ANNUAL REPORT AND ACCOUNTS 2023

Castle Community Bank

About Castle Community Bank

Castle Community Bank is a credit union, a member driven financial co-operative.

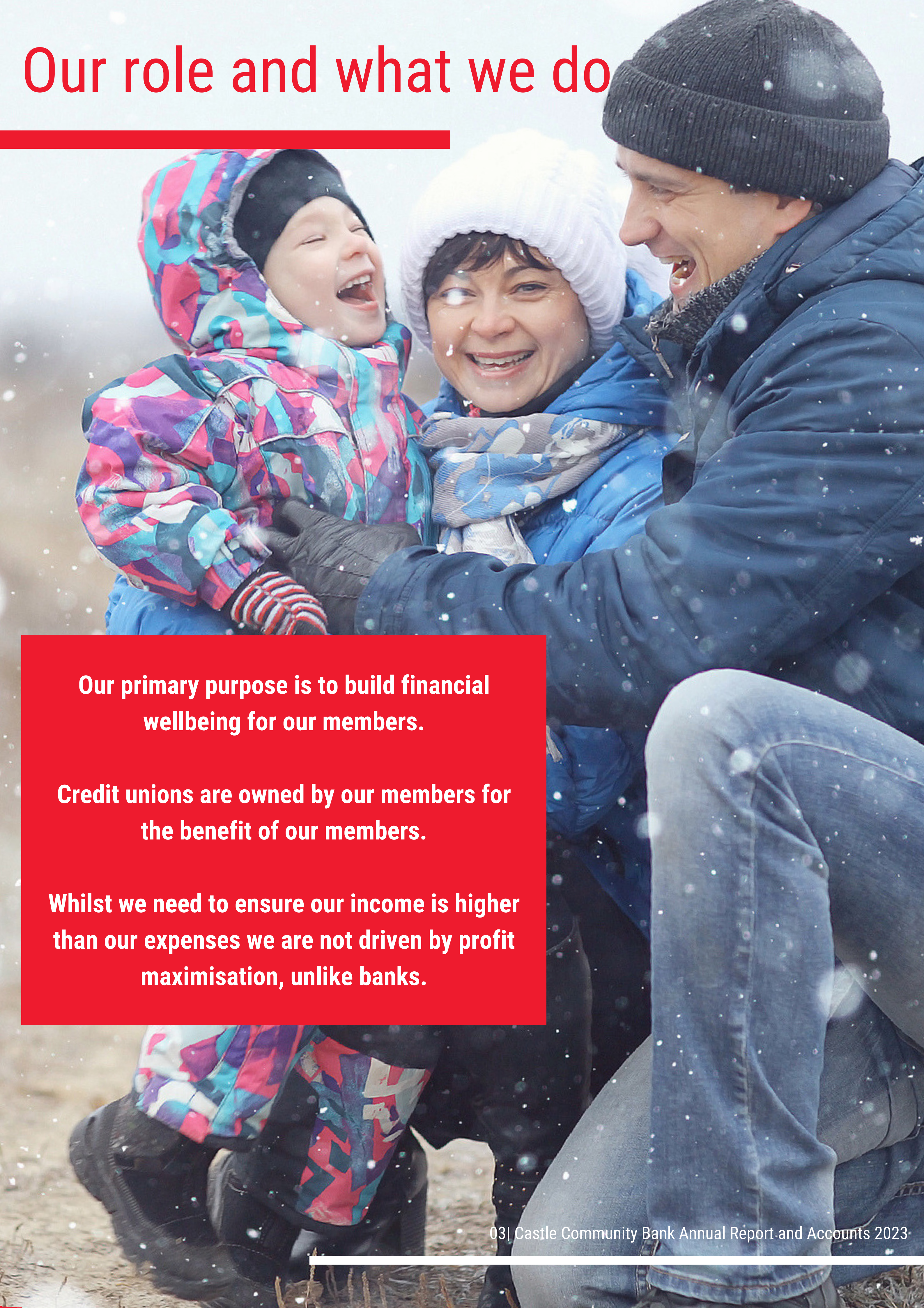
We offer great interest rates to all our members, both savers and borrowers, and we do social good by supporting those who are often unable to access mainstream banking.

Established in 2015 following the merger of two long established credit unions: Castle and North Edinburgh. Today Castle Community Bank serves over 46,000 members across Great Britain. We are dedicated to bringing people an ethical alternative for their savings and sourcing loans.

We are a credit union authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Our depositors also benefit from their deposits being protected up to £85,000 under the Financial Services Compensation Scheme (FSCS).

Our role and what we do



Our primary purpose is to build financial wellbeing for our members.

Credit unions are owned by our members for the benefit of our members.

Whilst we need to ensure our income is higher than our expenses we are not driven by profit maximisation, unlike banks.

Our year at a glance 2023

46,600
Members

£283m
Total assets

£247m
Savings

£225m
Loans

*****
'excellent'
Trustpilot

2023 has been a year of exceptional growth for Castle Community Bank. Total membership has grown to over 46,000, up 341% year on year. Total assets now equal £283m, a 354% increase on 2022, making us one of the largest credit unions in the United Kingdom.

Deposits have grown from £71m in 2022 to £247m in 2023 and our loan book has increased from £62m to £225m in 2023, two key steps towards achieving sustainability through scale.

At the same time, with an overall current Trustpilot rating of 4.8/5, **we continue to deliver exceptionally high levels of customer satisfaction**.

In addition, we remain focused on our social purpose of supporting communities, whilst helping our members to maximise their savings and manage debt as effectively as possible.

Our year at a glance 2023

‘*****’ **Trustpilot**

(11 Mar 2023)

‘All so very simple and easy to access .... no problems making my deposits and clear guidance on interest rates. Great service which always works.’

Our year at a glance 2023

51%
of our loans for debt consolidation

48%
of our Scottish loans in deprived communities

37%
of our borrowers earn less than £30,000

45%
of our loans to members aged under 35

Our aim is to benefit members through offering deposits at top tier market rates whilst providing affordable, accessible loan products to members.

We give our members highly competitive products whilst supporting their financial wellbeing.

For example, 48% of our loan balances in Scotland are held by those living in the most deprived areas. Of our total loans, 51% are for debt consolidation.

We support those on lower incomes and those starting out. Today, 37% of our borrowers earn less than £30k per year and 45% of loans are to those under the age of 35.

Our year at a glance 2023

‘*****’ **Trustpilot**

(15 Aug 2023)

‘Quick, easy and efficient loan process with decent interest rates charged for today’s financial climate’

Chairman's Report

Dear Members,

With the cost of living crisis continuing to make life difficult for thousands of people, I'm pleased to report that Castle Community Bank has continued its strong growth in all areas. This means that we can provide our excellent savings and loans products to more members across Great Britain, helping them to grow their savings and borrow responsibly when extra money is needed.

I like to think of our operating model as a "circle of good":

- savvy savers like our top quartile interest rates and easy online onboarding
- many of them also like the fact that we make their money go further by funding our affordable loan products, enabling people who struggle to access loans from mainstream banks to borrow what they need at affordable rates
- in turn, success in our savings and loans products enables us to grow our community programmes in Edinburgh and beyond: including providing debt advice support, sustainable food bank funding and ethical investment for charities and churches.

