



CFA Society
United Kingdom

CFA SOCIETY
UNITED
KINGDOM

WE
GROW
TALENT

ANNUAL REPORT & FINANCIAL STATEMENTS

for the year ended 30 June 2025

A Company limited by Guarantee and not having a Share Capital. Company Number: 04035569



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ABOUT US

We meet the investment community's needs for skills and knowledge and we bring investment professionals together. Through our focus on 'We Grow Talent', we help people build rewarding careers within an inclusive investment community that serves its stakeholders well.

CFA Society of the UK ('CFA UK', the 'Society' or the 'Company') is a professional body representing more than 12,000 members across the UK's investment community and is a proud member of CFA Institute's worldwide network of member societies. CFA Institute leads the investment profession globally by promoting the highest standards of ethics, education and professional excellence for the ultimate benefit of society.

CFA UK is the awarding body for the Investment Management Certificate ('IMC'), a Level 4 qualification for investment professionals that meets the Financial Conduct Authority's requirements (either solely or in combination with other qualifications) for managing investments and advising on and dealing in securities and derivatives.

CFA UK also developed the Certificate in Impact Investing ('Impact Certificate'), a Level 4 qualification which provides investment professionals with a good understanding of the theory and practice of impact investment.

CFA UK developed the Sustainable Investing Certificate (the 'SI Certificate') which was previously named the Certificate in ESG Investing, which was sold to CFA Institute in 2021 and on which CFA UK receives a share of global revenue. The SI Certificate delivers the knowledge and skills required by investment professionals to integrate ESG (environmental, social and governance) factors into the investment process.

CFA UK promotes the CFA Program for which CFA Institute is the awarding body. The CFA Program is a graduate level, self-study programme designed to equip investment professionals with technical skills, practical knowledge and a clear understanding of ethics and professional standards. It is recognised as the gold standard for professional credentials within the global investment community.

BOARD OF DIRECTORS AS AT 30 JUNE 2025:

Hilary Eastman, CFA, (Chair)

Katerina Kosmopoulou, CFA, IMC, (Vice Chair)

Weiyen Hung, CFA, CMA, CAIA, CIPM, FRM, IMC
(Treasurer to 31 August 2025)

Mark Pryce, CFA, CA (SA) (Treasurer from 1 September 2025)

Alistair Byrne, CFA

Kieran Ferguson, CFA

Suzanne Hsu, CFA, CIPM

Elena Koycheva, CFA, CAIA, CIPM, IMC

Philippe Lenoble, CFA

Sylvia Solomon, ASIP, IMC

LEADERSHIP TEAM AS AT 30 JUNE 2025:

Nick Bartlett, CFA, ASIP, Chief Executive

Ashley Ramsay, Chief Operating Officer

Victoria French, FCA, Chief Financial Officer

Christina Curtin, Director of Education

Praneet Shivaprasad, Director of Outreach

SECRETARY:

Indigo Corporate Secretary Limited

REGISTERED OFFICE:

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CHAIR'S REPORT



This year CFA UK celebrated its 70th anniversary. We were founded in Pimm's Restaurant on Threadneedle Street by a small group of investors whose aim was to keep the practice of investment analysis in the UK in line with the US. Their focus was on sharing best practice and building the profession through events and networking.

Today, our Society has over 300 volunteers and 12,000 members, and we're still here to educate, connect and inspire the investment community to build a sustainable future.

Developing our members' skills in an ever-changing environment

Building our members' skills is more relevant than ever given the significant developments taking place within the UK investment sector and global markets. We've seen exceptional interest in artificial intelligence (AI) and technology, increasing geopolitical disruption and a growing focus on private markets with the UK government's growth agenda and the Mansion House Accord. This all is creating opportunities and challenges for the Society.

Our educational qualifications are one way we ensure our members have the tools they need to succeed, today and in the future. This year we've continued to work hard to maintain the relevance and quality of the IMC qualification, and have updates planned for the coming year. We also released our second edition of the Impact Certificate.

Delivering opportunities for members to learn and connect at every stage of their careers

Organising and delivering high quality events and professional learning is fundamental to what we do for our members. In June we delivered our Investment Talent conference, welcoming over 300 attendees. The conference focused on the role of AI and sustainability, and their applications in the investment process. We've had podcasts and events on the macro-economic environment; on Tariffs, Trade, and Trepidation by Nobel Prize winner Paul Krugman, and on economic statistics by Diane Coyle, DBE.

We've also collaborated with the Financial Modeling Institute and NEDonBoard to give our members access to technical learning and networking opportunities at whatever stage they are in their careers.

Our two Communities, on 'Sustainability' and 'Technology & Innovation', are performing well, with over 600 participants and numerous activities, both in person and online. Our mentoring programme matched 100 pairs of mentors and mentees during the year.

Our events have been complemented by a wide range of social activities, ranging from pub meets to crazy golf. What's important is that all our members, through CFA UK, can meet others, share ideas and learn – and have fun in the process.

