

Clockwise
Credit Union

safe savings & affordable loans

**ANNUAL
REPORT
2025**



MEET OUR DIRECTORS

The Clockwise Board of Directors is made up of volunteers from many different backgrounds. They have a wide variety of skills and they all share the vision and mission of Clockwise Credit Union. Their dedication is why we are a successful Credit Union with a fantastic reputation within the credit union movement. Visit the About section of our website to read the full bios for each director.



PAUL MATTIOLI (CHAIR)

Paul has a degree in Economics and is a qualified Chartered Accountant. He set up his own company before retiring and has been a Director of the board since 2010 and Chair since 2015.



KEITH ROSE (VICE CHAIR)

Keith is a retired Chartered Engineer. He was a volunteer at the Loughborough Community Access Point for 10 years and has served as a Director of the board since 2009.



PAUL HARRIS (TREASURER)

Paul is a qualified Accountant and has over 30 years' experience in financial services. He is an experienced Board Trustee and Director. He has been a Director of the board since 2021.



SUSAN BARTON

Sue has a career in primary teaching and was previously on the New Central Credit Union Board. Sue joined the Clockwise board in 2021, when NCCU merged with Clockwise.



LIZ BLACKMAN

Liz taught for 25 years before becoming MP for Erewash for 13 years where she helped to set up a local credit union. Liz was Chair for Notts & Lincs CU for 9 years.



MATT HALL

Matt's career was primarily in Financial Services, initially with Alliance & Leicester and more recently with Santander in a number of analytical, marketing and commercial management roles.



MARY HIRST

Mary has 39 years experience in education and was a headteacher. She set up an academy, managing a £15m budget. Mary has been a Director since 2017 and is now Chair of the HR Committee.



CATHERINE O'SULLIVAN

Catherine joined the board in 2025 as Chair (Designate). She has over 30 years experience in regulated financial services across the UK and Europe working for a range of companies.



JEREMY SIDDALL

Jeremy has spent much of his career as a Company Secretary. He is a qualified solicitor and has been a Director of the board since 2023.



GULZAR SINGH

Gulzar Singh brings over two decades of leadership experience across global retail banking and digital transformation, having held senior roles in many countries within major financial institutions.



MARK BAILHAM (INDEPENDENT CHAIR)

Mark is a qualified Chartered Accountant with over 35 years' experience in financial services. He joined Clockwise as Chair of the Audit and Risk Committee in 2022.

Table of Contents

Vision, Mission & Values	4 - 5
Chair's Report	6
CEO's Report	7 - 9
Notts & Lincs Credit Union Merger	10
Supporting our Members	11
Clockwise in the Community	12 - 13
SROI Report	14
Treasurer's Report	15
Income & Expenditure	16
Balance Sheet	17
Auditors' Report	18 - 20
Directors' Report	21 - 22
Audit & Risk Report	23 - 24
Nominations Committee Report	25
Member Feedback	26
Admin Info	28

VISION, MISSION & VALUES

VISION

We want to be the first and best choice when it comes to helping people with their money.

Whether you're already a member or someone who wants to join us in the future, we aim to be the best choice for providing financial services. We'll work hard to earn your trust and show you that we can take care of your needs and help you achieve your financial goals.

MISSION

Our Credit Union's mission is to be responsible and caring, not just focused on making money.

We want to show something special called the "credit union difference." This means we will be fair, honest, and creative in how we offer financial products and services to our members. We value our members' opinions and want to work together as a team.

Our goal is to build strong relationships with our members and the community. Because we are owned by our members, we consider their needs first: this helps us stand out against banks and other financial organisations. By being strong financially, we can offer reliable and affordable options to our members. This will help them and the community as a whole to be financially better off. Our main focus is on people, not just profits.

VALUES

At Clockwise, we believe in doing the right things to keep our Credit Union sustainable and successful. Here are the important principles we follow:

Managing our money wisely:

We make smart decisions to ensure that the Credit Union is strong financially. We are careful with our assets and invest our funds responsibly. We also work with partners who share our values to build a stronger community together.



We want to be the first and best choice when it comes to helping people with their money.



We treat our members with respect and dignity, giving them trustworthy advice on the best financial options available.

Helping our members with their financial goals:

We treat our members with respect and dignity, giving them trustworthy advice on the best financial options available.

Our products and services are tailored to their unique needs and offer great value. We take privacy seriously, ensuring their personal information is protected. We also strive to provide essential financial services to those with lower incomes and marginalised backgrounds.

Engaging our members in shaping the credit union:

We value our members' opinions, and we offer multiple channels for them to provide feedback. Whenever they raise concerns, we address them promptly, so they feel heard and valued in the decision-making process.

Creating a positive work environment:

We care about our employees and create a workplace that is diverse, stimulating, and rewarding. By providing strong leadership, resources, and opportunities, we empower our employees to do their best work and reach their full potential.

Being accountable to the community:

We are committed to keeping our promises to the community. We continuously work towards our goals and measure our progress. Through our community grants programme, we provide support to diverse groups in need within the communities we serve. We also share our social impact findings with our members annually.

