

**Directors' Annual Report and  
Unaudited Financial Statements**  
for the year ended 31 July 2024

SOUTH WEST MUTUAL LIMITED

Registered as Society number 4451  
under the Co-operative and Community Benefit Societies Act 2014

**South West Mutual Limited**  
**Annual Report and Accounts**  
**For the year ended 31 July 2024**

## Contents

Directors' Report .....	1
Statement of Income and Retained Earnings.....	4
Balance Sheet .....	5
Notes to the Unaudited Financial Statements .....	6

**South West Mutual Limited**  
**Annual Report and Accounts**  
**For the year ended 31 July 2024**

## **Directors' Report**

The Directors present their report and the unaudited financial statements of South West Mutual Limited ("the Society") for the year ended 31 July 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the Directors' notes to the financial statements and comply with the Society's rules, the Co-operative and Community Benefit Societies Act 2014, and the requirements of the Financial Reporting Standard for Smaller Entities.

### **PRINCIPAL ACTIVITY**

The Society was initially established with the intention of seeking necessary regulatory permissions to offer banking services for the benefit of personal, business and social sector organisations in the South West of England ("the Region").

A firm must obtain authorisation from the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) to be able to offer banking services.

Towards the end of 2022 and early 2023 it became increasingly clear to the Board that the Society was unable to raise sufficient funding to achieve its aim of launching a regional mutual bank. Following a period of consultation with shareholders and other interested parties and further review of possible alternative business plans, in early 2023 the Directors made the decision to suspend operations and register SWM as dormant with HMRC.

SWM has remained dormant throughout the entirety of the financial year ended 31 July 2024.

### **LEGAL STRUCTURE AND MEMBERSHIP**

South West Mutual Limited is a co-operative society incorporated on 1 February 2018 under the Co-operative and Community Benefit Societies Act 2014 as registered society number 4451. The Society's registered office is Holyeat Farm, Brentor, Tavistock. PL19

The Society has share capital comprising one class of non-voting ordinary shares and is controlled by its members on the principle of "one member one vote". Members may be individuals or incorporated bodies such as businesses, charities, or public authorities. Members are required to purchase at least one share and (currently) to demonstrate a local connection.

**South West Mutual Limited**  
**Annual Report and Accounts**  
**For the year ended 31 July 2024**

At incorporation, the Society had 26 individual members and on 31 July 2024 the Society had 109 members comprising 12 corporate and 97 individual members. Each member therefore has 1 in 109 of the voting rights, or approximately 0.9% of the votes.

The largest shareholding has a nominal value of £120,000 and accounts for 16.1% of issued shares at 31 July 2024.

## **BOARD OF DIRECTORS**

Serving Directors during the year are listed alphabetically below:

Name	Role(s)	Appointed	Resigned/ Retired	Shares (£ nominal value)
John Arthur	Secretary	May 2023	-	15
Mark Drewell	Chair of Nomination and Remuneration Sub-Committee	Feb 2018	-	12,015
Paul Manning	Independent Non-Executive Director	Nov 2018	-	5,010

As at 31 July 2024, the three Directors collectively held 2.75% of the voting rights in the Society.

## **FINANCIAL REVIEW**

The £4,192 administration expenses mentioned below in the Statement of Income and Retained Earnings takes account of accruals carried over from the year ended 31 July 2023. Administration expenses for the year ended 31 July 2025 (i.e. the current financial year) will be in the order of £1,200. All directors are currently working pro bono and are therefore not employed by SWM.

The two largest expenses for the year ended 31 July 2025 will be:

- Payments to Microsoft for e-mail functionality and cloud storage for the retained intellectual property rights that SWM still holds.
- Cost of holding the AGM online including recording member votes. The Board has previously reviewed alternatives on how the AGM can be conducted and has concluded that the most appropriate and cheapest method is online through Teams.