Collaborating and engaging on important topics on behalf of our members and the profession

Our advocacy work has remained active this year and, as always, is focused on expressing opinion on the important issues and changes facing the sector. This year we covered value for money in pensions, the stewardship code, investment product disclosure, and alternative funds regulation. We also released a set of case studies on the practice of sustainability, a learning and development trends report and a series of ethics interviews. As part of the Chartered Body Alliance, we are working with the Chartered Insurance Institute ('CII'), Chartered Institute for Securities & Investment ('CISI'), and the Chartered Banker Institute to support education initiatives related to the Mansion House Accord.

Welcoming a new Chief Executive to the Society

In March, we said farewell to Will Goodhart, the Society's Chief Executive for nearly two decades. I would like to thank Will, on behalf of the Board, for his commitment, passion and dedication to the Society and our members and for all he accomplished when in post. We wish him all the very best for the future.

We were then delighted to welcome Nick Bartlett, CFA, ASIP as the Society's new Chief Executive. Nick brings decades of experience in educating the investment sector, including working previously

at the Society and most recently at CFA Institute. As an ASIP and CFA Charterholder, he understands our organisation well and the opportunities to engage committed members who have previously qualified through either the Associate Examinations or the CFA Program. We look forward to working with Nick to shape the future of the Society.

Refreshing our strategy and improving financial performance

A new Chief Executive joining presented an opportunity for the Board to refresh our strategy. We will be putting even more focus on understanding the needs of our members and candidates. We will be enhancing our member proposition through a revised content and engagement strategy. We will continue to focus on developing and delivering new and existing qualifications, and we will be scoping the delivery of an enhanced learner experience.

To enable this, we need a solid financial foundation. Our financial position remains strong and has grown considerably following the development and sale of the Sustainable Investing ('SI') Certificate (formerly the Certificate in ESG Investing). However, our financial performance has been negatively affected by the reduction in global registrations of the SI Certificate, on which CFA UK receives a revenue share from CFA Institute. As a result we have made an operating loss in the year, as outlined in the Treasurer's Report.

The Society is therefore undergoing a staffing reorganisation to reduce our fixed costs and to identify revenue opportunities. The Board is resolute that any reorganisation must maintain focus on delivering a high-quality member and volunteer experience and Nick and his team are using this period of transition to plan exciting new ways of engaging our members, candidates and volunteers. After all, supporting members in developing their skills and growing their careers is our purpose.

Stepping down as Chair of your Board

Finally, as I come to the end of my tenure as Chair, I'd like to thank my fellow Board members, Nick Bartlett, Will Goodhart and the staffed office for their commitment to the Society and for their hard work in making CFA UK a success, both in the UK's investment sector and as part of the global network of CFA Societies. I've met so many impressive CFA UK members in the past few years and have been struck by the incredible generosity and dedication of our volunteers. Thank you for all you've done to grow and maintain the calibre of our Society and the profession overall. It's been an honour to serve as your Chair.

HILARY EASTMAN, CFA

Chair



TREASURER'S REPORT



The Society is pleased to present members with another year of sound financial results. The financial position of the Society remains strong, aided by a solid balance sheet and strong investment performance. The year has been focussed on continuing to invest in our IT infrastructure and on our three-year strategic plan. Structural changes to sources of revenue, specifically the reduction in the SI Certificate revenue share over the coming years, will create challenges going forward. However, we are confident that our strong financial position and the actions being put into place to identify other sources of revenue and to reduce our fixed costs will place the Society in a stronger position over the longer term.

Our balance sheet remains strong and our investment portfolio performed well

CFA UK's investment portfolio increased by 16% to £7,896,886 at year end (2024: £6,824,471) which included additional net investments of £626,876 (2024: £301,562) and unrealised investment gains of £445,539 (2024: £496,678).

The investment portfolio performed well in the current financial year, with a return of 8.5%, exceeding the inflation-based benchmark return of +4.3% (2024: gain of 9.8%, which was higher than the benchmark return of +3.0%). The portfolio had annualised returns over three years to 30 June 2025 of +7.4% and over seven years of +4.4%.

The investment portfolio contributes to the long-term financial stability of CFA UK and is managed by the Investment committee with oversight from the Finance committee and the Board. The portfolio takes a medium level of risk and has a targeted annual return of UK CPI inflation plus 1%, over a medium-term horizon of three to seven years. During the year, the Investment committee continued to ensure there was sufficient liquidity in the portfolio, reduced risk and increased diversification.

We made progress on our multi-year IT transformation

We continue to make progress on our IT transformation to invest in digital systems and infrastructure to deliver our strategy, including modernising our systems for the sale and administration of our educational certificates (the IMC and Impact Certificates). Costs incurred during the year included £173,588 of expensed IT costs (2024: £389,283) relating to implementation of website changes and other IT system changes. In addition, intangible fixed assets of £425,124 were capitalised during the year (2024: £359,060), including work on the CRM and ecommerce systems and integrations to our exam delivery partner, with the new education system expected to go live in early 2026.