Supporting the Credit Union community:

We believe in collaboration and cooperation with other Credit Unions. We offer our expertise and help those in need. Additionally, we actively participate in regional and national initiatives to promote financial inclusion and raise awareness about the Credit Union movement.

CHAIR'S REPORT

I am pleased to present the annual report of Clockwise Credit Union 2024-2025. It has, without doubt, been a year of challenges. As I announced two years ago, I had decided to step down as Chair, this will be my last annual report to you. The recruitment took far longer than we expected but I know I am leaving it in very good hands of Catherine O'Sullivan, who has since been appointed as the new Chair. I would like to say it's been a huge honour and privilege to serve as Chair of the board since 2016.

The highlight of the year was the successful merger with Notts & Lincs Credit Union on 1st February, and we warmly welcome all Notts & Lincs staff, directors and members to this, their first AGM as Clockwise Credit Union. I know a huge amount of time and energy was put into the preparation for the merger and would like to record my thanks to the whole team who worked so hard to get it completed on time. Our Credit Union can now welcome as members anyone who lives or works in Leicester, Leicestershire, Rutland, Coventry, Warwickshire, Nottingham and Nottinghamshire, an extensive area as you can see from the map below:



Unfortunately, to comply with FCA rules, and to enable the merger to go ahead, both we and Notts & Lincs credit union had to drop parts of our previous common bond: we had to remove Northamptonshire and Notts & Lincs had to remove Lincolnshire, though retaining some payroll partners. However, we would like to reassure any members who live in these areas that your existing membership rights remain, and you should see no difference in products and services you receive.

The Challenges

The cost-of-living crisis continues, and we have seen first hand the impact on members. While we do our very best to support those who get into difficulties with loans, some have failed to respond, and we have experienced higher arrears and debt than we wanted. We continue to provide our members with options to get themselves back on track and have almost completed an overhaul of our credit control processes, which should bear fruit in the coming months. I know the team are working hard to offer help and support and I am very grateful to them.

The cost-of-living crisis has also had an impact on new lending as people struggle to afford repayments and we are seeing many loans declined due to lack of affordability. Of course, we would like to lend more as that is where we generate our income. But it is important we do not compromise on the quality of loans granted. We have always considered ourselves to be responsible lenders and do not want to burden members with debts they cannot manage.

As a result of all these challenges, we have this year made a loss, which is disappointing, but I am confident we can turn this around in this financial year. I know Paul Harris will cover this in more detail in the Treasurer's report.

New Directors

The Board has three main responsibilities: to set policy; determine direction and to plan development and growth and I would like to recognise and thank my fellow directors for their commitment, strategic leadership and support. All directors sit on at least one sub-committee. The aim is to utilise the experience of those individuals to ensure that the best support is given to the credit union and its team. I am delighted to welcome four new directors, each of whom brings unique skills and a different perspective to the Board: Liz Blackman (former Chair of Notts & Lincs) Catherine O'Sullivan, Matt Hall, and Gulzar Singh. However, we also said goodbye to four directors during the year: Brian Wilson (our longest serving director), Roy Stephenson, Jeremy Edwards and Jason Eaves. We sincerely thank them for their contribution to the ongoing growth of Clockwise, their hard work and commitment.

Paul Mattioli

CEO'S REPORT

Happy New Year to all reading this.

As Paul noted, 2025 was a challenging year in many ways for Clockwise. Whilst there were undoubtedly some highlights, such as the merger with Notts & Lincs and the introduction of our new current account, there were also some challenges – slower loan book growth than we had hoped, rising arrears and sustaining an operating loss. I would like to cover each one in a little more detail.



HIGHLIGHTS

Downing Street Invitation

In June, along with a few credit union friends, I was invited to 10 Downing Street to celebrate the 'Contribution of Mutuals and Co-operatives to the UK Growth and Prosperity', hosted by Business Secretary Jonathon Reynolds.

We also heard from Emma Reynolds, Economic Secretary to the Treasury and others, about plans to support the government agenda of doubling the Mutual sector. As Matt Bland, CEO of ABCUL said 'This is a hugely exciting time as we aim to double the sector's reach with the support of government and advance Financial Inclusion in the process.

Current Account Debit Card

Following the unexpected withdrawal of Engage from the UK market, we had to source a new debit card provider. We were able to re-launch a new Debit Card with a new provider, Railsr this year.

The debit card is a feature of the Clockwise Current Account. This new card offers more features than the old card, and we expect the functionality of the Current Account to continue to grow.



CEO'S REPORT

Launch of the UK's Only Interest Free Credit Union Overdraft

Clockwise Credit Union is proud to announce the launch of the **UK's only interest free overdraft from a Credit Union**, now available on the Everyday Plan on the Clockwise Credit Union Current Account.

In a time when fees and charges seem to sneak in everywhere, we're keeping things simple: a **£100 overdraft with no interest**. No tricks, no hidden charges. Just an extra bit of headroom when members need it.

Members can apply for an overdraft when applying for the Everyday Plan – the premium tier plan on the Current Account with all available features and designed to be the best value for day-to-day use. Members can then access the £100 as a buffer when they need it.

The Clockwise Current Account is simple to use, easy to manage — everything you need to stay on top of your money.