We are determined to do our best to help regenerate our community by supporting people towards financial inclusion - across Great Britain, but with special emphasis on our heartland local community in North Edinburgh.

How is it that we have managed to grow our credit union, serving more members, at a time when other credit unions remain static?

Castle Community Bank is leading the way in expanding the credit union movement in the UK, delivering strong and sustainable growth, underpinned by sound risk management and a stable capital base.

The answer lies in our innovative outsourcing model which uses state of the art technology, provided by Gojoko Marketing Limited. This enables us to offer competitive products to members across the UK through online channels via Amplifi Capital (UK) Limited (trading as My Community Finance).

And this strong growth is underpinned by equally strong risk management, good governance and a stable capital base. These features ensure that our credit union is sustainable and able to withstand further economic headwinds.

The ongoing growth at Castle Community Bank truly is a good news story - but it is only made possible by the hard work and dedication of our team, our commercial partners and our Board. I would like to thank all of them for their contribution towards these excellent annual results.

Stephen Pearson

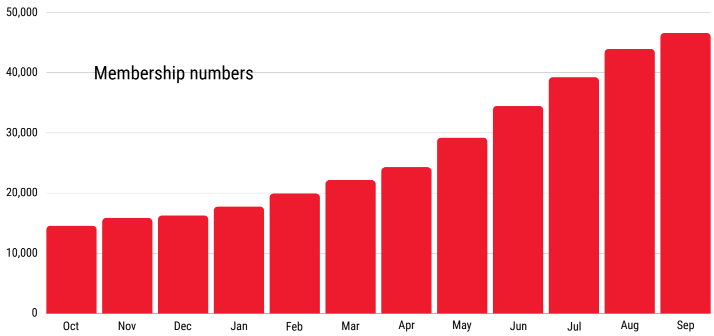
Chief Executive's update

Castle Community Bank is proud to be part of the global credit union movement.

I am pleased to say that, we have now completed two of the four core strategic initiatives we set out in 2021, namely we are stable and at a sustainable scale.

This year's surplus is £222,763 driven by strong but controlled, well-priced growth. The result is lower than last year as we have continued to be prudent and manage value for our members.

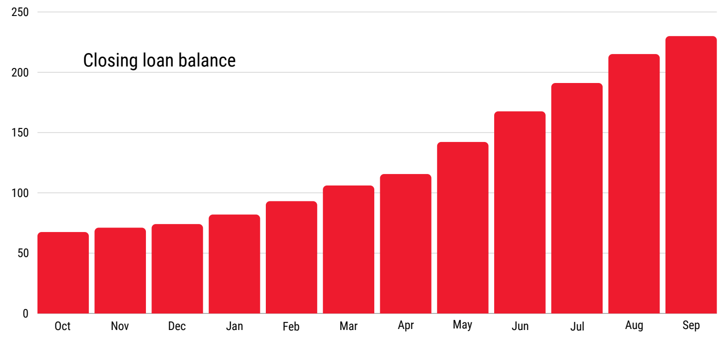
Our members have grown from 13,670 in September 2022 to 46,600 September 2023:



Castle Community Bank looks forward to welcoming more members in the years to come as well as broadening out our impact and commercial reach, providing a true alternative to the mainstream banks.

The cost of living crisis has impacted the whole of the UK throughout 2023 and we recognise that high inflation, delayed wage increases for many and higher interest rates have placed pressure on many people. During this challenging year our depositors have received leading market rates as interest rates have risen, and we have offered affordable loans to those who need to borrow money.

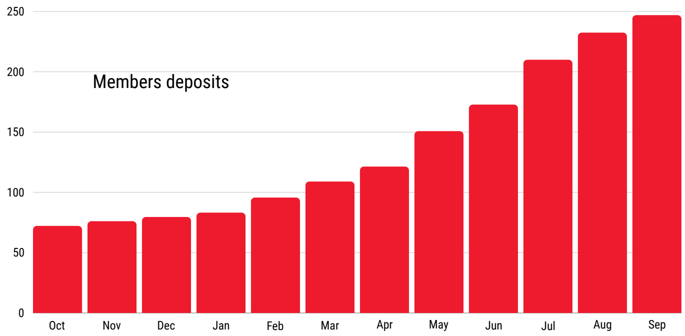
34,503 loans were issued in the last financial year, totalling £206m .



The unexpected hike in interest rates, driven by the impromptu budget in 2022, did cause some level of income suppression as we passed on the resulting increase in rates to our depositors. Our response to market changes demonstrated our unique ability to adapt and benefit our members.

Chief Executive's update

Our members' deposits have grown from £71m in September 2022 to £247m in September 2023, with Castle Community Bank being able to offer top of the market rates to new members and to existing members reinvesting matured fixed term deposits.



We entered into a commercial relationship with Raisin UK in August 2022 and are pleased to report that, at the end of the first year of this relationship, Castle Community Bank has attracted £62m of deposits, allowing us to reach a new group of savers.

Governance and control in the best interests of all our members is a constant focus. We have a robust governance framework supported by the right people, processes and controls to identify, manage and mitigate risks, both in advance where they can be foreseen and once they arise. Our ever present goal is to be there for our members for the long term.

As well as providing competitive products to our members we are active in our community and look to give back in a modest way where we can. This includes supporting debt advisory charities, food banks and youth development programmes.

Another successful financial year has been achieved. A huge effort has been made by all and the business is now in a fundamentally stronger position, with a broader product range and an enhanced member base across both deposits and savers.

During the year we were pleased that we were able to raise regulatory capital to support our growth plans from our existing shareholder base, predominantly Amplifi Capital (UK) Limited, as well as from a number of new members, ranging from private individuals to larger institutional investors, as well as Social Investment Scotland.

Impact of such scale in such a relatively short time period is only possible in unique circumstances and with the support of our team, our board, our commercial partners and importantly, our members, we are truly grateful for all of that support.

Adrian Sargent

Castle Community Bank Products and Services

Nationwide

Fixed term & Easy Access

Contact centre support

Fixed term & Easy Access savings

Castle Community Bank currently provides a range of savings and loans products :

- Online savings and loans available throughout Great Britain
- Competitive Fixed term and Easy Access savings accounts
- Top 5 ranking for savings products for over 15 weeks on Aggregator sites throughout financial year
- Competitive loan products
- 4.8 Average customer satisfaction rating (Trustpilot 2023)
- Telephone contact centre (Mon - Fri)
- In branch service (Leith, Tues & Thu)

