



# Annual Report and Financial Statements 2025

1 January to 31 December

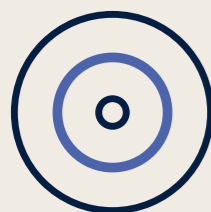




Representing 300 firms, we're a centre of trust, expertise and collaboration at the heart of financial services. Championing a thriving sector and building a better society.

## Our purpose

To build a better society.



## Our corporate objectives

- Empowered people
- Expert advocacy
- Authoritative data
- Trusted partnerships
- Excellent services
- Financial resilience



## Our vision and values

To be the best financial services trade association in Europe.

**Integrity.** We act for the good of our members, customers and society.

**Excellence.** We set the standards for quality, experience, and best practice.

**Leadership.** We drive innovation and shape the future finance landscape.

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# Chief Executive's Foreword

Our financial services industry is one of the UK's most important national assets. It employs over a million people across the country, enables investment and innovation, and provides essential services that households and businesses rely on every day. Ensuring that this system remains strong, competitive and future-ready is vital to the country's prosperity.

UK Finance plays a central role in achieving that goal. Representing more than 300 firms across banking and finance, we bring the industry together to provide expertise, evidence and leadership on issues that matter for our members, the wider economy and society.

2025 was our most impactful year since UK Finance was established. Our work focused on five priority areas: helping to deliver a high-growth economy; enabling digital innovation; keeping the financial system safe; supporting consumers and businesses; and advancing the UK's transition to net zero. Across these areas, we worked with our members to secure practical reforms to help the industry support stronger, more inclusive and sustainable growth.

In March we published our Plan for Growth, setting out over 60 policy proposals to strengthen financial services' contribution to UK growth. Developed with our members, it is a comprehensive plan to create a pro-growth operating environment for financial services in the UK. I shared the plan with the Chancellor, and it was encouraging to see many of our recommendations reflected in the government's Leeds Reforms announced in July. This included simplifying our regulatory architecture through reform of the Financial Ombudsman Service and the Payment Systems Regulator.

Competitiveness also depends on a supportive tax regime. Our Total Tax Contribution of the UK banking sector report, released in October, demonstrated the sector's significant role in funding public services, while highlighting that banks

operating in the UK face a total tax rate significantly higher than in other global financial centres.

We continued to advocate for proportionate prudential requirements that enable lending and investment. Our input to the Bank of England's Financial Policy Committee's review of bank capital helped secure positive steps towards a more pro-growth framework. Important progress has been made, and there remain areas where we believe government should go further.

In digital innovation, we worked with members to deliver the UK's first live transactions using tokenised sterling deposits, a new form of digital money offering benefits such as enhanced speed and fraud protection. This builds on earlier collaborative work and reinforces the UK's position as a global leader in financial technology.

In parallel, with member support, we have been bringing the National Payments Vision to life. This is setting a new way forward for the future of payments in the UK, with the industry having a far greater say and establishing structures that will make new payments systems deliverable and commercially sustainable.

The industry remains at the forefront of the fight against economic crime, with UK Finance-led initiatives playing a core role. The Dedicated Card and Payment Crime Unit saved the industry an estimated record-breaking £272 million last year, while the Banking Protocol initiative has now recorded £400 million in savings since its inception.

We continued to advocate for a safer system, driving industry input into the government's Fraud Strategy and making the case for greater accountability from those sectors that act as gateways to economic crime. We also supported firms' preparation for new operational resilience rules which came into effect in March, helping ensure essential financial services can continue during disruption.

Supporting consumers and businesses remained central to our work. As a member of HM Treasury's Financial Inclusion Committee, we helped shape the government's approach to access to banking services. Our long-term advocacy also informed planned changes to mortgage market rules by the Financial Conduct Authority and FPC aimed at making homeownership more achievable.

We contributed to the government's Small Business Plan, including on late payments, personal guarantees and the transition to net zero. With national security under focus, we demonstrated to policymakers the commitment of the sector to the defence of the nation.

On sustainability, we brought together members and policymakers to help shape the UK's approach to climate-related disclosure and green finance. Our Greening Homes, Creating Growth report set out the steps needed to support energy-efficient home improvements, and we welcomed the government's continued commitment of £13.2 billion to the Warm Homes Plan, one of our key policy priorities.

The impact of our work was reflected in our 2025 stakeholder survey, carried out independently by Thinks Insights. The survey confirmed that UK Finance continues to be seen as a highly influential organisation, effective in delivering on its objectives. 92 per cent of respondents said that UK Finance is influential in shaping financial services policy and promoting the financial services sector. This is 13 percentage points higher than the runner-up.

I was delighted to see this echoed in our member survey, which found that 97 per cent of members positively rate our effectiveness as an organisation and the same proportion positive about our engagement with stakeholders.

I would like to thank UK Finance colleagues, our members and stakeholders for their contribution to a highly successful year.



**David Postings**  
CEO, UK Finance



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Officers and professional advisors



## Directors

The directors who served during the period under review and up until the date of signing the financial statements.

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2025 Board Directors	Firm and role	Appointment changes
Robert (Bob) Wigley (Chair)	UK Finance, Chair	
David Postings (Executive Director)	UK Finance, Chief Executive	
Christopher Beatty (Senior Independent Director - SID)	Morgan Stanley International, MD / COO EMEA	
Simon Bladon	PayPal UK, CEO	
Robert (Robin) Bulloch	TSB Bank, CEO	Retired 20/03/2025
Francesca Carlesi	Revolut UK, CEO	
Miles Celic	TheCityUK, CEO	
Deborah (Debbie) Crosbie	Nationwide Building Society, CEO	Retired 01/05/2025
Thierry d'Argent	Société Générale London Branch, CEO	
Victoria (Vicky) Davies	Danske Bank UK, CEO	
Joanna Elson	Independent Age, CEO	
Richard Fearon	Leeds Building Society, CEO	Retired 28/11/2025
Simon Forbes	Mastercard, Division President, UK & Ireland	Appointed 04/12/2025
Hani Kablawi	BNY, Head of International	Retired 31/03/2026
Wayne Lawson Turnbull	UBS, UK COO	Retired 01/02/2026
Tiina Lee	Citi UK, CEO	
Hannah Lewis	American Express, UK Country Manager	
Saif Malik	Standard Chartered Bank UK, CEO	
Ian McLaughlin	Vanquis Banking Group, CEO	
Michael (Mike) Regnier	Santander UK, CEO	Retired 06/02/2026
Michael (Mickey) Schiller	Leumi UK, CEO	
Jasjot (Jas) Singh	Lloyds Banking Group, CEO Consumer Lending	
John David (Ian) Stuart	HSBC UK Bank, CEO	Retired 01/07/2025
Vathany Vijayaratna	Deutsche Bank UK and Ireland, CEO	

Appointments since year end:

Board Directors	Firm and role	Appointment date
Solange Chamberlain	NatWest, Retail Banking, CEO	Appointed 12/02/2026
Marcelino Castrillo Garcia	Shawbrook Bank, CEO	Appointed 12/02/2026

UK Finance Limited is a company limited by guarantee incorporated in England and Wales.

**Registered number**

10250295

**Registered office**

5th Floor, 1 Angel Court  
London  
EC2R 7HJ

**External auditor**

RSM UK Audit LLP  
25 Farringdon Street  
London  
EC4A 4AB



# Strategic report



The directors present their strategic report for the year ended 31 December 2025.

The directors of UK Finance are responsible for promoting the long-term success of the company and, in so doing, have regard to the interests of various stakeholders.

Below is a summary of how these stakeholders and matters have been considered during 2025.

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# Directors' Duties

The directors of UK Finance Limited (the 'Company', or 'UK Finance'), and those of all UK companies, must act in accordance with a set of general duties detailed in the UK Companies Act 2006. Section 172 of the Act sets out the duty to promote the success of the company, which is summarised as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a. the likely consequences of any decision in the long term;
- b. the interests of the company's employees;
- c. the need to foster the company's business relationships with suppliers, customers and others;
- d. the impact of the company's operations on the community and the environment;
- e. the desirability of the company maintaining a reputation for high standards of business conduct; and
- f. the need to act fairly as between members of the company.

As part of their induction, a director is briefed on their duties and they can access professional advice on these, either from the Corporate Governance Team or, if they judge it necessary, from an independent adviser. It is important to recognise the directors fulfil their duties partly through a governance framework that delegates day-

to-day decision-making to employees of the company and details of this can be found in our Corporate governance section on pages 28-31.

The following paragraphs summarise how the directors fulfil their duties:

## Risk management

UK Finance actively manages risk on a daily basis and consideration of risk is part of the process in all long-term decision making.

Details of our approach to risk management can be found on pages 32-33.

