stockton Grant	9,339	5,661
Fair4all Finance	102,677	31,143
Small donations and other income	6,268	19,327
Contracts delivered	43,743	38,269
Rental income	-	-
	<u>202,027</u>	<u>134,400</u>

8. Expenses

	Note	2025	2024
		£	£
Administrative expenses	8a	771,023	626,941
Depreciation and amortisation	11	14,661	9,297
Other operating expenses	8b	148,486	146,051
		<u>934,170</u>	<u>782,289</u>

8a. Administrative expenses

	Note	2025	2024
		£	£
Employment costs	9b	422,158	374,280
Training and conference		1,336	1,419
Marketing and publicity		41,710	41,079
Travelling		12,781	12,728
Auditors' remuneration	8c	12,255	12,666
Telephone		16,138	12,463
Computer maintenance		136,687	85,313
Legal and professional		13,857	7,643
General expenses		1,445	782
Printing, postage and stationery		14,501	13,198
Fees and commissions payable		124	1,463
Other insurance		3,953	5,940
Additional services		94,078	57,967
<b>Total administrative expenses</b>		<u>771,023</u>	<u>626,941</u>

**Moneywise Credit Union Limited**

**Notes to the Financial Statements - continued  
for the year ended 30 September 2025**

**8b. Other operating expenses**

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

	2025	2024
	£	£
<b>Cost of occupying offices (excluding depreciation)</b>		
Rent and rates	57,889	50,472
Repairs, removals and maintenance	22,965	23,811
Heating and lighting	17,551	21,147
	<b>98,405</b>	<b>95,430</b>
<b>Regulatory and financial management costs</b>		
Financial Conduct Authority fees	803	865
National Body Dues	5,745	6,017
Fidelity insurance	3,380	4,220
Loan Protection and life savings insurance	15,435	15,425
Credit checks & Loan collection costs	24,718	24,094
	<b>50,081</b>	<b>50,621</b>
	<b>148,486</b>	<b>146,051</b>

**8c. Auditors remuneration**

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

	2025	2024
	£	£
Fees payable for the audit of Moneywise Credit Union Limited's annual accounts	9,900	9,900
Fees payable to Moneywise Credit Union Limited's auditor for other services	2,355	2,766
	<b>12,255</b>	<b>12,666</b>
	<b>12,255</b>	<b>12,666</b>

**9 Employees and employment costs**

**9a. Number of employees**

The average monthly number of employees during the year were:

	2025	2024
	Number	Number
Office staff	18	19
	<b>18</b>	<b>19</b>

**9b. Employment costs**

	2025	2024
	£	£
Wages and salaries	388,872	336,630
Social security	19,687	25,160
Payments to defined benefit contribution schemes	13,599	12,490
	<b>422,158</b>	<b>374,280</b>
	<b>422,158</b>	<b>374,280</b>

**Moneywise Credit Union Limited**

**Notes to the Financial Statements - continued  
for the year ended 30 September 2025**

**9c. Directors' and Key Management Remuneration**

The Directors of the Credit Union are mostly unpaid volunteers. The key management team for the Credit Union during the year included the Chief Executive Officer and two senior staff.

	2025	2024
	£	£
Short term employee benefits	115,913	133,882
Payments to defined benefit contribution schemes	5,158	3,782
	<u>121,071</u>	<u>137,664</u>

Short-term employee benefits include wages, salaries, social security contributions and paid annual leave.

**10. Taxation**

**10a. Recognised in the Revenue Account**

The taxation charge for the year, based on the small profits rate of Corporation Tax of 25% (2024: 24.1%) comprised:

		2025	2024
	Note	£	£
Current tax			
UK Corporation tax	10b	33,456	37,720
		<u>33,456</u>	<u>37,720</u>

**10b. Reconciliation of tax expense**

Moneywise 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. The differences are explained below:

	2025	2024
	£	£
Surplus before taxation	<u>86,209</u>	<u>73,497</u>
Surplus before taxation multiplied by small profits rate of corporation tax in the UK of 25% (2023: 24.1%)	21,552	17,713
<b>Effects of:</b>		
Non-taxable surplus/(deficit) on transactions with members	11,904	20,007
<b>Total tax charge for the year</b>	<u>33,456</u>	<u>37,720</u>

