GMB CREDIT UNION

ANNUAL REPORT

FINANCIAL YEAR ENDING 31 DECEMBER 2025

WELCOME TO YOUR GMB CREDIT UNION ANNUAL REPORT

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REPORT OF THE GMBCU TREASURER FOR 2026

"GMB Credit Union continues to go from strength to strength and our annual report reflects our successes. My vision for our Credit Union is to multiply in membership ensuring that our members are financially supported by our great Credit Union. Let's get to work together."

INTRODUCTION

David Castledine is our Treasurer and GMBCU Director. David is also the Regional Finance Officer for GMB Midlands Region and has played a leading role in the governance and development of GMBCU over the last twenty-seven years.

The Treasurer's report will be made available to GMBCU members registering for the 2026 AGM which will be conducted online on Saturday 18th April 2026. David will also take part in a member Q&A session during our AGM.

The Treasurer's report acknowledges the input of staff, the GMBCU Board and the Annual Report and Audited Financial Statement provided for the year ending 31 December 2025 by our external auditors KM Business Solutions Ltd.

GMB CREDIT UNION

Castledine

David Castledine
GMBCU Treasurer & Board Director
11 March 2026

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2025 Operating Environment

A difficult trading year

Every year seems to bring new headlines about a deteriorating political and economic climate and 2025 was no different.

TransUnion described the 2025 outlook as a delicate rebound, yet 60% of UK consumers remained pessimistic about their household finances. Inflation and interest rates continued to be key concerns, particularly for lower-income households.

GMBCU's approach to this environment was to operate effectively and prudently, helping members save regularly and build financial resilience while continuing to provide fast, fair and affordable loans.

Our enhanced savings products, particularly the second issue of our 365 Saver, proved popular during the year.

GMBCU is guided by our social purpose as well as commercial, regulatory responsibilities and of course our operating environment. As a not-for-profit organisation, we continued to balance the need to make a trading surplus whilst supporting our community with competitive savings rates and affordable loans.

GMBCU Performance 2025

The Board's business plan predicted many of the challenges that confronted us in 2025. However, because of our forward planning and strong balance sheet, we were able to successfully navigate another challenging year. The following summary of our results for the year to the 31 December 2025 show a good performance in line with our budget.

See next page for the summary.

GMBCU Performance to 31 December 2025

A year in review at a glance. We share below a summary of the key financial results and key statistics, the benchmarks by which we measure our performance.

- Total annual income (£1,410,005) held up very well and was 3.4% higher than 2024 (£1,363,008).
- Total annual administration costs increased to £649,591.
- Loans advanced for the year totalled £4.94 million compared to same period 2024 which were £3.98 million.
- Annual surplus in 2025 was £374,677, which was one of GMBCU's largest annual surpluses in 26 years of trading.
- Membership is now 12,260, an increase of 3.5% on year end 2024.

Value of new loans £4.94 mill

- Tot Savings Balances £12.34 mill (YE 2024= £11.09 mill)
- Tot Loan Balances £10.57 mill (YE 2024 = £10.72 mill)
- No. of new loans in 2025 was 3,279 (2024 = 2,721)
- The value of new member loan applications in 2025 was £4.94 mill (2024= £3.98 mill)

- Cash in Bank £3.91 mill (YE 2024 = £2.79 mill)
- Tot paid into GMBCU YE 2025 was £9.41 mill (YE 2024 = £9.57 mill)
- Tot paid out by GMBCU YE 2025 was £8.69 mill (Ye 2024 = £7.87 mill)

1300 new members

- 1300 new members in 2025 (2024 = 840 new members)
- 396 members left in 2025 (2024 - 429 members left)
- No. of faster payments in 2025 = 28,110 (2024 =21,297)
- Total membership YE 2025 was 12,260 (2024 =11,846)

Total Reserves £2,451,134 (£1,480,134 + Deferred Share £971,000)

GMBCU capital to asset ratio 18.5%

Liquidity ratio 27.7%

Focussing on the future

We anticipate that trading will continue to be difficult over the next few years however we are confident that GMBCU will continue to adapt to the challenges and opportunities presented. For GMBCU to grow and flourish in such a volatile world there are number of key factors which we will have to manage carefully.

Our priorities include:

- Stabilising and optimising **key member services**
- Increasing automation and improving **back-office efficiency**
- **Deepening relationships** with GMB members and stakeholders
- Continuing development of our **digital platform**
- Reviewing our **governance structure**
- Implementing an effective **staff succession plan**

During 2025 we welcomed two new members of staff who are already making a significant impact.

