



# Investing in our Members and our community

## Business Review including the Summary Financial Statement

For the 52-week period ended 3 February 2025  
and notice of the 166th Annual General Meeting

**Chorley  
Building  
Society**

TRUSTED SINCE 1859



# Contents

2	A Message from our Chief Executive
5	Our Highlights
6	Introduction from the Chair of the Board
8	Charity and Community Support
13	A Day in the Life
14	Member Experience and Service
15	Summary Financial Statements
21	Independent Auditor's Statement
22	Directors' Remuneration Report
24	Our Directors
28	Notice of AGM
29	Voting Conditions

## A Message from our Chief Executive



I am pleased to advise that your Society has made significant progress this year in delivering our strategy to invest in the transformation of our Society, whilst at the same time achieving the growth necessary to ensure our continued financial strength, so that we are best placed to meet the ever-changing needs of existing and new Members.

During the year, we also received industry recognition and I am delighted to report that Chorley Building Society was awarded the Environmental, Social and Governance Initiative of the Year at the Money Age Awards. We were also awarded yet another 5-star Broker Rating from Smart Money People, an independent financial services review company.

## Society Performance

In the face of a challenging macro-economic environment, the Society has achieved a 5% increase in total assets and positive levels of net mortgage lending. Our prudent risk management and high-quality mortgage assets, funded almost entirely by retail funding, has resulted in a robust balance sheet, with our reserves remaining well above regulatory requirements, ensuring the security of our Members' deposits. It was also pleasing to record further growth in our Member numbers.

## Investment in Technology

Our dedication to enhancing Member experience and operational efficiency has driven additional investments in our core technology. In recent years, we have successfully implemented various digital solutions, such as the use of 'Open Banking' in our mortgage operations and the introduction of 'Chorley Online,' our online digital savings solution. The introduction of these technology initiatives has not only modernised our operations but has also positioned us as a forward-thinking institution in the financial services landscape. In addition, this year we embarked upon a core IT system migration with our new IT strategic partner, TCS. This strategic investment in the Society's technological infrastructure will position us to thrive in the constantly evolving market conditions. These strategic moves align with our vision for long-term success, growth and sustainability. The Board are aware that this investment has impacted negatively our net surplus this year and will do so next year but recognises that this is vital for the delivery of our strategy. The Society has more than adequate capital strength to deliver our IT investment strategy for the long-term benefit of our Members.

## Profitability and Sustainability

The Society reported a loss before tax of £0.2m for the year, and we expect to report a further year of subdued profitability in the financial year 2025/26, before returning to much stronger levels of net profitability in future years. This is entirely due to our strategic decision to

invest in our technology infrastructure. This will strengthen the Society's core IT systems and operations and set the stage for sustainable growth that will serve well the Society and its Members for many years to come. Excluding the costs of this investment, profit before tax would be £0.7m.

## Community Impact

As a building society deeply rooted in community values, our commitment to making a positive impact remains unwavering. Despite economic challenges, we have continued our support for local initiatives and community development projects. This year, we were able to contribute £41k to various local causes via our Chorley High Five initiative, underscoring our dedication to the well-being of the communities we serve.

## Looking Ahead

In addition to the ongoing core IT transformation, we are also committed to the Society's branch network. I am very pleased with the transformation of our High Street Branch, which was completed in March 2025.

As we reflect on the achievements of the past year, I want to express my gratitude to our Members, whose trust and loyalty have been the driving force behind our success. We remain committed to growing the Society to adapt to changing landscapes and to embracing innovation and investing in the Society and fostering financial well-being for our Members.

To conclude, I am confident that the resilience and strength demonstrated by these results will serve as a solid foundation for the opportunities and challenges that lie ahead. Together, we will continue to build a prosperous and sustainable future.

Thank you all for your continued support.

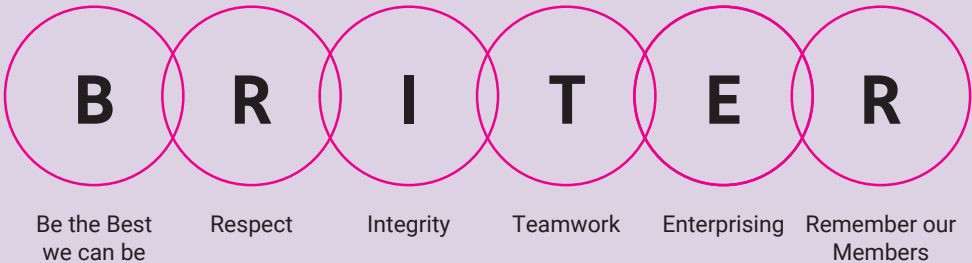
**Stephen Penlington**  
Chief Executive

26 March 2025

# Our Vision

Sustainably growing to deliver the financial strength, excellent Member service and differentiated products for our Members, year after year

# Employee Values, Behaviours and Conduct



# Our Highlights



Total assets increased by

**5.2%**

(2024: 21.7%)



Mortgage balances increased by

**3.3%**

(2024: 17.1%)

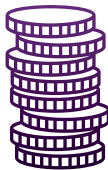


Savings balances increased by

**6.1%**

(2024: 26.5%)

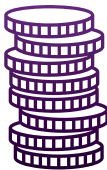
Ambassador at  
**Inspire, Chorley Youth Zone**



Profit before tax excluding  
core IT transformation costs

**£0.7m**

(2024: £0.8m)



(Loss)/profit before tax

**£(0.2)m**

(2024: £0.4m)



Donated

**£41.4k**

to local charities and  
community groups

# Introduction from the Chair of the Board

In my first year as your Chair, I am pleased to report that the Society has delivered a profit before tax excluding core IT transformation costs of £0.7m (2024: £0.8m). Including our investment for the future in core IT transformation costs the Society made a loss before tax of £0.2m (2024: profit before tax of £0.4m).