## Employees

Our people are our most valuable asset. Supporting and developing our colleagues to empower them to deliver excellent services to our members is a key objective. Below are some examples of how we monitor and enhance our employee experience.

## Colleague Engagement

During 2025 we undertook our annual colleague engagement survey with The Survey Initiative (TSI) and we are proud to have achieved an overall engagement score of 89 per cent.

Our values are integral to the way we work. They inform everything that we do and are core to our operations. Our three core values are:

- **Integrity** – we act transparently and ethically for the good of our members as well as their customers and wider society. We seek to enhance trust in the banking and finance industry.
- **Excellence** – we lead from the front as a beacon of quality, inspiration and best practice.
- **Leadership** – we are proactive and innovative in helping to shape tomorrow's banking and finance landscape.

and more junior posts.

## Gender and Ethnicity Pay Gap

We voluntarily participate in Gender Pay Gap and Ethnicity Pay Gap reporting and publish our results on our website. During 2025 we continued to focus on practical measures that will support the work we are doing to reduce our gender and ethnicity pay gaps.

## Progress Together

We are a supporter of Progress Together, a not-for-profit membership organisation working to improve socio-economic diversity at a senior level across financial services.

## Social Mobility Pledge

As a signatory of the Social Mobility Pledge, we are committed to supporting and driving social mobility through our outreach, access and recruitment activities. This year we are delighted to once again be working with Career Ready, a national social mobility charity which works with employers, schools, and volunteers to support young people across the UK, to offer a number of paid work experience opportunities to disadvantaged young people between the ages of 16 and 18. We are also proud to support Winchmore School in Enfield by providing a T-level student with a weekly work placement in our Finance team for the duration of their two year course.

## Living Wage

As a London Living Wage employer, UK Finance is proud to be a supporter of the Living Wage Foundation, the independent movement of organisations, businesses and people campaigning for a real living wage based on the cost of living, not just the government-determined minimum wage.

In order to support and complement the findings from our colleague survey, and to ensure that we are on the right path to maintaining a sustainable and positive culture, we commissioned Grant Thornton to undertake an independent audit for conduct and culture which was completed in the first half of 2025. This audit concluded that overall, very good progress had been made against the agreed actions relating to building and shaping our culture arising from their prior culture stocktake of 2023.

## Support for Disabled Colleagues

We are committed to providing equal opportunities for all colleagues, including those with disabilities. We ensure that recruitment, training, and career development are conducted without discrimination and reasonable adjustments are provided as appropriate. Where colleagues become disabled, we make reasonable adjustments to their roles or working environment to enable them to continue contributing effectively.

## Women in Finance

UK Finance is committed to the HM Treasury Women in Finance Charter (the 'Charter'). The Charter is a commitment by HM Treasury and signatory firms to work together to build a more balanced and fairer financial services industry.

In signing up to the Charter in November 2017, following discussion within our Board, we set ourselves the target of achieving 40 per cent female representation within senior management over three years. We are delighted that we have now met this initial target and we are now looking ahead and focusing on achieving gender parity by December 2026. To date we have made excellent progress towards this target (47.6 per cent of senior roles are currently occupied by female colleagues) which is supported by current gender equality across our organisation within middle management

## Business relationships

Our strategy is to work with business partners to champion a thriving banking and finance industry. Our operational activity enhances members' own services in situations where collective industry action adds value. Developing and maintaining strong relationships with our members, customers and suppliers is essential to this.

We value our suppliers and aim to have multi-year contracts with our key suppliers.

### Supplier Charter

UK Finance aspires to meet the highest standards of business conduct and expects the same of its suppliers. Our Supplier Charter sets out how UK Finance will work with suppliers and supply chain partners to deliver excellence in sustainability.

## Members

UK Finance members reflect the dynamic landscape of the financial services industry. Our membership encompasses a diverse collective of providers and facilitators of finance, spanning across retail, commercial and wholesale banks, global and niche payments service providers, specialist non-bank lenders and financial technology and market infrastructure firms. Ranging from well-established to new entrants to the industry. Our members' customers are individuals, corporates, charities, clubs, associations and government bodies, served domestically and cross-border. These customers access a wide range of financial and advisory products and services, essential to their day-to-day activities. We work for and on behalf of, our members to promote a safe, transparent, and innovative banking and finance industry. We offer research, policy expertise, thought leadership, peer communities and advocacy in support of our work. We provide a single voice for a diverse

and competitive industry. UK Finance also offers events and training to its members as well as services and utilities.

## Associate members

Associate members of UK Finance are firms that support the financial services industry – including in the legal, consulting and technology sectors. Although not members of the Company, the support of our associate members is vital to our members, and our objectives. Working together, UK Finance and our associate members aim to ensure that the UK retains its position as a safe and transparent global leader in financial services, placing the interests of customers at the heart of our work.

## Community and environment

UK Finance is committed to supporting the wider community and protecting our environment. UK Finance provides a volunteering programme to colleagues which demonstrates our commitment to our communities, our people and our members, and is integral to our role as a responsible business. Our volunteering policy enables colleagues to take up to three days paid leave each year to support good causes.

During 2025 our colleagues have supported a wide variety of community projects with practical and skills-based volunteering which have included taking on trustee roles with registered UK charities, undertaking various fundraising roles, supporting policing teams as an Active Citizen, helping out at food banks and homeless hostels, and undertaking parent governor roles at schools.

In 2025, UK Finance's charity partner was the Stroke Association, which was supported through fundraising initiatives by colleagues. We also partner with 10,000 Black Interns,

Able Interns and Career Ready to provide work experience and intern opportunities for young people supported by these organisations.

We continue to ensure that we use our resources appropriately to deliver both environmental and financial benefits and, where possible, reduce our impact on the environment. We work closely with our suppliers to make sure that they support our commitment to sensible environmental practices and good corporate responsibility.

## Sustainability

### Streamlined energy and carbon reporting

Our energy use and greenhouse gas emissions data for the financial year 2025 has been independently produced by a third-party consultant with expertise in this area, based on information provided by UK Finance. Greenhouse gas (GHG) emissions were calculated in line with GHG Reporting Protocol – Corporate Reporting Standard and reported in line with the UK Government's Guidance on Streamlined Energy and Carbon Reporting (SECR).

We adopted operational control approach to set the boundary for carbon calculation for FY25. Based on an operational control approach, the emissions from the office that we operate in are accounted for within Scope 1 and Scope 2 categories. Emissions from the office that relate to the joint operation, the Dedicated Card and Payment Crime Unit (DCPCU), are accounted for in Scope 3 as we do not have 100 per cent control of the operation. In line with the GHG Protocol – Corporate Reporting Standard, we disclose the following scope 1, 2 and 3 emissions:

- **Scope 1:** covers natural gas-related emissions from our office in Angel Court, we do not have a company fleet and the emissions from refrigerants are not material, therefore they are excluded in Scope 1.

- **Scope 2:** covers emissions associated with our electricity consumption in Angel Court, expressed through both a location-based approach and a market-based approach. The market-based approach reflects that 100 per cent renewable electricity has been sourced in our office; and
- **Scope 3:** includes both the mandatory element of SECR, grey fleet-related business travel, and voluntary elements of other Scope 3 categories that span across the value chain. These include:
  - Purchased goods and services
  - Capital goods
  - Employee commuting and homeworking
  - Business-related travel
  - Fuel and energy-related activities
  - Water and waste
  - Energy-related emissions from the offices at Thomas More Square to reflect joint operations at the DCPCU

We have included fuel and energy-related activities, water, waste, and energy-related emissions from the DCPCU under 'Other' due to their relatively minor contribution to the overall Scope 3 emissions profile.

We use the most robust and accurate data source available for each component of our energy use and carbon emission calculations for SECR. Assumptions and estimations are only used when strictly necessary by means of the most robust data and assumptions available.

Emission factors published by UK Department for Energy Security and Net Zero for 2025 were used for energy and emissions calculation based on primary activity data. Conversion factors 2022 published by UK Department for Environment, Food & Rural Affairs and the University of Leeds were used for calculations based on spend values for Scope 3 categories. To ensure accuracy and consistency, these conversion factors were adjusted for inflation using the Bank of England inflation calculator.

Where complete activity data was unavailable, reasonable estimation methodologies were applied to ensure a full reporting period coverage. Estimation methodologies were only applied to the voluntary elements of other Scope 3 categories. These are detailed in the subsequent paragraphs.

For business travel (non-SECR), specifically hotel stays, expense data was available but the number of nights was only provided for selected entries. An average number of nights was therefore calculated from the available data and applied across all hotel stay expense entries to estimate the total nights and associated emissions.

Waste data was provided for most months of the reporting period; however, September data was unavailable. An average monthly waste figure was calculated based on the available data and applied to the missing month.