Account features include:

- Pay in salary or benefits
- Withdraw cash from ATMs, branches or Post Offices
- Set up standing orders & direct debits
- Create savings wallets for your goals
- Add a virtual card for online spending
- Round-up savings to grow as you spend
- Keep your money in the local community
- And now — enjoy a £100 overdraft

"We've always believed that fair, affordable financial services should be available to everyone. This overdraft is just one more way we're putting people before profit,"

- Teresa Manning, CEO of Clockwise Credit Union



Finalists in the 'Best Credit Union Loan Provider' Category from the Consumer Credit Awards

We were absolutely thrilled to be named finalists in the Best Credit Union Loan Provider category at the Consumer Credit Awards 2025. As these awards are decided entirely by customer votes, reaching the final few means a great deal to us. It reflects the trust our members place in us and the work our team puts in every day to offer fair, supportive and affordable lending.

The Consumer Credit Awards, run by Smart Money People, shine a light on organisations that deliver genuine value to customers. They use real reviews and real experiences to help shape a better financial future for everyone. Being recognised among the top credit unions in the UK is something we're incredibly proud of, and it motivates us to keep improving and keep listening to the people who matter most.

CHALLENGES

Loan Book Growth & rising arrears

As Paul mentioned in the Chair's report, the ongoing cost of living situation and the economic downturn has impacted our members, both in their borrowing and the repayment of loans. Members who would previously have qualified for a loan are now not eligible because they simply do not have enough disposable income to be able to afford the repayments. This means we are declining far more loans than before.

This situation also affects members who already have loans and are now struggling to continue to make their repayments. We have gone through a huge overhaul of how we support those members by trying to find solutions such as making their repayments more manageable by reducing them or refinancing them to spread the cost over a longer period. We are firmly committed to doing everything we can to help and support those who are struggling, and I would urge any member who is in difficulty to contact our Member Solutions team on 0330 17 55 792 or hello@clockwise.coop



CEO'S REPORT

OPERATING LOSS

This was very disappointing for us all, due to the reduction of loan interest (our primary source of income) coupled with higher delinquency costs. Paul will go into more detail in the Treasurers' Report but put simply, our income is not growing as quickly as our expenses, hence the loss. However, Clockwise is in a strong position financially with healthy reserves of £1.7m so this will not have a major impact. But it is not a position we want to be in year on year – we aim to remain sustainable, so our agreed strategy is to return to generating surpluses. Looking to the future, at our Strategic Planning session in April we agreed several targets for this coming year around growth and sustainability and will continue to measure our performance against these targets.

STAFFING

There have been several changes during the financial year, not least welcoming eleven new staff colleagues through the merger with Notts and Lincs Credit Union in February, which inevitably brought added pressure in the short term, dealing with members queries and concerns. July marked the departure of Emma Franklin-Keogh, Head of HR and Compliance, who moved on to pastures new – we wish her and all fellow former colleagues well in the future. It was good to see other colleagues move into more senior roles – their personal development is a priority for us. We also encourage staff to take up training opportunities.

Kerry Newcombe Graduating

In August, we were delighted when Kerry Newcombe, having recently been promoted to Loans Team Leader, graduated from the DEEU programme, aimed to develop credit unions leaders for the future. Kerry came to us initially as a volunteer at a collection point in Braunstone, so we are immensely proud of her achievements.



I continue to represent the East Midlands Credit Unions on the Board of ABCUL, and we were pleased earlier in the year to appoint Matt Bland as the CEO of ABCUL following the departure of Robert Kelly. Matt has shared his vision for the future of ABCUL covering five key areas:

- Collaboration and consolidation
- Leadership and skills
- Innovation and infrastructure
- Legislation and regulation
- Appropriate investment

We look forward to hearing news of progress made at the ABCUL AGM in March.

Finally, I would like to record my thanks to the whole team over 2024/25 for their hard work, professionalism, and genuine care for our members, particularly during the ongoing challenges they face. Thanks also to the Board of Directors of Clockwise for their leadership and vision.

Teresa Manning
Chief Executive Officer

Notts & Lincs Credit Union Mergers with Clockwise Credit Union

On the 1st of February 2025, Clockwise and Notts & Lincs Credit Union officially joined forces and completed a merger. With the combined resources and expertise of both Credit Unions this merger represents a significant step forward in enhancing the services and support offered to people across the East Midlands.

Jason Griffith, CEO of Notts & Lincs Credit Union praised the efforts of staff during the merger process and said, "At the heart of everything we do is a commitment to empowering our members to achieve their financial goals. By joining forces with Clockwise Credit Union, we are creating a stronger credit union that will better serve our members and contribute to the overall well-being of our communities.

We are driven by our determination to better serve those with limited access to financial services. By combining our resources and expertise, we can offer even more support, guidance, financial products and services to help our communities thrive.

I am excited about the opportunities this partnership brings and look forward to building a brighter future together."

JASON GRIFFITH - CEO NOTTS & LINCS CREDIT UNION

Clockwise is delighted to welcome new colleagues in Nottingham to the team and gain an office in the town centre, on Maid Marian Way. The office remains 'open as usual,' and staff are happy to answer any queries members may have about the merger.