Over the last 12 months your Board has reviewed its strategy and recognises that some investments are needed to keep us healthy, now and into the future.

Firstly, we have redesigned and refurbished our High Street branch in Chorley, reinforcing our commitment to provide exceptional face-to-face services via our branch network.

Secondly, the current technology at the heart of our core business operations soon reaches its end of life. Consequently, we need to invest in its replacement while seeking significant benefits once complete, including a better Member digital channel. This will enhance the experience for both Members, customers and mortgage intermediaries, part of our strong customer service offering. As you may imagine, these investments have had a marked negative

impact on our profitability for this financial year, but they are both part of the critical foundations for your Society's future as we celebrate our 166th anniversary.

One of the major influences on the Society's performance is the economy, which in the year saw a welcome reduction in the rate of inflation back from the high levels we experienced the previous year. However, UK GDP growth remains weak and the levels of geo-political uncertainty is driving volatility in the near-term outlook.

Since its peak of 5.25%, Bank Base Rate was reduced twice during the year, first in August 2024 by 0.25% and then in November by 0.25%, with a further 0.25% reduction taking place on 6th February, just after the Society's financial year-end. When responding to changes in Bank Base Rate, the Society is mindful of the differing interests of our savers and borrowers, while maintaining our relative market position in a highly competitive savings and mortgage market.

The housing market remained robust over the year with activity picking up as confidence returned, aided by the return of real wage growth after a prolonged period of inflationary pressures, along with reducing interest rate expectations, helping borrowers with

affordability. In the year the Society's mortgage balances increased by +£10m, with this growth built around the Society's successful niche mortgage lending proposition.

The savings market also proved to be resilient, with the Society seeing its savings balances increase by +£23m over the year, which saw the Society welcome over 500 additional savings Members. The growth in savings balances, which was built on the Society's attractive savings product range, allowed us to fund the growth of our mortgage book.

During the year we continued to enhance our governance arrangements by splitting our previous Nominations & Remuneration Committee into two separate meetings. We seek to modernise our approach to talent, culture and remuneration.

I am delighted that Janat Hulston was appointed to the Board as a Non-Executive Director in July 2024, following a successful career at NatWest where she held several senior positions. Jan brings a wealth of experience across banking and finance, and we are delighted to have her on the Board.

Sadly, David Bagley will retire from your Board after eight years of service. I would like to thank David for his wise counsel, significant contribution to our success and for his commitment to your Society.

Julia Cattanach, an existing Board director and your Society's Board Consumer Duty champion, has been appointed as the Society's Vice Chair and Senior Independent Director designate.

Finally, I would like to extend my thanks to all my colleagues across the Society for their hard work and dedication, and to thank you, our Members, for all your continued support and loyalty. It is highly appreciated.

Your Board will continue to focus on forging ahead with our strategy and delivering the benefits of it to you, our Members, and to our local community as we move forward into 2025.

On behalf of the Board

**Peter Brickley**  
**Chair of the Board**

26 March 2025





# Charity and Community Support

During 2024 the Society was pleased to continue its commitment to donate a minimum of 5% of operating profits to local charities and community groups. Due to the recent economic challenges, many of these groups have struggled to continue to offer the much needed support which is so valued by our community and so it was important to us to provide as much help as we could to ensure their vital work could continue.

Guided by our values, in total we have donated £41,402 to 20 groups that we know support many of our Members and the local community. This was 6% of our operating profit.

## A proud sponsor of Inspire, Chorley Youth Zone

For over six years we have been very proud to support Inspire, Chorley Youth Zone. This charity is a purpose built facility that provides young people in the borough aged 8-19 (and up to 25 for those with disabilities) with a fun and safe environment where young people can visit and enjoy themselves.

We know that the cost-of-living crisis is affecting many families and that they are struggling to afford food. We were pleased to be able to support Inspire again, and to help them do as much as possible to make sure that no young person in the community goes hungry.

We donated £15,000 to continue our support of the 'Learning Kitchen.'



At Christmas, we wanted to help Inspire, not only in providing presents for young people, but also to help wrap them! We had many volunteers visit Inspire and get stuck in with the festive paper and sticky tape! We helped wrap hundreds of selection boxes, Christmas pyjamas, hot water bottles, fluffy socks, pencil cases and gift cards.

This year we were proud to be part of the Inspired Awards Night and to sponsor the Creative Arts Award. It was great to be there and celebrate the talented young people that attend Inspire, Chorley Youth Zone.



## Affinity Accounts

The Society was delighted to raise £18,530 across eight affinity account partners. These accounts are a great example of how our Members contribute so generously to local charities and organisations.



Derian House



St Catherine's Hospice



Age UK Lancashire



Galloways



Rosemere Cancer Foundation



Age Concern



Chorley FC



North West Air Ambulance Charity

## Chorley High Five

In 2024, our Chorley High Five initiative awarded £3,363 to community groups and charities in Lancashire.

Throughout the year we have invited organisations to apply for donations.

**We ask that they align with our values of:**

- › Supporting Member and community wellbeing
- › Tackling poverty and homelessness
- › Supporting grassroots sporting activities

Our Charity Committee meet throughout the year to review the applications and award donations.



Here are a few examples of those who have received a donation to help our community...



## Rainbow Hub

Families are at the heart of Rainbow Hub. Based in Mawdesley, Lancashire, Rainbow Hub provide therapeutic services for children and young people with physical disabilities as a result of a neurological condition or child brain injury.

Since 2001, Rainbow Hub have supported up to as many as 85 families per week, helping children to reach their full potential and gain more independence through fun, hands-on activities, while giving their parents the vital support they deserve.

Our donation went towards supporting the cost to provide intense, active conductive education to children attending Rainbow Hub.