Water consumption was estimated based on UK Finance's proportional occupancy at Angel Court. Total building consumption for the reporting period was 15,974 m<sup>3</sup>, and as UK Finance occupies 22,903 sq ft of the building's total 316,000 sq ft, water usage was apportioned according to this floor area share.

### Energy use and greenhouse gas emissions

Table 1. shows energy consumed along with greenhouse gas emissions for both mandatory elements of SECR and voluntary Scope 3 emissions, for FY25, FY24 and FY23.

Mandatory elements of SECR includes energy used under Scope 1, Scope 2 and grey fleet related Scope 3. Other elements of Scope 3 emissions are not required by SECR, therefore the energy figure, in kWh, does not apply to them.

**Table 1: Energy and emissions for current and comparative reporting years**

Category	Energy Use kWh FY25	Tonnes CO2e FY25	Energy Use kWh FY24	Tonnes CO2e FY24	Energy Use kWh FY23	Tonnes CO2e FY23
<b>Scope 1 and 2 emissions</b>						
Natural gas	166,173	30.4	153,035	28.0	198,812	36.4
Electricity (location-based)	176,366	31.2	169,759	35.1	189,276	39.2
Electricity (market-based)	176,366	-	169,759	-	189,276	-
<b>Total scope 1 and 2 energy and emissions (location-based)</b>	<b>342,539</b>	<b>61.6</b>	<b>322,794</b>	<b>63.1</b>	<b>388,088</b>	<b>75.6</b>
<b>Total scope 1 and 2 energy and emissions (market-based)</b>	<b>342,539</b>	<b>30.4</b>	<b>322,794</b>	<b>28.0</b>	<b>388,088</b>	<b>36.4</b>
<b>Scope 3 emissions</b>						
Grey fleet-related business mileage	12,164	2.8	14,719	3.4	21,044	5.0
Other business travel (non-SECR)	-	139.6	-	171.5	-	261.6
Purchased goods and services (including water)	-	3,079.3	-	2,641.7	-	3,194.5
Employee commuting and homeworking	-	137.1	-	130.9	-	126.4
Capital goods	-	11.4	-	99.0	-	41.7
Other	-	46.0	-	24.9	-	27.9
<b>Total location-based carbon emissions</b>	<b>354,703</b>	<b>3,477.8</b>	<b>337,513</b>	<b>3,134.5</b>	<b>409,132</b>	<b>3,732.7</b>
<b>Total market-based carbon emissions</b>	<b>354,703</b>	<b>3,446.6</b>	<b>337,513</b>	<b>3,099.4</b>	<b>409,132</b>	<b>3,693.5</b>

## Trends in energy and emissions

Compared with FY24, total emissions have increased by 11 per cent in both the location- and market-based emissions calculation. This is primarily due to increased Scope 3 activity, particularly driven by higher capital expenditure in the purchased goods and services category.

Scope 1 emissions increased by 9 per cent whereas Scope 2 emissions declined by 11 per cent compared to the prior reporting year. The Scope 1 increase is driven by higher total consumption during the financial year. Although there was an overall increase in total energy consumption over Scope 2 categories, there was a significant reduction due to a lower emission factor reported by DEFRA in FY25 for electricity usage.

Initiatives implemented in the previous year to drive energy reduction have continued during the reporting period. These include the deployment of intelligent software to optimise lighting efficiency through sensor-based automation, reducing unnecessary consumption. In addition, operational hours for air conditioning units have been reduced to lower overall energy demand. The continued reduction in operational energy use has also contributed to a decrease in Scope 3 emissions from fuel- and energy-related activities.

Scope 3 emissions have increased by 11 per cent compared to the prior reporting year. This is primarily driven by increases in procurement activity and overall expenditure during the year (+16 per cent). These were partially offset by reductions in other Scope 3 categories including business-related travel which can be attributed to both a decline in hotel stays

as well as decreased business-related land travel as we have updated our T&E policy to reduce the number of journeys in favour of virtual collaboration tools where practicable. Compared with last year, there have been 72 less hotel stays.

Alongside this, emissions related to capital goods have decreased by 89 per cent. However, the increase in emissions from capital goods is driven by a lower level of capital expenditure during the year. Specifically, there was a £458,826 reduction in overall capital expenditure.

## Emissions intensity

Table 2. presents the emission intensity ratios for both the location-based and market-based carbon footprints, alongside the intensity ratios reported in line with mandatory SECR requirements and additional voluntary disclosures, respectively.

Reflecting the overall reduction in carbon emissions, the energy and emissions intensity ratios have declined compared to the previous year for the mandatory SECR requirements. However, when including all voluntary Scope 3 categories, the overall intensity ratio has increased. This increase is primarily driven by higher emissions in Category 1: Purchased goods and services, reflecting increased spend during the reporting period.

The intensity ratios have been calculated using an average headcount of 259 full-time equivalent (FTE) employees during the reporting year.

**Table 2: Emission intensity ratios for current and comparative years**

Item	FY25	FY24	FY23
<b>Intensity metric (mandatory SECR requirements)</b>			
(Location-based) carbon emissions from Scope 1, Scope 2 and Scope 3 (Grey Fleet) (tCO <sub>2</sub> e)	64.5	66.6	80.6
<b>(Location-based) Carbon emissions intensity ratio (tCO<sub>2</sub>e per FTE)</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>
(Market-based) carbon emissions from Scope 1, Scope 2 and Scope 3 (Grey Fleet) (tCO <sub>2</sub> e)	33.2	31.4	41.4
<b>(Market-based) Carbon emissions intensity ratio (tCO<sub>2</sub>e per FTE)</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>
<b>Intensity metric (including voluntary reporting)</b>			
(Location-based) Total greenhouse gas emissions (tCO <sub>2</sub> e)	3,478	3,135	3,733
<b>(Location-based) Carbon emissions intensity ratio (tCO<sub>2</sub>e per FTE)</b>	<b>13.4</b>	<b>12.9</b>	<b>15.7</b>
(Market-based) Total greenhouse gas emissions (tCO <sub>2</sub> e)	3,447	3,099	3,694
<b>(Market-based) Carbon emissions intensity ratio (tCO<sub>2</sub>e per FTE)</b>	<b>13.3</b>	<b>12.8</b>	<b>15.6</b>

## Energy efficiency actions

We continue to look for processes to improve our energy efficiency, adopt sustainable practices and transition to a low carbon business. We are actively engaging with our landlord to identify potential enhancements. This collaboration aims to explore feasible upgrades that can reduce energy consumption and improve overall sustainability performance. As part of this ongoing initiative, discussions and

assessments will be performed over the next reporting year, with any implemented improvements disclosed in future reports. This approach reflects our dedication to driving energy efficiency and reducing our environmental impact.

# Review of the business - key achievements of 2025

## Developing a high growth economy

- Publishing our Plan for Growth which set out over 60 proposed reforms to boost financial services' contribution to UK growth.
- Advocating continued reform of bank capital requirements, demonstrating the need to recalibrate the existing framework.



## Supporting consumers and businesses

- Helping to shape the government's Financial Inclusion Strategy through our participation on HM Treasury's (HMT) Financial Inclusion Committee.
- Engaging closely with the Department for Business and Trade on the development of its Small Business Plan and relaunching our business mentoring support service MentorsMe.
- Publishing the third iteration of the Financial Abuse Code, guiding firms on how to ensure that victim-survivors receive the support they need to achieve financial freedom from their abuser.



## Transitioning to net zero

- Advocating streamlined and internationally-aligned disclosure standards for sustainability risks and opportunities, resulting in the new UK Sustainability Reporting Standards.
- Working with the government on recommendations from our Greening Homes, Creating Growth report.
- Launching our Sustainable Leadership hub of member case sustainability studies at COP30.



## Enabling digital innovation

- Helping to advance the implementation of the National Payments Vision, shaping the future of UK payments.
- Launching a collaborative industry pilot project to deliver the first UK live transactions of tokenised sterling deposits.
- Delivering our sustainable commercial model for Open Banking payments which will be instrumental in ensuring its sustainable future.



## Keeping the financial system safe

- Saving the industry an estimated £272 million in prevented fraud last year through the work of the DCPCU.
- Providing critical support to members to meet the March 2025 operational resilience deadline.
- Delivering fraud prevention advice to consumer and businesses through our Take Five to Stop Fraud and Don't Be Fooled campaigns.

Throughout our work in 2025, UK Finance worked to enable the financial services sector to improve the society that we all live in. Whether it is working to grow and decarbonise the economy, helping consumers and businesses to deal with challenging financial circumstances or preventing people from becoming victims of economic crime, the industry is having a positive impact on society.

In 2025 we focused our activity on five priority areas:

- Delivering a high growth economy
- Enabling digital innovation
- Keeping the financial system safe
- Supporting consumers and businesses
- Transitioning to net zero

Collectively, this work is helping our members to build a better society.