Community Support

Debt Management Support

28,000+ meals

Churches & Community groups

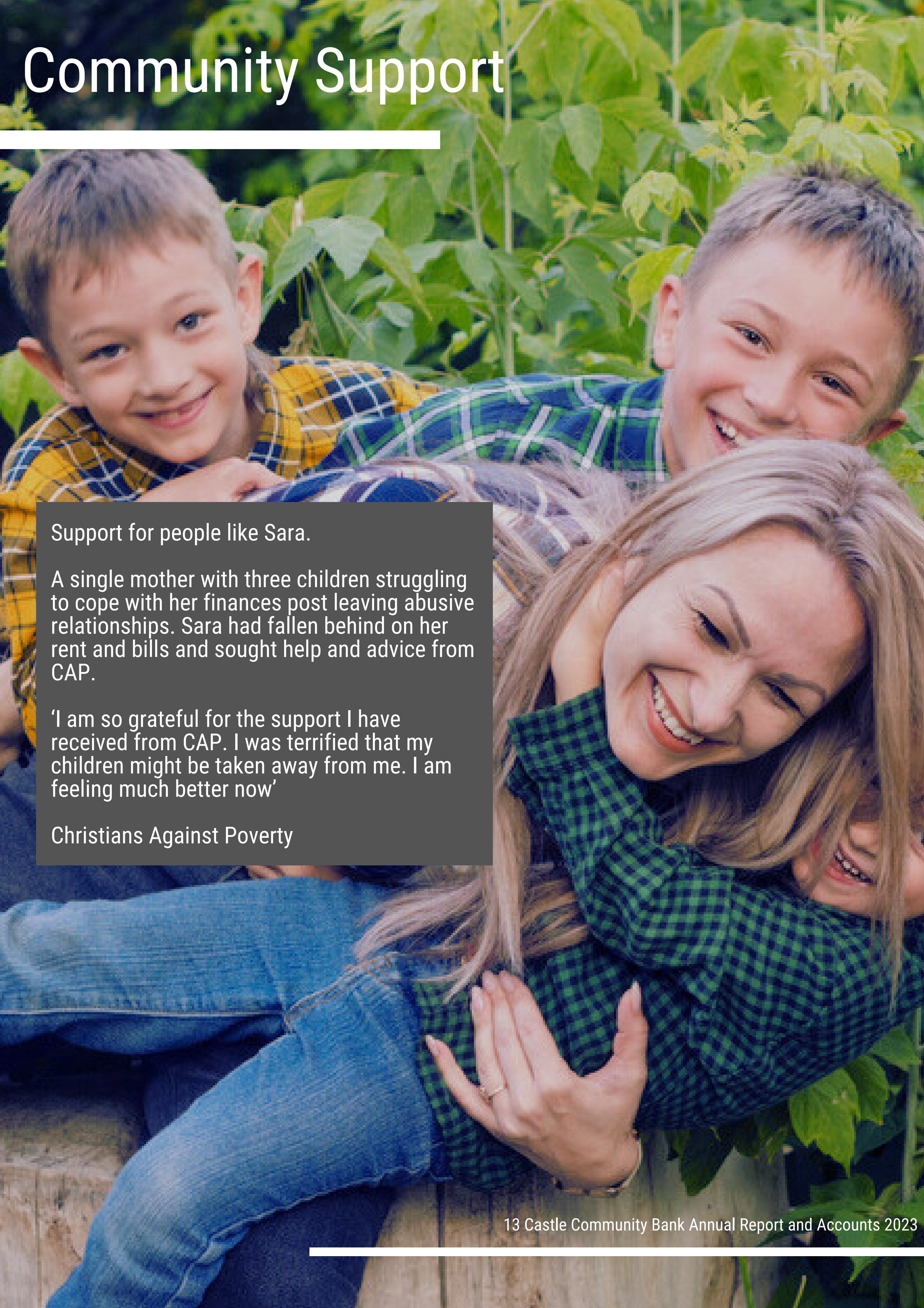
Castle Community Bank supports a range of community initiatives; from charities to debt advisers, from organisations looking for ethical investments to foodbanks.

Through the sustainable business Castle Community Bank supports those that need it most.

- Funding for local debt advisory services Mustard Seed, Christians Against Poverty (CAP) and supporting North Edinburgh Citizens Advice in the new financial year .
- Helping deliver over 28,000 meals to people in Edinburgh, the Lothians and the Borders through local foodbanks.

Working with organisations that want to earn good returns on investments but also ensure that their money makes a positive impact on the community.

Community Support



Support for people like Sara.

A single mother with three children struggling to cope with her finances post leaving abusive relationships. Sara had fallen behind on her rent and bills and sought help and advice from CAP.

‘I am so grateful for the support I have received from CAP. I was terrified that my children might be taken away from me. I am feeling much better now’

Christians Against Poverty

Our Social investors

Investments by organisations like ;

Social Investment Scotland who invested £1m in 2023.

‘We’re very happy to be supporting Castle Community Bank and its ambitious programme of targeted growth, which will positively impact people in Leith and the surrounding area. We see the important role that credit unions play in building a wellbeing economy, particularly when many individuals and households are struggling with the rising cost of living. That’s why we are committed to supporting organisations such as Castle Community Bank, who are providing fair and affordable access to finance for the people and communities who need it most.’

Barclay Viewforth Church, Edinburgh.

‘We were keen to invest a portion of our reserves in ways which could potentially help people struggling with the cost of living crisis ... We contacted Castle Community Bank and learned of the particular socially beneficial merits of making capital loan investments into its credit union model way of working... we were impressed with Castle Community Bank’s socially aware goals and business rationale and duly invested in subordinated debt capital alongside making a deposit.’

Looking Forward

Ambition

- **Grow the Credit Union sector**
- **Offer 'Savings and Loans. Fair and Square'**
- **Expand our loans and savings product offering**
- **Develop our loan criteria to reach more people excluded by mainstream banking**

Strategy

- **Four main strategic objectives ;**
  - **stabilise**
  - **achieve sustainability**
  - **diversify product range & build contingency**
  - **grow social impact**

Despite on-going challenges within the wider economy, we are confident that Castle Community Bank is well placed to deliver on its growth ambitions in 2024.

Our ambitious growth plans to expand the credit union sector, increase our members, grow our balance sheet and support more communities will be achieved by continuing to deliver on our strategic plan.

We remain focused on achieving our four key long-term strategic objectives.

To date we have completed our first two objectives and we have started to diversify our deposit base through the use of the Raisin UK platform. Additional flexibility will soon be achieved through the onboarding of Flagstone Group Ltd.

We are already giving back across a range of initiatives, but we can and will do more in the future.

Table of Contents

Directors' report

The directors present their report with the financial statements of the credit union for the year ended 30 September 2023.

Principal Activity

The principal activity of the credit union in the year under review was that of providing community loans and savings to various parts of the United Kingdom.

Review of Business

The directors are satisfied with the results for the year under review. Some financial key performance indicators are set out in the table below to show the performance of the credit union over the trading year.

	Year to 30 September 2023	**Year to 30 September 2022**
Net interest income	£17,475,897	£5,593,896
Surplus after taxation	£222,763	£360,326
Capital Asset Ratio	11.0%	9.8%
Liquidity Ratio	20%	20%

Dividends

A dividend of 3.25% (2022 3%) will be proposed at the forthcoming AGM for dividend bearing member deposits.

Principal Risks and Uncertainties

The principal risks which create uncertainty for Castle Community Bank (CCB) are considered in turn below.

Capital risk

Description: Capital risk is the risk that CCB does not hold sufficient capital to meet its regulatory requirements and support the business on an on-going basis.

Mitigating actions: CCB monitors its capital position on a regular basis. On an annual basis, as part of its 5 year planning process CCB carries out a number of tests in order to ensure its capital resources are sufficient to meet its requirements under a range of potential stressed economic conditions. The assumptions and results of these stress tests are approved by the Board.

Commentary: CCB capital ratio of 11% in 2023 is above both internal and regulatory minimums. The ratio is forecast to remain appropriate over the five year planning cycle.