The operating environment remains challenging

CFA UK's cost base, including staff costs, IT licence costs and administrative expenses, decreased by 4% over the year, but combined with the reduction in revenue, it led to weaker operating performance, resulting in an operating loss of £435,071 (2024: £95,261 operating profit). Revenue for the year was £5,257,367 (2024: £6,340,907). The reduction in revenue and operating profit was primarily due to the reduction in global registrations of the SI Certificate. Our revenue share decreased this year to £1,211,948 (2024: £2,197,189) due to lower levels of global sales, which has materially impacted CFA UK's operating financial performance.

Membership subscriptions revenue increased 3% to £1,579,707 (2024: £1,526,887) due to an increase in our annual membership fee to £140 (2024: £135), while the number of members of the Society remained broadly static, with 12,068 members at year end (2024: 12,160). CFA Institute funding revenue decreased 5% to £406,681 (2024: £427,496), which is used to support member value via the provision of events and to support membership costs. Examination, online training manual and publications revenue reduced 5% during the year to £1,951,761 (2024: £2,062,634) because of weaker demand for our qualifications.

Cost of sales decreased 21% to £1,400,173 (2024: £1,774,882) mainly due to a reduction in IT expenses. The prior year included costs of website rebranding, changes to the online member community platform and education project costs.

Administrative expenses decreased 4% to £3,852,366 (2024: £4,005,134), partly due to lower staff costs of £2,740,948 (2024: £2,860,960) reflecting a slightly lower number of staff. Establishment costs decreased 6% to £439,899 (2024: £465,630), mainly due to costs associated with the previous tenancy that were incurred in the prior financial year.

Total profit before taxation for the year was £276,187 (2024: £790,370). This was aided by £231,325 of interest income (2024: £194,216) from money market funds and £445,539 (2024: £496,678) of unrealised investment gains.

Looking towards the future

With the arrival of our new Chief Executive and the structural changes to our sources of revenue, including the reduction in SI Certificate revenue from CFA Institute over time, the Board is reviewing the Society's three-year strategy. The strategy will focus on identifying new sources of revenue as well as reviewing the operating cost structure of the business to ensure that the Society is financially sustainable over the long term.

Our investment reserves are strong and allow the Society to invest in capital projects such as the IT transformation project that is expected to realise benefits to members over multiple years. This also allows the Society to take long-term strategic decisions that are not overly influenced by short-term cycles. We are confident that the investments we are making in our members' skills, knowledge and connections, our IT infrastructure and the proactive measures being put into place to reduce long-term operational costs place the Society in an excellent position to continue to educate, connect and inspire the investment community for many years to come.

MARK PRYCE, CFA, CA (SA)

Treasurer



DIRECTORS' REPORT

The directors submit their report and the financial statements of CFA Society of the UK for the year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The Company's principal activity during the year was providing services as a professional body for investment professionals, principally to those holding the CFA and ASIP designations.

BOARD OF DIRECTORS

The CFA UK Board as at 30 June 2025 comprised 10 directors, elected by the members at the Annual General Meeting (AGM). The Board directors typically work in other paid roles in investment or financial services firms and are elected as non-executive directors to the CFA UK Board, in the role of a volunteer that is not paid. Directors are typically elected for a total term of six years and are required to retire and be re-appointed by rotation, normally every three years. The term of the Chair can be extended by the Board only in circumstances where it is deemed to be in the best interests of CFA UK.

DIRECTORS

The following directors held office during the year ended 30 June 2025:

DIRECTOR	DATE RESIGNED / APPOINTED DURING THE YEAR
Hilary Eastman, CFA (Chair)	Appointed 19 November 2024
Katerina Kosmopoulou, CFA, IMC (Vice Chair)	
Weiyen Hung, CFA, CMA, CAIA, CIPM, FRM, IMC (Treasurer to 31 August 2025)	
Mark Pryce, CFA, CA (SA) (Treasurer from 1 September 2025)	
Alistair Byrne, CFA	Resigned 19 November 2024
Gillian Elcock	
Kieran Ferguson, CFA	
Suzanne Hsu, CFA	
Elena Koycheva, CFA, CAIA, CIPM, IMC	
Philippe Lenoble, CFA	
Sylvia Solomon, ASIP, IMC	

BOARD MEETINGS

During the year ended 30 June 2025, the Board held four quarterly Board meetings plus a short meeting immediately following the Society's AGM, primarily to deal with certain formal matters. Board members also attended a strategy session and additional ad-hoc telephone calls at shorter notice. The attendance records at the scheduled Board meetings for those directors who served during the year to 30 June 2025 are shown below. The records for attendance at scheduled committee meetings for Board members who are also members of the Nominating, Remuneration, Finance and Examinations & Education committees, are also shown in the table below.