As we move into our 27th year of trading, we remain focused on delivering fast, fair and flexible financial services that improve the financial wellbeing of GMB members.

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Great member service

GMB Credit Union is proud to be rated **Excellent on Trustpilot,** based on hundreds of member reviews.

As a member-owned, not-for-profit organisation, service matters. Every review reflects a real experience - whether that's accessing a fair loan, building savings, or receiving support at the right time.

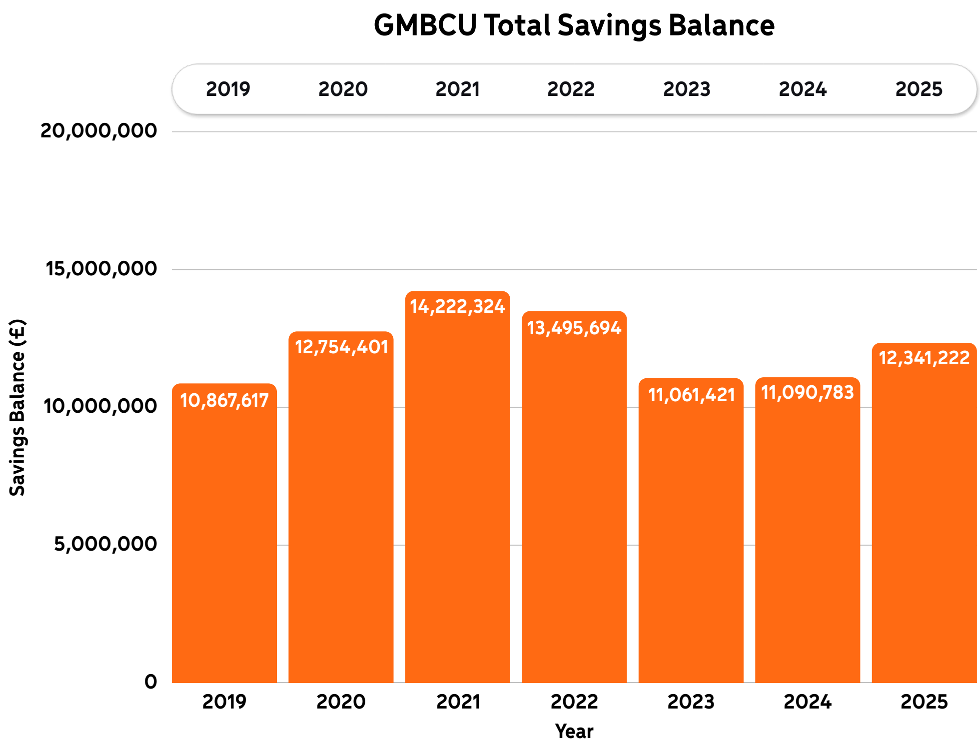
We'll continue investing in better service, modern access, and listening to feedback — **because trust isn't assumed. It's earned.**

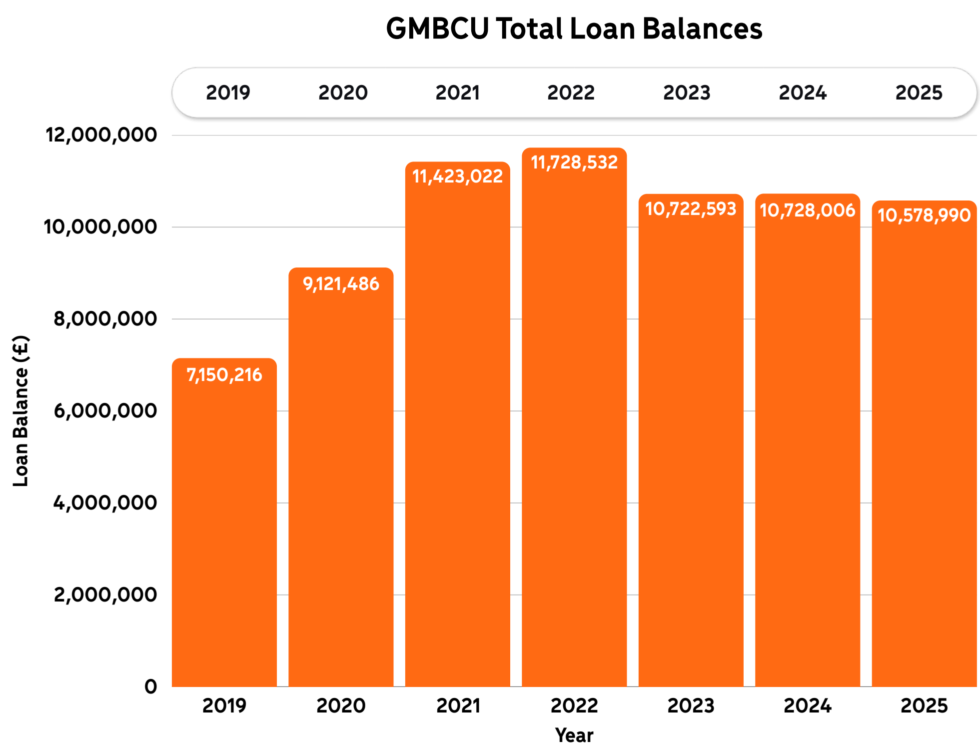
"Excellent service as always. My only regret is that I didn't join years ago."

