



UK Government
Investments

UK GOVERNMENT INVESTMENTS LIMITED

Annual Report and Accounts
2024-25

CP 1346



UK GOVERNMENT INVESTMENTS LIMITED

Annual Report and Accounts 2024-25

Presented to Parliament by the Economic Secretary to the Treasury
by Command of His Majesty

July 2025

Company No. 09774296



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Overview


Our mission

UK Government Investments Limited (UKGI or the Company) is the government's centre of expertise in corporate governance and corporate finance. We provide expert advice and leading solutions that inform and translate government decisions into effective outcomes in the national interest.

UKGI promotes good governance of publicly owned businesses and supports government's private sector interventions. It also provides advice on and analysis of the UK Government's financial instruments and delivers orderly transactions that generate value for money.

Objectives

UKGI is entrusted by His Majesty's Treasury (HMT) to undertake the following objectives:



Corporate Governance

Act as shareholder representative for, and lead establishment of, UK Government's most complex and commercial arm's length bodies on behalf of sponsor departments




Corporate Finance

Advise on major UK Government corporate finance matters, including financial interventions into corporate structures and corporate finance negotiations



Financial Instruments and Transactions

Advise on and analyse the UK Government's financial instruments and transactions

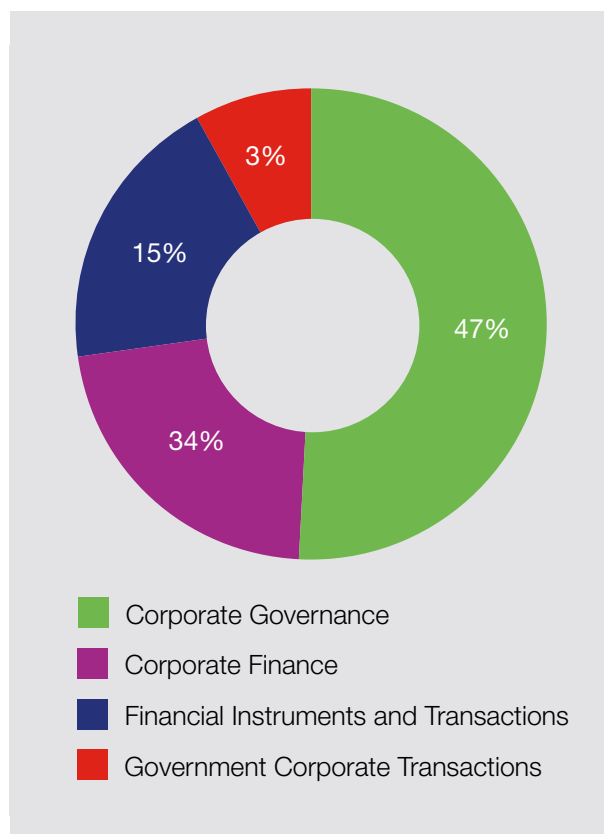


Government Corporate Transactions

Manage and execute the sale or purchase of significant corporate assets for the UK Government

Company highlights

Overall breakdown of UKGI objective by FTE



Chair's Foreword



UKGI's commitment to supporting the Government in creating value for society from its most complex interests is evidenced throughout this report. Aligning strategically with government priorities, we have delivered impactful projects across corporate governance, corporate finance, and contingent liabilities. UKGI has been able to rapidly mobilise its skills and expertise across government to support departments in addressing the pressing needs of the day.

Notable successes include advising Ministry of Defence (MoD) on its reacquisition of the Service Family Accommodation estate from Annington, advising Department for Energy Security and Net Zero (DESNZ) on the transition of the National Energy System Operator (NESO) into public ownership and advising HMT on the launch and set up of the National Wealth Fund (NWF).

Following the Autumn Budget, the Contingent Liabilities Central Capability (CLCC) team expanded its advisory role to include government loans and equity investments alongside contingent liabilities, thereby transforming into the Financial Instruments and Transactions Advisory Group (FlnTAG). In March 2025, our FlnTAG team published its Annual Report on the Government's Contingent Liabilities, offering a comprehensive view of the UK Government's portfolio, encompassing £250bn in financial guarantees, indemnities, contingent liabilities and provisions.

UKGI is committed to good stewardship practices. We are pleased to have been reaffirmed as a signatory to the UK Stewardship Code for the fourth consecutive year in relation to our activities performing a shareholder representative role on behalf of nine government departments across 26 arm's length bodies (ALBs) and companies. Our response outlines our stewardship beliefs and approach, and how we strive to meet the needs of government departments and, ultimately, taxpayers and wider society.

“Aligning strategically with government priorities, we have delivered impactful projects across corporate governance, corporate finance, and contingent liabilities.”

Furthermore, we are committed to continuous enhancement and refinement of our internal processes through developing best practices and learning from experience, as shown by our active engagement with and evidence provided to the Post Office Horizon IT (POHIT) Inquiry.

The Board has been closely monitoring the developments in the POHIT Inquiry over the course of this year and we remain committed to fully engaging with the Inquiry as it progresses. Whilst we await the Inquiry's final report, and any recommendations the

Inquiry has for UKGI, we have focused our efforts on enhancing our Corporate Governance processes including our learning and development initiatives such as our Shareholder NED Development Programme.

I am pleased that the Board has been further strengthened with the addition of Jeremy Pocklington, the DESNZ Permanent Secretary. This reflects the continued growth of our corporate governance and corporate finance activities for DESNZ, as we align to government's priorities around secure, clean energy.

As we look ahead, UKGI remains dedicated to its purpose. We will continue to support government objectives and help deliver on its growth and clean energy missions by sharing our expertise as a trusted adviser. This is made possible through the many talented individuals who make up our organisation. I am confident in our collective ability to continue to support the UK Government's Plan for Change and the opportunities and challenges that present themselves as we navigate this landscape.

Vindi Banga

Chair

10 July 2025

Chief Executive's Statement



Last July's general election and the resulting new government presented an opportunity for UKGI to act with agility in deploying our corporate finance and governance expertise to support the new priorities of client departments. Simultaneously, we focused on optimising our proposition in 2024/25 and actively adapting to the changing political and economic environment.

This included responding to the new government's Plan for Change, supporting departmental policy objectives and collaborating with a wide range of departments, including HMT, DESNZ and the MoD. These efforts helped to reinforce our role in supporting critical government priorities, such as growth, clean energy, and national security – spanning a diverse array of projects, ranging from small, complex issues to large-scale, high-profile initiatives. I would like to highlight some of this work.

A significant highlight of the year was the successful acquisition of NESO by DESNZ from National Grid, at an enterprise value of £630 million, completed in October 2024. This acquisition represented a major milestone in the strategic reform of the energy system. Over more than three years, UKGI played a key role in supporting DESNZ across multiple different elements of a complex transaction. With the governance framework now established, NESO operates as an independent company owned by DESNZ and is responsible for planning and operations of the country's energy systems, and plays a vital role in the support of the country's energy transition. UKGI represents the shareholder on the Board of NESO, collaborating closely with the policy sponsorship team in DESNZ to realise government's ambitions for clean and secure energy.

Announced at the International Investment Summit last October, the NWF stands as a flagship policy for the new government, backed by £27.8 billion of capital and a suite of new financial instruments designed to catalyse and mobilise additional private investment across the UK. UKGI, on behalf of HMT, represents the shareholder on the Board of the NWF.

UKGI has also supported HMT on its effectiveness review of the wider public financial institution landscape where our experience on the Boards of British Business Bank (BBB) and UK Export Finance (UKEF) has given us unique insight. Thus far, our contributions have been highly valued in a crucial policy area.

Additionally, UKGI is pleased to have advised the MoD on the major deal to bring the Armed Forces housing estate back into public ownership, which completed in January this year. This landmark move reversed a sale undertaken in 1996 and returned 36,347 military homes from Annington to public ownership. This significant transaction aims to improve housing for Forces families and is expected to save taxpayers approximately £230 million annually by eliminating rental payments due under the previous arrangements. The reacquisition of the estate for just under £6 billion represented outstanding value for money when considered against the current valuation of £10.1 billion when not subject to leases.

“Our unique blend of public and private sector experience enables us to consistently deliver value for money and drive impactful change across diverse sectors.”

On behalf of HMT, we have continued to reduce the government's stake in NatWest Group (NWG). HMT's shareholding reduced from c.30% on 1st April 2024 to under 4% on 31 March 2025, as a result of sales executed through the ongoing trading plan and two directed buy backs conducted with NWG. After the financial year end, we completed the disposal of HMT's shares in NWG on 30th May 2025. This was the largest monetisation programme globally from the financial crisis.

These achievements are a testament to the exceptional capabilities of UKGI's teams. Investing in their development is paramount to maintaining our high standards of work

and our commitment to good stewardship. Our Shareholder Non-Executive Director (NED) Development Programme has helped us build a cohort of Shareholder NEDs experienced in representing departments on the Boards of complex arms length bodies (ALBs) and facilitated the exchange of best practice across the portfolio. We benefit from a network of experienced Chairs, non-executives and governance practitioners who we invite to share insights to help upskill our people. In 2024/25, that Programme provided 28 CPD hours to each Shareholder NED. Our company-wide learning initiatives are now also expanding to include AI, supported by a data function and team technology champions to boost our effectiveness as an organisation.

UKGI leads the Government Corporate Finance Profession (GCFP). This is one of the 28 recognised professions across government. This year we have worked hard in leveraging the GCFP network to deliver a series of Sharing Excellence seminars, inviting senior experts to discuss the latest market developments and corporate finance activity.

The events being considered by the Post Office Inquiry highlight the importance of ensuring our people have the correct skills, training and support. It is equally important that, as an organisation, we continue to learn lessons from those events. I remain resolutely committed to providing the Inquiry with the fullest possible assistance and to ensuring that we reflect on the evidence and hearings and learn from this process to improve our approach and become a more effective organisation.

As I look back on another year, UKGI's role as a trusted adviser to government departments has never been more important. Our unique blend of public and private sector experience enables us to consistently deliver value for money and drive impactful change across diverse sectors, even amidst significant transformation. As we look to the future, we remain committed to supporting government's Plan for Change with integrity, innovation, and excellence. Coupled with our culture of support, professionalism and collaboration, UKGI is ready to support government's growth agenda and departments' evolving priorities.

Charles Donald

Chief Executive

10 July 2025





Strategic Report

Business Model

UKGI is a company wholly owned by HMT providing advisory services to Whitehall departments on the execution of a range of complex commercial and financial tasks. UKGI operates in a way that is consistent with the government's policy objectives.

We have memoranda of understanding with Whitehall departments setting out the services we offer and how we work with them to deliver those services. When working for ministers, UKGI staff demonstrate the same degree of confidentiality as ministers would expect of their own officials, to the standards contained within the Civil Service Code.