DIRECTOR	BOARD	NOMINATING COMMITTEE ¹	REMUNERATION COMMITTEE	FINANCE COMMITTEE	EXAMINATIONS & EDUCATION COMMITTEE
Hilary Eastman	5/5 ^	4/4	3/3*		
Katerina Kosmopoulou	5/5	3/4	3/3		5/8
Weiyeen Hung ²	5/5	2/2	3/3	6/6*	
Mark Pryce ³	2/2			4/6*	
Alistair Byrne	5/5	5/6			
Gillian Elcock ⁴	2/3				
Kieran Ferguson	4/5				
Suzanne Hsu	5/5				
Elena Koycheva	5/5	2/2			
Philippe Lenoble	5/5				
Sylvia Soloman	5/5				8/8*

^ Chair of Board, * Chair of committee

Notes:

1. There were six Nominating committee meetings held in the period. Two of these meetings were held in 2024 prior to the change of committee membership and four meetings were held in 2025 with the new committee members. The committee members during 2024 included Board directors Weiyeen Hung, Alistair Byrne and Elena Koycheva and the committee was chaired by Lindsey Matthews, the previous chair of the Board. The members during 2025 included the Board directors Hilary Eastman, Katerina Kosmopoulou, Alistair Byrne and the committee was chaired by Daniel Murray, a previous chair of the Board. In both years, Deborah Clarke, who is not a Board member, served as an independent member of the committee, as required by the Society's Articles of Association.

2. Weiyeen Hung, Treasurer and chair of the Finance committee, stepped down from the Board and the Finance committee, on 1 September 2025 following his appointment as Presidents Council Representative (PCR) for Western Europe at CFA Institute.

3. Mark Pryce was appointed to the Board at the AGM in November 2024, with two Board meetings held between the date of his appointment and the end of the period. He has been a member of the Finance committee throughout the financial year and was appointed Treasurer and chair of the committee on 1 September 2025.

4. Gillian Elcock stepped down from the Board at the AGM in November 2024, with three Board meetings held between the start of the period and the date of her resignation from office.



RISK MANAGEMENT

The CFA UK Board has oversight of the principal risks facing CFA UK and is responsible for risk management and internal control. The Board delegates authority for the management of risks to the staffed office and relevant committees.

The Board, with input from the staffed office and Finance committee, performs an annual exercise reviewing the risk environment CFA UK faces. The Board reviews and discusses the potential risks that could affect the achievement of the Board's strategic or operational objectives, the organisation's financial stability or compliance with legal and other regulatory requirements.

Risks are categorised as strategic, financial, operational or legal/regulatory and are ranked within a framework using a commonly used methodology, the potential impact score multiplied by a likelihood score. Risks with a higher risk ranking are reviewed and mitigating actions agreed and delegated to the staffed office and committees where appropriate. Lower ranking risks are also reviewed and are delegated to relevant committees.

The principal risks that CFA UK manages, both as a membership body and as a small company, include:

- **Relevance of CFA UK membership and reliance on CFA Institute members in the UK market.** A decline in the relevance of membership could lead to members lapsing, or potential members not joining, and revenue loss. Membership numbers could also decline due to industry contraction, the move to passive investing and technology changes.
 - We mitigate this risk by offering educational products, events and support to ensure members obtain value from their membership, including:
 - careers support programmes;
 - communities and special interest groups;
 - educational events and learning; and
 - volunteering opportunities, mentoring and networking.
 - Regarding CFA Institute membership in the UK specifically, we mitigate this risk by:
 - regularly communicating with CFA Institute, both at the Board and at the staffed office level, about our respective strategic priorities and plans, and work together on joint initiatives and shared programmes; and
 - contribute to CFA Institute's mission and promote the CFA designation in the UK through our other revenue streams that provide services to candidates and members in the UK market.

- **The level of CFA Institute's global SI Certificate revenues.** CFA UK receives a contractual revenue share of sales of the SI Certificate, and our financial performance and position is sensitive to this. In addition, our revenue share will reduce from 15% to 10% from 1 September 2025.
 - We mitigate this by engaging regularly with CFA Institute to obtain insights on expected SI Certificate performance for each year. We also seek to diversify our revenue sources (for example, through educational product development). If needed, we can restructure our fixed cost base.
- **Cyber breaches and data security.** A breach or compromise of CFA UK's IT systems could lead to a loss of revenue, reputational damage and compliance implications.
 - We mitigate this risk by the secure design and architecture of our IT systems, conducting security testing of new systems prior to launch, requiring annual staff training on cyber and data security and implementing secure backup and data recovery capabilities.
- **IT systems implementation.** A failed implementation or cost overrun could lead to financial losses or/and lack of planned functionality, possibly affecting candidate or member numbers and revenues.
 - We mitigate this risk by obtaining contracted IT advice and systems are thoroughly tested prior to go live, with full roll-back capability should new system failure occur. A working group has been established with IT expertise that monitors progress of the project.
- **Educational product development.** A product may be developed that does not meet the market's needs. This could compromise CFA UK's ability to provide investment professionals with relevant skills and knowledge and result in lower candidate numbers and revenues.
 - We mitigate this risk in two main ways:
 - The Society gathers feedback from stakeholder firms and working groups prior to product development; and
 - There is a dedicated panel of experts for each certificate to ensure the quality of our educational products, with allocated staff resource.
- **Economic and market environment.** This includes the effect of inflation, interest and foreign exchange rate movements, leading to investment reserves losses and exchange losses.
 - We mitigate this risk in two main ways:
 - The Investment committee uses a target asset allocation, reviews the portfolio diversification and receives regular performance monitoring, making changes to the investment portfolio as appropriate; and
 - The Finance committee monitors market conditions and reviews hedges of US Dollar revenue receipts to limit the Society's exposure to market-related fluctuations.
- **Staffed office reorganisation impacting delivery of our strategic plan.** The Society's staffed office is undergoing a reorganisation to reduce fixed costs, which started after the 30 June 2025 year end. This reorganisation will have implications on the staffed office team and has associated legal risk. The changes could impact the ability to deliver on the Society's strategic plan in the short term, including member services and our education offering.
 - We mitigate this risk by using legal and HR advisers for any reorganisation process.