**South West Mutual Limited**  
**Annual Report and Accounts**  
**For the year ended 31 July 2024**

## **DIRECTORS' DUTIES AND STATEMENT OF RESPONSIBILITY ON FINANCIAL REPORTING**

For each financial period, the Directors are required by the Co-operative and Community Benefit Societies Act 2014 ("the Act") to prepare financial statements that give a true and fair view of the state of affairs of the Society's financial activities during the period and of its financial position at the end of the period as of its reporting date. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in operational existence

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and enable it to ensure that the financial statements comply with the Act. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **GOING CONCERN AND FINANCIAL VIABILITY**

The current Directors continue to consider that the financial position at 31 July 2024 and at the date of this report is that the Society does not have sufficient funds to sustain further funded operations. As a result, the Society is non-operational and registered as dormant with HMRC.

## **AUDIT**

The members passed a resolution at the Society's November 2023 AGM to disapply the requirement for an external auditor's report.

**South West Mutual Limited**  
**REGISTERED NUMBER:RS004451**  
**Unaudited Financial Statements**

## Statement of Income and Retained Earnings

For the year ended 31 July 2024

		<b>Year ended 31 July 2024</b>	<i>Period ended 31 July 2023</i>
	Notes	£	£
Administrative expenses		<b>(4,192)</b>	<i>(120,893)</i>
Other operating income	3	-	<i>95,849</i>
<b>Operating loss</b>		<b>(4,192)</b>	<b><i>(25,044)</i></b>
<b>Loss before tax</b>		<b>(4,192)</b>	<b><i>(25,044)</i></b>
<b>Loss after tax</b>		<b>(4,192)</b>	<b><i>(25,044)</i></b>

**South West Mutual Limited**  
**REGISTERED NUMBER:RS004451**  
**Unaudited Financial Statements**



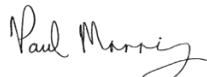
## Balance Sheet

as at 31 July 2024

		31 July 2024	31 July 2023
	Notes	£	£
<b>Current assets</b>			
Fixed assets held for sale	6	-	86
Debtors: amounts falling due within one year	7	-	3,881
Cash at bank		<b>5,266</b>	13,741
			<u>17,708</u>
Creditors: amounts falling due within one year	8	-	(6,799)
<b>Net current assets</b>		<b>5,266</b>	10,909
<b>Net current assets less current liabilities</b>	9	<b>5,266</b>	10,909
<b>Net assets</b>		<b>5,266</b>	10,909
<b>Capital and reserves</b>			
Called up share capital	10	<b>745,496</b>	745,496
Profit and loss account		<b>(740,230)</b>	(734,587)
		<b>5,266</b>	10,909

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 24 October 2024.

		
<b>J Arthur</b> Director	<b>PM Drewell</b> Director	<b>PC Manning</b> Director

The notes on pages 16 to 21 form part of these financial statements.

## **Notes to the Unaudited Financial Statements**

### **1 Statutory information**

South West Mutual Limited is a Co-operative Society registered under the Co-operative and Community Benefit Societies Act 2014 as society number 4451. Co-operative societies are a category of mutual society and statutory information about the Society is held on the Mutuels Public Register maintained by the Financial Conduct Authority. The registered office is Holyeat Farm, Brentor, Tavistock, Devon, PL19 0NW.

### **2 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland. There were no material departures from that standard.

#### **Grants**

The Society accounts for grants in accordance with the performance model under FRS102. A grant that does not impose specified future performance-related conditions is recognised in income when the grant proceeds are received or receivable. A grant that imposes specified future performance related conditions on the recipient is recognised in income only when the performance-related conditions are met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

#### **Taxation**

The Society has been accepted by HMRC as dormant for tax purposes.

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

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



**South West Mutual Limited**  
**REGISTERED NUMBER:RS004451**  
**Unaudited Financial Statements**

**3 Other operating income**

	<b>Year ended 31 July 2024</b>	<i>Period ended 31 July 2023</i>
	<b>£</b>	<b>£</b>
Other operating income	-	5,849
Other grants receivable	-	90,000
	<u>-</u>	<u>95,849</u>

**4 Employees**

There were no employees during the year (2023 – average number of 2).

**5 Debtors and prepayments**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	-	3,881
	<u>-</u>	<u>3,881</u>

**6 Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	-	216
Accruals and deferred income	-	6,583
	<u>-</u>	<u>6,799</u>

**10 Called up share capital**

	<b>31 July 2024</b>	<b>31 July 2023</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
745,496 Founder shares of £1.00 each	<u><b>745,496</b></u>	<u><b>745,496</b></u>