## Chorley Women's Centre

Chorley Women's Centre provide therapeutic counselling for people who have experienced domestic abuse, sexual abuse and sexual violence and poor mental health. They also provide drop in sessions and sign post women to other services in the area.

Our donation went towards making their services more accessible to those with specific access needs.



## Hoghton Social & Sports Centre

Hoghton Social & Sports Centre is a non-profit organisation, providing a community hall for the residents of Hoghton. There are classes, meetings, dancing, drama clubs, youth events, family parties and elections that take place regularly. It is very much a village hub providing services for the people in and around Hoghton.

We donated to the Centre to help support the activities that are run there.



## Dance Syndrome

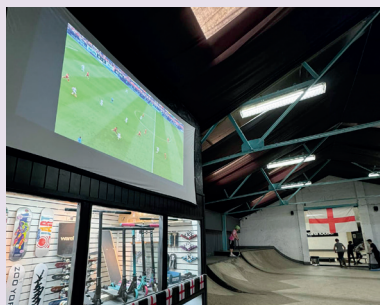
Dance Syndrome aim to empower people with learning disabilities through inclusive dance. Their Charitable Objective is to advance education in the art of dance for the public benefit, in particular (but not exclusively) for people with learning disabilities. They offer a broad programme of innovative dance, leadership, inclusion workshops and training for people with learning disabilities, whilst addressing health inequalities, social inclusion, prevention, and transformation.

Our donation went towards helping to cover the costs of delivering the weekly inclusive 'Everybody Dance' community sessions in Chorley, which engage up to 20 people with learning disabilities from the local community and surrounding area.

## Warehouse Unit

The Warehouse Skatepark is dedicated to providing a safe, professionally built, indoor facility for action sports, and it actively promotes exercise and physical health within the community.

Our donation has been put towards buying equipment that can be used by children who do not have their own, enabling them to participate in the activities.



## Our amazing colleagues and their fundraising!

This year our colleagues were very keen to get involved in raising money for charities close to their hearts.

Our incredible Savers Team arranged a sponsored walk to raise funds for Derian House. They walked over 12.5 miles, completed 25,000 steps, visited our 3 branches, walked through Astley Park, with everyone starting and finishing with big smiles on their faces. They raised a total of £1,205 for the hospice, which provides care for more than 400 seriously ill babies, children and young people across the North West, helping them make the most of every moment.

Our Head of Compliance, Jacqui Sharratt, jumped out of a plane at 15,000 ft, to also raise funds for Derian House.

Our colleague Georgia Collier took part in a 'fire walk' to raise money for Wigan and Leigh Hospice. The hospice provided care to her aunt, during her battle with cancer.

Sean Dye, Senior Business Development Manager, took part in the Hyrox Manchester event, with his daughter Chelsey, to raise funds for Macmillan Cancer Support.



Our colleague Georgia Collier



Our Savers team



Sean Dye, Senior Business Development Manager



# A Day in the Life of...

## Becky Quirk

**Head of Transformation**



### My Typical Day

The great thing about my role, is that everyday is different. Working in Transformation, I have come to accept that my role will naturally evolve in line with the programmes and projects I am delivering. However, there are some change delivery standards, which I am passionate about delivering, and these do structure my day, week and sprint! As a result of this, I start everyday with a 'stand up.' This is a quick 30-minute meeting where the Transformation team and I join a call to discuss any blockers or challenges that we face in completing the work that we have assigned to ourselves in the current sprint. For clarity, a sprint is project management terminology and for us at the Society, means a two-week block of time, which we plan for and then review at the end.

I work both remotely and from Key House Head Office. Recently we set up a new 'Project Room' to help the team working to deliver our Society wide transformation programme, work closer together.

Working in Transformation means it is important that we have great stakeholder relationships across the Society and externally too. So, investing time in building and maintaining relationships is such a key part of my role every day. 'Change cannot be put on people. The best way to instil change is to do it with them'. The Chorley Transformation team is a small but well-oiled machine, but to deliver change on the scale we want to at CBS we are reliant on so many of

our colleagues across the Society working with us on different project teams to deliver together.

### My Background

I have worked in financial services for nearly 22 years. I joined Chorley from a large banking group, where I was employed from the age of 16. I worked across a few different divisions including retail, commercial, transformation and HR. Towards the end of my career with the bank, I was very focused on transformational delivery of change. This is where I became an expert in agile delivery and led teams to deliver branch transformation programmes and technical migration programmes in HR. The experiences, skills and knowledge I have gained during my career, have been very valuable in my transition into the building society sector.

### What I enjoy the most

The people. Working in Transformation, I am lucky enough to work with so many different people. Bringing a project team together from different parts of a business to deliver an element of change, is very rewarding.

This may sound a little strange to most people, but something I really enjoy about working in Transformation, is being faced with the unexpected. Having a plan for a plan, really is important and something I enjoy is being able to keep a programme of work on plan, despite being thrown a curve ball from time to time!

## Member experience and service

We are very proud of the customer service that we deliver for our Members. To make sure that we always provide a great experience, we ask Members to give feedback on their interactions with us. We do this through Smart Money People, a leading financial services review site, based here in the UK.

We now have 1,500 reviews and our average score is 4.87 out of 5. Smart Money People class this as 'Excellent' and we agree!