UKGI is accountable to Parliament for specific matters pertaining to the preparation of its accounts, governance and acting in accordance with Managing Public Money, and to HMT for performance against its objectives.

How We Work

Our people are highly skilled, experienced professionals, drawn from both the Civil Service and private sector. This combined capability allows us to best meet the evolving needs of our clients.

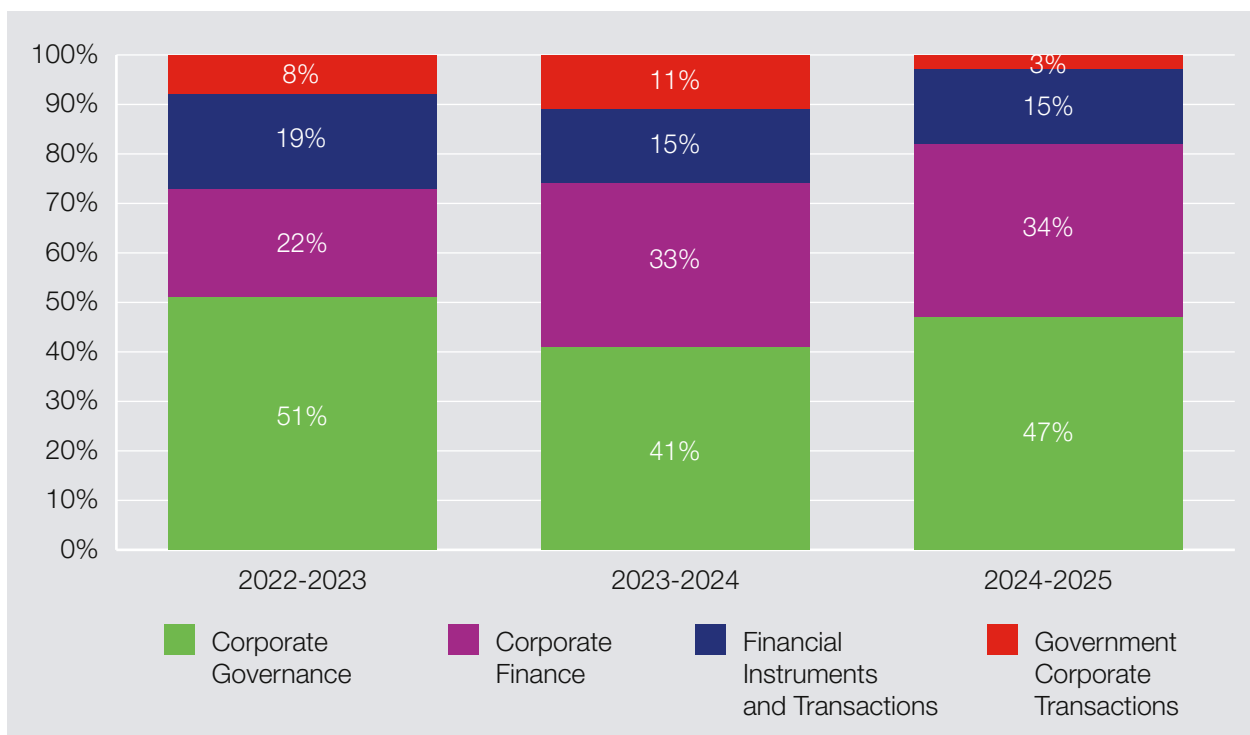
Our values define who we are, what we stand for, how we behave and what we aspire to achieve. We continuously hold ourselves and each other accountable to these values and strive for improvement where we fall short. At UKGI, we are:

1. Supportive and inclusive
2. Open and honest
3. Expert and professional
4. Collaborative and outcome-focused

Performance

UKGI assesses its performance through a process of feedback from key stakeholders, including departmental Permanent Secretaries and Chairs of portfolio entities; through measurement against performance metrics; and through a review of achievements against its objectives, which is subject to challenge and endorsement by its Board. Against all these measures, UKGI met its objectives for 2024-25.

Chart showing FTE time split across UKGI objectives, 3-year comparison



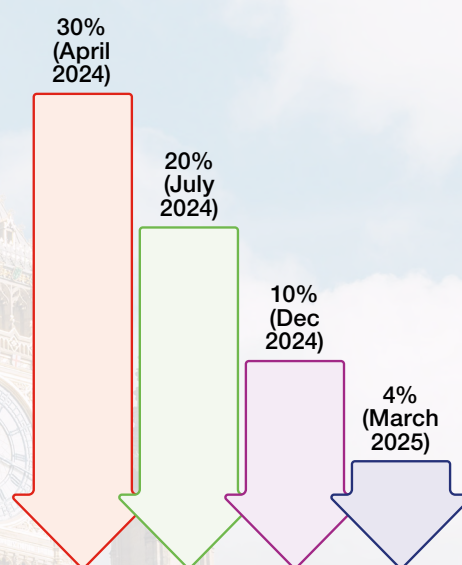
Our Impact

UKGI provides a **direct cost saving** to the taxpayer. Over the past 3 years, the in-house corporate finance and governance function has saved government **c.£175m** in external advisor fees.*

The breadth of UKGI's scope means that the savings and benefits we deliver for taxpayers crystallise in a range of forms, and the additional benefits and notable highlights for 24/25 include:

Maximising the return on government investments for the taxpayer

In the past financial year, UKGI's raised **c.£8.2bn** in proceeds from the sale of NWG shares, substantially reducing HMT's shareholding from **c.30%** to under **4%**.



Generating wealth for the taxpayer

UKGI has advised the MoD for seven years on its arrangements with Annington, whereby it leased 36,347 service family homes from Annington. This culminated in the reacquisition of the service family estate by the MoD in 2024; the net benefit to taxpayers was nearly **£4bn**, when comparing the cost of the acquisition with the net present cost of the lease liabilities.

Mitigating national security issues arising from foreign investment

This year, UKGI has advised the Cabinet Office Investment Security Unit (the team responsible for reviewing mergers and investments under the National Security and Investment Act 2021) on transactions with a combined value **c.£25 billion vs £18bn** in the prior year. We also worked closely with the Department of Business and Trade (DBT) to support their negotiations with EP Group on the acquisition of IDS plc, owner of Royal Mail, a transaction valuing IDS at over **£5bn**.

* Compared with equivalent external advisers procured through government frameworks.

Improving outcomes for nationally important companies in financial distress

UKGI works alongside officials on cases of often national concern to improve outcomes by interrogating requests for government funding; getting most value out of external advisers; supporting contingency planning; and negotiating appropriate commercial terms where funds do need to be deployed. In 2024-2025 we worked with the majority of ministerial departments and directly supported **15**, advising on over **30 projects** (notably including Thames Water and British Steel) across sectors and issues fundamental to society and the UK economy.

Enabling prudent spending of taxpayer money by reporting on government financial exposure

During the course of the financial year, UKGI has advised on approximately **£10bn** of contingent liabilities across **43 proposals** brought forward by government departments. This advisory work across two departments helped design more effective risk transfer strategies which produce savings to government of **c.£22m** by reducing insurance premiums.

Delivering our Objectives



Corporate Governance

Act as a shareholder representative for, and lead establishment of, UK Government’s most complex and commercial ALBs on behalf of sponsor departments

Introduction

At UKGI we perform the shareholder representative function for 26 organisations* on behalf of nine government departments which:

Employ over
109,000
people

Generate around
£25bn
of gross income

Manage over
£284bn
of assets

As of 31 March 2025, the portfolio includes ministerial departments through to private limited companies and covers a diverse range of sectors, including:

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** UKGI's responsibilities vary significantly across the organisations within its portfolio. While UKGI's role is typically focused on delivering the shareholder representative role, drawing on our corporate governance expertise, in some cases we are asked by departments to perform additional or alternative activities. These may include providing corporate finance expertise or supporting the delivery of specific departmental projects. Examples include (but are not limited to) UKGI's roles on BBC Commercial, Sizewell C, and Channel 4. These roles sit outside UKGI's core shareholder representative model and reflect specific responsibilities agreed with departments.*

Developments across the portfolio

UKGI has continued to operate proactively as shareholder representative across a diverse portfolio of organisations. While not actively seeking expansion or contraction, we have responded to government's needs including providing a NED to the Board of Octric and assuming the shareholder representative role for NESO in September and October 2024 respectively, and completing our mandate for HM Land Registry at the end of March 2025.

As an organisation focused on continuous improvement, we have reflected on opportunities to enhance our portfolio management practices and implemented improvements. During 2024-25, this included delivering 14 targeted training sessions to our shareholder teams and updating all our existing guidance in line with current best practice.

We believe that a key element of UKGI's value proposition is our convening power, bringing together the leadership from 26 of government's most complex entities to share best practice and promote effective stewardship. To that end we facilitated five events on specialist topics for different leadership cohorts from across the portfolio, including Chairs and CEOs, Audit and Risk Committee Chairs, Remuneration Committee Chairs, General Counsels and Board Members.

Promoting effective stewardship

Promoting best practice

UKGI is committed to good stewardship practices and building its reputation as a centre of expertise for corporate governance across government. We have been reaffirmed as a signatory to the Financial Reporting Council's Stewardship Code for a fourth year. Furthermore, throughout the year, we engaged with stakeholders across Whitehall to promote effective governance, including with the Cabinet Office Public Bodies Team, and the DBT Corporate Governance, Audit Reform and Shareholder Rights team.

Case study: National Energy System Operator

NESO was established on 1 October 2024 following the acquisition by DESNZ of the Electricity System Operator from National Grid as part of a wider strategic reform of the energy system in support of His Majesty's Government's (HMG's) clean power ambitions. NESO's remit is to take a whole-system approach to managing Great Britain's energy system encompassing electricity, gas, and other forms of energy to fulfil its duties as outlined in the Energy Act 2023.

This was a major Mergers and Acquisitions (M&A) transaction involving a complex corporate carve-out and set-up of a new public body. UKGI supported DESNZ for more than three years on this project, including on transaction preparations, legislation, due diligence, valuation, negotiations, approvals, future financing arrangements, transaction completion and governance arrangements.

Following the governance set-up ahead of deal completion, UKGI performs the shareholder representative function working closely with a policy sponsorship team in the Department. Highlights of UKGI's governance work include:

- Supporting DESNZ in identifying and appointing NESO's first Chair of the Board.
- Helping NESO transition to public ownership.
- Providing a shareholder Non-Executive Director on the NESO Board.
- Supporting the new NESO chair to bolster the Board's strategic and technical expertise by hiring further NEDs.

