Directors' Annual Report and

Unaudited Financial Statements

for the year ended 31 July 2025

SOUTH WEST MUTUAL LIMITED

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

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Directors' Report

The Directors present their report and the unaudited financial statements of South West Mutual Limited ("the Society") for the period ended 31 July 2025.

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 financial year ended 31 July 2025.

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 51 Manor House Road, Glastonbury, Somerset BA6 9DF.

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.

At incorporation, the Society had 26 individual members and on 31 July 2025 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 2025.

BOARD OF DIRECTORS

Serving Directors during the year are listed alphabetically below:

Name	Role(s)	Appointed	Resigned	Shares (£ nominal value)
John Arthur	Director and Secretary	May 2023	-	**15**
Mark Drewell	Director	Feb 2018	-	**12,015**
Paul Manning	Director	Nov 2018	-	**5,010**

As at 31 July 2025, the Directors collectively held 2.75%% of the voting rights in the Society.

FINANCIAL REVIEW

Administration expenses for the year ended 31 July 2025 were £1,282 (2024: £4,192) and comprise primarily IT services required for maintaining the administrative and governance capabilities of the Society including email, software, cloud storage and communications.

All Directors provide their services pro bono and are not employed by the Society.

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 Directors consider that the financial position at 31 July 2025 and at the date of this report is that the Society does not have sufficient funds to sustain trading activities and as a result, the Society continues to be non-operational and registered as dormant with HMRC.

AUDIT

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

Statement of Income and Retained Earnings

For the year ended 31 July 2025

	Notes	**Year ended 31 July 2025**	*Year ended 31 July 2024*
		£	*£*
Administrative expenses	3	**1,282**	*4,192*
Operating loss		**1,282**	*4,192*
Loss before and after tax		**1,282**	*4,192*

Balance Sheet

as at 31 July 2025

	Notes	**31 July 2025**	*31 July 2024*
		£	*£*
Current assets			
Cash at bank		**3,984**	*5,266*
Net current assets		**3,984**	**5,266**
Net current assets less current liabilities		**3,984**	**5,266**
Net assets		**3,984**	**5,266**
Capital and reserves			
Called up share capital	4	**745,496**	*745,496*
Profit and loss account		**(741,512)**	*(740,230)*
		3,984	*5,266*

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 13 October 2025.

J Arthur
Director

PM Drewell
Director

PC Manning
Director

The notes on page 6 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 Mutuals Public Register maintained by the Financial Conduct Authority. The registered office is 51 Manor House Road, Glastonbury, Somerset BA6 9DF.

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.

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.

3 Employees

There were no employees during the year (2024 – nil).

4 Called up share capital

	31 July 2025	*31 July 2024*
Allotted, called up and fully paid	**£**	*£*
745,496 Founder shares of £1.00 each	**745,496**	*745,496*