Here's a selection of comments that we've received:

"I like the personal service from the staff who were helpful, efficient and pleasant. My experience could not have been better." **Savings Member**

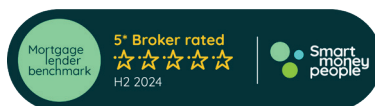
"At last a financial institution that actually listens and has the patience to communicate in simple English. Anything you do not understand a member of staff will take their time to make sure you do. Good old-fashioned service. 6 out of 5!" **Savings Member**

"I stay with the Chorley Building Society as the service from all the staff both in branch and on the telephone is of a consistently high level. Excellent. Keep up the good work." **Savings Member**

"Our Mortgage Advisor couldn't have been any more helpful. She was thorough and went above and beyond to make the process as seamless and simple for us from beginning to end. If we could give 10 stars we would. I wouldn't hesitate to recommend Chorley Building Society to anyone looking for a mortgage product." **Mortgage Member**



It's not just our service to our Members that is five star rated. We have just received a five star rating for an amazing seventh time in a row, by the mortgage broker community. Smart Money People run the Mortgage Lender Benchmark Survey twice a year and yet again we have been rated five stars! We are very proud of our mortgage team that continually deliver the best possible service to Mortgage Brokers.



### Jacqueline Dewey, CEO of Smart Money People commented:

"We're thrilled that Chorley Building Society has, for the seventh consecutive time, earned a five-star rating in the Mortgage Broker Feedback Survey conducted by Smart Money People. The excellent feedback from brokers highlights Chorley's ongoing ability to meet their needs in key areas such as service, speed, and ease of doing business. Chorley Building Society have undoubtedly positioned themselves as a reliable and accessible lender that brokers trust and enjoy working with."

# Summary Financial Statements

This financial statement is a summary of information in the audited Annual Accounts, the Directors' Report and Annual Business Statement, all of which are available to Members and depositors, free of charge on demand at every branch of The Chorley and District Building Society and from its website [www.chorleybs.co.uk](http://www.chorleybs.co.uk).



## Summary Directors' Report

**The Directors have pleasure in presenting the Business Review, including the Summary Financial Statements, for the 52-week period ended 3 February 2025.**

### Business Review

The main Key Performance Indicators used by the Board to monitor the performance of the Society are detailed in the table below.

Key Performance Indicators	2025	2024
Total assets	£427.5m	£406.3m
Total asset growth	5.2%	21.7%
(Loss)/profit before taxation	£(0.18)m	£0.37m
Net interest margin	1.82%	1.92%
Management expenses as a percentage of mean total assets	1.86%	1.77%
Gross mortgage lending	£61.2m	£87.7m
Net mortgage balances	£322.6m	£312.4m
Mortgage asset growth	3.3%	17.1%
Share balances	£390.0m	£367.4m
Capital	£23.4m	£23.5m
Voting Member growth	4.5%	14.8%
Member feedback scores	98.2%	96.5%
Tier 1 capital ratio	16.8%	17.7%
Liquid assets as a percentage of shares and borrowings	25.3%	23.8%

### A Successful Year of Achievements

The Society continues to place great value on offering a professional and personalised experience for all Members, both through our friendly and highly skilled employees in our branches as well as our online offerings.

We are delighted that we have refurbished our High Street branch with work completed

in March. This has improved the branch environment for all of the Members who choose to visit us with an open plan layout, digital zone and private interview space.

With the backdrop of challenging economic conditions and geopolitical events, our teams have been dedicated to supporting our Members, providing a high quality service and a flexible approach. During the year we continued to offer a range of mortgage products which acknowledge the ever changing needs of our Members, whilst remaining a responsible lender. Our product range for saver Members continued to include both easy access and a range of notice and fixed rate products with attractive rates.

We were delighted to continue numerous initiatives during the year to provide added value to our Members. These included providing regular Member e-newsletters, a Knowledge Hub on our website, as well as providing our Members with access to a will writing service through our relationship with Accord Legal Services.

We also launched a new website, which featured new additions such as mortgage monthly payments calculator and the ability to 'favourite savings products' for easier comparisons. All of our new tools have been designed to support our Members in making the best choice for their finances, whether saving, building for the future, buying a house or looking to retirement.

The Society's service proposition is founded upon highly qualified and well-trained employees who are motivated to act in the best interests of our Members, equipped with the appropriate training, systems and tools to do the job properly. We were delighted to be recognised in numerous industry awards throughout the year including winner of the Mortgage Awards ESG Initiative of the Year, which recognised our commitment to improving the lives of our community through our social and environmental initiatives.

Charitable and Political Donations

The communities in which we operate form the heart of the Society. During the year, supporting local community groups and charities has been more important than ever. As a Society we have continued to support charities with much needed donations through Chorley High Five and our employees have been involved in many activities to raise money for our chosen charity of the year.

During the year, £41,402 (2024: £83,021) was donated and comprised 20 (2024: 29) beneficiaries, including Christmas gifts to local children who would not otherwise receive presents at Christmas. Also included is the donations we gave to the following affinity savings partners during the year; Rosemere Cancer Foundation, Age Concern, The North West Air Ambulance Charity, Derian House, St Catherine’s Hospice, Galloways Society for the Blind, Chorley Football Club and Age UK Lancashire.

No donations were made for political purposes. Further details on the Society’s charitable giving during the year can be found in the Charity and Community Support section starting on page 8.

Profitability

The Society seeks to make sufficient profit in order to invest in and grow the business for the benefit of its current and future Members. Profit enhances our financial strength and is necessary to meet the levels of capital, including protection buffers, required under the Capital Requirements Directive. Financial strength also protects the Society against its principal risks and uncertainties and safeguards Members’ funds. The Society prepares its results under Financial Reporting Standard (FRS) 102.

The Society made a loss before tax in the year of £0.2m (2024: profit before tax of £0.4m), mainly due to £0.9m (2024: £0.4m) of costs relating to the core IT transformation. Profits in future years will continue to be impacted by the core IT transformation with a further year of

significant costs expected in 2025/26, however sufficient capital will be maintained to meet our capital requirements. The transformation is expected to facilitate future growth and enhance our Member experience.