Credit risk

Description: Credit risk is the risk of loss of principal or interest stemming from a members failure to meet their contracted obligations to CCB.

Mitigating actions: The Board has approved Underwriting and Lending policies against which all applications are assessed. These policies are subject to annual governance review.

Credit risk (continued)

Commentary: CCB constantly monitor credit performance against its stated risk appetite limits including a commitment to provide loans to customers who are unable to obtain finance from traditional High Street lenders.

Liquidity risk

Description: This is the risk that CCB is unable to meet its financial obligations as they fall due, or can do so only at excessive cost. These obligations include, for example, redemption of member deposits.

Mitigating actions: CCB has policies in place to help ensure that it always holds prudent levels of liquid assets such that it can meet its obligations. Liquidity is closely monitored. In 2023 CCB diversified its liquidity holdings with a percentage of funds now being placed in UK Government Gilts and treasury bills. This reduced the counterparty credit risk as less funds are now held with UK financial institutions. CCB monitors the blend of member deposits between repayable on demand and at term to further ensure that liquidity will always be available whenever members request a redemption.

Commentary: CCB liquidity ratio of 19.8% (2022 20.1%) remains comfortably above internal and regulatory minimum levels. Ratios are forecast to remain appropriate over the five year planning cycle.

Market risk and interest rate risk in the banking book

Description: CCB's main market risk exposure arises from interest rate risk in the banking book (IRRBB). IRRBB is the exposure to movements in interest rates, reflecting the mismatch between the dates on which interest receivable on assets and interest payable on liabilities are next reset or, if earlier, the instruments' maturities. For example, if CCB was funded by variable rate member deposits but lent at fixed rates, it would expose itself to the risk that if rates rose, its cost of funding would rise without any corresponding increase in interest income on loans.

Mitigating actions: To keep its interest rate risk exposure within limits, CCB obtains the majority of its redeemable member deposit funding at fixed rates to match the fixed rates it offers on its lending. Interest rate mismatches are reported on a monthly basis.

Commentary: There are limited mitigating actions available to CCB as the current regulatory rules do not permit credit unions to manage interest rate risk with the use of derivatives.

Operational risk

Description: Operational risk relates to the risk of loss arising from inadequate or failed material outsourcing, internal processes or systems, human error or external events.

Directors' report

Operational risk (continued)

Mitigating actions: For our material outsourcing with Amplifi Capital (UK) Limited (trading as My Community Finance) and Gojko Marketing Limited CCB has the right to audit, step in rights and other measures. CCB maintains a comprehensive risk register covering all aspects of the credit union. It is the responsibility of each business area to understand how operational risk impacts them and to put in place appropriate controls or take other mitigating actions. The register contains the potential impacts and likelihood of adverse events that could affect CCB and members and is regularly reviewed by the Audit and Risk committee.

Commentary: Regular control testing has been conducted throughout the year with remedial action taken to address any areas of weakness identified. CCB has focused on strengthening its approach to operational risk and resilience and continues to work with key third party suppliers to ensure that they have robust resilience plans in place.

Conduct risk

Description: Conduct Risk is the risk of undertaking business in a way which is contrary to the interests of our members, resulting in the delivery of inappropriate member outcomes or experiences, member detriment, regulatory censure, redress costs and/ or reputational damage.

Mitigating actions: The Board acknowledges the requirement to fully embrace the FCA's Statement of Principles to ensure that CCB pays due regard to good conduct governance at all times. These principles are firmly embedded within the organisation's culture. CCB have plans in place that are regularly reviewed at Board and the Audit and Risk committee to demonstrate compliance with existing and upcoming regulatory change.

Commentary: CCB puts its members at the heart of everything they do and have re- assessed member journeys to ensure that they are provided with the right information and support at the right time. Considerable work has been undertaken to help staff identify vulnerable members and provide them with the additional support they need. Given the ongoing cost of living crisis, CCB continues to work with members who are experiencing financial difficulty and afford them suitable forbearance options.

Regulatory risk

Description: This is the risk that the volume, prescription and complexity of regulation, and changes thereto, may impair the credit union's ability to compete effectively and grow profitably.

Mitigating actions: The Board and management team closely monitor CCB's compliance with all regulatory requirements and keep up to date with relevant changes. The credit union employs compliance expertise within the Risk team.

Directors' report

Regulatory risk (continued)

Commentary: CCB has implemented several changes to processes and member documentation to embed the new Consumer Duty which took effect from 31 July 2023 to support the outcomes around consumer understanding and support. The regulatory environment continues to change and CCB undertakes ongoing horizon scanning to stay abreast of relevant developments. CCB are continuing to embed the regulators' requirements in relation to operational resilience ahead of the March 2025 deadline.

Future Developments

The directors have considered the impact of the cost of living crisis, higher, but now decreasing inflation, the ongoing war in Ukraine and the macro-economic impact of sanctions on Russia, the war in the Middle East and the tail effects of the Covid-19 pandemic have on the ongoing activities of the credit union.

This includes the potential impact of reduced levels of income for a period of time, the effect of a short-term shut-down and the availability of government assistance to individuals during this difficult period. The directors expect the credit union may experience a reduction in surpluses while these conditions persist but with the cumulative reserves the directors are confident the credit union can continue as a going concern.

Directors

There were no changes in directors in the year.

Compliance Statement

The credit union is required to maintain and test a single customer view (SCV) file for submission to the FSCS in the event that the credit union is wound up. The directors are aware of their responsibilities in respect of single customer view and completed a further regulatory test in October 2023.

The directors also confirm the following as required by Section 10.1 of the PRA Credit Union Rulebook:

- the credit union carried out lending activity within the PRA Credit Union rulebook and we can confirm that we meet the requirements for carrying out this activity.
- the credit union had sufficient fidelity bond insurance throughout the year.

Statement of Directors Responsibilities

The directors and committee of management are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the credit union at the end of the financial year, and of the income and expenditure of the credit union for that year.

In preparing these financial statements they are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent; state whether accounting standards have been followed, and give details of any departures; and

Directors' report

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.

They are also responsible for:

- ensuring that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and the Credit Union Act 1979; keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the credit union; and
- comply with the rules set out within the Prudential Regulatory Authority Credit Union Rulebook; safeguarding the credit union's assets; and maintaining a satisfactory system of control over the accounting records and transactions. Taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information of which the credit union's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the credit union's auditors are aware of that information.

Auditors

The auditors, Sharles Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mary Jane Brouwers
Mary Jane Brouwers (Feb 7, 2024 14:28 GMT)
....

Director

Date: [DATE] Feb 7, 2024

Independent Auditors' report

Report of the Independent Auditors to the Members of Castle Community Bank

Opinion

We have audited the financial statements of Castle Community Bank (the 'Credit Union') for the year ended 30 September 2023 which comprise the Revenue Account, Balance Sheet, Cash Flow Statement, Statement of Changes in Reserves and Notes to the Financial Statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Credit Union's affairs as at 30 September 2023 and of its surplus or 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 Credit Union Act 1979 and the Co-operative and Community Benefit Society Act 2014.

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 Boards' 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 Board with respect to going concern are described in the relevant sections of this report.