Teresa Manning, CEO of Clockwise Credit Union said, "We are thrilled that this strategic merger has come together. It is a key step in improving the services and support Notts & Lincs provide to their members and will make Clockwise more financially resilient, so we can invest more in services for our members and in community projects.

The merger means we now have 33,000 members and assets of £18m. We are also delighted to welcome eleven colleagues from Notts & Lincs to the Clockwise family!

Through our digital solutions, financial and management systems, Clockwise aims to broaden and improve the range of services to Notts & Lincs Credit Union members. We will be working hard to expand the provision of affordable and ethical financial services throughout Nottinghamshire, where credit union membership is relatively low. We are keen to widen the positive social impact credit unions have on a local economy and strive to support the financial wellbeing of the community.

We are hugely excited about the future of Clockwise."

TERESA MANNING - CEO CLOCKWISE CREDIT UNION



Supporting Our Members - Blogs

We post regular blogs and social media posts to support our members; providing useful information, signposts and tips on ways to improve money management. We strive to encourage open communication through various media for members to provide feedback on these, and let us know what topics they would like us to focus on in the future. Here are a few examples.

Read more and see all our blogs and guides at www.clockwise.coop/news



Breaking the Taboo: Why Employers Should Encourage Money Talk

Money worries are one of the leading sources of stress for employees across the UK. These financial concerns can significantly impact mental health, job satisfaction, focus, and productivity.

Money remains a sensitive subject in many workplaces, often leaving employees to struggle in silence. Employers have a unique opportunity to change this by encouraging open conversations about money, which can improve employees' well-being and benefit the company as a whole.

Pocket Money in 2025: How Much is Normal?

Pocket money has long been a part of growing up, giving children their first taste of independence and responsibility while teaching them the value of money. In 2025, changing habits, digital payments, and new financial tools are reshaping how families approach it. Many parents are now asking the same questions: how much pocket money is normal, and what's the best way to give it? Understanding the latest trends can make it easier to decide what works best for your family.



From Paycheck to Piggy Bank: The Magic of "Paying Yourself First"

For most people, payday follows a familiar pattern: the salary arrives, bills are paid, spending begins, and personal savings, if any, come last. But what if you flipped that script and paid yourself first?

This approach means prioritising your financial future the moment you're paid. Rather than hoping something remains at the end of the month, you actively set money aside before anything else leaves your account. It is a habit that can make a meaningful difference over time.



CLOCKWISE IN THE COMMUNITY

Clockwise awards £250 Community Grant to Pride in Coalville



Clockwise Credit Union was able to offer a Community Grant to "Pride in Coalville" in support of their exciting FREE music event Sat 7th April at Coalville Football ground.

Ben from Pride in Coalville said "We are incredibly grateful to receive the support of the Clockwise Credit Union Community Grant Scheme. The funding will help us promote Pride in Coalville 2025, ensuring the event reaches a wide and diverse audience. With this support, we can create a welcoming, inclusive space that celebrates our LGBTQIA+ community and strengthens community connections across Coalville."

Community Grant given to Christ Church in Brownsover, Rugby

Clockwise was able to give a Community Grant of £250 to Christ Church in Brownsover, Rugby.

The Church run a meal club twice a week and feed between 30 and 60 local families who otherwise would be struggling.

In addition to regular church services, they run community programmes such as Men's Breakfast, ESOL classes and a lunch club with board games and a chance to win at Bingo. Many of the activities started as a result of social isolation brought on by the Covid pandemic.

The grant will help finance projects to provide free meals to families in the local community whose children receive free school meals, helping them financially and building a sense of community.

The grant will also be used to support the "Warm Hub" project which supports young families who are struggling with high energy bills over the winter period.



Clockwise gives Community Grant to Stockingford Community Centre



Stockingford Community Centre is situated in an area of multiple high deprivation and provides an ever-growing range of activities for all age groups from infants to the elderly. They took the lease from Nuneaton and Bedworth Borough Council in July 2023 and since then have been operating as a self-sustaining business. We were pleased to be able to award them £500 as part of our Community Grant scheme.

Jane Danger, the Chair of Stockingford Community Centre said, "Being able to purchase a card machine to take payments from local people will make the day-to-day running of the centre so much easier. We are also dependent on volunteers so the remainder of the grant will help us with some of the costs incurred in supporting them."

Little Bird Baby Bank

In July we awarded £250 to Little Bird Baby Bank.

Little Bird Baby Bank support local families by providing pre-loved baby essentials such as clothing, cots and pushchairs. The charity was started after Julie lost her best friend to cancer. Julie wanted to do something to honour her friend's memory and came up with the idea of a baby bank in Stratford on Avon. Clockwise Credit Union are proud to support them with a community grant towards their running costs.

Julie from the organisation said: "Since we started just over 6 years ago, its been our mission is to ensure that no child goes without the basic necessities for a healthy and comfortable start in life.

Just this year so far we have helped over 100 such families, who have been referred to us, with a combination of generously donated "pre-loved" essentials like bundles of clothes, blankets and toys as well as new items such as toiletries, milk formula and nappies. We also get referrals for items like car seats which are often more difficult to facilitate on public donations alone, but also make such a huge difference so we are thrilled that this grant can help us provide for those most in need!"