International work

UKGI has represented the UK at the Organisation for Economic Co-operation and Development's (OECD's) Working Party on State Ownership and Privatisation Practices (WPSOPP) since 2012, holding a Bureau role since 2012 and the Chair role since 2021. During 2024, the WPSOPP, chaired by UKGI Chief Executive Charles Donald, completed the first revision for nine years of the OECD Guidelines on Corporate Governance of State-owned Enterprises, which are aimed at helping governments better manage the companies they own. In addition, UKGI continues to engage internationally and share best practice reflections and lessons learnt on a variety of corporate governance topics in relation to UKGI's shareholder model for state-owned companies and corporate finance practices.



Corporate Finance

Advise on major UK Government corporate finance matters, including financial interventions into corporate structures and corporate finance negotiations

Mergers and Acquisitions activity

UKGI provides specialist corporate finance advice and commercial negotiation support across government where a particular M&A transaction or corporate event is deemed of national security importance under the National Security & Investment Act 2021, or where departments see the need to intervene to protect wider UK interests.

The team has been working closely across Whitehall, focusing on the economic and national security assessment of transactions and leveraging our expertise to support negotiations between government and transacting parties.

Over the past year, in a landscape of increasing global threats, UKGI has also undertaken a key advisory role in some of the most high-profile national security transactions facing government, spanning defence, aerospace, telecoms and digital sectors.

Special Situations Group

The Special Situations Group (SSG) collaborates with colleagues across government on a diverse range of projects and sectors, prioritising criticality over size. Over the past year, SSG has taken a lead advisory role in several high-profile situations, including:

- Supporting the DBT with grant offers in steel companies to facilitate transition to a more sustainable and lower-carbon-intensive steel making process.
- Supporting the MoD in the proposed divestment of a key supplier of technology hardware with sovereign capabilities to ensure continued product supply.
- Supporting the Department for Environment, Food and Rural Affairs (DEFRA) in navigating complex situations involving regulated entities. Supporting the Department for Health and Social Care (DHSC) in contingency planning and response options for challenges in adult social care.
- Supporting Cabinet Office with strategic suppliers to government facing financial distress.
- Working with Home Office on contingency planning and response options for a critical supplier failure.
- Continuing to support the Department for Culture, Media and Sport (DCMS) in managing distressed situations impacting the DCMS Covid Sport and Cultural Loan Book.
- Assisting the Department for Education (DfE) on challenges related to children's social care and universities.

Government Corporate Finance Profession

The GCFP continues to make progress across initiatives and to expand its membership base. The profession is led by Charles Donald, UKGI's Chief Executive, and a UKGI team runs the profession in close collaboration with corporate finance colleagues across Whitehall departments. Over the past year, the profession continued to foster skills enhancement, knowledge dissemination, networking, collaboration, and career development among corporate finance professionals in government.

Key highlights include the launch of a new and improved seminar schedule (targeting public and private topics) and the initial applications of a group of colleagues to study towards the ICAEW Corporate Finance Certification via the Government Campus curriculum.



Financial Instruments and Transactions Advisory Group

Advise on and analyse the UK Government's financial assets and liabilities

Following the Autumn Budget 2024, UKGI expanded its CLCC team to form FInTAG. This expansion reflects the additional responsibilities HMG has conferred upon UKGI; to ensure government is transparent about the financial investments it is making on behalf of taxpayers and to support departments in developing financial transaction proposals. This builds on FInTAG's existing responsibilities to help improve government's decision making regarding the structuring, and management of, contingent liabilities in a responsible way that creates value for money.

The core activities of UKGI's FInTAG include:

- Monitoring and reporting on government's financial transactions and contingent liabilities to improve fiscal transparency and discipline, and;
- Improving the management of contingent liabilities and financial transactions by supporting the development of new proposals and embedding best practice across government.

Monitoring and reporting on contingent liabilities and financial transactions

A key responsibility of UKGI's FInTAG is to support government's objective of fiscal transparency and discipline by producing public facing reports on government's stock of contingent liabilities and, in the future, financial transactions. UKGI's Annual Report on the UK Government's Contingent Liabilities 2025 was produced by collecting and analysing contingent liability data from across government.

The team's most recent report included valuable insights, such as the extent to which government is compensated for the risk it takes on across its guarantees portfolio and the impact a major financial or economic downturn could have on a sub-set of its contingent liability portfolio. Furthermore, the team's inaugural report quantified £23bn of previously unquantified "off-budget" items, providing government with the information needed to develop appropriate mitigation plans and strategies.

Building on the success of this work, UKGI's FInTAG is committed to several actions:

- Publishing future reports on the government's portfolio of contingent liabilities as well as government's financial transactions to track changes over time and inform decisions on risk appetite.
- Enhancing the quality of information captured by the government on its risk.
- Using the data gathered to generate insights that inform the design and management of future schemes.

Supporting the development of proposals and embedding best practice

FInTAG advises departments on various technical issues linked to contingent liabilities and financial transactions. This includes supporting officials to understand risk, pricing a financial transaction or contingent liability, modelling income, and developing delivery models. This builds on the Group's existing responsibilities as CLCC, which includes working with departments to advise on the design of new contingent liabilities so that risks are properly understood and value for money is maximised.

The Group achieves this by bringing together a mix of specialist skills that include actuaries, credit analysts, data analysts, corporate finance, and policy professionals. Throughout the 2024/25 financial year, FInTAG (then as CLCC) advised on £10bn of contingent liabilities across 43 individual proposals and generated estimated savings of up to £10m on government advisory fees over the past 3 years.

To embed best practice, FInTAG (as CLCC) has produced specialist guidance on the design and management of insurance and guarantee schemes. Most recently, the Group produced comprehensive frameworks linked to the setup and management of guarantees and insurance liabilities. With its expansion the Group will also begin to produce best practice guidance linked to loans and equity transactions. Supplementing these activities FInTAG also chairs a cross-government network of experts which it uses to facilitate the sharing of best practice among officials responsible for contingent liabilities. This network and area of work now also encompass financial transactions.



Government Corporate Transactions

Manage and execute the sale or purchase of significant corporate assets for the UK Government

UKGI works across government to support departments with asset sales, advising ministers and senior officials on the best strategies and structures for a sale. This includes carrying out market testing, as well as devising and managing the sale execution process to achieve value for money for the taxpayer. UKGI has a well-established reputation for selling assets where there is no policy reason for the government to hold the asset, and where the sale can achieve value for money. UKGI's Financial Institutions Group (FIG) is responsible for managing the government's shareholding in NWG and residual liabilities relating to UK Asset Resolution (UKAR) Ltd.

UKGI also has a proven track record of supporting government departments in corporate acquisitions. In 2024/25, UKGI advised on the nationalisation of NESO by DESNZ and the MoD's purchase of Octrice, a manufacturer of silicon chips.

Case study: NatWest Group

UKGI continues to draw on its corporate finance expertise skills to maximise the value for money of the disposal of shares in NWG. We achieved the following milestones during the reporting year:

- We raised c.£8.2bn in proceeds from the sale of NWG shares.
- HMT's shareholding reduced from c.30% on 1st April 2024 to under 4% on 31 March 2025, as a result of sales executed through the Trading Plan and sales back to NWG via two directed buyback transactions of £1.24bn in May and £1bn in November.

In February 2025, the government ceased to be the largest shareholder in NWG for the first time since the bank was recapitalised in 2008/09.

After the financial year end, we completed the disposal of HMT's shares in NWG on 30th May 2025.

Chief Operating Officer's Statement



2024/5 saw another year of change for UKGI; colleagues continued to work collaboratively and to a high standard with the backdrop of an intense workload, headcount reduction, change of government and the Post Office Inquiry. Some operational highlights of this year include:

Continued focus on UKGI's culture of learning: UKGI is a unique place to work, offering colleagues from the private sector and the civil service a perspective not found elsewhere.

We continue to place high importance on maintaining a strong culture driven by our values. Over the year we have held two all-staff strategy days and numerous learning and social events which have enabled us to collaborate to improve our work and thrive as an organisation. This year all staff received a personal development plan with learning prioritised to their distinct needs. Alongside this we offered programmes which focused on organisational priorities, including our Shareholder Non-Executive Director (SNED) development programme that enables SNEDs to gain insight from across our portfolio, government, and other sectors.

Data and technology to drive efficiency: In 2024, UKGI introduced a semi-automated workforce planning database called 'The Hub'. This tool brings together all employee data and resource planning to accurately forecast headcount spend for the coming Financial Year. The tool was created in-house and has created efficiencies for HR, Resourcing and Finance, as well as providing greater confidence in our ability to robustly forecast and report on month-end spending.

Planning for a new governance operating model: This year we have begun the thinking on a plan to centralise governance operations with a view to delivering an even better service that is not replicated elsewhere in government, in a more efficient way and to a broader range of government-owned organisations.

Feedback from our people: Our annual People Survey engagement score dropped by 3 percentage points to 73% with a high response rate of 86%. The engagement score remains higher than many of our comparator organisations with an average Civil Service engagement score of 61% and HMT at 69%. Pleasingly, the areas that saw the most improvement in UKGI's survey were those that were acted upon in last year's People Plan. There is work to do and colleagues indicated an uncharacteristic decline in work-life balance which we will recalibrate in the coming year.

Transition to the new government: Substantial effort was made this year across the organisation to prepare for the possible change of government. As is outlined through this report, we were pleased to have early involvement in new HMG priorities (NWF, FinTAG, Financial Transactions Control Framework, Great British Energy (GBE)) and were agile enough to wrap up projects from the previous government in short order, with financial loss to the taxpayer minimised.

Ensuring full cooperation with the Post Office Horizon IT Inquiry: Many colleagues this year have been involved with the Post Office Inquiry, either directly as witnesses or indirectly as part of the legal function. UKGI has dedicated substantial resources to the Inquiry as part of its commitment to provide the Inquiry, and sub-postmasters, with detail of its involvement with the Post Office during the period covered by the Inquiry.

Volunteering: In 2024/25, and as part of UKGI's volunteering programme, which offers UKGI colleagues three days a year to work with a charity or non-profit of their choice, UKGI partnered with the Cardinal Hume Centre as its elected charity of the year. Based in Westminster, the Centre plays a vital role in supporting families, children, and young people experiencing poverty and homelessness. Throughout the year, UKGI staff actively contributed to the Centre's work through a range of volunteering initiatives and donation drives. Beyond direct volunteering, UKGI has embedded its charitable commitment into wider organisational culture to help raise further awareness and encourage donations.