Income Statement Overview	2025 £m	2024 £m
Total income	7.4	7.2
Management expenses	(7.8)	(6.5)
Loan impairment provisions	0.2	(0.3)
(Loss)/profit before tax	(0.2)	0.4

The Future Outlook

Economic conditions in 2025/26 are expected to improve as inflation steadies and the expectation that the Bank of England will reduce its interest rates, gradually easing pressures on consumers and businesses. However, the Society is cognisant of the current geopolitical risks and therefore the level of uncertainty remains high. As the UK has moved out of a period of ultra-low interest rates and while interest rates remain heightened, there is also uncertainty regarding the impact of higher interest rates, especially for borrowers approaching the end of a fixed rate mortgage, which can be reasonably expected to impact mortgage affordability and therefore may impact profitability.

As a mutual organisation and as a responsible lender we strongly encourage our mortgage Members who are in financial difficulty, or who think they may enter financial difficulty in the future, to make contact with us as early as possible so we can assess what support we can provide.

The Board considers the Society to be well positioned for future adverse events, as evidenced in severe stress tests carried out. The Society maintains adequate levels of liquidity and capital and is able to withstand the severe stresses it has undertaken. Our Board remains vigilant and continues to watch for any adverse economic indicators. Whilst

there may be challenges on the horizon, the Society is well placed to continue its successful business performance. Our business model remains viable and the risks to our business are understood, well controlled and our underwriting and assets are of high quality, with low levels of arrears and substantial equity. We have more than sufficient levels of capital and liquidity to meet our objectives and our underlying profitability performance is strong. The core IT transformation will remain a key focus for the Society. This investment in modernising our core systems and branches will enhance Member experience and this will impact negatively our net surplus in the short term. The Board believes that a successful future outlook lies ahead.

## Going Concern

As outlined above, the current economic conditions present risks and uncertainties for all businesses. The Directors have carefully considered the risks and uncertainties and the extent to which they might affect the preparation of the financial statements on a going concern basis.

### The Directors consider that:

- › The availability and quality of liquid assets is such that funds are available to repay exceptional demand from retail saver Members;
- › Other assets are primarily in the form of mortgages secured on residential property. Regular assessment of the recoverability of all mortgage assets is undertaken and provisions are made where appropriate and;
- › The generation of profits is and will continue to be at a level that maintains amounts of capital required to meet at least regulatory requirements including capital buffers.

The Society has considered the financial impacts of the risks arising from the current level of uncertainty by undertaking rigorous stress-testing of the potential outcomes, the results of which demonstrate that it has sufficient capital resources to withstand a

range of severe stress scenarios. The Directors are therefore satisfied that the Society has adequate resources to continue in business for the foreseeable future and at least twelve months from 26 March 2025.

For this reason, the accounts are prepared on a going concern basis.

## Provision of Information to the Auditor

Each person who is a Director at the date of approval of this report confirms that:

- › So far as the Director is aware, there is no relevant audit information of which the Society's Auditor is unaware and;
- › Each Director has taken all the steps that they ought to have taken as a Director to be aware of any relevant audit information and to establish that the Society's Auditor is aware of that information.

## Independent Auditor

The Society regularly assesses the effectiveness of the external audit process and the approach taken to the appointment and reappointment of the external Auditor. This assessment is done on an annual basis, after the completion of the year end audit. This is reported to and discussed at the Board Audit Committee meeting.

Forvis Mazars LLP has expressed its willingness to continue in office as Auditor and in accordance with Section 77 of the Building Societies Act 1986, a resolution for the reappointment of Forvis Mazars LLP as Auditor will be proposed at the Annual General Meeting on 20 May 2025.

On behalf of the Board

**Peter Brickley**  
**Chair of the Board**

26 March 2025



## Summary Statement

For the 52-week period ended 3 February 2025 and for the 52-week prior period ended 5 February 2024.

Results for the year	2025 £000	2024 £000
Net interest income	7,582	7,096
Other income and charges and fair value movements	(180)	127
Administrative expenses	(7,743)	(6,564)
<b>Operating (loss)/profit before provisions and taxation</b>	<b>(341)</b>	<b>659</b>
Provisions for impairment losses	160	(294)
<b>(Loss)/profit for the year before taxation</b>	<b>(181)</b>	<b>365</b>
Tax on profit on ordinary activities	38	(94)
<b>(Loss)/profit for the financial year</b>	<b>(143)</b>	<b>271</b>

Financial Position at end of year	2025 £000	2024 £000
<b>Assets</b>		
Liquid assets	101,915	90,764
Mortgages	322,598	312,420
Fixed and other assets	3,034	3,143
<b>Total Assets</b>	<b>427,547</b>	<b>406,327</b>
<b>Liabilities and Reserves</b>		
Shares	389,973	367,439
Borrowings	13,007	14,352
Other liabilities	1,199	1,025
General reserves	23,368	23,511
<b>Total Liabilities and Reserves</b>	<b>427,547</b>	<b>406,327</b>

Summary of Key Financial Ratios	2025 %	2024 %
Gross capital as a percentage of shares and borrowings	5.80	6.16
Liquid assets as a percentage of shares and borrowings	25.29	23.82
(Loss)/profit for the year as a percentage of mean total assets	(0.03)	0.07
Management expenses as a percentage of mean total assets	1.86	1.77

# Notes

The percentages shown on the previous page are taken from the Society's Annual Report and Accounts for the financial year ended 3 February 2025.

## Gross Capital

Gross capital represents the general reserves. The gross capital ratio measures the proportion of which the Society's capital bears to the Society's liabilities to investors. The Society's capital consists of profits accumulated over many years in the form of reserves. Capital provides a financial cushion against unforeseen eventualities which might arise in the Society's business and ensures that Members are properly protected.

## Liquid Assets

The liquid assets ratio measures the proportion of the Society's shares and borrowings which are held in the form of cash, short term deposits and securities which can be readily converted into cash. Liquid assets are maintained at a level which enables the Society to meet requests from saver Members for withdrawals from their accounts, to make new mortgage loans to borrowers and to fund its general business activities.