Grapevine Coventry and Warwickshire



Also in July, in July we awarded some much-needed funds to Grove Farm Community Centre to help with costs for their fun day. They're being supported by the wonderful Michelle Lewis of Grapevine Warwickshire.

Michelle from Grove Farm said, "The grant will be used to support a fun day. We are hoping that by involving the local community in a fun, positive activity, that we can improve local morale and encourage more local residents to get involved in local activities in the future."



Leicester Communities Together

Over the summer we were pleased to be part of the Leicester City Council "Leicester Communities Together" Event on Jubilee Square, right outside the Leicester branch. The sun was shining as local organisations and performers came together to celebrate and showcase the support available in our community.

Clockwise Credit Union and Stop Loan Sharks England were delighted to be part of the event, raising awareness about the importance of saving regularly—not only for a rainy day, but also for those fun times too, like celebrations or holidays.

SOCIAL RETURN ON INVESTMENT

We continue to evaluate the impact that Clockwise Credit Union has with its members.

SROI is a framework for measuring and accounting change – the difference that we make to people and the planet. We used SROI so that we could find out:

- Where we are making the biggest impact
- Measure the difference we are making
- To use the data to inform planning and decision making



SROI is much more than just a number. It is a story about change, on which to base decisions, that includes case studies and qualitative, quantitative, and financial information. SROI tells the story of how change is being created by measuring the social outcomes and it uses monetary values to represent them. This enables a ratio of benefits to costs to be calculated.

 FOR EVERY £1 INVESTED, £12 OF VALUE WAS CREATED



HOW MEMBERS BENEFITTED

TOP 4 MOST SIGNIFICANT OUTCOMES

1

Our members are proud that their money supports the local economy

2

Our members felt less stressed and worried about money

3

Our members reported being proud to support those experiencing social disadvantages

4

Members felt they are better able to manage money and have a sense of belonging

WHERE THE MOST SOCIAL VALUE WAS CREATED

TOP 3 CONTRIBUTORS

SOCIAL VALUE CREATED

 £26 MILLION

1

Members were proud to help create £10.5m in social value for the local economy

2

Members felt better able to manage their money, creating £8.3m of social value

3

Members felt a greater sense of belonging, creating £2.8m of social value

TOP 3 OUTCOMES

PEOPLE VALUED MOST

1

Less stressed

2

Better able to manage money

3

Learnt new skills in money management

TREASURER'S REPORT

2024/25 has seen Clockwise increase its size by a third with the addition of Nottingham Credit Union. Whilst the addition of Nottingham Credit Union had a positive financial impact this was outweighed by the negative impact of lower income and increased bad debts from the original Clockwise base.

The cost-of-living and cost inflation continued to impact our members and Clockwise, resulting in a high demand but low approval of loans, increased operating costs and increasing bad debts. Excluding Notts & Lincs members, loans grew by less than 1%. Less loan income and increased costs resulted in, after setting aside £229,430 for payment of interest to members, a deficit of £86,490.



Income

Total income of £3.5m is £551,168 higher than last year's income, due to the increase from Nottingham Credit Union loans. Without Nottingham Credit Union, total income would have been the same as the prior year. 90% of total income is loan interest, with the remainder being grants, membership service fees, bank interest, bad debt recoveries and other sundry sources of income.

Expenditure

Total expenditure of £3.6m is £737,850 higher than the previous year. This is due to the merger with Nottingham Credit Union, increasing operational costs and increasing bad debts. 72% of total expenditure is staff and bad debt costs. Expected grant income to offset merger costs did not materialise. Although our loan book has grown, the level of bad debts, net of recovered debts, increased faster to 10% of the total loan book. We continue to adopt a sensitive approach to the management of repayment of members' loans and are successful in ensuring that over 94% of all loans are repaid.

Merger with Nottingham Credit Union

The merger with Nottingham Credit Union completed on 1 February 2025 resulting in the addition of £2.7m loans, £2.5m cash balances £5m member savings, and £0.2m reserves.

Balance Sheet

Members' loans increased by £2.7m to £11.5m, after provision for doubtful debts. Overall members savings increased by £5.7m to £16.3m. Standard member savings including those from Nottingham Credit Union increased by £4.4m and ISA savings increased by £1.2m. Our bank balances increased by £3.2m to £5.8m.

Capital

Clockwise continues to maintain a healthy level of reserves to be able to make future investments in member services and absorb deficits. The Bank of England Prudential Regulation Authority (PRA) has set regulations on minimum capital levels to be maintained by credit unions. Clockwise must maintain capital equivalent of at least 6.3% of Clockwise total assets. As of September 2024, Clockwise capital was 10.5% of Total Assets. This was a reduction from the prior year because of the Nottingham Credit Union merger and the current year deficit. This demonstrates the financial strength of Clockwise.

Bank of England Prudential Regulation Authority (PRA)

All credit unions are required to meet a number of financial ratios monitored by the PRA at quarterly intervals. Clockwise met these ratios at each quarter.

A handwritten signature in black ink that reads "Paul Harris".