GOING CONCERN

After reviewing the Company's forecasts and projections, the directors have reasonable expectations that the Company has adequate resources to continue in operational existence for at least the next twelve months and that the financial statements should therefore continue to be prepared on the going concern basis.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the special provisions of Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD

Hilary Eastman, CFA

Chair

7 October 2025

Bernadette Young, FCG on behalf of

Indigo Corporate Secretary Limited

7 October 2025

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent; and
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business for at least the next twelve months.

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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CFA SOCIETY OF THE UK

OPINION

We have audited the financial statements of CFA Society of the UK for the year ended 30 June 2025 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of its results, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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 our audit:

- the information given in the Directors' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the Company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate and proper accounting records have not been kept; 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;

- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Financial Reporting Standard 102. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Company for fraud.

The laws and regulations we considered in this context were taxation legislation, employment legislation, General Data Protection Regulation (GDPR), Ofqual regulations and Financial Conduct Authority (FCA) regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, agreeing income to supporting documentation on a sample basis, performing analytical review work, testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Vincent Marke

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

21 October 2024



FINANCIAL STATEMENTS



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025	2024
		£	£
REVENUE	4	5,257,367	6,340,907
Cost of sales		(1,400,173)	(1,774,882)
GROSS PROFIT		3,857,194	4,566,025
Administrative expenses		(3,852,366)	(4,005,134)
Establishment costs	5	(439,899)	(465,630)
		(4,292,265)	(4,470,764)
OPERATING (LOSS)/PROFIT		(435,071)	95,261
Interest receivable, similar income and gains	6	231,325	194,216
Profit on revaluation of investments		445,539	496,678
Profit/(loss) on revaluation of hedge		5,737	(24,739)
Loss on disposal of fixed assets		(35)	-
Gain on disposal of fixed asset investments		28,692	28,954
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	7	276,187	790,370
Taxation on profit on ordinary activities	8	(177,049)	(333,848)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	15	99,138	456,522

The operating (loss)/profit for the period arises from the Society's continuing operations.

BALANCE SHEET AS AT 30 JUNE 2025

	Notes	2025	2024
		£	£
FIXED ASSETS			
Tangible assets	9	68,243	94,432
Intangible assets	10	905,417	568,558
Investments	11	7,896,886	6,824,471
		8,870,546	7,487,461
CURRENT ASSETS			
Stock		30,027	60,848
Debtors	12	598,551	731,546
Cash at bank and in hand		1,671,218	2,925,758
		2,299,796	3,718,152
CREDITORS			
Amounts falling due within one year	13	(945,543)	(1,320,799)
Net current assets		1,354,253	2,397,353
Total assets less current liabilities		10,224,799	9,884,814
Provisions for liabilities and charges	14	(558,902)	(378,241)
Deferred income		(1,077,754)	(1,017,568)
Net assets		8,588,143	8,489,005
RESERVES			
Profit and loss account	15	8,588,143	8,489,005
Members' funds		8,588,143	8,489,005

The financial statements on pages 17 to 29 were approved and authorised for issue by the Board of Directors on 7 October 2025 and signed on their behalf by:

H Eastman, CFA, Chair

M Pryce, CFA, CA (SA), Treasurer

CASH FLOW STATEMENT

	Notes	2025	2024
		£	£
Net cash (used in)/provided by operating activities	17	(270,711)	977,381
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received and investment income		231,325	194,216
Payments to acquire fixed asset investments		(1,496,766)	(1,163,109)
Proceeds from sale of fixed asset investments		898,582	890,502
Payments to acquire tangible fixed assets		(4,216)	(10,425)
Proceeds from the sale of tangible fixed assets		133	-
Payments to acquire intangible assets		(425,124)	(359,060)
Net cash used in investing activities		(796,066)	(447,876)
TAXATION			
Corporation tax paid		(187,763)	(211,643)
Net (decrease)/increase in cash and cash equivalents		(1,254,540)	317,862
Cash and cash equivalents at beginning of year		2,925,758	2,607,896
Cash and cash equivalents at end of year		1,671,218	2,925,758

ACCOUNTING PRINCIPLES

A. STATUS OF THE COMPANY

CFA Society of the UK was incorporated on 13 July 2000 and is limited by the guarantee of its members. Every Regular member of the Society undertakes to contribute such amount as may be required (not exceeding £1) to the Society's assets if it should be wound up. The address of the registered office is 3rd floor, Boston House, 63-64 New Broad Street, London, EC2M 1JJ.