## (Loss)/profit

The (loss)/profit ratio measures the proportion which (loss)/profit after taxation for the financial year bears to the average of the Society's total assets during the year. The Society needs to make a reasonable level of profit each year in order to maintain its capital ratios at an appropriate level to protect Members and to satisfy regulatory requirements.

## Management Expenses

The management expenses ratio measures the proportion of the Society's administrative expenses, depreciation and amortisation to the average of the Society's total assets during the year. Administrative expenses consist mainly of employee costs, IT costs and other office expenses.

A copy of the Society's full Annual Report and Accounts is available to Members on our website at [www.chorleybs.co.uk](http://www.chorleybs.co.uk) or upon request at any Branch Office or by telephoning the Society on 01257 235000.

Approved by the Board of Directors on 26 March 2025 and signed on its behalf by:

**Peter Brickley**  
Chair of the Board

**David Shelley**  
Finance Director

**Stephen Penlington**  
Chief Executive

# Independent Auditor's Statement

to the Members and Depositors of The Chorley and District Building Society

We have examined the Summary Financial Statement of The Chorley and District Building Society (the "Society") set out on pages 15 to 20.

## Respective responsibilities of Directors and Auditor

The directors are responsible for preparing the Business Review, incorporating Summary Financial Statement, in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statement within the Business Review with the full Annual Report and Accounts, the Annual Business Statement and the Directors' Report and its conformity with the relevant requirements of Section 76 of the Building Societies Act 1986 and regulations made under it.

## Basis of opinion

Our examination of the Summary Financial Statement consisted primarily of:

- › Agreeing the amounts included in the Summary Financial Statement to the corresponding items within the full Annual Report and Accounts, the Annual Business Statement and the Directors' Report of the Society for the period ended 3 February 2025;
- › Checking that the format and content of the Summary Financial Statement is consistent with the requirements of section 76 of the Building Societies Act 1986 and regulations made under it; and
- › Considering whether information has been omitted which although not specifically prescribed by section 76 of the Building Societies Act 1986 and regulations made under it, in our opinion, is necessary to ensure consistency with the full Annual Report and Accounts, the Annual Business Statement and the Directors' Report of the Society for the period ended 3 February 2025.

We also read the other information contained in the Business Review and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Statement.

Our report on the Society's full Annual Report and Accounts describes the basis of our opinion on those Annual Report and Accounts, the Annual Business Statement and the Directors' Report.

## Opinion

In our opinion the Summary Financial Statement is consistent with the full annual accounts, the Annual Business Statement and the Directors' Report of The Chorley and District Building Society for the period ended 3 February 2025 and complies with the applicable requirements of Section 76 of the Building Societies Act 1986 and regulations made under it.

## Use of the statement

This statement is made solely to the Society's Members and Depositors as a body in accordance with section 76(5) of the Building Societies Act 1986. Our audit work has been undertaken so that we might state to the Society's Members and Depositors those matters we are required to state to them in such a statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's Members and Depositors as a body for our audit work, for this statement, or for the opinions we have formed.

## Forvis Mazars LLP

### Chartered Accountants and Statutory Auditor

5th Floor, 3 Wellington Place, Leeds, LS1 4AP.  
United Kingdom

26 March 2025

# Directors' Remuneration Report

**This report informs Members of the Society about the remuneration of Non-Executive Directors and Executive Directors. It provides details of Directors' remuneration and explains the basis of its calculation.**

Further information can be found in the Remuneration Committee Report in the Society's Annual Report & Accounts which is available on the Society's website at [chorleybs.co.uk](http://chorleybs.co.uk).

Remuneration is delegated to the Remuneration Committee, which reports to the full Board.

## The Procedure for Determining Remuneration

The Remuneration Committee is a Board Sub-Committee that forms part of the Society's Corporate Governance Framework. The Committee operates within the Terms of Reference agreed by the Board which are reviewed annually. The Committee comprises entirely Non-Executive Directors. The Chair of the Board, Chief Executive, Customer Services Director and Head of HR, Training & Facilities and H&S attend each meeting of the Committee although none are involved in consideration of any matters relating to their own remuneration and are absented from any such discussion.

The Committee reviews and approves the process for the remuneration of Non-Executive Directors and Executive Directors' annually. When considering proposals for remuneration, the Committee will take into consideration data from comparable organisations and from the market within which the Society operates.

Minutes of all Committee meetings are distributed to all Board members and the Chair of the Committee reports to the Board at the Board meeting following every Committee meeting.

The Society has adopted a simple remuneration structure which is appropriate to its business and is efficient and cost effective in promoting its long-term strategy.

Transparent salary, other benefits and pension contributions are supplemented by a modest and straight-forward performance related pay scheme that promotes continued involvement in the Society's ongoing success.

The Remuneration Policy does not include significant performance related variable remuneration. The Society does not offer guaranteed variable remuneration, share options, or medium or long-term incentive schemes. The Society does not offer variable remuneration, commission, retention awards or cash payments in excess of a set percentage of overall basic salary.

This is considered an important element of risk management so that variable remuneration does not form a significant element of total remuneration and so avoids incentivising behaviour inconsistent with the proper management and control of risk.

The Committee will consider the maximum pay awarded in terms of variable remuneration on an annual basis.

## The Policy for Remuneration

### Non-Executive Directors' Remuneration

The Society's remuneration policy is to reward Directors through fees according to the time commitment and their expertise, experience and overall contribution to the successful performance of the Society.

### Executive Directors' Remuneration

The Society's remuneration policy is to set remuneration levels which will attract and retain Executive Directors and to set rewards that reflect responsibilities, time commitment and overall contribution to the successful performance of the Society.