## Delivering a high growth economy

### Plan for Growth

Our [Plan for Growth](#), delivered to the Chancellor in March, set out over 60 proposed reforms to boost financial services' contribution to UK growth. Developed with our members, it included clear steps to create a pro-growth operating environment, ensure our financial system is fit for the future, and unlock financial services for consumers, businesses, and society. A number of our recommendations are already being implemented, notably:

- **PSR merger:** The Payment Systems Regulator (PSR) will be folded into the Financial Conduct Authority (FCA).
- **Name and shame dropped:** The FCA dropped its plans to 'name and shame' companies subject to enforcement action.
- **Review the FOS:** The role of the Financial

Ombudsman Service (FOS) has been reviewed given concerns it acts as a quasi-regulator.

- **Stamp duty:** In the Budget, the Chancellor announced a stamp duty holiday for investment in newly listed UK firms for three years.
- **Mortgage rules:** The FCA launched a review of its mortgage rules to support homeownership, and the Bank of England Financial Policy Committee recommended an adjustment to its loan-to-income cap.
- **Capital changes:** The Prudential Regulation Authority (PRA) is increasing the retail deposits leverage ratio threshold and the MREL threshold.
- **HMT review of ring-fencing:** HMT is undertaking a short review of the ring-fencing regime to take forward meaningful reforms.

Beyond our Plan for Growth, we engaged closely with the government during 2025 to inform and shape its growth policy programme. This included submissions to the Financial Services Growth and Competitiveness Strategy (FSGCS), the Chancellor's Mansion House speech, the Spending Review, and the Budget.

**Taxation:** Ahead of the Budget we published our [2025 Total Tax Contribution of the UK Banking Sector](#) report in October. The report estimated the total tax contribution of the UK banking sector to be £43.3 billion for the financial year to the end of March 2025, representing 4.3 per cent of total UK government tax receipts. The Chancellor confirmed in the Budget that the Bank Levy and Bank Surcharge remain unchanged.

**Bank capital:** During 2025 we advocated continued reform of bank capital requirements, demonstrating the need to recalibrate the existing framework. This included sharing our Capital for Growth report with HM Treasury and the Financial Policy Committee (FPC) which highlighted the

over-capitalisation of the UK banking sector. The FPC has committed to further work in a number of important areas, which promise to move the UK towards a more proportionate and pro-growth prudential framework that will enable lenders to do even more to support consumers and businesses.

**Wholesale digital markets:** We provided considerable input to HMT's Wholesale Financial Markets Digital Strategy published in July. This included further design features on DIGIT, which brings the UK closer to a Digital Gilt issuance, and the creation of a digital taskforce chaired by a Digital Markets Champion.

**Wholesale Markets Review:** The FCA agreed to bring forward its indicative timeline for the launch of the equity tape from 2028 to 2027 following our sustained engagement.

**Private Markets:** In March we released our [Public and Private Capital Markets](#) report which provided the first comprehensive analysis on the interaction between public and private markets. Based on extensive data analysis and more than 30 qualitative interviews with UK businesses, investors, advisers and market participants, the report shared a series of actions on how UK capital markets can be harnessed to drive growth.

**Consumer Duty for wholesale firms:** In response to our advocacy, the Chancellor asked the FCA to report back on the impact of Consumer Duty on wholesale firms. The FCA's reply reflected our concerns and proposals, including exemptions for certain wholesale activities.

**Trade Strategy:** Our sustained advocacy helped shape the Trade Strategy by securing recognition of regulatory cooperation as a core trade tool, with strong alignment to the industrial strategy.

## Enabling digital innovation

**National Payments Vision:** With member support we helped advance the implementation of the National Payments Vision (NPV). It sets a new direction for the future of UK payments, giving the industry a stronger voice and putting in place the structures needed to ensure new payment systems are both deliverable and commercially sustainable. We supported the Engagement Group in developing a new governance and funding model and advocated a Forward Plan that delivers the NPV's ambitions.

**Tokenised deposits:** In September we launched a collaborative industry pilot project to deliver the first UK live transactions of tokenised sterling deposits (GBTD). Building on the successes of the UK Regulated Liability Network project's earlier phases, the pilot phase positions the UK as a leader in payments innovation, delivering tokenised deposits and programmable payments against three use cases: person-to-person payments via online marketplaces; remortgaging processes; and digital asset settlement.

**Open Banking:** We successfully delivered our sustainable commercial model for Open Banking payments. This will be instrumental in ensuring a sustainable future for Open Banking and will also set the standard for developing commercial models across other areas of innovation.

**Digital Innovation Summit:** Our flagship Digital Innovation Summit in June brought together nearly 500 senior industry leaders, policymakers, and innovators, with over 65 speakers including Sarah Breeden, Lord Holmes and Ron van Kemenade.

**AI:** Our [Generative AI in Action](#) report, published in January, demonstrated how AI is being used positively and responsibly in the sector, and explored risk mitigation techniques.

## Keeping the financial system safe

**Advocating a safer system:** Our advocacy and engagement resulted in multiple positive changes for the industry across HMT's Money Laundering Regulations response, the PAFER Bill, Politically Exposed Persons (PEPs), Financial Action Task Force (FATF) consultation responses on financial inclusion, payment transparency, and proliferation finance.

**Industry initiatives:** UK Finance leads several industry initiatives which prevent fraud including:

- The industry-sponsored Dedicated Card and Payment Crime Unit, which saved the industry an estimated £272 million last year and arrested 131 criminals.
- The Banking Protocol initiative, which has recorded £400 million in savings since its inception.
- Our Intelligence Unit, which repatriated 1.8 million victim account details.

**Authorised Push Payment (APP) fraud:** We have led work with EY, Pay.UK and the PSR on the future delivery of a single APP data management solution.

**Operational resilience:** We provided critical support to members to meet the March operational resilience deadline and coordinated member responses to the Treasury Select Committee review on the impact of bank outages.

**Consumer education:** Our multi award-winning [Take Five to Stop Fraud](#) campaign has delivered a comprehensive programme of activity to help people protect themselves from fraud, achieving record level of campaign recognition. Our [Don't Be Fooled](#) campaign has helped to educate young people about the dangers of becoming a money mule.

**Economic Crime Congress:** Our flagship annual Economic Crime Congress in December brought together over 670 delegates from across the public and private sectors to consider the theme 'Collaboration in Action'. The event featured 70 expert speakers including Lucy Rigby KC MP, Economic Secretary to the Treasury, and Lord Hanson, Minister of State at the Home Office.

## Supporting consumers and businesses

**Financial inclusion:** Through our participation on HM Treasury's Financial Inclusion Committee, we helped to shape the government's Financial Inclusion Strategy. We provided considerable input to the Digital Inclusion and Access to Banking workstream, which included industry commitments around identification and verification and inclusive design.

**Business lending:** We engaged closely with the Department for Business and Trade on the development of its Small Business Plan, including on the use of personal guarantees.

**Financial education:** The government confirmed that financial literacy will be taught in both primary and secondary schools in England, reflecting one of our long-standing priorities.

**Poor payment practices and e-invoicing:** Through the government's consultation on poor payment practices and e-invoicing we highlighted the role of working capital providers in supporting businesses. In the Budget, the government announced plans to introduce mandatory e-invoicing for businesses from April 2029.

**Financial abuse:** We published a third iteration of the [Financial Abuse Code](#), which was revised to align with Consumer Duty obligations. The Code provides guidance to firms on how to ensure that victim-survivors receive the support they need to achieve financial freedom from their abuser.

**Business mentoring:** We relaunched our mentoring support service [MentorsMe](#), a refreshed go-to directory offering businesses access to a list of verified business mentoring organisations.

**Covid loan schemes:** David Postings provided evidence to the independent UK Covid-19 Inquiry as part of its assessment of the government's economic interventions in response to the pandemic.

## Transitioning to net zero

**Disclosure standards:** Following several years of leadership by UK Finance, the government in February published the [UK Sustainability Reporting Standards](#), providing streamlined and internationally-aligned disclosure standards for sustainability risks and opportunities. We are now working with the FCA and government on regulatory expectations for firms.

**Green homes:** UK Finance sits on the [Green Home Finance Strategic Partnership](#) – a new government-industry partnership working to help increase lending for green home retrofit. We are working with the government on recommendations from our [Greening Homes, Creating Growth](#) report, including Consumer Credit Act reform to facilitate green lending, EPC reform, and expectations around minimum energy efficiency standards.

**COP30:** We launched our [Sustainable Leadership](#) hub of member case sustainability studies at COP30, attracting strong interest from government and international stakeholders.

# Results and performance

Taking an evidence-based approach is at the heart of UK Finance and the critical measure of progress is the feedback we receive from our members about how well we are meeting their needs and requirements.