"Great experience. I am so thankful they understood my situation and really helped in my hour of need."

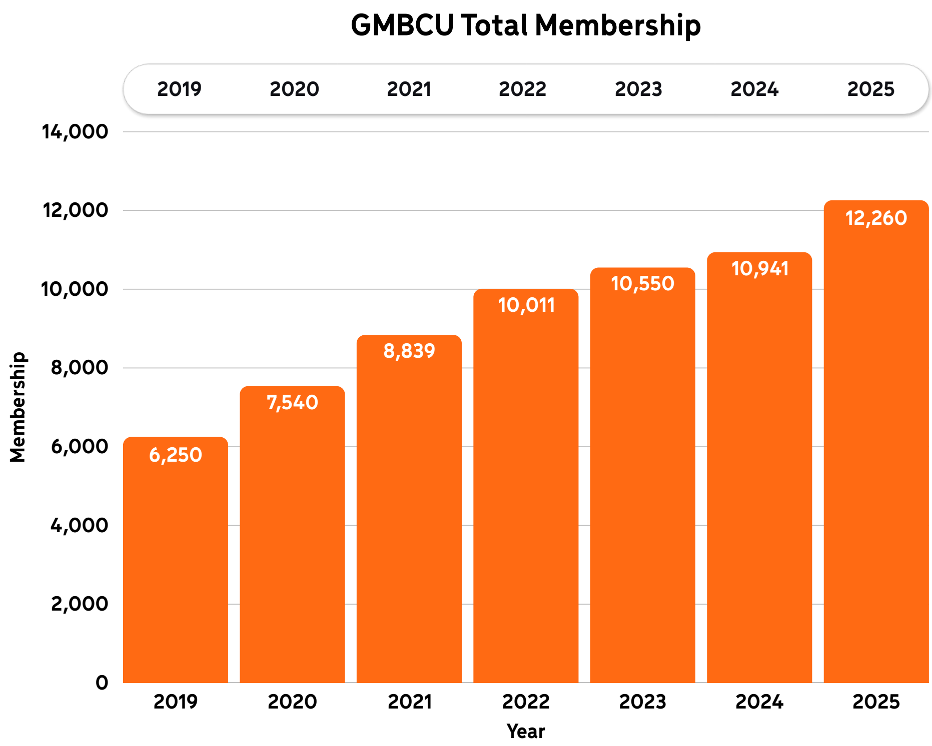
Trustpilot

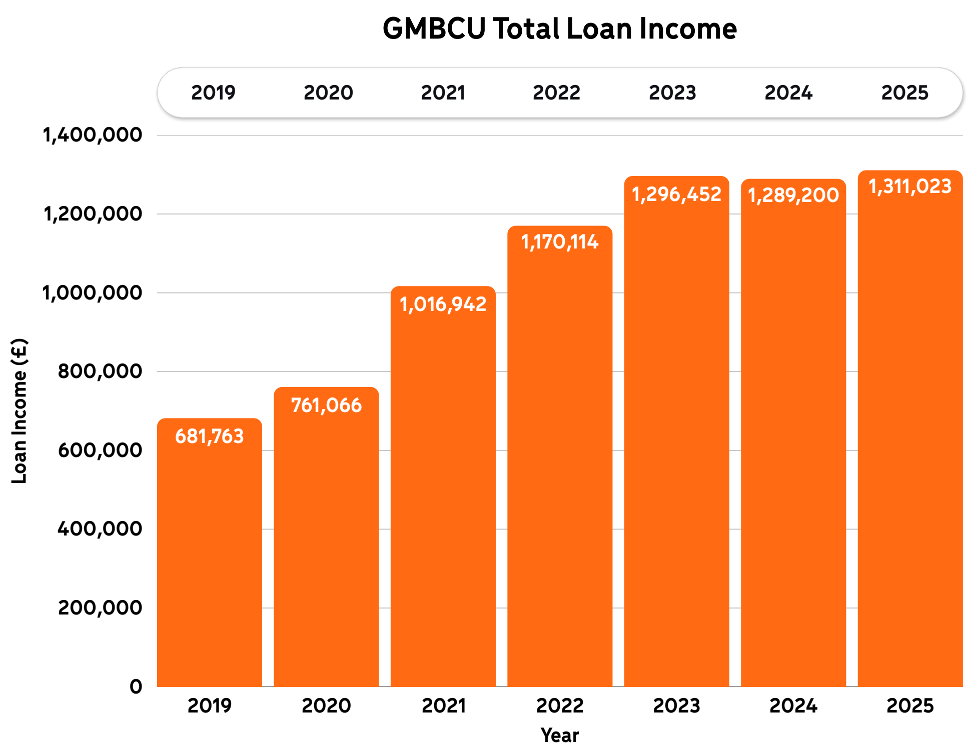