### Contractual Terms

Non-Executive Directors have contracts for services and are appointed for an initial term of three years.



The Chief Executive is employed on a contract of employment that may be terminated by either party giving twelve months' notice.

The Finance Director, Customer Services Director and Chief Risk Officer are employed on a contract of employment that may be terminated by either party giving six months' notice.

## Directors' Remuneration

Total remuneration of the Society's Directors is shown in the tables below.

### Non-Executive Directors

	2025 £000	2024 £000
Peter Brickley (Chair of the Board)	37	26
David Bagley (Vice Chair & SID)	29	27
Julia Cattanach	27	26
Joanna Hall	28	27
Gail Teasdale	28	27
Lee Bambridge (from 1 November 2023)	28	7
Janat Hulston (from 1 July 2024)	16	-
John Sandford (until 22 May 2024)	13	40
Kevin Bernbaum (until 22 May 2024)	9	29
	<b>215</b>	<b>209</b>

### Executive Directors

2025	Salary £000	Pension Contributions £000	Performance related pay £000	Benefits £000	Total £000
Stephen Penlington	180	26	25	1	232
Kimberley Roby	122	12	17	1	152
David Shelley	110	10	10	1	131
Steven Melbourne	110	10	15	-	135
	<b>522</b>	<b>58</b>	<b>67</b>	<b>3</b>	<b>650</b>
2024	Salary £000	Pension Contributions £000	Performance related pay £000	Benefits £000	Total £000
Stephen Penlington	175	25	12	1	213
Kimberley Roby	117	11	11	1	140
David Shelley	105	10	10	1	126
Steven Melbourne (from 1 October 2023)	35	3	-	-	38
	<b>432</b>	<b>49</b>	<b>33</b>	<b>3</b>	<b>517</b>

# Our Directors



## Peter Brickley

**Chair of the Board and Chair of Nominations Committee**

Peter was co-opted to the Board in October 2022. He is Chair of the Board and Chair of the Nominations Committee. He has held several executive positions in a number of global businesses including BAT, Centrica, Heineken, SABMiller and latterly Coca Cola Europacific Partners where he leads Business Process reengineering through technology and innovation. Previously he has been a Non-Executive Director for 14 years at the Newbury Building Society, of which he served seven years as Chairman. Peter lives in the Cotswolds with his wife; and has 2 adult daughters. His hobbies are diverse – from classic cars, wine, brewing beer, music and walking with their dogs. Peter is also a Parish Councillor.



## David Bagley BA (Hons), FCA

**Vice Chair and Senior Independent Director**

David was co-opted to the Board in July 2016. He is a graduate of Lancaster University and a Fellow of the Institute of Chartered Accountants in England & Wales. David has spent his career in professional services and finance. He is married with two daughters and lives in Sheffield. David and his wife are active supporters of Guide Dogs where, for 10 years, he was a trustee and Board member. David is the Society's Vice Chair and Senior Independent Director. David is available to the Members if they have concerns regarding their membership of the Society and contact through the normal channels – via the Chair of the Board or the Executive Directors – has either failed to resolve the matter or is considered inappropriate.



## Janat Hulston

**Non-Executive Director**

Jan was co-opted to the Board in July 2024 and has over 35 years' experience in Banking and Finance having previously worked for NatWest, holding several senior positions across UK & Ireland including Managing Director for NatWest Branch Network UK. She was Chair of the NW Midlands & East Regional Board where she championed female entrepreneurship and continues to support small business growth. Jan is now a Trustee for Manchester Care and Repair, a charity supporting social care and housing for vulnerable people. Jan is passionate about customer service and is committed to making a difference for people across all communities. She was born in the North West and currently lives in Saddleworth with her husband and dog, has two grown up children and enjoys walking and travelling.



### **Stephen Penlington BSc, MBA**

#### **Chief Executive**

Stephen joined the Society in 2006 as Chief Executive. He has a wealth of experience in financial services and has been in the building society movement ever since graduating from the University College of Wales in 1980 with a BSc Economics Honours degree. Stephen is Chair of the Executive Committee. A committed family man, he is an avid reader, loves music, keep-fit and is a rugby enthusiast. Stephen lives in Chorley and is a trustee of the Chorley Constituency (2015) Charitable Trust.



### **David Shelley BSc, MSc, FCCA**

#### **Finance Director**

David joined the Society in 2016 as Head of Finance and was co-opted to the Board in November 2022 as Finance Director. He is a Fellow of the Association of Chartered Certified Accountants and graduated from Loughborough University in 2020 with an MSc degree in Leadership and Management. David has over 15 years of experience within the Financial Services industry. He is Chair of the Assets & Liabilities Committee and the Product & Treasury Committee. David lives in Northwich with his wife and four young children.



### **Kimberley Roby BA (Hons), MSc**

#### **Customer Services Director**

Kimberley joined the Society in 2006 and was co-opted to the Board in September 2017 as Customer Services Director. She has responsibility for the Society's Marketing, Product, Mortgage, Savings, Business Development, Transformation and IT operations. Kimberley is Chair of the Mortgage Credit Risk Committee and, as a member of the Charity Committee, plays a key part in organising numerous charity events, ensuring the Society supports local initiatives wherever possible. She is passionate about mutuality and putting our Members at the heart of everything we do. Kimberley has a degree in Business Studies as well as a master's degree in Leadership and Management from Loughborough University. She is a Non-Executive Trustee of Mosaic Multi Academy Trust and lives in Coppull Moor with her husband and three young children.

# Our Directors



## **Joanna Hall CIM**

**Non-Executive Director and Chair of Remuneration Committee**

Joanna was co-opted to the Board in June 2019 and is Chair of the Remuneration Committee. She is Chartered Institute of Marketing qualified and Digital Marketing certified, with over 35 years' experience in financial services and consulting, and an experienced Board member having held numerous Non-Executive Director roles. Joanna's passion is to help companies get closer to their customers, demonstrate their value and make it easier for them to do business. Having grown up in the North West, Joanna now lives in Kent with her husband and dog and has two grown up children.