Diversity and Inclusion: UKGI continues to have a diverse staff who bring a broad range of perspectives. We have exceeded our formal gender diversity target with 45% of senior management (Executive Director and above) now female, against the Women in Finance target of 40%. We also met our target to have 10% of the senior management cadre identifying from an ethnically diverse background. Our graduate programme has resulted in recruitment of talent from socio-economic tiers that have been under-represented in UKGI to date. Whilst not a formal target, we continue to enable diversity of thought with a significant proportion of staff from an international background. We encourage candidates from a wide range of backgrounds to apply for roles at UKGI and we believe that this gives us access to the widest and deepest talent pool from which to recruit.

Throughout 2024, UKGI maintained a strong emphasis on inclusivity. The organisation actively encourages voices from across the workforce to highlight topics that matter to them, sharing insights into their backgrounds, interests and other significant topics. This has resulted in an increased number of blogs, events, and celebrations during 2024/25 – many originating from grassroots levels within the organisation – to inspire individuals to be their authentic selves at work.

Gender pay: With 133 employees, UKGI is not required to publish the gender pay data required for companies with over 250 employees under the provisions of the Equality Act 2010 and associated regulations. We are, however, committed to the highest standards of transparency and have therefore elected to disclose our gender pay data. This sets out the difference in average hourly pay between men and women.

As of 31 March 2025, our mean gender pay gap was 9.8% which is 3.8% lower than last year, our median gender pay gap was 4.3% which is 1% lower than last year.

Our mean and median bonus gap was 17.5% and 28.3% respectively (compared to 23.5% and 26% last year).

UKGI's median gender pay gap composition over the past five years has gradually shifted from 28.7% (31 March 2019) through our commitment to diversity and inclusion and the initiatives outlined above.

Importance of continuous learning and development to UKGI: Continuous improvement is core to UKGI. The learning and development (L&D) strategy fully supports this through our Shareholder NED and Aspiring Shareholder NED Development programmes, development frameworks, career pathways and Leadership Development programme.

By March 2025, 2350 hours of training were attended since April 2024, equating to 17.4 hours per person, an increase from last year's 16 hours. This increase can be attributed to additional training offered through personalised development conversations and the enhanced promotion of training opportunities.

Susannah Timlin

Chief Operating Officer

Risk Management

In line with HMT's Orange Book on Risk Management, UKGI has robust risk management arrangement in place which requires risks to be reported, reviewed and mitigated in line with UKGI's risk appetite.

UKGI's risk appetite statement, as approved by its board, demonstrates that risk is inherent in everything we do:

"As an organisation whose role it is to act as an agent for ministers and government departments, the key risks UKGI must manage are those which arise as a consequence of discharging its mandate.

Risk is inherent in the nature of the work UKGI is asked to undertake by Government. UKGI seeks to achieve its objectives whilst minimising and effectively managing all risk including strategic, people and operational risks. Where UKGI is often required to take on risk in order to deliver its objectives, it will rely upon its people and governance structure to mitigate and manage risk.


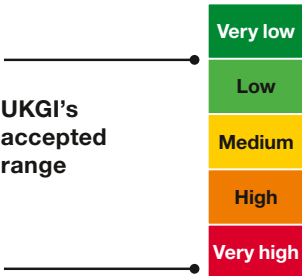
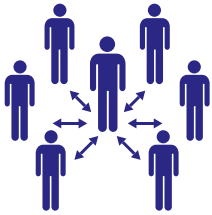
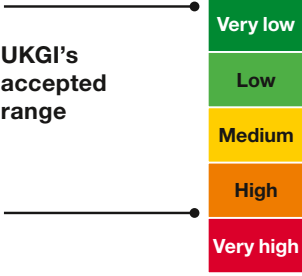

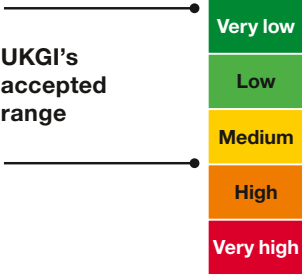
Risk will be monitored and controlled by systematic review from project/portfolio entity teams up to Board, via regular risk register reviews, project/portfolio reviews and discussion by the Executive Committee and the Risk & Audit committee. In addition, the culture of open and proactive communication, and continuous learning and training, throughout UKGI underpins UKGI's ability to control risks that do arise."

The UKGI risk appetite is then split into three categories, recognising the differing levels of risk tolerance for different activities that UKGI undertakes. For example, UKGI has a higher risk appetite for strategic delivery, which reflects the company's role working on some of government's most challenging programmes (see **Figure A** below).

As set out in HMT's Orange Book, a three lines of defence model provides a flexible structure against which an organisation can assess their own risk control processes. UKGI currently has a number of mechanisms in place to manage risk at each of these three levels. Staff across all levels in UKGI are responsible for identifying and escalating risks in their teams. Training on roles, responsibilities and best practice is therefore a key aspect of the UKGI risk management process.

1. **First line of defence** – individual risks across UKGI's portfolio of projects and entities are regularly monitored through a bi-monthly project/entity risk reporting process. Codes of Conduct and Compliance requirements are embedded in the organization. UKGI also monitors a number of internal operational and strategic risks. These include risks regarding staffing, finance, IT and data protection/management systems and relationships around Whitehall. These are regularly reported to HMT.

2. **Second line of defence** – UKGI conducts regular in-depth project and portfolio reviews led by seniors to identify issues, potential risks and mitigating actions. Updates on risk management are provided regularly to the Executive Committee and UKGI Board and risk mitigations are scrutinised. Sub-Committees to the Board also provide specialist scrutiny and assurance on contingent liabilities and asset realization.
3. **Third line of defence** – the Government Internal Audit Agency (GIAA) provides internal audit and objective insight to review and assure UKGI's internal risk management processes.

Key Risk	Risk Appetite Range	Rationale
STRATEGIC DELIVERY  Delivery of our four objectives		As government's centre of expertise for corporate finance and governance, UKGI's purpose is to take on large, complex projects which require its specialist expertise and withdraw from smaller, simpler projects that can be performed by departments. It is recognised that many of the issues UKGI's staff deal with are complex and require judgmental decision-making. For all four of its strategic objectives, UKGI will seek to deliver its advice to the highest standard possible.
PEOPLE  Right people deployed to the right activities		UKGI's reputation and performance is dependent on its people, in order to ensure UKGI can deliver the high-profile and complex work it undertakes. UKGI takes the physical and mental wellbeing and health and safety of its staff very seriously. UKGI also places great importance on having a diverse and inclusive workforce, and has developed a clear strategy and Board policy to promote diversity and inclusion throughout the organisation.
OPERATIONS  Breach of controls, including IT, data, legal and compliance		UKGI will seek to balance the need for agility and flexibility with the need for a robust control framework. It will take a risk-averse approach to legal and compliance matters, both within UKGI and its partner bodies. There is a low risk appetite regarding data security, which is a vital component of UKGI's controls due to the sensitivity of the work performed.

UKGI Funding Model

UKGI is funded by HMT under section 36 of the Enterprise Act 2016 and through charging departments for the provision of Shareholder services. UKGI's funding for 2024-25 is set out below. The funding is the total available and does not necessarily align to the grant-in-aid drawn down in the year as disclosed in the financial statements.

UKGI may recharge for specific costs incurred on behalf of another department; recharges may be via budget transfers or invoicing. During this financial year UKGI received budget transfers from DCMS and MoD. These transfers were made through HMT Treasury and the transfers form part of the total UKGI budget, itemised below. The remaining funding was received via invoicing.

	2024-25 (£m)	2023-24 (£m)
HM Treasury	21.3	20.0
Department for Transport	0.4	0.4
Ministry of Defence	2.2	1.8
Department for Energy, Security and Net Zero	1.6	1.5
UK Export Finance	0.2	–
Department for Science, Innovation and Technology	0.7	0.6
Department for Business and Trade	1.1	1.2
Department for Levelling Up, Housing and Communities	0.2	0.2
Cabinet Office	0.2	0.2
Department for Digital, Culture, Media and Sport	0.2	0.2
Total Funding	28.1	26.1

Approval and signing

The Strategic Report was approved by the Board of Directors on 10 July 2025 and was signed on its behalf by:

Charles Donald

Chief Executive

Vindi Banga

Chair

UK Government Investments Limited Company Number 09774296





Directors' Report and Governance Statement

Directors' Report and Governance Statement

The Board of Directors (Board) of UKGI provides strategic direction to the Company and ensures UKGI is equipped to perform its functions, including having sufficient resourcing and a suitable organisational structure. The Board also enables effective arrangements to be put in place to provide assurance on risk management, governance and internal control.

The Executive Committee is responsible for the day to day running of the Company. It comprises the Chief Executive, and senior management including the Chief Financial Officer, General Counsel and Chief Operating Officer. The Executive Committee meets fortnightly to discuss UKGI business. It reviews key management information documents regularly, or delegates onwards to the UKGI Operating Committee, which comprises the Chief Executive, CFO, COO and one additional senior staff member. This process of regular review and challenge by senior executives ensures that the information provided to the Board and its committees is up-to-date and reliable. This in turn enables the Company's directors to carry out their duties.

UKGI has an agreed Framework Document with HMT. This document sets out the broad framework within which the Company will operate and can be found on our website at www.ukgi.org.uk HMT, as sole shareholder, has various reserved rights, including appointment of the Chair, Chief Executive, and a Shareholder Representative Director, approval of Board appointments, the terms of any Board appointments, the Company's remuneration framework and the Company's budget.

As at 31 March 2025, the Company's directors are as listed below. They provide the Company with the appropriate expertise, skills and experience required to deliver its objectives.

Board Member	Position	Committee Membership
Vindi Banga (appointed 23 September 2021 and reappointed on 23 September 2024)	Chair	N (Chair), T
Andrew Duff (appointed 09 July 2019 and reappointed on 09 July 2022, appointed Senior Independent Director 01 December 2023)	Senior Independent Director	N, A, T
Charles Donald (appointed 12 March 2020)	Chief Executive	T, FT
Mahnaz Safa (appointed 22 September 2022)	Non-Executive Director	R (Chair), N, T, A

Board Member	Position	Committee Membership
Andrew Ballheimer (appointed 22 September 2022)	Non-Executive Director	A, R, N, FT (Chair)
Gareth Davies (appointed 20 July 2023)	DBT Appointed Non-Executive Director	N
Kalpana Desai (appointed 22 September 2022)	Non-Executive Director	N, FT
Beth Russell (appointed 17 November 2022)	Shareholder Representative Non-Executive Director	N
Jess Glover (appointed 26 September 2023)	Shareholder Representative Non-Executive Director (Alternate)	N
Andrew Halford (appointed 1 October 2023)	Non-Executive Director	A (Chair), N, T
Vanessa Lawrence (appointed 26 September 2023)	Non-Executive Director	A, R, N
Iain Mackay (appointed 1 November 2023)	Non-Executive Director	R, N, T (Chair)
Jeremy Pocklington (appointed 30 January 2025)	DESNZ Appointed Non-Executive Director	N

Key: A = Audit and Risk Committee; FT= FlnTAG Committee; N = Nominations Committee; R = Remuneration Committee; T = Transactions Committee

Non-executive Board appointments, other than Shareholder Representative Non-Executive Directors, are for up to two terms of up to three years, and each term can be extended for a further one year. Appointments can be terminated by either party with three months' notice. During the year, Jeremy Pocklington, Permanent Secretary for the Department of Energy Security and Net Zero, was appointed as a Non-Executive Director.