Independent Auditors’ report

Report of the Independent Auditors to the Members of Castle Community Bank (continued)

Other information

The other information comprises the information in the Directors' Report, other than the financial statements and our Report of the Auditors thereon. The Board is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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 in relation to which the Co-operative and Community Benefit Society Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of controls over transactions has not been maintained; or
- the credit union has not kept proper accounting records; or
- the rules set out within the Prudential Regulation Authority Credit Union Rulebook have not been complied with; or
- the financial statements are not in agreement with the accounting records and returns; 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 pages twenty and twenty one, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

Independent Auditors’ report

Report of the Independent Auditors to the Members of Castle Community Bank (continued)

Responsibilities of Directors (continued)
using the going concern basis of accounting unless the Board either intend to liquidate the Credit Union or to cease operations, or have no realistic alternative but to do so.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The aims of our audit are to identify and assess the risks of material misstatement of the financial statements as a result of fraud or error, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement as a result of fraud or error and to respond appropriately to those risks. As a result of the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

We obtained an understanding of the legal and regulatory frameworks applicable to the Credit Union and the sector in which it operates.

We determined that the following laws and regulations were most significant: the Co-operative and Community Benefit Society Act 2014, the Prudential Regulation Authority Credit Union Rulebook, UK corporate tax laws, Health & Safety at Work Act, GDPR and Anti Money Laundering legislation.

Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's;

- knowledge of the industry in which the client operates
- understanding of and practical enactments of a similar nature, and complexity through appropriate training and participation
- understanding of the legal and regulatory requirements specific to the entity

Independent Auditors’ report

Report of the Independent Auditors to the Members of Castle Community Bank (continued)

- communication in respect of potential non-compliance with laws and regulations

We obtained an understanding of how the Credit Union complies with those legal and regulatory frameworks by making inquiries of management.

We undertook a review of legal fees for any evidence of non-compliance.

We assessed the susceptibility of the Credit Union's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- identifying and documenting the controls management has in place to prevent and detect fraud and error;

- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;

- challenging assumptions and judgements made by management in its significant accounting estimates

- identifying and testing journal entries, in particular any journal entries posted for large or unusual amounts;

- assessing the extent of compliance with relevant laws and regulations; and the rules set out within the Prudential Regulation Authority Credit Union Rulebook have not been complied with; or

- sample testing of transactions and balances.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the Credit Union's members, as a body, in accordance with Co-operative and Community Benefit Society Act 2014. Our audit work has been undertaken so that we might state to the Credit Union's members those matters we are required to state to them 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 and the Credit Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sharles Audit Limited
Statutory Auditor
29 Brandon Street
Hamilton ML3 6DA

Sharles Audit Ltd
Sharles Audit Ltd (Feb 9, 2024 10:35 GMT)

Date: Feb 9, 2024

Revenue Account

	Notes	2023 £	2022 £
Loan interest receivable and similar income	3	**22,547,094**	6,229,414
Interest payable	4	**(5,071,197)**	(635,518)
Net Interest income		**17,475,897**	5,593,896
Fee commission payable	5	**(5,235,956)**	(2,882,171)
Other income		**21,050**	8,400
Administrative expenses	6	**(1,589,324)**	(695,215)
Depreciation and amortization		**(3,658)**	(3,764)
Other operating expenses	7	**(2,794,636)**	(572,376)
Impairment losses on loans to members		**(7,585,028)**	(1,088,440)
Surplus before taxation		**288,345**	360,330
Taxation	9	**(65,582)**	(4)
Surplus for the financial year		**222,763**	360,326
Other comprehensive income		**-**	-
Total comprehensive income		**222,763**	360,326

The notes form part of these financial statements

Balance Sheet

ASSETS	Notes	2023 £	2022 £
Cash at bank		**30,541,063**	14,506,801
Investment in UK Government Securities	10	**19,520,597**	-
Loans and advances to members	11	**216,808,801**	61,183,704
Tangible fixed assets	12	**14,634**	18,292
Debtors & prepayments	13	**16,602,461**	4,339,360
Total Assets		**283,487,556**	80,048,157
LIABILITIES			
Members Shares (Deposits) - repayable on demand	14a	**67,196,037**	4,465,496
Member Shares (Deposits) - repayable at term	14b	**180,006,897**	66,516,948
Other creditors and accruals	15	**5,129,045**	1,181,850
Total Current Liabilities		**252,331,979**	72,164,294
Subscribed capital - deferred shares		**25,111,738**	7,762,787
Subscribed capital - subordinated debt		**5,700,000**	-
Total Subscribed Capital		**30,811,738**	7,762,787
Retained earnings		**343,839**	121,076
Total liabilities		**283,487,556**	80,048,157

The notes form part of these financial statements

Balance Sheet

The financial statements were approved by the Board of Directors and authorised for issue on (DATE) Feb 7, 2024 and were signed on its behalf by :

W Stephen Pearson
W Stephen Pearson (Feb 7, 2024 17:35 GMT)
....

S.Pearson - Director

Douglas H Reid (Feb 9, 2024 10:27 GMT)
....

D.Reid - Director

Mary Jane Brouwers
Mary Jane Brouwers (Feb 7, 2024 14:28 GMT)
....

M.J.Brouwers - Director

Statement of Changes in Reserves

	2023	2022
	£	£
As at 30 September 2022	**121,076**	(239,250)
Total comprehensive income for the year	**222,763**	360,326
As at 30 September 2023	**343,839**	121,076

The notes form part of these financial statements

Cash Flow Statement

	Notes	2023 £	2022 £
Cash flows from operating activities			
Surplus/(deficit) before taxation		**288,345**	360,330
Adjustments for non-cash items:			
Depreciation		**3,658**	3,764
Impairment losses		**7,195,791**	1,048,293
		7,199,449	1,052,057
Movements in:			
Accrued interest		**263,364**	(101,034)
Other assets		**(9,825,036)**	(2,750,602)
Other liabilities		**1,180,188**	541,453
		(8,381,484)	(2,310,183)
Cash flows from changes in operating assets and liabilities			
Cash inflow from subscribed capital		**17,348,951**	6,030,000
New loans to members		**(228,208,699)**	(67,976,282)
Repayment of loans by members		**65,387,810**	20,705,098
		(145,471,938)	(41,241,184)
Taxation paid		**(4)**	(3)
Net cash flows from operating activities		**(146,365,632)**	(42,138,983)
Cash flows from investing activities			
Purchase of property, plant and equipment		**-**	2,987
Net cash flow from managing liquid deposits		**176,220,491**	51,990,092
Net cash flow from investment in treasury assets		**(19,520,597)**	-
Net cash flows from investment activities		**156,699,894**	51,993,079
Cash flows from financing activities			
Subordinated debt issued in year		**5,700,000**	-
Net cash flows from financing activities		**5,700,000**	-
Net increase/(decrease) in cash and cash equivalents		**16,034,262**	9,854,096
Cash and cash equivalents at beginning of year		**14,506,801**	4,652,705
Cash and Cash equivalents at end of year		**30,541,063**	14,506,801

The notes form part of these financial statements

Notes to the Financial Statements

1. Statutory Information

The credit union is registered under the Co-operative and Community Benefit Societies Act 2014 and operates as a Credit Union within the meaning of the Credit Union Act 1979. The credit union is registered with the Financial Conduct Authority and Prudential Regulatory Authority under the provisions of the Financial Services and Markets Act 2000.