Our latest annual member survey was conducted in September 2025. We listen closely to our members, and this year's survey provided a wealth of feedback on issues such as overall member satisfaction, the standard of our external engagement, and how we communicate with our members.

We received 369 responses representing 173 different member organisations, with responses from 19 per cent of our members' CEOs. This wide-ranging response reflects the high level of engagement between us and our members, and the time and attention that we devote to building and maintaining those relationships. Importantly, members have also given us an equivalent or higher rating against our key performance indicators (KPIs) than in the previous year.

Key messages from this year's survey include:

- 99 per cent of members positively rate our performance at building and maintaining effective relationships with regulators and policymakers. 99 per cent of members provided positive feedback about our performance in advancing the interests of our members and stakeholders, demonstrating our effectiveness in working on behalf of our members.
- We prioritise building strong working relationships with our members, and this is reflected in overwhelmingly positive feedback about our management of membership (99 per cent positive

feedback), and the strength and depth of our relationships with members (98 per cent positive feedback).

- We are rated as an effective organisation by 99 per cent of our members, and 99 per cent stated that we have a positive influence on relevant policy and regulatory issues.
- Our expertise and understanding of the issues facing our members is without question, with 99 per cent positive feedback. Further, 98 per cent of members feel that we are moving in a positive direction.
- Members are satisfied with our stakeholder engagement on their behalf, with 97 per cent positive feedback regarding this KPI.

UK Finance listens to its members and acts on the feedback provided. We have improved member communications, refined our approach to prioritisation of resources, and are ensuring cost-effective delivery of results to the benefit of our members.

UK Finance measures its financial performance using the key performance measures of net income, net surplus, balance sheet strength and longer-term financial resilience as measured by the net asset position.

In line with our plan, we reported a profit in 2025. Our net assets were £4,900k at 31 December 2025, as we continue our trajectory towards building financial resilience in line with our longer-term financial plan.

## 99 per cent positive feedback

We prioritise building strong working relationships with our members, and this is reflected in overwhelmingly positive feedback about our management of membership.

## 99 per cent of members

Stated that we have a positive influence on relevant policy and regulatory issues.

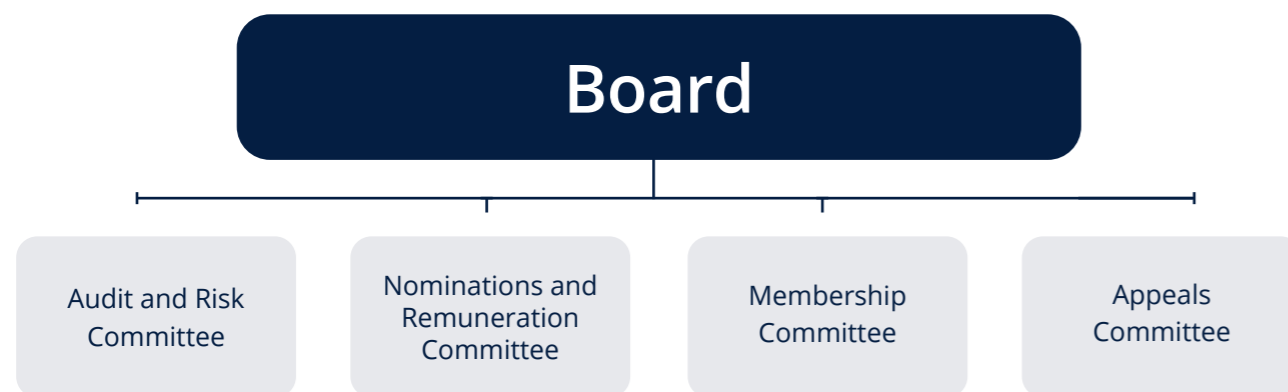
## 99 per cent positive feedback

Our expertise and understanding of the issues facing our members is without question.

## 99 per cent of members

Rate us as an effective organisation.

# Corporate governance



Our corporate governance has been developed to ensure effective management of the organisation; that its objectives are delivered within budget and meet the performance expectations of our members. The Board and the committees of the Board structure are as shown above.

## Board

The UK Finance Board leads on key strategic, industry-wide issues that impact the financial services sector including ethics, financial inclusion, financial fraud and economic crime, access to markets and diversity.

The composition of UK Finance’s Board has been developed to ensure fair and diverse representation across our membership and ensures the consumer voice is represented via the inclusion of a strong, independent consumer champion.

The Board is the ultimate decision-making body of UK Finance, responsible for setting its strategy, culture, objectives, and budget. It has responsibility to ensure that all members have their interests fairly and properly represented.

In 2025, we conducted an independent Board Effectiveness Review. The report was “overwhelmingly positive” and found that the Board was highly effective. It also identified strong leadership and facilitation by the Chair, a positive, collaborative culture and robust governance.

## Committees of the Board:

### Audit and Risk Committee

The Audit and Risk Committee (ARC) has been established by the Board to oversee aspects relating to the internal control, financial and risk management of the Company.

### Committee membership

- Richard Fearon (Committee Chair, on leave from 01/06/2025 and retired 28/11/2025)
- Jas Singh (and appointed as Committee Chair 19/01/2026)
- Bob Wigley
- Miles Celic
- Vathany Vijayaratna
- Simon Forbes (appointed 04/12/2025)

### Nominations and Remuneration Committee

The Committee leads and advises the Board on matters relating to Board governance, the company’s approach to remuneration and the appointment and remuneration of senior staff. It leads and advises the Board on the appointment of the Chair, Chief Executive and Non-Executive Directors of UK Finance and the overall process for appointments. It sets the remuneration policy for the Chair, CEO and all senior management ((Managing Directors (MDs) and Directors of UK Finance)). It also reviews and advises on the Board’s governance, composition and mechanisms to review the effectiveness of the Board in order to promote high standards of governance in line with established best practice where relevant.

### Committee membership

- Tiina Lee (Committee Chair)
- Wayne Lawson Turnbull (retired 01/02/2026)
- Bob Wigley
- Saif Malik (appointed 26/02/2026)

### Membership Committee

The Membership Committee has been established, in line with our Articles of Association, to provide oversight of membership applications as supported by the Membership Officer. The Committee approves and oversees the processes for expelling members, where this might be necessary.

### Committee Membership

- Bob Wigley (Committee Chair)
- Thierry d’Argent
- David Postings

### Appeals Committee

The Appeals Committee has been established, in line with our Articles of Association, to manage any appeals against a decision made by the Membership Committee to reject an application for membership or to expel existing members. Since inception, there has not been a need for this Committee to meet.

### Committee Membership

- Chris Beatty
- Vicky Davies

## Executive Committee

The Executive Committee (ExCo) is the senior internal decision-making body and is led by the Chief Executive. It is responsible for leading and overseeing the implementation of the vision, values, strategy and activities of UK Finance, including delivery of business plans and financial targets in line with the Board's strategic direction.

ExCo manages the operations, performance, risk mitigation, resource allocation and financial position (including revenue generation) of the organisation within a strategic framework set by the Board, reporting to the Board as appropriate.

## Members of the Executive Committee

- David Postings, Chief Executive (Chair)
- Sarah Boon, MD, Corporate Affairs & Strategic Policy (from 1 December 2025)
- Lee Crouch, Acting MD, Corporate Affairs & Strategic Policy (until 1 December 2025)
- Julie Carruthers, MD, Membership & Strategic Partnerships (until 19 May 2025)
- Simone Ferreira, MD, Membership & Governance (from 2 June 2025)
- Ben Donaldson, MD, Economic Crime (until 2 January 2026)
- Ruth Ray, MD, Economic Crime (from 1 February 2026)
- Alastair Gilmartin Smith, MD, Chief Operating Officer
- Conor Lawlor, MD, Capital Markets and Wholesale (until 1 August 2025)
- Eric Leenders, MD, Personal Finance
- Jana Mackintosh, MD, Payments, Innovation and Resilience
- David Raw, MD, Markets & Commercial Finance, Resilience, and International

Five Committees report to the Executive Committee:

- Policy Committee provides challenge, guidance and approval of strategic policy initiatives to ensure that they best support members' desired outcomes and are prioritised and risk assessed appropriately.
- Operational Committee provides oversight of operational initiatives and programmes across the business including monitoring compliance, operational performance, risk management and assurance, and also supports the development of efficient and effective business activities.
- Business Continuity Committee maintains and tests the emergency response and business continuity plans for UK Finance and is responsible for enacting the plans to manage any events or incidents that impact UK Finance.
- Project and Project Risk Committee oversees the project portfolio at UK Finance and monitors the operational and organisational risks of project related activity undertaken or coordinated by UK Finance either internally or on behalf of members.
- Treasury Management Committee provides oversight and decision-making authority regarding the management of UK Finance's financial resources.



# Risk management

## Risk management framework

UK Finance actively manages risk, engaging with the Board and its Committees.