The Board has put in place arrangements to manage any conflicts of interest. As part of this each Director has disclosed, at the outset of their term as a Director, and again subsequently at the start of each financial year, any direct or indirect conflicts of interest they are aware of and may have in connection with being appointed a Director of the Company. Directors also have a duty to declare any conflicts of interest as they become aware of it on an ongoing basis and at all Board and Board Committee meetings. Directors' key external interests are set out in their profiles below.

The Board has a high degree of oversight of the Company's activities, ensuring independent checks on all aspects of the Company's activities.

Each non-departmental Non-Executive Director is assigned one or more mentoring role for UKGI's senior leadership working on major projects or portfolio entities. These arrangements allow for a deeper insight for non-executives into the work of the organisation and provide for a more substantial challenge and independent check on the work of management. In terms of direct responsibilities, it is not expected that Directors will be formally bound by their fiduciary duties as members of the Board when acting in their mentor roles. Board decisions will only be taken by a quorum of Directors in a Board meeting.

All Committees are chaired by Non-Executive Directors.

Director indemnities

Each Director is indemnified by the Company and in turn by HMT. The Directors are therefore indemnified to the extent permitted by law in respect of the performance of their duties as Directors.

Corporate governance

As a non-listed, government-owned entity, UKGI is not required to apply the UK Corporate Governance Code but draws on the Code as a source of best practice in its reporting and governance arrangements. UKGI does not hold an annual general meeting, but holds quarterly shareholder meetings, and its sole shareholder HMT is represented on the Company's Board.

Data received by the Board

The Board receives extensive data allowing it to form judgements. Data received by the Board at each meeting includes, but is not limited to:

- an update on UKGI's financial position, including spend to date, forecasts against budget and headcount;
- a Dashboard providing narrative and quantitative data on each current entity within UKGI's portfolio; and
- a risk heatmap setting out the risks to delivery and reputation for each of UKGI's projects and portfolio entities.

Transparency

UKGI adheres to the government's transparency agenda and publishes a range of data online including:

- [UKGI Website](#)
- [Transactions over £25,000](#)
- [Corporate credit card transactions over £500](#)
- [Contracts Awarded](#)

Review of effectiveness

In November 2024, an internally facilitated Board Effectiveness Review was performed by the company secretary function. No material issues were noted, and recommendations focused on the continuous improvement of the effectiveness of the Board.

Sustainability

UKGI has fewer than 200 members of staff and occupies less than 3% of the floor space of the 3rd floor of 100 Parliament Street from the Government Property Agency, so our discrete environmental impact in terms of emissions, waste or consumption is both minimal and cannot be quantified. However, we are committed to reducing this impact wherever possible.

UKGI has assessed areas where we can reduce our environmental impact and implemented campaigns and processes to achieve positive change, through using internal awareness-raising campaigns to support colleagues to make changes in their own behaviours.

UKGI occasionally procures goods and services in its course of business. As part of this process, staff are encouraged to consider how they can not only source the most economically advantageous supplier, but also to consider the environmental merits of those entering the competition for contracts and how we can challenge/change ways of working within the contract or competition.

Payment of suppliers

In May 2010, the government introduced a five-day target for Small and Medium sized Enterprise suppliers to receive payment. During 2024-25, UKGI made 96.42% (2023-24 94.28%) of all supplier payments within five days. HMT group's target is 90%. UKGI will continue to seek further improvements in its payment processes in order to push towards making all supplier payments within five days.

Going concern

UKGI is funded annually by Parliament through grant-in-aid financed from the HMT supply estimate. UKGI's funding has been agreed for 2025-26.

The financial statements for 2024-25 show a negative reserve in the Statement of Changes in Taxpayer Equity. This reflects UKGI's funding arrangement with HMT, as set out in our framework document:

'The grant-in-aid will normally be paid in monthly instalments based on written applications showing evidence of need. UKGI will comply with the general principle that there is no payment in advance of need. Cash balances accumulated during the year from grant-in-aid or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of UKGI. Grant-in-aid not drawn down by the end of the financial year shall lapse. Subject to approval by Parliament of the relevant Estimates provision, where grant-in-aid is delayed to avoid excess cash balances at the year-end, the department will make available in the next financial year any such grant-in-aid that is required to meet any liabilities at the year end, such as creditors.'

For the purposes of the Framework Document, the relevant grant-in-aid budget has been drawn down to meet UKGI's financial obligations. Grant-in-aid cash has been transferred to meet UKGI's financial obligations as they fall due. Grant-in-aid cash has not been transferred for expenditure incurred and recognised, but not yet paid as at year end. The corresponding cash will be transferred as and when the obligations crystallise. Anticipated Grant-in-aid drawdowns cannot be accrued as income.

HMT has also formally confirmed that it undertakes to ensure that UKGI has, and always shall have, sufficient funds available to pay and discharge each and all of its financial obligations, as and when they fall due.

It has accordingly been considered appropriate to adopt a going concern basis for these financial statements.

Summary of meetings and attendance

The Board and its committees meet regularly throughout the year. All agendas are structured to allow adequate and sufficient time for discussions of the items on the agenda, particularly strategic issues. The attendance of individual Board members at Board and committee meetings during 2024-25, together with the overall number of meetings held is set out below.

Number of meetings attended in 2024-25	Board	Audit and Risk	Remuneration	Transaction	FInTAG
Vindi Banga ¹	6/6		2/2	8/12	
Andrew Duff	6/6	3/3		7/12	
Mahnaz Safa	6/6	3/3	2/2	10/12	
Andrew Ballheimer	6/6	3/3	2/2		4/4
Kalpana Desai	6/6				3/4
Andy Halford	6/6	3/3		9/12	
Iain Mackay	6/6			10/12	
Vanessa Lawrence	6/6	2/3	2/2		
Gareth Davies	4/6				
Beth Russell	4/6				
Jeremy Pocklington	2/3				
Jess Glover	2/6				
Charles Donald ²	6/6	3/3	2/2	11/12	4/4

1 Vindi Banga is the Chair of the Nominations Committee; he was invited to attend all other committee meetings as an observer.

2 Charles Donald is a member of the Transactions Committee and the Financial Instruments and Transactions Advisory Group (FInTAG) Committee; he was invited to attend all other committee meetings as an observer.

Events after the reporting period

There are no events after the reporting period which will have a material effect on the Financial Statements of UKGI.

Disclosure of information to auditors

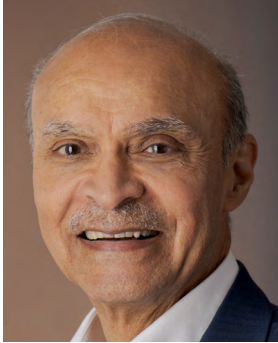
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors were aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006. UKGI has appointed the Comptroller and Auditor General as its external auditor. The National Audit Office carries out the audit for and on behalf of the Comptroller and Auditor General. The remuneration paid to its external auditor for work relating to this financial year was £65,000 plus VAT (2023-24 £58,000 plus VAT). No non-audit work was undertaken by the auditors.

Other matters

The review of business and disclosure of principle activities and risks in the year are included in the Strategic Report.

The UK Government Investments Limited Board



Vindi Banga, Non-Executive Chair

Vindi was appointed Chair of UK Government Investments in September 2021. He is also Chair of the Nominations Committee.

Vindi is an experienced Chair of public and private companies with an extensive Board career having been Senior Independent Director at M&S plc; GlaxoSmithKline; Chairman and CEO of Hindustan Unilever Ltd and Chair of privately owned companies.

He has 33 years of executive experience at Unilever, where his last role was President of the Global Foods, Home and Personal Care businesses, including serving on the Unilever Executive Board.

Current additional appointments include:

- Chair of Council at Imperial College London
- Senior Independent Director at Haleon plc
- Non-Executive Director of The Economist Group
- Partner of CD&R, a global private equity firm



Charles Donald, Chief Executive

Charles was appointed Chief Executive Officer of UK Government Investments in March 2020, having joined in May 2018 as Head of the Financial Institutions Group.

Prior to this, he had spent his entire career in investment banking. He worked in Financing from 1987 – 1992 and then Equity Research from 1992 – 2006. He then moved into UK Corporate Advisory where he held a number of senior management positions until 2018.

Charles is the Head of the Government's Corporate Finance Profession.

From 2021 – 2024, Charles served as Chair of the Working Party on State Ownership and Privatisation Practices for the OECD in Paris.

His former Board roles include Non-Executive Director of the UK Infrastructure Bank (now the National Wealth Fund), Trustee of Help for Heroes (the Armed Forces charity) and Chair of the Lambrook School Trust.



Andrew Ballheimer, Non-Executive Director

Andrew was appointed a Non-Executive Director of UK Government Investments in September 2022.

From 2016 to 2020, Andrew was the Global Managing Partner of Allen & Overy LLP (and, previously, the Global Co-Head of Corporate and UK Managing Partner of Corporate at the firm). Andrew has more than 35 years of M&A and capital markets experience advising multinational corporations and global financial institutions.

Andrew is the Founder and Co-CEO of AGILIS Sports Advisory Limited, an M&A boutique focused on the sports sector.

Current additional appointments include:

- Member of the fundraising committee of Moorfields Eye Charity
- Board member of Factor Law Inc.
- Chair of the M&A Global Advisory Board at AON PLC



Gareth Davies, Permanent Secretary for the Department for Business Trade

Gareth joined the Board of UKGI in July 2023.

Gareth Davies is Permanent Secretary of the Department for Business and Trade. Previously he was Permanent Secretary of the Department for International Trade. Gareth has also been the Second Permanent Secretary and a Director General in the Department for Transport. His responsibilities included decarbonising transport, technology, international and security.

Earlier in his career he was a Director General in the Department for Business, Energy and Industrial Strategy. He has led the Prime Minister's Strategy Unit and was a Private Secretary in Downing Street.

Gareth started his career in PricewaterhouseCoopers working across Central and Eastern Europe and has worked for AIA, the life insurance company based in Hong Kong.



Kalpana Desai, Non-Executive Director

Kalpana was appointed Non-Executive Director of UK Government Investments in September 2022. She is also the NED responsible for Employee Engagement.