The presentational currency of the financial statements is the Pound Sterling (£).

In accordance with the regulatory environment for credit unions, deposits from members can be made by subscription for either redeemable shares or non-redeemable deferred shares. These can be either dividend or interest bearing.

2. Accounting policies

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, Credit Unions Act 1979. These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Any departures from the standard are detailed in the accounting policies.

The financial statements are prepared on the historical cost basis.

Going concern
The financial statements are prepared on the going concern basis. The directors of the credit union believe this is appropriate despite a mismatch in the maturity analysis of members shares (deposits) and loans to members.

In the opinion of the directors this is due to a significant amount of members shares (deposits) only being redeemable at term. In addition, the credit union also benefits from having an element of its subscribed capital that is in non- redeemable deferred shares.

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 rate method and is calculated and accrued on a daily basis.

Where the loan interest rate for members loans has been reduced to zero, the credit union does not account for any loan interest on these loans, as the credit union will not seek to recover this loan interest. This policy does not meet with the requirements of FRS102. However, as a result of this policy, there is no net effect on the surplus or deficit for the year nor net assets of the credit union as an equal and opposite impairment provision would be required should this loan interest be included.

Other operating income
Fees, charges and other operating income 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.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Improvements to property	10% on cost
Office Equipment	50% on cost
Computer equipment	33% on cost

Tangible fixed assets 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.

At each balance sheet date, the directors of the credit union review the carrying amounts of its tangible fixed assets to determine whether there is any indication that any item has suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of the asset, the credit union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Expenditure of £500 or more on individual tangible fixed assets is capitalised at cost. Expenditure on assets below this threshold is charged directly to the revenue account in the period it is incurred.

Government grants
The accounting treatment of grants received are determined by the grant conditions and the reasons why the grant was applied for to determine whether they are treated as capital or revenue in nature.

Grants of a capital nature are reflected as deferred income in the balance sheet and released to the Revenue account over the estimated useful life of the assets to which they relate. Grants which are considered to be revenue are credited to the Revenue account in the period to which they relate.

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. Corporation tax is payable on investment income.
The credit union is not liable to corporation tax payable on its activities of making loans to members, as these are not classified as a trade.

As a result of the limited activities of the credit union, from which any surplus would be chargeable to corporation tax, it is unlikely that deferred tax will arise.

Impairment of financial assets
Impairment losses on loans to members are provided in accordance with the guidelines issued by the Prudential Regulatory Authority. 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.

The credit union 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.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

Impaired loans written off and recovered
In accordance with FRS102, the policy of the credit union and the requirements of the standard for impaired losses written off differ. Under FRS102 loans can be written off only when the credit union doesn't have the legal right to enforcement payment. The credit union writes off impaired loans when all methods of recovery have been exhausted. Therefore, the impaired losses written off in the financial statements do not meet the requirements of FRS102. As a result of the above there is no net effect on the surplus or net assets of the credit union.

Financial Assets - Members loans
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 flow from the asset have expired, usually when all the amounts outstanding have been repaid by the member. The credit union does not transfer loans to third parties.

Capital placement fees
Fees related to obtaining additional capital are prepaid and amortised over the expected life of the related capital of 5 years.

Fees and Commissions Payable
Brokerage fees payable on new loans are prepaid and released over the loan amortisation curve. Brokerage costs and fees are matched with the interest receivable on members loans. This is a change in the policy from the prior year. Previously brokerage fees were amortised over the expected average life of loans of 2 years.The effect of this change in policy is to increase the surplus and net assets by £473,155 for year end 30 September 2023.

On loans with an associated brokerage fee an enhancement fee related to the performance of the loan is also charged subject to the loan being unimpaired after 18 months. These are accrued on all relevant loans.

Cash at Bank
Cash at bank comprise of cash in hand along with bank and building society deposits. The credit union has access to these funds and they are readily convertible to cash.

Investments in UK Government Securities
Investments in UK government securities comprise of holdings in UK government gilts and treasury bills with maturities of no more than one year and are readily convertible to cash. The investments are valued at cost plus accrued interest.

Financial liabilities - Members Shares (Deposits)
Members shareholdings in the credit union are classified as financial liabilities and described as Members Shares (Deposits). They are initially recognised as the amount of cash deposited and subsequently measured at amortised cost.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

Employee pension benefits
Defined contribution plans: The amounts charged as expenditure for the defined contribution plan are the contributions payable by the credit union for the relevant period under review.

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

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

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 the credit union's existing accounting policies. The area requiring the highest degree of judgement or complexity and the area where significant assumptions are required is impairment losses on loans to members. The directors regularly conduct impairment reviews by analysing arrears reports, credit control data and the reports from debt collecting companies.

Dividend
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.

Juvenile deposits
The amount received by the credit union for juvenile depositors are held in trust for those depositors.

Notes to the Financial Statements (continued)

3. Loan interest receivable and similar income

	2023	2022
	£	£
Loan interest receivable from members	**22,214,914**	6,229,394
Interest receivable on cash at bank and investment securities	**332,180**	20
Total loan interest receivable and similar income	**22,547,094**	6,229,414

4. Interest expense

Interest expense proposed but not recognised, 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.

	2023	2022
	£	£
Interest payable during the year:		
Interest bearing share accounts	**(5,053,526)**	(635,518)
Dividend bearing share accounts	**(17,671)**	-
Interest proposed, but not recognised	**(17,796)**	(18,245)
Dividend Rate	**3.25%**	3%

5. Fees and commissions payable

Of the fees and commissions payable of £5,235,956 (2022 £2,882,171); £5,124,945 (2022 £2,865,093) is payable to the outsource provider, Amplifi Capital (UK) Limited, (trading as My Community Finance) and Gojoko Marketing Limited.

Notes to the Financial Statements (continued)

6. Administrative expenses

	Notes	2023 £	2022 £
Employment costs	8b	**(844,627)**	(464,641)
Auditors' remuneration		**(24,700)**	(15,128)
Telephone and internet		**(3,014)**	(1,938)
Computer maintenance		**(6,990)**	-
Legal & professional		**(503,566)**	(122,422)
General expenses		**(187,693)**	(76,855)
Printing, postage & stationery		**(892)**	(743)
Other insurance		**(17,842)**	(13,488)
Total administrative expenses		**(1,589,324)**	(695,215)

7. Other operating expenses

	2023 £	2022 £
Cost of occupying offices		
Rent and rates	**(13,201)**	(12,896)
Heating and lighting	**(2,039)**	(804)
Insurance	**(1,155)**	(936)
	(16,395)	(14,636)
Regulatory & financial management costs		
Deferred share costs	**(2,738,904)**	(546,162)
Regulatory fees	**(2,934)**	(1,975)
Association of British Credit Union fees	**(36,403)**	(9,603)
	(2,778,241)	(557,740)
	(2,794,636)	(572,376)

Notes to the Financial Statements (continued)

8. Employees and employment costs

8a. Number of employees

The average monthly number of employees during the year was 18 (2022 - 15)

8b. Employment costs

	2023	2022
	£	£
Wages and salaries	**(750,488)**	(418,973)
Social security costs	**(73,174)**	(34,793)
Pension costs	**(3,913)**	(1,844)
Other staff costs	**(17,052)**	(9,031)
Total employment costs	**(844,627)**	(464,641)

8c. Directors and senior management

The directors and senior management were paid £535,036 covering 9 posts (2022 £355,584 covering 9 posts).