The Board has overall responsibility for monitoring the effectiveness of UK Finance's internal control and receives regular reports from the Audit and Risk Committee. The Board considers the strategic risk register, following its review by the Executive Committee and the Audit and Risk Committee. The Board is also responsible for setting the organisation's risk appetite, which is formally reviewed at least once a year.

The Audit and Risk Committee advises the Board on the adequacy of UK Finance's risk management policies and procedures, the extent to which they are applied, and the reliability and integrity of assurances. Assurances are provided by the work of external and internal audit, regular reviews by the Head of Risk and Assurance, annual assurance statements from Executive Committee members, and regular reports provided to the Audit and Risk Committee on significant risks. The Executive Committee regularly review, challenge and assess the risks faced by UK Finance in achieving its objectives.

To ensure that our risk management framework is effective and aligned to the requirements of the organisation, a review of our risk management framework is undertaken periodically by management and as part of the internal audit plan. The recommendations that emerge from the reviews form part of an ongoing programme to improve our risk management framework.

UK Finance adopts the three lines of defence model: the first line of defence is

the operational procedures and controls within the business, second line oversight is provided by the Risk and Assurance team, and the third line of defence is the independent assurance and audits completed by Internal Audit. UK Finance's risk management policies and procedures clearly define its approach to risk management, as well as identifying specific risk management roles, accountabilities and responsibilities across the organisation and the three lines of defence.

UK Finance's strategic risk register is reviewed quarterly by the Executive Committee and the Audit and Risk Committee, and regularly by the Board. During the past year, the strategic risk register has continued to evolve, to enable the Executive Committee to focus on the key risks that might undermine the delivery of the organisation's objectives, and their mitigating actions.

Departmental level and project risks are reviewed by the Managing Directors, their senior management teams and the Head of Risk and Assurance at least bi-annually and escalated to the strategic risk register where appropriate.

Senior managers are responsible for ensuring that colleagues have the appropriate skill levels to identify, assess and manage risk in line with UK Finance's policy to embed and support a culture of well-managed risk. In support of senior managers' role in championing the risk process, the Head of Risk and Assurance works across all areas of the organisation to promote and integrate the risk management process and to support and inform colleagues.

## Principal risks and uncertainties

The table below details the principal risks and uncertainties that UK Finance is currently facing. UK Finance actively manages mitigating actions to control these and other risks.

Type	Principal risk description
Lack of long-term financial viability	We are unable to continue to achieve our operating objectives and fulfil our obligations to members and other stakeholders from a financial perspective over the long-term.
Loss of key members	An individual key member or group of smaller members leave, fully or from specific streams.
Lack of security (including information security, cyber security, physical security)	We lose the trust of a key stakeholder and we suffer losses because we fail to protect our premises, colleagues or visitors; we fail to protect our corporate, members or stakeholders' data.
Lack of operational resilience	We lose trust because we have prominent operational failures caused by internal or critical third-party system failure, financial failure of critical third-parties, or of member-facing platforms or systems/ services that are visible to other stakeholders.
Loss of confidence and trust of a key public sector stakeholder	Key public sector stakeholders stop engaging with us.
Loss of our ability to represent the full range of industry segments	A member leaves, fully or from specific streams, to join a rival trade association or to form a new one, or we fail to attract a new industry segment, either because they feel that we do not adequately represent their views, because our offering is not comprehensive enough, or because we lose relevance in our areas of expertise or our industry utilities are no longer required.
Failure to comply with competition law	We are fined, Directors may be disqualified, members are unwilling to collaborate in meetings, we lose access to and ability to influence His Majesty's Government and regulators, and we forfeit public trust.
Existence of unmanaged conflicts of interest	UK Finance does not identify and manage conflicts of interest appropriately, leading to the loss of stakeholder trust and reputational damage.

As the majority of income is paid in advance as annual membership fees by members, the Company is not materially exposed to credit, liquidity or cash flow risks and the Company, therefore, does not use financial instruments to manage financial risk.

# 04

## Directors' report



The Directors present their report on the affairs of UK Finance Limited together with the financial statements and auditor's report, for the year ending on 31 December 2025.

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## Statement of Directors' responsibilities

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Details of the directors can be found in the officers and professional advisers' section on page 8.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible

for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Directors' duties

Information regarding directors' duties can be found in the Strategic report section on page 12.

### Directors' indemnities

The Company has qualifying third-party indemnity provisions for the benefit of its directors which were in force during the period and remain in force at the date of this report.

### Directors' confirmations

Each of the persons 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 Company's auditor is unaware.
- The director has taken all the steps that he/ she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

## Principal activity

UK Finance Limited is a company limited by guarantee. Our primary purpose is to make representations to the government in respect of its members interests. In doing so, we work for and on behalf of our members to promote a safe, transparent and innovative banking and finance industry.

## Political donations and political expenditure

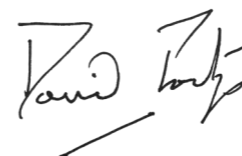
UK Finance made no political donations and incurred no political expenditure in the year ending 31 December 2025 or for the year ending 31 December 2024.

## Going concern

As at the balance sheet date UK Finance has net assets of £4.9m (2024: £0.3m), the improvement due to the reported surplus in 2025. In late 2025 the Board reviewed and approved a fully evaluated budget for 2026. It has also reviewed longer-term high-level projections which demonstrate that the underlying activities of UK Finance should be profitable over the course of the plan and generate ongoing surpluses to repay the liabilities and, over time, achieve a financially resilient net asset position. The projections include an appropriate level of conservatism/prudence.

After considering the above, the directors are satisfied that the Company has sufficient liquidity to meet obligations as they fall due for at least one year from the date the financial statements are approved, and that UK Finance will continue to operate as a going concern.

Approved by the Board and signed on its behalf on 7 May 2026 by:



David Postings  
Director and Chief Executive Officer

# 05

## Independent auditor's report to the members of UK Finance Limited

### Opinion

We have audited the financial statements of UK Finance Limited (the 'company') for the year ended 31 December 2025 which comprise the Profit and Loss Account, Balance Sheet, Cash flow Statement, Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to

a material misstatement in the financial statements themselves. 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.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for

our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 36, the directors are 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 directors determine is 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's 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 an auditor's report 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 the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to General Data Protection Regulations. We performed audit procedures to inquire of management and those charged with governance

whether the company is in compliance with these laws and regulations and inspected correspondence with licensing or regulatory authorities where relevant.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgements and performing testing on revenue to support the valuation and period in which revenue is recognised.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### *Navneet Sarai*

**Navneet Sarai** (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP,  
Statutory Auditor  
Chartered Accountants  
25 Farringdon Street London  
EC4A 4AB

Date: 7 May 2026



06

Financial  
Statements

## Profit and loss account

For the year ended 31 December 2025

	Note	31-Dec-25 £	31-Dec-24 £
Revenue	3	60,471,260	55,467,233
Cost of sales		(3,516,343)	(2,254,342)
Gross profit		56,954,917	53,212,891
Administrative expenses	4	(24,006,262)	(23,927,971)
Staff costs	5	(29,235,178)	(28,363,449)
Operating profit		3,713,477	921,471
Interest receivable and similar income	7	932,309	959,568
Interest payable and similar expenses	8	(45,040)	(49,758)
Profit before taxation	9	4,600,746	1,831,281
Taxation	10	(29,348)	-
<b>Profit for the year</b>		<b>4,571,398</b>	<b>1,831,281</b>

### Other comprehensive income

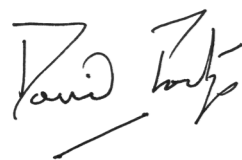
There were no items of other comprehensive income in the period (2024: Nil).