Kalpana is also currently a Non-Executive Director of Janus Henderson plc, listed on the New York Stock Exchange, and Chair of its Governance and Nominations Committee, in addition to being a Non-Executive Director of Pacific Basin Shipping Limited, listed on the Hong Kong Stock Exchange. Previously, Kalpana was a member of the Takeovers and Mergers Panel of the Securities and Futures Commission in Hong Kong from 2007 to 2014, and was a Non-Executive Director at Canaccord Genuity Group Inc., listed on the Toronto Stock Exchange, from 2015-2019.

Kalpana has over 35 years of international advisory, investment banking and asset management experience. Until 2013, she was Chief Executive of Macquarie Capital Asia, the investment banking and private equity division of Macquarie Group Limited. Prior to this, she was Head of the Asia-Pacific Mergers & Acquisitions Group and a Managing Director from 2001 in the Investment Banking Division of Bank of America Merrill Lynch based in Hong Kong. Kalpana is a Fellow of the Institute of Chartered Accountants of England and Wales. She holds a BSc Economics from the London School of Economics, and a Corporate Director Certificate from Harvard Business School.

Current additional appointments:

- Non-Executive Director of Janus Henderson plc
- Non-Executive Director of Pacific Basin Shipping Limited
- Founding Trustee of the Future is Bright Charitable Trust



Andrew Duff, Non-Executive Director

Andrew was appointed Non-Executive Director of UK Government Investments in July 2019.

Andrew spent most of his executive career in the energy industry; first with BP and then Chief Executive Officer of RWE Npower. Andrew was the Senior Trustee of Macmillan Cancer Support and a member of the Steering Group on the Hampton Alexander Review. He is a Fellow of the Energy Institute. Andrew was previously Chair of Severn Trent plc and Chair of Elementis plc, a FTSE 250 chemicals company. He was a Non-Executive Director and Senior Independent Director of Wolseley plc (now Ferguson Plc) from 2004-2013.

Current additional appointments:

- Chair of Sage Group Plc, having been a member of the Board from 1 May 2021
- Member of the steering committee of the Investor and Issuer Forum



Andy Halford, Non-Executive Director

Andy was appointed Non-Executive Director of UK Government Investments in October 2023.

Andy is currently Chief Financial Officer of Aareal Bank AG having previously been Group Chief Financial Officer and Group Executive Director of Standard Chartered PLC from July 2014 until January 2024. Andy joined Standard Chartered from Vodafone Group PLC, where he spent 15 years including 9 years as Chief Financial Officer. Andy joined Vodafone Group PLC in 1999 as Financial Director for Vodafone Limited, and in 2001 he became Financial Director for Vodafone's Northern Europe, Middle East and Africa Region. In 2002, Andy was appointed Chief Financial Officer of Verizon Wireless in the US and was a Member of the Board of Representatives of the Verizon Wireless Partnership. Andy became Chief Financial Officer of Vodafone Group PLC in July 2005, a position which he held until March 2014. Prior to Vodafone, Andy was Finance Director at East Midlands Electricity PLC. Andy was, until recently, the Senior Independent Director of Marks and Spencer Group PLC and is a former Chairman of the Hundred Group of Finance Directors.

Current additional appointments:

- Non-Executive Director of Relx since April 2025

Andy holds a bachelor's degree in industrial economics from Nottingham University and is a Fellow of the Institute of Chartered Accountants in England and Wales.



Iain Mackay, Non-Executive Director

Iain was appointed a Non-Executive Director of UKGI in November 2023.

Iain spent most of his career in senior finance leadership roles and retired as CFO of GSK plc and as an executive director on the GSK Board in April 2023. Prior to joining GSK in early 2019, Iain was Group Finance Director of HSBC Holdings plc, a position he held for eight years. In his earlier career Iain undertook senior finance leadership roles for: HSBC in North America and Asia; for The General Electric Company of the US for almost 12 years in diverse areas including Consumer Finance, Healthcare and Corporate Audit and; for Schlumberger in Africa and Asia. A chartered accountant, Iain's formative career was with Thomson MacIntock in Aberdeen and with Price Waterhouse in New York and Paris. He holds an MA in Business Studies and Accounting and an Honorary Doctorate from Aberdeen University.

Current additional appointments:

- Non-Executive Director, Chair of the Audit and Risk Committee, member of the Remuneration Committee and member of the Finance Committee at National Grid plc
- Non-Executive Director of Schroders plc since January and Chair of the Audit and Risk Committee since May 2024
- Non-Executive Director of O-I Glass since May 2025



Dr Vanessa Lawrence CB, Non-Executive Director

Vanessa was appointed Non-Executive Director of UKGI in September 2023.

Vanessa has more than 35 years' experience working in the digital data community and has a background in geographical information and space applications. From 2000-2014, Vanessa was Director General and CEO of Ordnance Survey. From 2011-2015, she was a founding co-chair of the United Nations Committee of Experts on Global Geospatial Information Management (UN-GGIM). Prior to joining Ordnance Survey, she held senior roles with the billion-dollar American software company, Autodesk Inc and the global media and publishing company, Pearson plc. Today, Vanessa is working internationally as a senior advisor to overseas governments, inter-governmental organisations, and large private sector organisations.

Current additional appointments include:

- Director of Location International and Locational Global
- Non-Executive Director and Trustee of the Alan Turing Institute for Data Science and AI
- Chair of the UK's Centre for Doctoral Training in Geospatial Systems
- Adjunct Professor at the University of Southampton
- Patron of two charities – MapAction and Cure Parkinson's



Jeremy Pocklington CB, Permanent Secretary for the Department of Energy Security and Net Zero

Jeremy Pocklington is the Permanent Secretary at the Department for Energy Security and Net Zero (DESNZ).

Jeremy was previously Permanent Secretary at the Department for Levelling Up, Housing and Communities (September 2021 to February 2023), and Permanent Secretary at the Ministry of Housing, Communities and Local Government (March 2020 to September 2021).

He was Director General, Housing, Planning and Building Safety at the Ministry of Housing, Communities and Local Government from August 2018 to March 2020. Before that, he was Director General, Energy and Security at the Department for Business, Energy, and Industrial Strategy (BEIS) and in the Department of Energy and Climate Change (DECC) from February 2015 until August 2018.

Before joining DECC Jeremy was Director of the Enterprise and Growth Unit at HMT responsible for policies on growth, business and infrastructure and for advising on public spending for BIS, DfT, DECC and DEFRA. From 2009 to 2012 he was Director of the Economic and Domestic secretariat at the Cabinet Office. He joined the Treasury in 1997 and has held a range of posts on financial regulation, tax, fiscal policy, and corporate finance as well as working as an assistant private secretary to two Chief Secretaries.



Beth Russell, Second Permanent Secretary at His Majesty's Treasury

Beth joined the Board of UKGI in November 2022.

Beth was appointed as the Second Permanent Secretary of HMT in October 2022 and is head of the Darlington Economic Campus. HMT is the UK's economics and finance ministry.

Beth has worked in HMT since 2000 on a range of policy roles across tax, welfare and public spending. Previous to her current role, she was the Director General of Tax and Welfare in the Treasury between 2017 and 2022. Her earlier Treasury roles included Director of Personal Tax, Welfare and Pensions (2013-2017), Principal Private Secretary to the Chancellor of the Exchequer George Osborne (2011-2013), Deputy Director of General Expenditure Policy (2008-2011), Deputy Director of Environmental and Transport Taxes (2005-07) and Speechwriter for Gordon Brown when he was Chancellor (2001-2005) and Prime Minister (2007-2008). Beth started her career in the Department of Social Security as a policy adviser on welfare (1996-2000).



Dr Mahnaz Safa, Non-Executive Director

Mahnaz was appointed Non-Executive Director of UKGI in September 2022. She is also the NED responsible for Diversity and Inclusion, and the Chair of the Remuneration Committee.

With 30 years of experience in finance, Mahnaz has been a Senior Executive at UBS, Citi and ANZ. She led Debt Capital Markets for EMEA and headed Markets for Europe and America. Whilst at UBS and Citi, she co-chaired their respective women's leadership Executive Committees. She has previously served as a Senior Independent Director on the Board of Alternative Credit Investments, a FTSE 250 company. She has been elected the SID by Imperial College Council. Mahnaz holds a PhD in computer aided technology from Imperial College.

Current additional appointments:

- Non-Executive Director at Jefferies International Limited.
- Senior Independent Director of the Council at Imperial College where she is the Champion for Equality, Diversity, and Inclusion.
- Trustee of The Royal Anniversary Trust.

Audit and Risk Committee Report

The ARC supports the Board and the Chief Executive as Accounting Officer on matters relating to risk, internal control and governance. The members of the ARC in 2024-25 were all non-executive directors of UKGI and are:

- Andrew Halford (Committee Chair)
- Mahnaz Safa
- Andrew Duff
- Andrew Ballheimer
- Vanessa Lawrence

At least two meetings of the ARC are scheduled annually. Usually, the UKGI Chairman, Chief Executive, Risk Lead, Chief Financial Officer, General Counsel and Chief Operating Officer attend. Representatives from the external auditors, National Audit Office (NAO), and internal auditors, the GIAA, are also invited.

The ARC applies the principles of good practice as set out in HMT's Audit and Risk Assurance Committee Handbook. Accordingly, the ARC has agreed terms of reference which define its scope as follows:

Financial reporting

- Establishing and maintaining appropriate accounting policies, implementing, and monitoring the maintenance of adequate accounting and other records and systems of planning and internal control in respect of the Company.

Framework of internal control

- Critically challenging and reviewing the adequacy and effectiveness of the Company's framework of internal control, including, but not limited to, financial, governance, operations, compliance and information systems.
- Periodically reviewing the Company's business continuity plan.

Risk management

- Understanding the risk management framework and the assignment of responsibilities.
- Whilst it will be for the Board to consider the content of risk management reporting, the Board will rely on the Committee to critically challenge and review the risk management framework, and to evaluate how well the arrangements are actively working in the Company.
- "Risk" includes risks accruing directly to the Company through its activities, and risks which indirectly accrue by virtue of the governance and shareholder roles it performs, and the advice it provides on corporate finance, corporate governance and contingent liability matters.

External audit

- Overall responsibility for the relationship with the NAO

Internal audit

- Approving and, where necessary, directing the Company's internal audit programme and reviewing the performance of the GIAA's service to UKGI. During the financial year, GIAA have performed reviews on payroll, workforce planning and financial forecasting, and functional standards which resulted in an overall 'moderate' opinion.

Compliance

- Approving the Company's compliance policies, in particular the compliance manual.
- Ensuring that the Company has appropriate whistleblowing procedures in place.