Moneywise Credit Union Limited

Notes to the Financial Statements - continued  
for the year ended 30 September 2025

11. **Tangible fixed assets**

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

	Leasehold property improvements	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 October 2024		72,122	84,020	156,142
Additions	9,390	6,278	6,233	21,901
Disposals		(1,915)	(39,996)	(41,911)
<b>At 30 September 2025</b>	<b>9,390</b>	<b>76,485</b>	<b>50,257</b>	<b>136,132</b>
<b>Depreciation</b>				
At 1 October 2024		66,020	73,669	139,689
Charge for the year		2,103	12,558	14,661
Disposals		(1,915)	(39,996)	(41,911)
<b>At 30 September 2025</b>	<b>0</b>	<b>66,208</b>	<b>46,231</b>	<b>112,439</b>
<b>Net book value</b>				
<b>At 30 September 2025</b>	<b>9,390</b>	<b>10,277</b>	<b>4,026</b>	<b>23,693</b>
At 1 October 2024	-	6,102	10,351	16,453

12. **Loans and advances to members - financial assets**

12a. **Loans and advances to members**

	Note	2025 £	2024 £
As at 1 October 2024		2,742,603	2,745,552
Advanced during the year		3,159,980	2,805,783
Interest receivable		782,722	680,646
Repaid during the year		(3,691,640)	(3,489,378)
<b>Gross loans and advances to members</b>	12b	<b>2,993,665</b>	<b>2,742,603</b>
Impairment losses		-	-
Balances written off		-	-
Individual financial assets	12b, 12d	(212,522)	(301,135)
Groups of financial assets	12c	-	-
		<b>(212,522)</b>	<b>(301,135)</b>
<b>As at 30 September 2025</b>		<b>2,781,143</b>	<b>2,441,468</b>

12b. **Memorandum - Total loan assets for regulatory purposes**

	Note	2025 £	2024 £
Gross loans and advances to members	15b	2,993,665	2,742,603
Budget loans to members		-	-
Impairment of individual financial assets		(212,522)	(301,135)
<b>Gross loans and advances to members</b>		<b>2,781,143</b>	<b>2,441,468</b>

Moneywise Credit Union Limited

Notes to the Financial Statements - continued  
for the year ended 30 September 2025

12c. Credit risk disclosure

Moneywise 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 carrying amount of the loans to members represents Moneywise 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.

	2025		2024	
	Amount £	Proportion %	Amount £	Proportion %
<b>Not impaired:</b>				
Neither past due nor impaired	2,690,203	89.86%	2,325,726	84.80%
Up to 3 months past due	84,899	2.84%	106,165	3.87%
Between 3 and 6 months past due	-	0.00%	-	0.00%
Between 6 months and 9 months past due	-	0.00%	-	0.00%
Between 9 months and 1 year past due	-	0.00%	-	0.00%
Over 1 year past due	-	0.00%	-	0.00%
<b>Sub-total: loans not impaired</b>	<b>2,775,102</b>	<b>92.70%</b>	<b>2,431,891</b>	<b>88.67%</b>
<b>Individually impaired:</b>				
Not yet past due, but impaired	-	0.00%	-	0.00%
Up to 3 months past due	-	0.00%	-	0.00%
Between 3 and 6 months past due	25,748	0.86%	31,040	1.13%
Between 6 months and 9 months past due	32,545	1.09%	28,495	1.04%
Between 9 months and 1 year past due	29,545	0.99%	41,062	1.50%
Over 1 year past due	130,725	4.37%	210,114	7.66%
<b>Total loans</b>	<b>2,993,665</b>	<b>100%</b>	<b>2,742,603</b>	<b>100%</b>
<b>Impairment allowance</b>	<b>(212,522)</b>		<b>(301,135)</b>	
<b>Total carrying value</b>	<b>2,781,143</b>		<b>2,441,468</b>	

12d. Allowance account for impairment losses

	Note	2025 £	2024 £
As at 1 October 2024		301,135	538,274
Allowance for losses made during the year		(88,613)	(237,139)
<b>As at 30 September 2025</b>		<b>212,522</b>	<b>301,135</b>