Paul Harris
Treasurer

INCOME & EXPENDITURE

	2025	2024
	£	£
INCOME		
Interest on Loans	3,177,209	2,635,729
Entrance & Service Fees	33,739	49,529
Bank Interest	98,475	80,219
Bad Debts Recovered	177,259	117,811
Grant Income and other	65,546	117,772
	<hr/>	<hr/>
	3,552,228	3,001,060
EXPENDITURE		
Employment Costs	1,260,271	1,069,433
Property Costs	54,291	39,095
IT & Office Costs	262,010	168,008
Insurance	17,894	11,778
Transaction Processing	141,996	135,773
Depreciation & Amortisation	75,292	78,994
Trade Association Fees	13,702	13,775
Audit Fees	14,000	13,000
Marketing	160,980	158,222
Debt Management	147,141	110,696
Other Operating Costs	115,801	53,123
Bereavement Fund	12,161	23,655
Rewarding Borrowers Refund	0	0
Bad Debt Provisions	1,322,402	984,508
	<hr/>	<hr/>
	3,597,911	2,860,061
SURPLUS FOR THE YEAR BEFORE TAX		
Corporation Tax	(45,682)	140,999
	<hr/>	<hr/>
	(23,731)	(14,356)
	<hr/>	<hr/>
	(69,413)	126,643
Interest on member savings	(229,430)	(156,562)
SURPLUS FOR THE YEAR	(298,843)	(29,919)
	<hr/>	<hr/>
Credit Union merger Transfer of Reserves	212,353	19,204
Nottingham (2025) Rugby (2024)		
TRANSFER TO RETAINED PROFIT	(86,490)	(10,715)

BALANCE SHEET

As at 30th September 2025

	2025	2024
	£	£
ASSETS		
Bank current & deposit accounts	5,757,609	2,598,324
Intangible assets	272,021	329,288
Loans and advances to members	11,507,516	8,830,043
Tangible assets	346,442	349,249
Sundry debtors	641,085	523,923
TOTAL ASSETS	18,524,673	12,630,827
LIABILITIES		
Share accounts	12,249,763	7,843,266
Junior savers	525,945	453,048
ISA accounts	3,469,812	2,223,050
Sundry creditors and deferred income	361,270	293,090
	<hr/> 16,606,790	<hr/> 10,812,454
General Reserve	1,731,883	1,818,373
Deferred Shares	55,000	0
Subordinated Loans	131,000	0
TOTAL LIABILITIES	18,524,673	12,630,827

Approved on behalf of the Board of Directors
December 2025




Signed: Paul Mattioli, Chair Paul Harris, Treasurer



Keith Rose, Director

AUDITORS' REPORT

Opinion

We have audited the financial statements of Clockwise Credit Union Limited (the 'company') for the year ended 30 September 2025 which comprise the revenue account, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 deficit 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 Union 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties 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 directors report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the directors report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

Matters on which we are required to report by exception

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

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

- proper books of account have not been kept by the credit union in accordance with the requirements of the legislation; or
- a satisfactory system of control over transactions has not been maintained by the credit union in accordance with the requirements of the legislation; or
- the Revenue Account and Balance Sheet are not in agreement with the books of account of the credit union; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the credit union and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Based on our understanding of the credit union and sector in which it operates we identified that the principal risk of non-compliance with laws and regulations related to breaches of PRA rulebook in relation to the credit union's activities as well as Credit Unions Act 1979, Community Benefit Societies Act 2014, UK Tax Legislation and UK Employment Law. We also evaluated management incentive and opportunities for fraudulent manipulations of the financial statements.

Audit procedures performed included:

- Making enquiries of management as to any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing correspondence with regulators and authorities;

AUDITORS' REPORT

- Challenging assumptions and judgements made by management in their significant accounting estimates and assessing if these indicate evidence of management bias;
- Identifying and assessing the design effectiveness of controls management have in place to prevent and detect fraud;
- Reviewing the accounting records for large and unusual journal entries and testing any identified and in particular the rationale for any transactions outside the credit union's normal course of business;
- Reviewing the accounting records for large and unusual bank payments and testing any identified and in particular the rationale for any transactions outside the credit union's normal course of business;
- Testing a sample of debit entries in the revenue account to check they are bona-fide costs of the business;
- Testing a sample of credit entries in the revenue account to check interest income is genuine;
- Testing a sample of member loans to loan agreements;
- Testing a sample of member accounts have money laundering documentation;
- Enquiry of management and those charged with governance around actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:
<https://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's members, as a body, in accordance with the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the credit unions' members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the credit union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 22nd December 2025

Burgis & Bullock
Chartered Accountants
Statutory Auditor 23-25 Waterloo Place
Leamington Spa
Warwickshire
CV32 5LA

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The directors present their annual report and financial statements for the year ended 30 September 2025.

Principal Activities

The principal activities of the credit union continue to be that of the provision of saving and lending facilities for the benefit of its members as defined in the Credit Union Act 1979.

The Credit Union's common bond covers everyone who resides or is employed in Leicester, Leicestershire, Rutland, Nottingham, Nottinghamshire, Coventry & Warwickshire.

Results

The results for the year are set out on page 15.