The Chief Executive, as Accounting Officer, is responsible for maintaining a sound system of internal control which supports the achievement of UKGI's objectives whilst safeguarding public funds and departmental assets, in accordance with the responsibilities assigned to him in Managing Public Money. Upon the recommendation of the ARC, the Board has adopted a formal risk appetite statement setting out the level of risk that UKGI is willing to bear, the system of internal control is proportionate to that statement. The Chief Executive is supported in this by the UKGI Risk Leader, a member of the Executive Committee.

Critical to the system of internal control is the risk management framework, which ensures that the respective responsibilities of senior management, the Chief Executive, the ARC and the Board are fulfilled. The risk management framework is structured as follows:

- **Operational level risk management:** day to day risk management is the responsibility of the staff of UKGI. In order to promote good risk management, the Risk Lead chairs regular Project Review Committees, to challenge and monitor risk management on individual projects. These are augmented by Portfolio Reviews, where a peer group reviews the stewardship of government organisations with which UKGI work by UKGI teams. The Executive Committee reviews on a monthly basis the project risk map.
- **Non-Executive risk management:** oversight of risk management is provided by the Board, which receives the risk map on a bi-monthly basis, and in particular the ARC, which systematically reviews the UKGI operational and strategic risk registers.
- **Independent risk management:** UKGI has elected to utilise the services of the GIAA to provide assurance on the overall effectiveness of UKGI's risk management framework and system of internal control. This is discharged via a risk-based work programme approved by the ARC each year.

The Chief Executive as Accounting Officer has confirmed to the ARC that there were no significant control issues in the year under review and that UKGI has an appropriate and effective system of internal control and risk management framework which have been in place for the full year and up to the date of approval of the Annual Report and Accounts.

Transactions Committee Report

Activities of the Transactions Committee

The Transactions Committee comprises the Chief Executive of UKGI, the Director in UKGI's Financial Institutions Group, the Chair of the Transactions Committee and at least two additional independent non-executive directors. The current members are:

- Iain Mackay (Committee Chair from 08 August 2024)
- Vindi Banga (Committee Chair until 07 August 2024)
- Charles Donald
- Andrew Duff
- Mahnaz Safa
- Andy Halford
- Holger Vieten

The Committee convenes at a minimum every two months. Further ad-hoc meetings may be called subject to the requirements of specific transactions. To ensure the UKGI Board members are kept up to date on the activities of the Committee, the Chair provides an update to the Board as a standing item on each UKGI Board agenda.

The Transactions Committee has agreed terms of reference which define its scope as follows:

- Disposal strategy – The Committee will review and determine recommendations and advice to Accounting Officers and Ministers about major decisions to be taken by Ministers at key milestones regarding the Financial Investment Assets. Ministers and Accounting Officers retain final accountability for such decisions. Such milestones might include, but are not limited to, transaction execution strategy, the pricing of a sale or agreement to a sale in a private market transaction.
- Post-transaction – The Committee will also determine material recommendations and advice relating to its Financial Investment Assets during any period of post-transaction scrutiny.
- Stewardship – The Committee will review and make recommendations on activities which may have a material impact in determining the value of its Financial Investment Assets prior to ultimate disposal, including overseeing stewardship responsibilities for the Financial Investment Assets, and where necessary making recommendations with regard to shareholder responsibilities (including, for example, voting at shareholder meetings on behalf of the relevant government department and matters relating to remuneration, Board composition and company strategy).

Financial Instruments and Transactions Advisory Group Committee Report

Activities of the Financial Instruments and Transactions Advisory Group Committee

The FInTAG Committee's Chair is a Non-Executive Director of UKGI appointed by the UKGI Board. The Committee comprises two non-executive directors of UKGI, the Chief Executive of UKGI, UKGI's FInTAG Director, and three external appointees.

The external members have a range of relevant experience which provides the Committee with a stronger knowledge base and allows for further depth of challenge. The current members of the Committee are:

- Andrew Ballheimer (Committee Chair)
- Kalpana Desai
- Charles Donald
- Siobhán Duffy
- Matt Gurden
- Jeremy Heap
- Anthony Odgers

The Committee meets four times a year unless otherwise determined by the Chair. The Chair is responsible for reporting to the UKGI Board on the Committee's activities at each meeting of the Board, or as otherwise requested.

The Committee has an agreed terms of reference which define its scope as follows:

- The Committee will review and challenge the approach to the provision of recommendations and advice on contingent liabilities and financial transactions.
- Ministers and accounting officers retain final accountability for decision-making in relation to proposed or existing contingent liabilities, related risk frameworks and financial transactions.
- The Committee will oversee the performance of the FInTAG, regularly reviewing and monitoring performance against objectives.

Remuneration Committee Report

The following report has been prepared in accordance with the Government Financial Reporting Manual.

Activities of the Remuneration Committee

The Remuneration Committee operates as a sub-committee of the UKGI Board. It comprises the Chair, who is an independent non-executive director of the Company, and three additional independent non-executive directors. The Board is responsible for any new appointments to the Remuneration Committee. The committee members during the year were:

- Mahnaz Safa (Committee Chair)
- Andrew Ballheimer
- Vanessa Lawrence
- Iain Mackay

The committee's terms of reference state that it will meet at least once a year and ad hoc as required. The Remuneration Committee met twice in this reporting period. The Chair is responsible for reporting to the Board on the committee's activities after each meeting of the committee or otherwise as requested by the Board.

The purpose of the Remuneration Committee is to:

- approve the Company's Remuneration Framework and Performance Related Pay (PRP) policy;
- approve the Remuneration and Performance related pay of the Chief Executive and UKGI director level staff; and
- recommend the approval of remuneration packages of the Chief Executive, his direct reports and UKGI director level staff to HMT.

Remuneration policy

In approving the remuneration for Board members and other UKGI employees, the Remuneration Committee takes into account all factors which it deems necessary, including that HMT's interest is primarily in ensuring that remuneration levels:

- deliver value for money;

- are sufficient to attract and motivate high-calibre individuals to drive the delivery of the activities and objectives set out in the Framework Document and the UKGI strategic plan; and
- are in line with best practice, linked to performance, with no reward for failure or excessive risk taking.

UKGI operates a performance appraisal system through which performance is reviewed semi-annually. Performance related pay is awarded in relation to performance linked to the annual staff appraisal and takes the form of a cash payment for those staff who have performed well in their roles.

Any UKGI performance related pay is calculated as a fraction of rather than multiple of salary. It is UKGI's policy that staff employed directly by UKGI are entitled to be considered for variable pay each year on the basis of their performance and affordability.

In this report the disclosures on directors' remuneration, Cash Equivalent Transfer Value (CETV) and pensions, fair pay disclosures staff numbers and costs, exit payments have been audited. No other disclosures have been audited.

Remuneration received including pension benefits (audited)

In accordance with the requirements of FReM, remuneration is shown for UKGI's Board members and directors below:

	Salary	PRP payments	Pension benefits	Total 2024-25	2023-24
	£'000	£'000	£'000	£'000	£'000
Andrew Ballheimer	30-35			30-35	30-35
Vindi Banga	–			–	30-35
Kalpana Desai	25-30			25-30	30-35
Charles Donald	235-240	30-35		270-275	260-265
Andrew Duff	35-40			35-40	35-40
Jane Guyett	–			–	10-15 (FYE 40-45)
Andrew Halford	35-40			35-40	15-20 (FYE 35-40)
Vanessa Lawrence	30-35			30-35	10-15 (FYE 30-35)
Iain Mackay	35-40			35-40	10-15 (FYE 30-35)
Mahnaz Safa	35-40			35-40	35-40

Beth Russell, Gareth Davies, Jess Glover and Jeremy Pocklington received no fee for their roles as Directors of UKGI.

Remuneration multiples and ratios (audited)

The relationship between the remuneration of the highest-paid member of the UKGI Board and the median remuneration of the organisation's workforce is reported below.

The Chief Executive is the highest paid member of the UKGI Board. The percentage change relating to salary and allowances, and performance pay from the previous financial year in respect of the highest paid director is 4% and 0% respectively. This was 2.9 times (2023-24: 3.1 times) the median remuneration of the workforce which was £95k (2023-24 £94k).

The average percentage change relating to salary and allowances, and performance pay from the previous financial year in respect of the employees of the entity taken as a whole was (4%) and (5%) respectively (2023-24 3% and 19% respectively).

	25th percentile pay ratio		Median pay ratio		75th percentile pay ratio	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Total remuneration	61,530	59,010	95,000	94,013	124,766	131,050
Salary	55,000	51,450	95,000	90,000	110,271	114,950
Ratio	4.4	4.4	2.9	2.8	2.2	2.0

Total remuneration includes, where appropriate, salary, non-consolidated performance related payments, benefits-in-kind and any severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Total employee remuneration ranged from £0k to £293k (2023-24 £0k to £284k).

Performance related payments (PRP) (audited)

The payment of performance related awards is assessed annually by the Remuneration Committee. These one-off payments are determined by individual and Company performance and criteria associated with the UKGI performance management process and are aligned to the policy for public sector pay. The payments relating to performance in each financial year are shown separately.

	2024-25	2023-24
	£'000	£'000
Total performance related pay	1,541	1,571

Pension (audited)

Non-Executive Directors are not entitled to any pension benefits. Charles Donald receives no pension benefits.

Pensions schemes

Civil Service pensions

For staff that TUPE'd into UKGI from the Civil Service, benefits are provided through the Civil Service pension arrangements.

From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into **alpha** sometime between 1 June 2015 and 1 February 2022. Because the government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic**

and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

McCloud Remedy

When the government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members. 50 Annual Report and Accounts 2023-2024 Pensions schemes As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The public service pensions remedy is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023. This is known as “rollback”.

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Further details about the Civil Service pension arrangements can be found at the website

UK Government Investments Limited Pension Scheme

Employees who joined UKGI after 1 April 2016 are enrolled into a defined contribution pension scheme administered by Aviva; employer contributions are 5% of base salary and the employee contributes a minimum of 3%.

Staff numbers and related costs (audited)

	Permanent and FTA staff	Staff seconded into UKGI	Total 2024-25	Total 2023-24
	£'000	£'000	£'000	£'000
Salaries (including PRP)	13,944	1,946	15,890	14,721
Social security	1,741	58	1,799	1,699
Other pension costs	686	107	793	958
Recoveries in respect of outward secondments	(534)	–	(534)	(229)
Total net costs	15,837	2,111	17,948	17,149
Staff numbers (including non-executive Board members)	137	18	155	158

Staff numbers are the average monthly full time equivalent for the year. Permanent and FTA staff includes non-executive board members.

Exit payments (audited)

There were no exit payments made in 2024-2025 (2023-24 none).