12e. Impairment losses recognised for the year

	2025 £	2024 £
Impairment of individual financial assets	215,467	364,273
(Decrease)/Increase in impairment allowances during the year	(88,613)	(237,139)
	126,854	127,134
Reversal of impairment where debts recovered	(28,876)	(24,912)
<b>Total impairment losses recognised for the year</b>	<b>97,978</b>	<b>102,222</b>

Moneywise Credit Union Limited

Notes to the Financial Statements - continued  
for the year ended 30 September 2025

13. Subscribed capital - financial liabilities

	Note	2025 £	2024 £
As at 1 October 2024		5,658,259	5,894,698
Received during the year		17,168,478	16,466,735
Dividends paid		-	-
Repaid during the year		(17,363,529)	(16,703,174)
Received on merger		-	-
<b>As at 30 September 2025</b>		<b><u>5,463,208</u></b>	<b><u>5,658,259</u></b>

14. Other payables

	2025 £	2024 £
UK Corporation Tax	33,456	37,720
Creditors and accruals	149,294	77,155
Deferred grants	24,856	1,662
	<b><u>207,606</u></b>	<b><u>116,537</u></b>

## Moneywise Credit Union Limited

### Notes to the Financial Statements - continued for the year ended 30 September 2025

#### 15. Financial risk management

Moneywise 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 Moneywise Credit Union Limited'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 Moneywise Credit Union Limited, resulting in financial loss to Moneywise Credit Union Limited. In order to manage this risk the Board approves Moneywise 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:** Moneywise 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 Moneywise Credit Union 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 Moneywise Credit Union Limited.

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

**Interest rate risk:** Moneywise Credit Union Limited'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. Moneywise Credit Union Limited considers rates of interest receivable when deciding on the dividend rate payable on subscribed capital. Moneywise Credit Union Limited does not use interest rate options to hedge its own positions.

**Moneywise Credit Union Limited**

**Notes to the Financial Statements - continued  
for the year ended 30 September 2025**

**15b. Interest rate risk disclosure**

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

	2025		2024	
	Amount £	Average interest rate	Amount £	Average interest rate
<b>Financial assets</b>				
Loans to members	<u>2,993,665</u>	<u>26.15%</u>	<u>2,742,134</u>	<u>24.82%</u>

The interest rates applicable to loans to members are fixed and range from 3% to 36%.

**15c. Liquidity risk disclosure**

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

**15d. Fair value of financial instruments**

Moneywise Credit Union Limited does not hold any financial instruments at fair value.

**16. Cash and cash equivalents**

	2025 £	2024 £
Cash and balances with the Bank of England		
Loans and advances to banks	<u>3,459,114</u>	<u>3,849,312</u>
	<u>3,459,114</u>	<u>3,849,312</u>
Less: amounts maturing after three months	<u>(1,361,338)</u>	<u>(1,589,870)</u>
<b>Total cash and cash equivalents</b>	<u><u>2,097,776</u></u>	<u><u>2,259,442</u></u>

**17. Post balance sheet events**

On 1 October 2025 the net assets of Pioneer Credit Union joined Moneywise Credit union via a merger. The merger included Moneywise Credit Union taking on assets totalling £856,418, liabilities including member shares totalling £851,162 and equity including subordinated loans of £5,256.

**18. Contingent liabilities**

Moneywise 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) had 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 Moneywise Credit Union Limited will have to pay.

**19. Financial commitments**

At 30 September 2025 the credit union had total commitments under non-cancellable leases over the remaining life of those leases of £42,433 (2024 - £151,833).

**Moneywise Credit Union Limited**

**Notes to the Financial Statements - continued  
for the year ended 30 September 2025**

**20. Related party transactions**

During the year, £3,500 (2024 - £3,500) was paid to Andrew Breese, director of the Credit Union, for the provision of board minutes and internal audit services.

Andrew Breese and Geof Ellingham, directors of the Credit Union, are both directors of CU Forms Limited, who provides the Credit Union with an online platform for loan applications and agreements. The Credit Union have paid £3,300 (2024 - £8,400) for monthly support and consultancy.

Phil Goad, director of the Credit Union, is director of Axis Change Ltd, which he acts through as Chair for Moneywise. The Credit Union have paid £6,000 (2024 - £5,000) for monthly support and consultancy.