Directors

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

P Mattioli
M Wilson (Resigned 27 August 2025)
K Hirst
R Stephenson (Resigned 9 April 2025)
J Edwards (Resigned 17 January 2025)
P Harris
S Barton
J Siddall
E Blackman (Appointed 1 February 2025)
J Eaves (Appointed 1 February 2025 and resigned 18 September 2025)

Compliance Statement

Under the Prudential Regulation Authority rulebook the Board of Directors must report to the members at the Annual General Meeting on certain areas of compliance within the credit union. The credit union is therefore pleased to report that during the year the credit union has been in compliance with:

- Depositor Protection Rules 11, 12, 14 and the requirements of rule 15 that relate to rule 11; and
- PRA Credit Union Rule 2.10 (fidelity bond insurance requirements); and
- The requirements of compliance under the PRA "additional activities".



"The speed with which things were progressed was fantastic. Thank you for a wonderful experience."



DIRECTORS' REPORT

Statement of Directors' Responsibilities

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

The Co-operative and Community Benefit Societies Act 2014 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 that law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the credit union and of the surplus or deficit of the credit union for that period.

In preparing the 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 credit union will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the credit union's transactions and disclose with reasonable accuracy at any time the financial position of the credit union and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

"The process was quick, clear, and completely stress-free. Super easy, straightforward and helpful from start to finish — highly recommend!"

AUDIT & RISK REPORT

Role and Composition of the Audit & Risk Committee

The Audit and Risk Committee has delegated authority from the Clockwise Credit Union (Clockwise) Board to carry out specific duties primarily in relation to the support for the Risk function, Internal Audit function, Compliance function and external audits, which is set out in a Terms of Reference approved by the Board. The Committee ensures that its actions are taken in the best interest of members of Clockwise and in compliance with its delegated authority.

The Committee provides scrutiny over the work of both the Management and the Board, on behalf of Clockwise members. Its purpose is to make reasonable assessments as to whether Clockwise operates within the law, its own rules and policies, and within the framework laid down by the regulatory authorities. Its activities also include:

- assessing and recommending the appointment/re-appointment at the AGM of the external auditors; and
- confirming any compliance that the Board requires from the Committee for the Annual Statutory Accounts and external audit and Annual Report; and to ensure the Accounts and Annual Report are completed signed and submitted in the appropriate regulatory timelines.

At year end, there are four members of the Committee entitled to vote at Committee meetings, two of whom are Directors of Clockwise and the balance of members are independent of Clockwise, including the Chair. One independent member stepped down during the year and a replacement was found. Post year end, that new independent member became a Director and so an additional independent member needs to be appointed. The Chief Executive Officer and Compliance Officer regularly attend meetings and the Internal Auditors can attend, on request, to present their work, if needed. I would like to thank all members of the Committee and participants for their contribution during the year.

The Chair of the Audit & Risk Committee is invited to all Board meetings and provides regular updates on the work of the Committee to the Board.

Activities during 2024/2025

During the financial year the Audit & Risk Committee maintained a detailed record of its actions and activities for the year. This includes minutes of its meetings.

The Board and Management have continued to address significant challenges arising from the cost-of-living crisis, whilst maintaining focus and resource on new products, as well as closing the merger with Notts & Lincs Credit Union.

The Committee continues to periodically review the Clockwise Risk Register for both IT and non-IT Risks, changes were presented to the Board during the year. In addition, all new and amended policies of Clockwise are reviewed by the Committee prior to their presentation to the Board for their approval.

During the year, the Compliance Officer resigned to take up another role at another organisation. This added strain to the senior management team; and the work of the Audit & Risk Committee was impacted, as a large amount of the material was originated by the Compliance Officer. However, the work of the Committee continued. A new Compliance Officer was identified post year end and will start in January 2026.

Clockwise internal auditors, BM Howarth, closed their audit on Anti-Money Laundering, which was open at the end of last year, there were no critical findings in the report. The 2024/2025 report on Anti-Money Laundering is pending. The Committee agreed to delay the two reviews mentioned in last year's report, i.e., the internal audit on Management Information and an independent review of Board Effectiveness, to await the changes in the Board and its leadership, both of which occurred post the year end as the new Board members and Chair would potentially impact the Board and its work.

AUDIT & RISK REPORT

Burgis & Bullock performed their year-end audit. The Committee reviewed the Audit Findings Report, as well as the proposed financial statements, after the year end when the documents were ready for review. It was pleasing to note that they again expected to provide an unqualified opinion on the financial statements and that they had not identified any significant issues surrounding the judgements and estimates. As usual, Burgis & Bullock did raise some areas where they thought that the controls of Clockwise could be further improved. The Committee will provide ongoing monitoring on the management response and status of these recommendations in the year ahead. The Committee provided its positive recommendation to the Board for the signing of the financial statements.

Summary

The Audit & Risk Committee is aware of the very considerable strains that the Board and Management have continued to face this year, a year which has included the continuing cost-of-living crisis, the merger with Notts & Lincs Credit Union, as well as the difficulties posed to recruitment by a tightening labour market, including identifying and hiring a new Compliance Officer. Nevertheless, confidence remains high that with their continued energy, focus and commitment, Clockwise continues to be well placed to face the difficulties to come in the year ahead.

Mark Bailham (Chair)

NOMINATIONS COMMITTEE REPORT

During the year the Nominations Committee (NC) has been involved with a number of aspects relating to the running of the Board.