# Balance sheet

As at 31 December 2025

	Note	31-Dec-25 £	31-Dec-24 £
<b>Fixed assets</b>			
Intangible assets	11	2,239,582	2,990,741
Tangible assets	12	2,150,244	2,549,446
		<u>4,389,826</u>	<u>5,540,187</u>
<b>Current assets</b>			
Debtors due within one year	13	37,163,280	28,428,237
Cash at bank		17,862,660	12,361,134
		<u>55,025,940</u>	<u>40,789,371</u>
Total assets		59,415,766	46,329,558
<b>Liabilities</b>			
Creditors: amounts due within one year	14	(51,866,557)	(43,252,311)
Total assets less current liabilities		7,549,209	3,077,247
Creditors: amounts due after more than one year	15	(1,711,071)	(1,810,507)
Provisions for liabilities	16	(938,300)	(938,300)
Net assets		<u>4,899,838</u>	<u>328,440</u>
<b>Capital and reserves</b>			
Accumulated fund	17	<u>4,899,838</u>	<u>328,440</u>

The financial statements of UK Finance Limited, registered number 10250295, were approved by the board of directors and authorised for issue on 7 May 2026. They were signed on its behalf by:



**David Postings**  
Director and Chief Executive Officer

# Cash flow statement

For the year ended 31 December 2025

	31-Dec-25 £	31-Dec-24 £
<b>Cash flows from operating activities</b>		
Profit on ordinary activities before taxation	4,600,746	1,831,281
Depreciation and amortisation	1,747,437	1,437,554
Impairment of assets	90,000	275,917
Interest paid	45,040	47,129
Interest received	(932,309)	(959,568)
(Increase)/decrease in trade and other receivables	(8,735,043)	4,663,114
Increase/(decrease) increase in trade and other payables	8,485,462	(1,221,917)
Net cash inflow from operating activities	<u>5,301,333</u>	<u>6,073,510</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(37,207)	(496,034)
Purchase of intangible assets	(649,869)	(844,872)
Interest received *	932,309	959,568
Net cash inflow/(outflow) from investing activities	<u>245,233</u>	<u>(381,338)</u>
<b>Cash flows from financing activities</b>		
Interest paid	(45,040)	(47,129)
Net cash outflow from financing activities	<u>(45,040)</u>	<u>(47,129)</u>
<b>Increase in cash and cash equivalents</b>	<b>5,501,526</b>	<b>5,645,043</b>
Cash and cash equivalents at beginning of the year	12,361,134	6,716,091
Increase in cash and cash equivalents	5,501,526	5,645,043
<b>Cash and cash equivalents at end of the year</b>	<b><u>17,862,660</u></b>	<b><u>12,361,134</u></b>
<b>Represented by:</b>		
Cash at bank	<u>17,862,660</u>	<u>12,361,134</u>

\* During the year, the presentation of interest income within the statement of cash flows was reviewed and reclassified to investing activities, as this more appropriately reflects the nature of the underlying cash flows. Comparative amounts have been re-presented accordingly for comparability. This reclassification has no impact on total net cash flows.

# Statement of changes in equity

For the year ended 31 December 2025

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
	£	£
At start of year	328,440	(1,502,841)
Profit for the year	4,571,398	1,831,281
<b>At end of year</b>	<b>4,899,838</b>	<b>328,440</b>

# Notes to the financial statements

For the year ended 31 December 2025

## 1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

### a. General information and basis of accounting

UK Finance Limited is a private Company limited by guarantee incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 9.

This accounting period runs from 1 January 2025 to 31 December 2025, with comparatives for the year ended 31 December 2024.

The principal activity of the Company and the nature of the Company's operations are set out in the Directors' report on page 37 and the Strategic report on pages 10 to 33, respectively.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

The functional currency of UK Finance is pounds sterling because that is the currency of the primary economic environment in which the Company operates. The amounts are presented to the nearest £1.

### b. Going concern

The financial statements have been prepared using the going concern basis of accounting.

As at the balance sheet date UK Finance has an accumulated surplus of £4.9m (2024: £0.3m), this improvement being driven by the surplus in the year.

- UK Finance was created in response to the proposed consolidation set out by The Financial Services Trade Associations Review (FSTAR), which was set up by a steering committee of major UK banks and a building society. UK Finance also has the support of its other members who comprise a broad network of over 300 financial institutions.
- UK Finance has a revolving credit facility with Barclays Bank PLC in the amount of £5.0m, which was undrawn as at 31 December 2025.
- The Board has reviewed and approved a fully evaluated budget for 2026. The Board also reviewed and approved the projections which indicate that during 2027-30, the period covered by the longer-term plan, UK Finance is both profitable and cash generative.

After considering the above, the directors are satisfied that the Company has sufficient liquidity to meet obligations as they fall due for at least one year from the date the financial statements are approved, and that UK Finance will continue to operate as a going concern.

## c. Intangible fixed assets

### Commercial business activities

The commercial business activities acquired from the legacy trade associations are capitalised and stated at cost less accumulated amortisation, over a period of ten years, and less impairment losses.

### Brands and trademarks

Separately acquired brand and trademarks are included at cost and amortised in equal annual instalments over a period of five years which is their useful economic life. Provision is made for impairment.

### Websites

Acquired websites are included at cost and amortised in equal annual instalments over a period of five years which is their useful economic life. Provision is made for impairment.

### Fraud intelligence systems

Separately acquired fraud intelligence systems are included at cost and amortised in equal annual instalments over a period of five years which is their useful economic life. Provision is made for impairment.

### Amortisation

Amortisation is charged to the profit and loss on a straight-line basis over the lives of the intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives as follows:

- Acquisition of commercial business activities 10 years
- Brands and trademarks 5 years
- Websites 5 years
- Acquisition of fraud intelligence systems 5 years

## d. Tangible fixed assets

Tangible fixed assets are stated at costs or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

- Leasehold land and buildings life of lease
- Fixtures and fittings 5 years
- Software systems 5 years
- Computer equipment 3 years

Software is considered an integral part of the hardware and therefore treated as tangible fixed assets as opposed to intangible fixed assets.

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

## e. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## f. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet. For the purpose of the Cash Flow Statement, cash and cash equivalents are as defined above, net of outstanding bank overdrafts.

## g. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

### Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount

of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss previously recognised for assets other than goodwill, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of the cash-generating unit (CGU), the reversal is applied first to the assets of the CGU, except for goodwill, on a pro-rata basis. Impairment of goodwill is never reversed.

### Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

## h. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is more (less) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a

deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the

liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Research and development expenditure is charged to the income statement in the period in which it is incurred. Development expenditure is capitalised when the criteria for recognising an asset are met. Any claim for tax credits are recognised after the submission of the claim to the relevant authorities.

## i. Revenue

Revenue is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Revenue from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

Where a contract has only been partially completed at the balance sheet date revenue represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Interest receivable is recognised as it accrues, using the effective interest method.

## j. Pro bono activities

Services received from associate members on a pro bono basis are recognised within commercial income at the fair value of the services provided as determined by the third parties, with an equivalent amount recognised within cost of sales.

## k. Employee benefits

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

## l. Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

## m. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required

to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

## n. Forthcoming change in accounting standards

### Adoption of amendments to FRS 102

The Financial Reporting Council issued amendments to FRS 102 in March 2024, effective for accounting periods beginning on or after 1 January 2026, with early adoption permitted. UK Finance will adopt the amended standard from 1 January 2026, applying the modified retrospective transition approach.

Management has undertaken a preliminary assessment of the potential impact and has determined, based on work performed to date, the accounting for leases to be the only material change. This position is subject to audit review. On transition a lease liability of approximately £8.4m will be recognised, representing the discounted value of future lease payments. A corresponding right of use asset of approximately £6.7m will be recognised. This amount is lower than the

lease liability because it reflects the required offset of previously recognised prepaid rent, and the elimination of deferred rent-free period liabilities, which are removed from the balance sheet as part of the transition adjustment.

The impact will be to increase both total assets and total liabilities by approximately £6.4m on transition, with no change to opening reserves. These amounts remain subject to change as the Company's final assessment is completed.

## 2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the financial statements the Directors have made the following judgements:

- Determining whether there are indicators of impairments of the Company's intangible fixed assets. Factors taken into consideration in reaching a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability, and expected future performance of that unit.

- Determining whether there are indicators of issues with the recoverability of the Company's trade debtors. Factors taken into consideration in reaching a decision include the economic viability and expected future financial performance of the customer and valuation of assets.
- Determining the deferred tax asset recognised. Factors taken into consideration in reaching a decision include the future taxable profits and enacted rate of tax.

### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, are those that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial are discussed below.

### Impairment of intangible assets

The company determines the recoverable amount of its intangible assets by reference to their value-in-use, assessed using discounted cash flow models. There is judgement in determining the assumptions that are considered to be reasonable, in particular the timing of cash flows and the discount rate to be applied.

### 3. Revenue

An analysis of revenue by class of business is as follows:

	31-Dec-25 £	31-Dec-24 £
Subscriptions invoiced to members	45,218,169	43,793,445
Commercial income	5,187,462	4,742,972
Pro bono services	2,421,555	1,202,266
Other income	7,644,074	5,728,550
	<u>60,471,260</u>	<u>55,467,233</u>

Pro bono services relate to activities received from associate members. Cost of sales has been grossed up by an equivalent amount.

Other income principally represents charges to members for activities that fall outside of the core membership offerings.