9. Taxation

Analysis of the tax charge

The tax payable on the surplus for the year was as follows:

	Notes	**2023**	2022
		£	£
Current tax			
UK corporation tax	9b	**65,582**	4

UK corporation tax has been charged at 22.01% (2022 - 19%).

Reconciliation of tax expense

The credit union 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:

	2023	2022
	£	£
Surplus before taxation	**288,345**	360,330
Surplus before taxation multiplied by corporation tax rate in the UK of 25% (2022 - 19%)	**72,086**	68,463
Effects of:		
Marginal relief and Non-taxable(deficit)/surplus on transactions with members	**(6,504)**	68,459
Total tax charge for the year	**65,582**	4

10.Investments in UK Government Bonds

	2023	2022
	£	£
As at 30 September 2022	**-**	-
Additions	**26,226,186**	-
Disposals and maturities	**(6,920,256)**	-
Accrued Interest	**214,667**	-
	19,520,597	-

All of the above investments are in UK Government Gilts or Treasury Bills and have remaining maturities within one year.

Notes to the Financial Statements (continued)

11. Members loans

11a. Members loans

	2023	2022
	£	£
As at 30 September 2022	**62,377,959**	15,106,775
Advanced during the year	**206,395,424**	61,806,853
Interest on members loans	**22,214,915**	6,229,394
Loan repayments	**(65,387,810)**	(20,705,098)
Gross loans and advances to members	**225,600,488**	62,437,924
Impairment losses		
Bad debts written off	**(401,640)**	(59,965)
As at 30 September 2023	**225,198,848**	62,377,959

11b. Total loan assets for regulatory purposes

	2023	2022
	£	£
Unsecured members loans	**225,198,848**	62,377,959
Specific impairment provision	**(8,115,047)**	(900,349)
General provision	**(275,000)**	(293,906)
As at 30 September 2023	**216,808,801**	61,183,704

11. Members loans (continued)

11c. Credit risk disclosures

The credit union 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 credit union's lending policy states that the maximum loan is £25,000. This limit is also in accordance with Prudential Regulatory Authority rules. The carrying amount of the loans to members represents the credit union's maximum exposure to credit risk.

11d. Allowance account for impairment losses

	2023	2022
	£	£
As at October 2022	**1,194,255**	145,962
Provisions for losses made during the year	**7,195,792**	1,048,293
As at 30 September 2023	**8,390,047**	1,194,255

11e. Impairment losses recognised for the year

	2023	2022
	£	£
Impairment of individual financial assets	**(401,639)**	(59,965)
Increase in impairment allowances during the year	**(7,195,792)**	(1,034,699)
	(7,597,431)	(1,094,664)
Reversal of impairment where debts recovered	**12,403**	6,224
Total impairment losses recognised for the year	**(7,585,028)**	(1,088,440)

Notes to the Financial Statements (continued)

12. Tangible Fixed Assets

	Leasehold Improvements	Fixtures & Fittings	Total
Cost	£	£	£
Opening and Closing Balance	36,581	16,050	52,631
Accumulated Depreciation			
As at 1 October 2022	18,289	16,050	34,339
Charge for year on disposals	3,658	-	3,658
	21,947	16,050	37,997
Net book value 30 September 2023	**14,634**	**-**	**14,634**
Net book value 30 September 2022	18,292	-	18,292

13. Prepayments and accrued income

	2023	2022
	£	£
Accrued interest on members loans	**3,126,974**	688,909
Other debtors	**-**	-
Prepayments	**13,475,487**	3,650,451
	16,602,461	4,339,360

The notes form part of these financial statements

Notes to the Financial Statements (continued)

14a. Members Shares (Deposits) - financial liabilities repayable on demand

	2023	2022
	£	£
As at 1 October 2022	**4,465,496**	891,709
Movement in the year	**62,730,541**	3,573,787
As at 30 September 2023	**67,196,037**	4,465,496

14b. Members Shares (Deposits) - financial liabilities repayable at term

	2023	2022
	£	£
As at 1 October 2022	**66,516,948**	18,105,949
Movement in the year	**113,489,947**	48,410,999
As at 30 September 2023	**180,006,897**	66,516,948

	2023	2022
	£	£
Due within 1 year	**145,893,018**	63,829,878
Due within 2 to 5 years	**34,113,879**	2,687,070
As at 30 September 2023	**180,006,897**	66,516,948

Notes to the Financial Statements (continued)

15. Other creditors and accruals

	2023	2022
	£	£
Accrued interest on members shares	**3,194,768**	493,339
Accrued expenses	**1,868,695**	688,507
Corporation tax	**65,582**	4
	5,129,045	1,181,850

16. Financial instruments

Financial risk management
The credit union manages its members shares (deposits) and loans to members so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from the credit union's activities are credit risk, liquidity risk, market risk and interest rate risk. The board reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk
Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss to the credit union. In order to manage this risk the board approves the credit union 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
The credit union'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 the credit union's liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments.

Market risk
Market risk is generally comprised of interest rate risk, currency risk and other price risk. The credit union conducts all its transactions in sterling and does not deal in derivatives or commodity markets. Therefore, the credit union is not exposed to any form of currency risk or other price risk.

Interest rate risk
The credit union's main interest rate risk arises from the differences between the interest rate exposures on the receivables and payables that form an integral part of the credit union's operations. The credit union considers rates of interest receivable when deciding on the rate payable on members shares (deposits) and dividend bearing member shares (deposits). The credit union does not use interest rate derivatives or options to hedge its own positions. The interest rate risk is regularly monitored with interest rates on members loans and interest receivable on bank deposits being regularly reviewed to ensure risk exposure is minimised.

Notes to the Financial Statements (continued)

16. Financial instruments (continued)

Fair value of financial instruments
The credit union does not hold any financial instruments at fair value.

17. Reserves

	Retained Earnings £	Deferred Shares £	Sub Debt £	Total £
At 1 October 2022	121,076	7,762,787	-	7,883,863
Surplus for the year	222,763	-	-	222,763
Deferred shares /Sub Debt received	-	17,348,951	5,700,000	23,048,951
At 30 September 2023	343,839	25,111,738	5,700,000	31,155,577

18. Contingent liabilities

The credit union participates in the Financial Services Compensation Scheme (FSCS) and therefore has a contingent liability, which cannot be quantified, in respect of contributions to the FSCS, as required by the Financial Services and Markets Act 2000. The Financial Conduct Authority (FCA) has provided details of how the calculation of next year's contribution towards the FSCS will be calculated and provision has been included for this liability. However, this is subject to future changes in interest rates and levels of deposits held by deposit takers. Therefore, there is inherent uncertainty regarding the totality of the levy that the credit union will have to pay.

19. Post balance sheet events

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

20. Related party disclosures

During the year no members (2022 - 0 members) of the Board, key management and their close family members had loans with the credit union. These loans were approved on the same basis as loans to other members of Castle Community Bank. None of the directors, key management or their close family members, have any preferential terms on their loans. During the year under a service agreement, Amplifi Capital Limited continued to promote Castle Community Bank and service its members. The income statement includes charges of £5,579,304 (2022 £2,898,790) for these services.