B. GENERAL

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 (FRS 102), The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

C. GOING CONCERN

After reviewing the Company's forecasts and projections, the directors have reasonable expectations that the Company has adequate resources to continue in operational existence for at least the next 12 months. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

D. KEY JUDGEMENTS AND ESTIMATES

In applying the Company's accounting policies, management has made judgements that may have a significant effect on the amounts recognised in the financial statements. The most significant of these judgements is in respect of intangible assets, where certain costs incurred in the developmental phase of an internal project, which include website enhancement costs and amounts incurred in developing customer relationship management (CRM) software were capitalised as intangible assets if several criteria were met. Management has made judgements and assumptions when assessing whether a project meets these criteria, and on measuring the costs and the economic life attributed to such projects.

E. INVESTMENT INCOME

Investment income comprises interest receivable and dividend income.

F. TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at historical cost and depreciation is provided on these assets at rates calculated to write down each asset to its estimated residual value evenly over its expected useful life.

Depreciation rates used are as follows:

Leasehold improvements – over the lease term

Office equipment – computers – 33.33%

Office equipment – other – 20%

Furniture and fittings – 20%

G. INTANGIBLE ASSETS

Membership and examination systems software costs are included in intangible assets and are amortised using a rate of 20%.

Website development costs and CRM development costs are capitalised within intangible assets if they can be reliably measured within a specific project and are anticipated to produce future economic benefit. Once brought into use they are amortised on the straight-line basis over the anticipated life of the asset. Costs on research activities, and costs arising where the above criteria are not met, are recognised as an expense in the period in which they are incurred.

H. INVESTMENTS

Investments comprise an investment portfolio of funds invested in fixed income, equity and other liquid investments. Investments are held at fair value and are revalued to market value at the balance sheet date with revaluation gains and losses being recognised in the profit and loss account.

I. STOCK

Stock includes examination training material publications and is valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

J. DEFERRED INCOME

Deferred income represents amounts received in advance in relation to membership subscriptions and examination fees which are recognised over the period of the membership year and when the examination is sat, respectively.

ACCOUNTING PRINCIPLES (CONTINUED)

K. CORPORATION AND DEFERRED TAXATION

Liability for corporation tax is restricted to surpluses arising from trading with non-members and to income from investments.

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.

Deferred tax is measured at the average tax rates that are expected to apply in the period in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

L. LEASED ASSETS AND OBLIGATIONS

For operating leases, the annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

M. FINANCIAL INSTRUMENTS

The Company's exposure derives primarily from foreign currency risk. The Company uses foreign exchange forward contracts to hedge these exposures. The Company does not use financial derivatives or financial instruments for speculative purposes. Instruments quoted in an active market are measured at their current bid price. For instruments that are not quoted in an active market, the fair value is estimated using a valuation technique. Valuation techniques that are used include comparisons to recent market transactions or reference to other instruments which are substantially the same. Inputs to such valuation techniques rely on market inputs where such information is readily available. Where such information is not available company-specific inputs are used.

At the balance sheet date, the Company held financial assets at amortised cost of £2,048,445 (2024: £3,427,649), financial assets at fair value through profit or loss of £7902,623 (2024: £6,824,471) and financial liabilities at amortised cost of £872,211 (2024: £1,049,412).

N. FOREIGN CURRENCY TRANSLATION

Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account on arriving at the operating profit.

O. PENSION CONTRIBUTIONS

The Company makes contributions to the pension schemes of employees. The cost of providing pensions for employees is charged to the profit and loss account as incurred.

P. REVENUE

Revenue represents the invoiced value, net of Value Added Tax, of goods sold and services provided to members and customers. Subscription income is recognised in the year to which the membership relates.

Investment Management Certificate, Certificate in Climate and Investing and Certificate in Impact Investing examination fees are recognised when candidates sit an examination, or on expiry, one year after registration.

The Certificate in ESG Investing was sold to CFA Institute in 2021 and as consideration CFA UK received a payment in 2021, a completion payment in 2022 and continues to receive royalty payments representing a share of global registrations revenue. CFA UK will continue to receive a revenue share on a reducing percentage share basis until 2035.

Revenue relating to online training materials and hard copy publications is recognised on the delivery of the materials to the candidate.

Q. RELATED PARTY TRANSACTIONS

There were no related party transactions during the period.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1. MEMBERS

The income and property of the Society must be applied solely towards the objects of the Society and no distribution of any kind may be made to its members. As a company limited by guarantee, each member has no equity interest and has undertaken to contribute an amount up to £1 to the assets in the event of a winding-up.

As at 30 June 2025, the total number of members was 12,068 (2024: 12,160) and the number of Regular members was 11,059 (2024: 11,123).

2. EMPLOYEES

2025

2024

The average monthly number of persons employed by the Society was:

Total employees	35	39
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The full-time equivalent average monthly number of employees, including the leadership team, was 34 (2024: 38).