GMBCU Performance to 31 December 2025





GMBCU Performance to 31 December 2025





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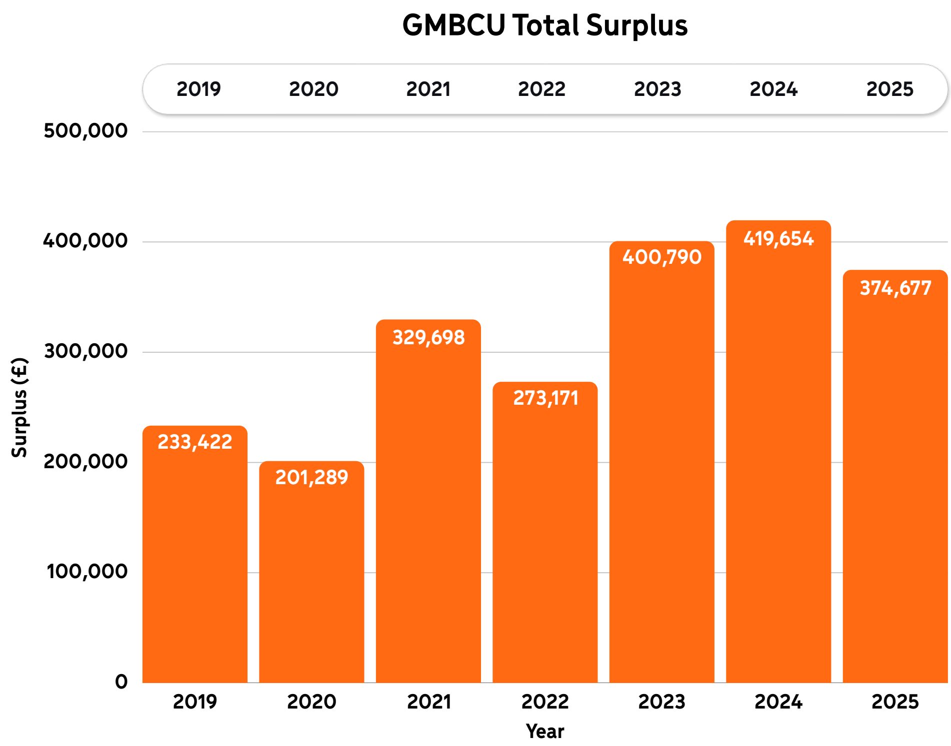