Notes to the Financial Statements (continued)

21. Revenue account

A grant of £21,050 (2022: £0) was received during the year

The Board

Stephen Pearson
Chairman

A former lawyer from the City of London, Stephen led legal teams at RBS Group and Virgin Money where he was General Counsel. A long time advocate of Financial Inclusion, Stephen chairs Financial Inclusion for Scotland, a collective supported by Social Investment Scotland, set up in 2022 to tackle financial exclusion. He sits on the Advisory Board of Salary Finance, the payroll loan and financial wellbeing provider, and in 2023 he joined the Board of Edinburgh Alternative Finance, the SME lender. Last but not least, Stephen is Chair of the well-respected charity Leuchie House, which is Scotland's National Respite Centre for people with neurological conditions.

Kevin Mountford
Non-Executive Director, Deputy Chairman and Chair of Nominations and Remuneration Committee

Kevin has operated in a range of Snr Management & Exec roles over the last 30 years and has been employed by several large UK brands. His career included a period as 'Head of Affinities' for HBOS, responsible for a broad range of third-party relationships. He went on to join moneysupermarket.com as channel 'Head' running several of their 'Money' business areas including Cards, Mortgages and Savings.
In 2011 he took the reins at start-up consultancy & marketing business Plan B Funding (PBF), specialising in assisting banks to raise retail deposits in the UK and wider Euro market. He led negotiations with Raisin GmbH and PBF is now part of one of Europe's leading Fintech businesses. He is also a non-executive director of two North West based businesses and is an Advisory Board member of FinTech North.

Mary Jane Brouwers
Non-Executive Director, Company Secretary, Treasurer and Chair of Audit and Risk Committee

Mary Jane is an experienced non-executive director and has held multiple roles in both the public and private sectors over the last 20 years. She is currently a director of Mint Ventures, a women-led business angel group, and a member of the HiPEAC Industry Advisory Board. She was previously non-executive director of GU Holdings Limited, a University of Glasgow subsidiary, and a trustee of Museums Galleries Scotland, where she chaired the Audit and Risk Committee. Mary Jane has been working in early-stage equity investments since joining Bank of Scotland in 1997 and has subsequently worked with a range of different investors including SIS Ventures (Scotland's leading impact investor), Archangel Investors Limited (a prominent business angel group), and the Scottish Investment Bank. Mary Jane is an Associate of Gearing for Growth, a member of Changing the Chemistry and of the Institute of Directors.

Douglas Reid
Non-Executive Director, Money Laundering Reporting Officer

Douglas is a Church of Scotland Minister working in central Edinburgh. He also holds Consultancy, Executive, and Non-Executive roles in a number of local and Scotland-wide charities and third sector organisations, including Cairn Housing Association where he is part of the Audit, Risk and Performance Committee. Through these roles Douglas has a strong interest in developing practical means to build up communities and provide self-maintaining routes to help people live fulfilling lives. Before the ministry Douglas was an Edinburgh based agricultural lawyer advising charities, investment funds, individuals, families and businesses through complex webs of laws to achieve fair, clear and sustainable results.

The Board

Adrian Sargent
Executive Director and Chief Executive Officer, Member of Audit and Risk, Nominations and Remuneration Committees

Adrian's career in banking, spanning over 25 years, has included senior roles at several financial services companies (Morgan Stanley, HBOS, Tesco Bank, BlackRock, Virgin Money). He has extensive experience in building, developing and managing banking teams, problem solving and aligning to regulatory requirements. He has a passion for all related items to the Environment, Social and Governance matters and alongside his role at Castle Community Bank actively promotes and contributes to developing a sustainable economy. Adrian is a chartered accountant and Fellow of the Association of Corporate Treasurers. He is also on the advisory Committee for Credit Nature and Advisory Board of Sustainable Finance.live.

Castle Community Bank information

Legal Entity name :	North Edinburgh and Castle Credit Union Ltd
Trading name :	Castle Community Bank
Directors :	S Pearson D Reid M J Brouwers K Mountford A Sargent
Company Secretary :	M J Brouwers
Registered Office:	49 Great Junction Street Edinburgh EH6 5HX
FCA & PRA FRN;	213877
FCA Mutuals Registration Number :	19CUS
Independent Auditors:	Sharles Audit Limited Statutory Auditor 29 Brandon Street Hamilton ML3 6DA
Solicitors:	Morton Fraser McRobert Quartermile Two 2 Lister Square Edinburgh EH3 9GL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Castle Community Bank

NORT170 - Audit Annual-Accounts 30.09.23

Final Audit Report 2024-02-09

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Document e-signed by Mary Jane Brouwers (maryjane.brouwers@castlecommunitybank.co.uk)
Signature Date: 2024-02-07 - 14:28:03 GMT - Time Source: server- IP address: 80.42.219.168

Document emailed to stephen.pearson@castlecommunitybank.co.uk for signature
2024-02-07 - 14:28:07 GMT

Email viewed by stephen.pearson@castlecommunitybank.co.uk
2024-02-07 - 17:33:21 GMT- IP address: 109.147.44.58

Signer stephen.pearson@castlecommunitybank.co.uk entered name at signing as W Stephen Pearson
2024-02-07 - 17:35:52 GMT- IP address: 109.147.44.58

Document e-signed by W Stephen Pearson (stephen.pearson@castlecommunitybank.co.uk)
Signature Date: 2024-02-07 - 17:35:54 GMT - Time Source: server- IP address: 109.147.44.58

Document emailed to douglas.reid@castlecommunitybank.co.uk for signature
2024-02-07 - 17:35:57 GMT

Gary Copeland (Gary.Copeland@sharles-ca.co.uk) added alternative signer Douglas Reid (duthac@gmail.com). The original signer douglas.reid@castlecommunitybank.co.uk can still sign.
2024-02-09 - 10:23:20 GMT- IP address: 81.138.236.134

Document emailed to Douglas Reid (duthac@gmail.com) for signature
2024-02-09 - 10:23:20 GMT

Email viewed by Douglas Reid (duthac@gmail.com)
2024-02-09 - 10:26:22 GMT- IP address: 104.28.86.105

Signer Douglas Reid (duthac@gmail.com) entered name at signing as Douglas H Reid
2024-02-09 - 10:27:44 GMT- IP address: 92.40.194.82

Document e-signed by Douglas H Reid (duthac@gmail.com)
Signature Date: 2024-02-09 - 10:27:47 GMT - Time Source: server- IP address: 92.40.194.82

Document emailed to Robert Pollock (robert.pollock@sharles-ca.co.uk) for signature
2024-02-09 - 10:27:49 GMT

Email viewed by Robert Pollock (robert.pollock@sharles-ca.co.uk)
2024-02-09 - 10:34:13 GMT- IP address: 213.105.30.154

Signer Robert Pollock (robert.pollock@sharles-ca.co.uk) entered name at signing as Sharles Audit Ltd
2024-02-09 - 10:35:11 GMT- IP address: 213.105.30.154

Document e-signed by Sharles Audit Ltd (robert.pollock@sharles-ca.co.uk)
Signature Date: 2024-02-09 - 10:35:13 GMT - Time Source: server- IP address: 213.105.30.154

Agreement completed.
2024-02-09 - 10:35:13 GMT