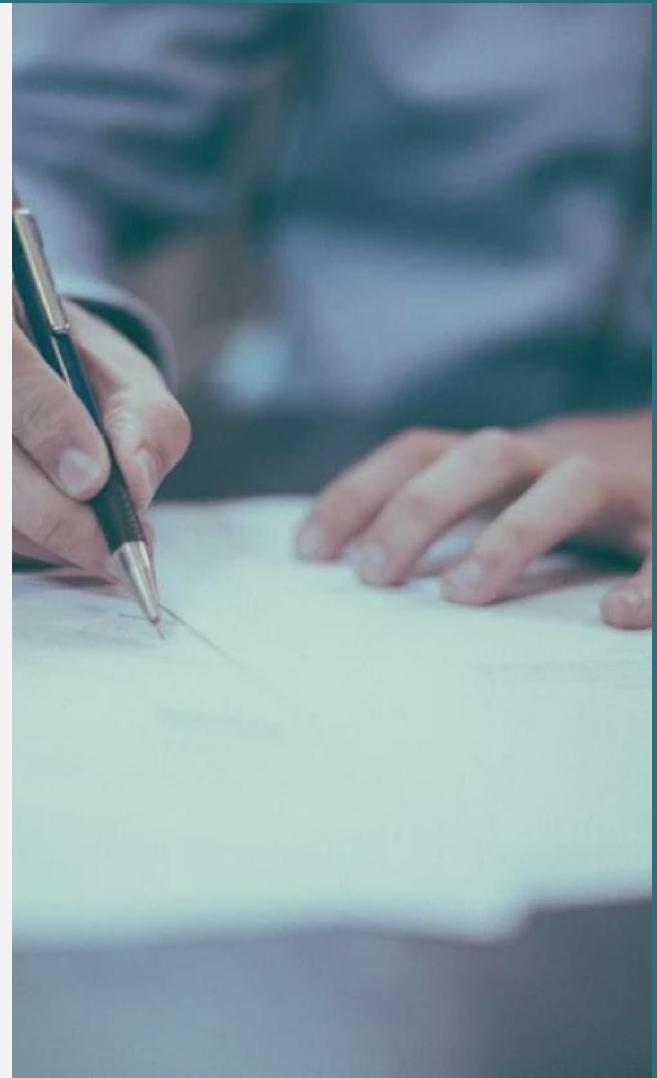
A Board succession plan was approved by Directors in May 2024 and been updated recently. This assumes that the Board's officers are recruited for their particular skills with other members coming from as wide a cross section and as diverse a background as possible.

As a result of the merger with Nottingham Credit Union, two experienced directors joined the Board. We had four directors stand down during the year and our thanks go particularly to those who gave many years of service to Clockwise. Three new directors were also co-opted to the Board which now numbers ten. Of the three new directors two were appointed during our search for a new Chair. This was conducted through independent, specialist companies called Dynamic Boards Ltd and CU Recruitment Ltd, neither of which has any connection to Clockwise. The third director was introduced to Clockwise by an existing director. All three were co-opted after a rigorous selection process, including attendance at three Board meetings. Paul Mattioli stood down as Chair at the November meeting and Directors appointed Catherine O'Sullivan in his place.

The NC considers that as a result of these changes the Board now has a balanced and experienced membership. Suitably qualified individuals hold the role of officers and there is cover for these people in case of need. Three directors are longstanding with ten years plus of service each, three joined the Board following mergers in 2024 & 2025, and the remaining three have been co-opted to the Board during 2025. The average age of members has decreased and the balance between men and women has improved. The NC has been mindful throughout of the wider policy of Clockwise relating to equality, diversity and inclusion.

My thanks to Roy Stephenson, Jason Eaves and our CEO for the time and effort they have devoted to the work of the Committee this year.

Jeremy Siddall(Chair).



"The customer service is second to none, they are polite and courteous at all times and are very willing to help."

MEMBER FEEDBACK



Once I became a member, it changed my saving habits. I now recommend Clockwise to others.

Clockwise helped me to pay off debts and decorate my kids' bedroom.

I have always experienced helpfulness, kindness, and respect as a member. Staff are patient.

Supportive in times of need — gave me confidence managing money.

A Clockwise loan helped me afford rent in advance.

Friendly staff. App is convenient and easy to use.

Easy communication, fast payouts, all in all very good experience.

The service I received was exceptionally good in the sense that everything went on smoothly and I was given a loan within a very short space of time which exceeded my expectations.

Very helpful and the process is very easy really happy with the whole experience.



ADMINISTRATIVE INFORMATION

Registered in January 1992

Register Number IP00280C

PRA/FCA Registration 213498

OTHER INFORMATION

Business & Registered Address:

1 St. Nicholas Place, Leicester LE1 5LB

Nottingham Branch:

69 Maid Marian Way, Nottingham NG1 6AJ

Rugby Branch:

12 Albert St, Rugby CV21 2RS

Telephone:

0330 175 5792

Website:

www.clockwise.coop

Auditors:

Burgis & Bullock

23-25 Waterloo Place

Leamington Spa

Warwickshire

CV32 5LA