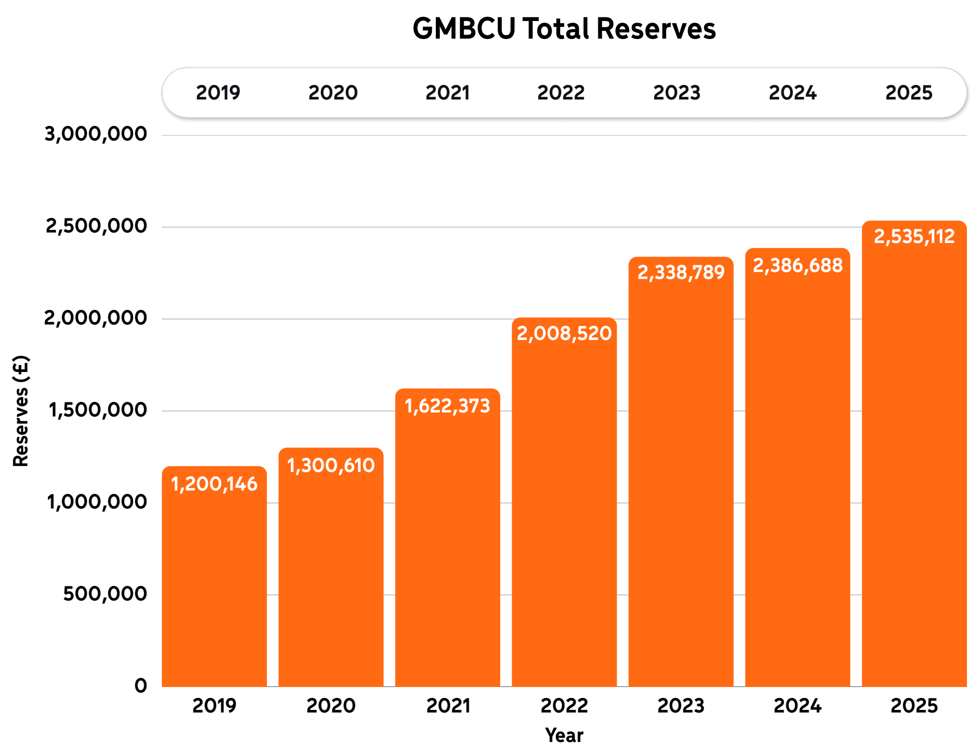

Auditor’s Report

As part of this annual report we share key information from our external auditor’s report for 2025. This is the independent audit statements of GMB Credit Union which has been the trading name of Thorne Credit Union Ltd since 2016. The Credit Union was first registered in 1999.

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Note	**2025**	2024
Assets		**£**	£
Cash and bank balances	12	**3,197,457**	2,791,902
Loans to members	13	**10,578,989**	10,131,405
Tangible fixed assets	14	**19,171**	17,865
Prepayments and accrued income		**40,637**	37,784
Other receivables		**1,333**	-
		13,837,587	12,978,956
Liabilities			
Members' deposits	15	**12,364,222**	11,519,612
Other liabilities	16	**28,680**	25,780
		12,392,902	11,545,392
Retained earnings		**1,444,685**	1,433,564
		13,837,587	12,978,956

Auditor’s Report

REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	**2025**	2024
Net interest income		**£**	£
Loan interest receivable and similar income	4	**1,372,691**	1,340,669
Interest payable and similar charges	5	**(350,801)**	(343,839)
		1,021,890	996,830
Other operating income			
Fees and commissions receivable		**33,355**	22,340
Other income		**4,000**	-
		37,355	22,340
Expenditure			
Impairment losses on loans to members	6	**(286,755)**	(323,501)
Administrative expenses	7	**(658,637)**	(525,159)
Other operating expenses	10	**(70,030)**	(70,639)
Depreciation	14	**(20,110)**	(14,167)
		(1,035,532)	(933,466)
Surplus before tax		**23,713**	85,704
Tax	11	**(12,592)**	(9,889)
Surplus for the financial year		**11,121**	75,815

David Castledine

11 March 2026

Friends of GMBCU Prize Draw 2025

Friends of GMBCU Prize Draw Committee have reviewed the administration processes associated with operating the 2025 Credit Union Prize Draw. The monthly figures have also been checked and the automated procedure for drawing winners has been verified.

Ticket sales for 2025 totalled £14,314 compared to 2024 sales which were £14,726, this was a 2.7% decrease in annual ticket sales.

We relaunched our Prize Draw in April 2021 and to date our GMBCU members have participated enthusiastically providing support to 59 charities with total donations of over £37,000.

Whilst we may not operate on the scale of the National Lottery, our Prize Draw makes a genuine difference - giving members something enjoyable to participate in and delivering valued support to charities chosen by our membership.

A full record of all Prize Draw winners is maintained in the Credit Union Office and is available for members to view at any time.

Times remain difficult for both charities and members, however our Community Prize Draw continues to provide enjoyment and meaningful community impact.

You've got to be in it to win it!

Jan 2025	Jigsaw4u - £610
Feb 2025	Macmillan Cancer Support - £597
Mar 2025	Friends of Ashlands School - £610
Apr 2025	Group B Strep Support - £598
May 2025	Crisis - £611
Jun 2025	Westminster House Youth Club - £610
Jul 2025	Coffin Club Colchester - £604
Aug 2025	Dementia Scotland - £609
Sep 2025	Cancer Research UK and Border Collie Trust - £609
Oct 2025	Abbot Care Home - £591
Nov 2025	Cheadle & District Animal Welfare Society - £562
Dec 2025	The NeuroMuscular Centre - £546

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