The figures above do not include the 10 volunteer, non-executive directors (2024: 10).

STAFF COSTS FOR THE ABOVE PERSONS:

2025

2024

	£	£
Wages and salaries	2,303,943	2,419,753
Social security costs	285,236	287,997
Other pension costs	151,769	153,210
	<u>2,740,948</u>	<u>2,860,960</u>

During the year, there were redundancy payments made of £25,490 (2024: £17,469). As at year end, no redundancy payments were outstanding (2024: £25,490).

No remuneration was paid to the directors during the year (2024: nil). No director (2024: nil) is accruing benefits under money purchase or defined benefit pension schemes.

Expenses incurred by or reimbursed to the directors during the year totalled nil (2024: nil).

3. KEY MANAGEMENT PERSONNEL

The Society leadership team comprises 5 (2024: 6) individuals. The total employee benefits of the Society's leadership team was £991,012 (2024: £1,023,171).

STAFF COSTS FOR THE ABOVE PERSONS:

2025

2024

	£	£
Wages and salaries	801,417	833,163
Social security costs	116,602	114,976
Other pension costs	72,993	75,032
	<u>991,012</u>	<u>1,023,171</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

4. REVENUE	2025	2024
	£	£
Subscriptions	1,579,707	1,526,887
Examinations	1,516,085	1,583,332
Publications	381,356	384,182
Online Training Manual	54,320	95,120
Professional Development	15,515	38,915
CFA Support	-	50
Social	18,962	15,080
Other Activities	1,284,741	2,269,845
CFA Institute Funding	406,681	427,496
	<u>5,257,367</u>	<u>6,340,907</u>

The Society's revenue and profit before taxation were all derived from its principal activity.

Online Training Manual revenue relates to the portion of revenue relating to the provision of online learning materials from the Certificate in Climate and Investing and the Certificate in Impact Investing. The balance of the fees paid is disclosed within Examinations, together with the examination fees for the Investment Management Certificate. Publications revenue relates to hard copy learning materials.

Other Activities includes a gross revenue share of £1,211,948 (2024: £2,197,189) from CFA Institute, which forms part of the contract for the sale of the SI Certificate. CFA UK will continue to receive a revenue share, on a reducing percentage share basis, until 2035.

5. ESTABLISHMENT COSTS	2025	2024
	£	£
Rent	134,687	134,687
Rates	69,511	65,489
Lighting and heating	<u>2,775</u>	<u>21,884</u>
	206,973	222,060
Insurance	38,912	41,107
Office building maintenance	51,740	60,646
Office repairs and renewals and health & safety	788	700
Office security	-	486
Office cleaning	12,984	11,913
Lease dilapidations	10,000	10,000
Depreciation	30,237	30,452
Amortisation	88,265	88,266
	<u>439,899</u>	<u>465,630</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

6. INTEREST RECEIVABLE, SIMILAR INCOME AND GAINS	2025	2024
	£	£
Bank interest	96,060	101,178
Dividend income received	135,265	93,038
	<u>231,325</u>	<u>194,216</u>

7. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2025	2024
Profit on ordinary activities before taxation is stated after charging/(crediting):	£	£
Depreciation of tangible fixed assets	30,237	30,452
Amortisation of intangible assets	88,265	88,266
Loss on disposal of fixed assets	35	-
Currency exchange losses/(gains)	16,844	(11,595)
OPERATING LEASES:		
Plant and machinery	15,339	16,286
Land and buildings	134,687	134,687
Auditor's remuneration – audit	18,700	17,000
Auditor's remuneration – taxation	5,500	4,200
Auditor's remuneration – other services	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

8. CORPORATION TAX	2025	2024
	£	£
Current tax: UK corporation tax	-	191,259
Over provision in previous period	(3,612)	(537)
Total current tax	(3,612)	190,722
Deferred taxation:		
Origination of timing differences	180,661	143,126
Tax on profits on ordinary activities	<u>177,049</u>	<u>333,848</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR:	2025	2024
	£	£
The tax assessed for the year is higher than the effective rate of corporation tax in the UK of 25%.		
THE DIFFERENCES ARE EXPLAINED BELOW:		
Profit on ordinary activities before tax	276,187	790,370
Profit on ordinary activities multiplied by the effective rate of corporation tax of 25% (2024: 25%)	69,047	197,593

EFFECTS OF:	2025	2024
	£	£
Expenses not deductible for tax purposes	2,174	2,528
Loss on member income not deductible	114,588	127,674
Income not taxable	(3,714)	-
Over provision in previous period	(3,612)	(537)
Other timing differences	(1,434)	6,590
Total tax charge for the year	<u>177,049</u>	<u>333,848</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