### 4. Administrative expenses

An analysis of administrative expenses by class of business is as follows:

	31-Dec-25 £	31-Dec-24 £
Professional & consultancy	7,909,459	6,222,388
Occupancy	2,803,213	2,908,035
Data management and research cost	5,355,570	4,945,851
General & admin expenses	2,082,612	4,716,589
Information technology	3,655,956	2,816,861
Member & external relations cost	1,305,013	1,357,664
Publications and subscriptions to other trading bodies	570,964	564,233
Travel and expenses	323,475	396,350
	<u>24,006,262</u>	<u>23,927,971</u>

### 5. Staff costs and numbers

Staff costs, including directors' remuneration, were as follows:

	31-Dec-25 £	31-Dec-24 £
Salaries and benefits	23,710,418	23,217,919
Social security costs	3,056,121	2,758,181
Pension costs	2,468,639	2,387,349
	<u>29,235,178</u>	<u>28,363,449</u>

The average monthly number of employees, including directors, during the year was as follows:

	31-Dec-25	31-Dec-24
Administrative staff	<u>259</u>	<u>254</u>

### 6. Directors' remuneration

	31-Dec-25 £	31-Dec-24 £
Remuneration (including benefits in kind)	<u>1,614,692</u>	<u>1,590,524</u>

The remuneration of the highest paid director was £1,227,692 (2024: £1,203,524).

## 7. Interest receivable and similar income

	31-Dec-25	31-Dec-24
	£	£
Interest receivable	<u>932,309</u>	<u>959,568</u>

## 8. Interest payable and similar expenses

	31-Dec-25	31-Dec-24
	£	£
Interest payable	<u>45,040</u>	<u>49,758</u>

## 9. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	31-Dec-25	31-Dec-24
	£	£
Operating lease rentals in respect of land and buildings	1,462,566	1,551,445
Depreciation of tangible assets	436,409	386,900
Amortisation of intangible assets	1,311,028	1,050,654
Impairment losses on intangible assets	90,000	275,917
Bad and doubtful debt	(33,910)	(34,029)
Foreign exchange loss	8,736	879
Research and development expenditure	649,869	1,307,904
Auditor's remuneration:		
- Statutory audit fees	53,750	51,750
- Tax compliance services	10,100	9,600
- Tax advisory services	47,450	39,500

## 10. Taxation

The tax charge comprises:

	31-Dec-25	31-Dec-24
	£	£
Current tax on profits for the year	29,348	-
Adjustments in respect of prior periods	-	-
<b>Total current tax</b>	<u>29,348</u>	<u>-</u>
Deferred tax credit	-	-
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Total tax charge</b>	<u>29,348</u>	<u>-</u>

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	4,600,746	1,831,281
<b>Profit before tax</b>	<u>4,600,746</u>	<u>1,831,281</u>
Tax on profit at standard UK corporation tax rate of 25% (2024: 25%)	1,150,187	457,820
Effects of:		
Expenses not deductible for tax purposes	21,047	33,587
Depreciation in excess of capital allowances	24,581	17,399
Short term timing differences	(13,233)	(64,946)
Utilisation of tax losses not previously recognised	(1,151,356)	(443,860)
Marginal relief	(1,878)	-
	<u>29,348</u>	<u>-</u>

Tax losses carried forward were £6,350,325.

## 11. Intangible fixed assets

	Commercial business activities £	Secure information systems £	Other IT Platforms £	Total £
<b>Cost:</b>				
At 31 December 2024	8,307,800	1,545,576	1,273,400	11,126,776
Additions	-	245,403	404,466	649,869
At 31 December 2025	<u>8,307,800</u>	<u>1,790,979</u>	<u>1,677,866</u>	<u>11,776,645</u>
<b>Amortisation</b>				
At 31 December 2024	6,897,802	470,251	767,982	8,136,035
Charge for the year	564,000	460,099	286,929	1,311,028
Impairment losses	90,000	-	-	90,000
At 31 December 2025	<u>7,551,802</u>	<u>930,350</u>	<u>1,054,911</u>	<u>9,537,063</u>
<b>Carrying amount</b>				
At 31 December 2024	<u>1,409,998</u>	<u>1,075,325</u>	<u>505,418</u>	<u>2,990,741</u>
<b>At 31 December 2025</b>	<b><u>755,998</u></b>	<b><u>860,629</u></b>	<b><u>622,955</u></b>	<b><u>2,239,582</u></b>

Commercial business activities comprise the associate membership, events, training and other commercial revenue streams from the old trade associations. Secure information systems include fraud intelligence systems and other secure information sharing platforms. Other IT Platforms include all remaining IT assets. Development costs have been capitalised in accordance with the requirements of FRS 102 and are therefore not treated as a realised loss.

Intangible assets are assessed annually and impaired where their determined recoverable amount is less than their book value.

Within commercial business activities, the cash flows of certain revenue streams are separately identifiable and have been tested for impairment as individual Cash Generating Units (CGUs). The value in use methodology has been used to estimate the recoverable amount, as fair value less cost to sell cannot be readily determined. Valuation models are based on the current budget and the longer-term financial plan. Management has determined an appropriate discount rate for each CGU via an analysis of the relevant Weighted Average Cost of Capital (WACC) and this discount rate is used in calculating the present value of cash flows over the estimate life of the asset. Following this assessment, an impairment of £90k was recorded to write down the Confirmation.com CGU to a zero carrying amount.

## 12. Tangible fixed assets

	Leasehold improvements £	Fixtures & Fittings £	IT equipment & software £	Total £
<b>Cost</b>				
At 31 December 2024	3,256,120	2,362,365	1,355,021	6,973,506
Additions	37,207	-	-	37,207
At 31 December 2025	<u>3,293,327</u>	<u>2,362,365</u>	<u>1,355,021</u>	<u>7,010,713</u>
<b>Depreciation</b>				
At 31 December 2024	1,450,335	1,654,125	1,319,600	4,424,060
Charge for the year	196,699	230,921	8,789	436,409
At 31 December 2025	<u>1,647,034</u>	<u>1,885,046</u>	<u>1,328,389</u>	<u>4,860,469</u>
<b>Carrying amount</b>				
At 31 December 2024	<u>1,805,785</u>	<u>708,240</u>	<u>35,421</u>	<u>2,549,446</u>
<b>At 31 December 2025</b>	<b><u>1,646,293</u></b>	<b><u>477,319</u></b>	<b><u>26,632</u></b>	<b><u>2,150,244</u></b>

Fixtures & Fittings include £938,300 relating to the dilapidations assessment and included as part of the cost of that asset in accordance with FRS 102.17.10. The corresponding liability is included within provisions for liabilities (Note 16).

## 13. Debtors

	31-Dec-25 £	31-Dec-24 £
<b>Amounts falling due within one year:</b>		
Trade debtors	34,517,444	26,073,057
Prepayments and accrued income	2,128,458	1,848,650
Deferred tax asset	358,000	358,000
Other debtors	159,378	148,530
	<u>37,163,280</u>	<u>28,428,237</u>

Deferred tax asset relates to tax losses carried forward to offset future profits.

## 14. Creditors: amounts due within one year

	31-Dec-25	31-Dec-24
	£	£
Trade creditors	1,192,115	1,151,136
Other taxation and social security	1,063,685	1,136,552
Accruals	7,286,890	6,684,825
Deferred income	41,511,249	33,674,602
Other creditors	812,618	605,196
	<u>51,866,557</u>	<u>43,252,311</u>

Deferred income principally relates to annual memberships invoiced in advance.

## 15. Creditors: amounts due after more than one year

	31-Dec-25	31-Dec-24
	£	£
Other long-term creditors	1,711,071	1,810,507
	<u>1,711,071</u>	<u>1,810,507</u>

Other long-term creditors comprise deferred rent on 1 Angel Court and 2 Thomas Moore Square.

## 16. Provisions for liabilities

	Dilapidations	Total
	£	£
At 31 December 2024	938,300	938,300
Provided in the year	-	-
At 31 December 2025	<u>938,300</u>	<u>938,300</u>
At 31 December 2023	938,300	938,300
Provided in the year	-	-
At 31 December 2024	<u>938,300</u>	<u>938,300</u>

As part of the Company's property leasing arrangements there is an obligation to return property to an agreed condition at the end of the lease. The estimated cost of returning the property to the agreed condition is shown above. In accordance with FRS 102.17.10, where a provision is recognised that relates to a specific asset, it is treated as a decommissioning cost and also included as part of the cost of that asset.

## 17. Accumulated fund

As the Company is limited by guarantee, the accumulated fund represents cumulative gains and total recognised gains or losses made by the Company.

## 18. Operating lease commitments

At the reporting end date, the Company had outstanding commitments for the future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings	Land and buildings
	31-Dec-25	31-Dec-24
	£	£
<b>Operating leases which expire:</b>		
Within one year	1,684,878	1,477,350
Within two to five years	6,741,355	6,789,246
After five years	1,953,654	3,590,641
	<u>10,379,887</u>	<u>11,857,237</u>

The background features three large, overlapping, rounded geometric shapes: a teal shape in the top left, an orange shape in the middle left, and a blue shape in the bottom left. The text is centered in the white space between these shapes.

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