## **Gail Teasdale ACA**

**Non-Executive Director, Chair of Board Audit Committee and Whistleblowing Champion**

Gail was co-opted to the Board in October 2020 and is Chair of the Board Audit Committee. She is a member of the Institute of Chartered Accountants England & Wales having qualified in 1993. She has held various Finance Director roles in a variety of industries before becoming the Chief Executive of Broadacres in January 2018. Broadacres is a housing association owning 6,800 homes across North Yorkshire. Gail believes it is important that Members are at the core of decision making. She was born in Bradford and now lives near Harrogate with her husband and dogs. In her spare time, she loves walking and running.



## **Julia Cattanach LLB (Hons)**

**Non-Executive Director and Consumer Duty Champion**

Julia was co-opted to the Board in February 2022. She is qualified as a solicitor in England & Wales. She has had a career in legal and compliance in financial services and has been the Chief Risk Officer for Experian in the UK since 2016. Experian is a global data and analytics firm, well known in the UK for its credit reference agency activities. Julia was born and grew up in New Zealand before coming to the UK in 1996. She lives in Nottingham with her husband and son.



**Steven Melbourne BA (Hons), MSc**  
Executive Director and Chief Risk Officer

Steven joined the Society in 2017 and was co-opted to the Board in October 2023. Steven was part of the first cohort to graduate from the Building Society Association's flagship MSc in Leadership & Management from Loughborough University in 2018. He has worked in financial services and the building society sector for almost 19 years and brings a wealth of experience in risk management, finance and treasury. Steven is Chair of the Conduct & Operational Risk Committee and lives in Bolton with his wife and two young children.



**Lee Bambridge BA (Hons)**  
Non-Executive Director and Chair of Board Risk Committee

Lee was co-opted to the Board in November 2023 and is Chair of the Board Risk Committee. He spent over 15 years at Newbury Building Society, initially as their Finance Director, before moving onto the role of Chief Risk Officer until he retired in May 2023. He is a Trustee for the Citizens Advice in Hampshire as well as a Non-Executive Director for the Society. Lee lives in Hampshire with his wife and his interests include music, pickleball and more recently bridge.

# Notice of Annual General Meeting

Notice is given that the 166th ANNUAL GENERAL MEETING of The Chorley and District Building Society will be held on Tuesday 20th May 2025 at Shaw Hill Golf & Spa Hotel, Whittle-le-Woods, Chorley, PR6 7PP at 12:00 p.m. to consider and vote on the resolutions and election and re-election of Directors as set out below:

## Ordinary resolutions

1. To receive the Auditor's Report.
2. To receive the Directors' Report, Annual Accounts and Annual Business Statement for the year ended 3 February 2025.
3. To consider and if thought fit, approve the Directors' Remuneration Report for the year ended 3 February 2025.
4. To consider and if thought fit, re-appoint Forvis Mazars LLP as Auditor.

## Election and re-election of Directors

5. To consider and if thought fit, re-elect Julia Mary Cattnach as Director.
6. To consider and if thought fit, elect Janat Hulston as Director.

Light refreshments will be provided.

By order of the Board of Directors

**Steven Melbourne**  
**Chief Risk Officer**

26 March 2025

# Voting Conditions

1. These notes form part of the Notice of Meeting.
2. A Member entitled to attend the Meeting and vote may appoint one proxy to attend and vote on his or her behalf. You may appoint the Chair of the Meeting or anyone else as your proxy and your proxy does not have to be a Member of the Society. Your proxy may vote for you at the Meeting but only on a poll. A poll is a formal vote which may take place after an initial vote by a show of hands.
3. You may instruct your proxy how to vote at the Meeting. Please read the instructions on the voting form.
4. The voting date for those employee Members who will attend the Meeting in person in order to meet the legal quorum requirements is the date of the meeting which is Tuesday 20 May 2025. For all other Members who are required to vote by proxy, the voting date is Friday 16 May 2025 at 5pm.
5. In order to attend and vote at the Meeting, or appoint a proxy, you must qualify as either a **shareholding Member** or a **borrowing Member**.

## Shareholding Members

- a) **To qualify as a shareholding Member, you must:**
  - i. If you are an individual, be at least 18 years of age on 20 May 2025; and
  - ii. Have held shares to the value of not less than £100 in the Society on 3 February 2025; and
  - iii. Not have ceased to hold a share or shares in the Society at any time between 3 February 2025 and the voting date; and
  - iv. Hold a share or shares in the Society on the voting date.
- b) **Where the shares are held jointly by two or more persons, only the first named in the records of the Society in respect of those shares can have any voting rights.**

## Borrowing Members

- a) **To qualify as a borrowing Member, you must:**
  - i. Be at least 18 years of age on 20 May 2025; and
  - ii. Have owed the Society not less than £100 in respect of a mortgage debt on 3 February 2025; and
  - iii. Owe the Society not less than £100 in respect of a mortgage debt on the voting date.
- b) **Where a mortgage debt is owed jointly by two or more persons, only the first named in the records of the Society in respect of that mortgage can have any voting rights.**
6. In addition, **you can vote only once** as a Member irrespective of:

The number of accounts you hold and whether you hold accounts in different capacities (for example, on your own behalf and as a trustee); and

Whether you qualify to vote as both a **shareholding Member** and a **borrowing Member**.



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**Chorley  
Building  
Society**

TRUSTED SINCE 1859



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PR25 2LH

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**chorleybs.co.uk**



**The Chorley and District Building Society is a member of the Building Societies Association.**

The Chorley and District Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Registered on the Financial Services Register under number 206023.