9. TANGIBLE FIXED ASSETS	Leasehold Improvements	Office Equipment	Furniture & Fittings	Total
	£	£	£	£
COST				
At 30 June 2024	34,463	106,833	12,592	153,888
Additions	-	3,882	334	4,216
Disposals	-	(9,946)	-	(9,946)
At 30 June 2025	34,463	100,769	12,926	148,158
DEPRECIATION				
At 30 June 2024	8,042	48,657	2,757	59,456
Charged in the year	6,892	20,793	2,552	30,237
Disposals	-	(9,778)	-	(9,778)
At 30 June 2025	14,934	59,672	5,309	79,915
NET BOOK VALUE				
At 30 June 2025	19,529	41,097	7,617	68,243
At 30 June 2024	26,421	58,176	9,835	94,432

10. INTANGIBLE ASSETS	Systems Software	Website	CRM	Total
	£	£	£	£
COST				
At 30 June 2024	673,187	12,529	449,696	1,135,412
Additions	425,124	-	-	425,124
Disposals	-	-	-	-
At 30 June 2025	1,098,311	12,529	449,696	1,560,536
DEPRECIATION				
At 30 June 2024	342,308	12,529	212,017	566,854
Charged in the year	-	-	88,265	88,265
Disposals	-	-	-	-
At 30 June 2025	342,308	12,529	300,282	655,119
NET BOOK VALUE				
At 30 June 2025	756,003	-	149,414	905,417
At 30 June 2024	330,879	-	237,679	568,558

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

11. FIXED ASSET INVESTMENTS	2025	2024
	£	£
At 1 July	6,824,471	6,026,232
Acquired in the period (at cost)	1,496,766	1,163,109
Less: Disposal in the period	(869,890)	(861,548)
Market value adjustment	445,539	496,678
Market value at 30 June	<u>7,896,886</u>	<u>6,824,471</u>
The historical cost of investments held at 30 June 2025 was £6,569,805 (2024: £5,954,709).		
Fixed asset investments include a portfolio of funds invested in fixed income, equity and other investments, managed by the Investment Committee. Investments are able to be liquidated within a three-month period if needed.		

12. DEBTORS: DUE WITHIN ONE YEAR	2025	2024
	£	£
Trade debtors	63,210	64,470
Other debtors	115,681	115,249
Prepayments and accrued income	413,923	551,827
Forward exchange contract asset	5,737	-
	<u>598,551</u>	<u>731,546</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2025	2024
	£	£
Trade creditors	154,438	320,164
Corporation tax liability	-	191,375
Other taxation and social security costs	73,332	80,012
Sundry creditors and accruals	717,773	729,248
	<u>945,543</u>	<u>1,320,799</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES	2025	2024
	£	£
Deferred tax provision at 1 July	378,241	235,115
Transfer from profit and loss account	180,661	143,126
Deferred tax provision at 30 June	<u>558,902</u>	<u>378,241</u>
Deferred tax arises due to timing differences we expect to reverse in future years.		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

15. RESERVES	2025	2024
	£	£
Profit and loss account at 1 July	8,489,005	8,032,483
Profit for the financial year	99,138	456,522
Profit and loss account at 30 June	<u>8,588,143</u>	<u>8,489,005</u>

16. CAPITAL AND OTHER COMMITMENTS	2025	2024
The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:	£	£
PLANT AND MACHINERY:		
Due within 1 year	4,044	9,336
Due between 2 and 5 years	1,011	4,164
LAND AND BUILDINGS:		
Due within 1 year	161,483	121,112
Due between 2 and 5 years	296,642	458,125
	<u>463,180</u>	<u>592,737</u>
As at 30 June 2025, the Company had contracted to purchase intangible assets amounting to £22,629 (2024: £63,596).		

17. CASH FLOW	2025	2024
Reconciliation of operating profit to net cash provided by operating activities:	£	£
Operating (loss)/profit	(435,071)	95,261
Depreciation of tangible fixed assets	30,237	30,452
Amortisation of intangible assets	88,265	88,266
Decrease/(increase) in stock	30,821	(8,659)
Decrease in debtors	138,732	476,656
(Decrease)/increase in creditors	(183,881)	133,580
Increase in deferred income	60,186	161,825
Net cash (used in) /provided by operating activities	<u>(270,711)</u>	<u>977,381</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

18. PENSION COMMITMENTS

The Society makes contributions to the pension schemes of employees. The pension charge for the year was £151,769 (2024: £153,210).

At 30 June 2025, pension contributions amounting to £10,044 (2024: £10,893) were outstanding and are included in creditors.

19. CURRENCY DERIVATIVES - CASH FLOW HEDGE

2025

2024

£

£

The Society utilises foreign currency forward contracts to hedge future transactions and cash flows and to manage exchange rate risk. The instruments purchased are primarily denominated in the currencies of the Society's principal markets.

As at the balance sheet date, the total notional amount of outstanding foreign exchange forward contracts to which the Society had committed were as follows:

US Dollar denominated contract	129,840	-
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Currency forward contracts are related to highly probable forecast transactions that are expected to arise in the next two months. In the current year the fair value of currency forward contracts amounted to a debtor of £5,737 (2024: nil).

Cash at bank includes a balance £237,000 (2024: £237,000) that is held as security in relation to the currency forward contract facilities.