Losses and special payments

UKGI has no losses or special payments to be disclosed (2023-24 none).

Male/female staff breakdown

	31 March 2025	31 March 2025	31 March 2024	31 March 2024
	Male	Female	Male	Female
Non-executive board members	7	5	7	5
Staff	69	65	88	78
Total	76	70	95	83

Equal opportunities

UKGI is an equal opportunities employer. Policies are in place to ensure that no job applicant or member of staff receives less favourable treatment on grounds of gender, gender re-assignment, marital or family status, colour, racial origin, sexual orientation, age, background, religion, disability, trade union membership or by any other condition or requirement.

Off-payroll engagement

There were no off-payroll engagements during 2024-25 (2023-24 none).

Employee relations

UKGI recognises the following trade unions: Prospect, PCS and FDA. Staff are free to join the trade unions of their choice.

Learning and development

UKGI's learning and development policy aims to ensure that its staff have the right skills to meet its objectives. UKGI provides targeted training and support for professional studies to enhance the skills base of its employees.

Staff sickness absence

The average working days lost to sick absence during 2024-25 was 4.64 days (2023-24 1.49 days).

Social, community and human rights issues

UKGI has no social, community or human rights issues to report which are relevant to understanding its business.

Statement of Directors' and Accounting Officer's responsibilities in respect of the Directors' Report and 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 they have elected to prepare the Financial Statements in accordance with UK adopted International Accounting Standards and applicable law (International Financial Reporting Standards). The Financial Statements are required by law to 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 have:

- selected suitable accounting policies and then apply them consistently;
- made judgements and estimates on a reasonable basis;
- ensured the Financial Statements give a true and fair view of the state of affairs of the company and of the profit or loss of the company
- stated whether the applicable International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepared the Financial Statements on a going-concern basis.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its Financial Statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

This report has been approved by the Board of Directors and is signed by the Chief Executive and Chairman on behalf of the Board of Directors.

The Principal Accounting Officer of HMT has designated the Chief Executive as the Accounting Officer of UKGI. The responsibilities of an Accounting Officer, including

responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding UKGI's assets, are set out in Managing Public Money, published by HMT.

In preparing these Financial Statements, the Accounting Officer has complied with the requirements of the Government Financial Reporting Manual;

- that there is no relevant audit information of which the auditors are unaware;
- that he has taken all steps he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information;
- to confirm that he takes responsibility for the judgements made to ensure the annual report and accounts as a whole is fair, balanced and understandable;
- that the Annual Report and Accounts as a whole are fair, balanced and understandable;
- to observe the Accounts Direction issued by HMT, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- to make judgements and estimates on a reasonable basis;
- to state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and are in accordance with the Companies Act 2006; and
- to prepare the financial statements on a going concern basis.

The Directors' Report was approved by the Board of Directors on 10 July 2025 and was signed on its behalf by:

Charles Donald

Chief Executive

Vindi Banga

Chairman

UKGI Company Number 9774296

Independent Auditor's Report to the Members of UK Government Investments Limited and the Houses of Parliament

Opinion on financial statements

I have audited the financial statements of UK Government Investments Limited for the year ended 31 March 2025.

The financial statements comprise UK Government Investments Limited's

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the UK adopted International Accounting Standards.

In my opinion the financial statements:

- give a true and fair view of the state of UK Government Investments Limited's affairs as at 31 March 2025 and its net operating expenditure before and after tax for the year then ended; and
- have been properly prepared in accordance with the UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of UK Government Investments Limited in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that UK Government Investments Limited's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on UK Government Investments Limited'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.

My 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, but does not include the financial statements and my auditor's report thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements

themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion the part of the Remuneration Committee Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual.

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

- the information given in the Strategic Report and the Directors' Report and Governance Statement 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 and Governance Report have been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of UK Government Investments Limited and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report or the Directors' Report and Governance Statement.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration Committee Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' and Accounting Officer's Responsibilities, the directors are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;

- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within UK Government Investments Limited from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006;
- preparing the Annual Report in accordance with the Companies Act 2006;
- preparing the Remuneration Committee Report in accordance with the Government Financial Reporting Manual; and
- assessing UK Government Investments Limited'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 intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the applicable law and International Standards on Auditing (UK) (ISAs (UK))

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of UK Government Investments Limited's accounting policies and performance incentives.
- inquired of management, UK Government Investments Limited's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to UK Government Investments Limited's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including UK Government Investments Limited's controls relating to the UK Government Investments Limited's compliance with the Companies Act 2006 and Managing Public Money;
- inquired of management, UK Government Investments Limited's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within UK Government Investments Limited for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of UK Government Investments Limited's framework of authority and other legal and regulatory frameworks in which UK Government Investments Limited operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of UK Government Investments Limited. The key laws and regulations I considered in this context included Companies Act 2006, Managing Public Money, employment law and tax Legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my 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 my report.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Stephen Young (Senior Statutory Auditor)

10 July 2025

For and on behalf of the

Comptroller and Auditor General (Statutory Auditor)

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

A photograph of the Tower Bridge in London, featuring its iconic stone towers and blue-painted steel structure. A red double-decker bus is crossing the bridge, with passengers visible on the upper deck. The bus has 'Aldgate' and the number '42' on its destination sign, and an advertisement for 'The UK's ultra-fast grocery delivery app' on its side. A red banner is overlaid across the middle of the image, containing the title 'Financial Statements' in white text.

Financial Statements

Financial Statements of UK Government Investments Limited

Statement of comprehensive net expenditure for the year ended 31 March 2025

	Notes	2024-25 £'000	2023-24 £'000
Staff costs	3	18,482	17,378
Operational costs	4	8,240	8,056
Total operating expenditure		26,722	25,434
Revenue	5	(7,398)	(6,784)
Net operating expenditure before financing		19,324	18,650
Finance expenditure	6	–	1
Net operating expenditure		19,324	18,651

The notes on pages 69-76 are an integral part of these financial statements. All activities are classified as continuing. There has been no other comprehensive income or expenditure in the current year.

Statement of financial position as at 31 March 2025

	Notes	2024-25 £'000	2023-24 £'000
Non-current assets			
Property, plant and equipment	8	181	199
Total non-current assets		181	199
Current assets			
Cash and cash equivalents	9	1,124	518
Trade and other receivables	10	1,102	3,330
Total current assets		2,226	3,848
Total assets		2,407	4,047
Current liabilities			
Trade and other payables	11	(5,501)	(6,417)
Total current liabilities		(5,501)	(6,417)
Total assets less current liabilities		(3,094)	(2,370)
Taxpayers' equity			
General fund		(3,094)	(2,370)
Total taxpayers' equity		(3,094)	(2,370)

The notes on pages 69-76 are an integral part of these financial statements. These financial statements were approved by the Board of Directors on 10 July 2025 and were signed on its behalf by

Charles Donald

Chief Executive

UK Government Investments Limited company number 09774296

Statement of cash flows for the year ended 31 March 2025

	Notes	2024-2025 £'000	2023-2024 £'000
Cash flows from operating activities			
Net operating expenditure before financing		(19,324)	(18,650)
Depreciation	8	18	430
Decrease/(Increase) in trade and other receivables	10	2,228	(1,609)
(Decrease)/Increase in trade and other payables	11	(916)	1,767
Net cash outflow from operating activities		(17,994)	(18,062)
Cash flows from investing activities			
Purchase of assets		–	(205)
Net cash inflow/(outflow) from investing activities		–	(205)
Cash flows from financing activities			
Grant-in-Aid from HM Treasury		18,600	18,125
Payment of interest and other finance expenditure	6	–	(1)
Repayment of lease liability		–	(228)
Net financing		18,600	17,896
Net increase/(decrease) in cash and cash equivalents in the period		606	(371)
Cash and cash equivalents at the beginning of the period		518	889
Cash and cash equivalents at the end of the period		1,124	518

The notes on pages 69-76 are an integral part of these financial statements.

Statement of changes in taxpayers' equity for the year ended 31 March 2025

	General Reserve £'000
Balance at 1 April 2023	(1,844)
Grant-in-Aid from HM Treasury	18,125
Comprehensive expenditure for the year after tax and transfer	(18,651)
Balance at 31 March 2024	(2,370)
Grant-in-Aid from HM Treasury	18,600
Comprehensive expenditure for the year	(19,324)
Balance at 31 March 2025	(3,094)

The notes on pages 69-76 are an integral part of these financial statements.

Notes to the Financial Statements

1. Reporting entity

UK Government Investments Limited (UKGI or the Company) is a Company limited by shares incorporated in the United Kingdom. The address of the Company's registered office is 27-28 Eastcastle Street, London W1W 8DH. The principle place of business is 100 Parliament Street, London, SW1A 2BQ.

2. Statement of accounting policies

The Financial Statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and, as appropriate, in relation to the financial statements and selected disclosures within the Annual Report only, the Government Financial Reporting Manual and other guidance issued by HMT where the disclosure requirements of these go beyond the Companies Act 2006. The financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee interpretation.

(a) Accounting convention

These accounts have been prepared on an accruals basis under the historical cost convention.

(b) Impact of new standards

UKGI has considered the newly issued accounting standards, interpretations and amendments to published standards that are not yet effective, including IFRS 18 *Presentation and Disclosure of Financial Statements* and IFRS 19 *Subsidiaries without Public Accountability: Disclosures*. None are expected to have an impact on UKGI's financial statements.

(c) Going concern

It has been considered appropriate to adopt a going concern basis for the preparation of these financial statements as UKGI has in place an agreed budget settlement with HMT, comprising a commitment to financial year 2025-26. UKGI's status was reviewed in 2024 and will be reviewed every 3 years. The going concern disclosures on page 34 of the Annual Report detail in full the basis on which the Directors consider it appropriate to prepare these Accounts on a going concern basis.

(d) Revenue

Revenue is recognised in the statement of comprehensive expenditure on an accruals basis. Staff costs recovery, fees charged to other government departments in relation to

shareholder services and recoveries and recharges are charged, received and recognised in the period to which the services relate to.

(e) Financing

The company is financed via Grant-in-Aid from HMT. The Grant-in-Aid is credited to the general fund in the year in which it is received. The total Grant-in-Aid received by the company from HMT in the financial year 2024-25 was £18.6m (2023-24 £18.1m).

(f) Pensions

The provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS), are described in the Remuneration Committee Report, and cover staff transferred from the Civil Service and who are subject to TUPE. The defined benefit schemes within the PCSPS and CSOPS are unfunded and contributory. UKGI recognises as a cost the monthly charges made by the PCSPS and CSOPS to contribute to the schemes. PCSPS and CSOPS can't be accounted for as a defined benefit plan as it is not possible to identify the UKGI-specific element of the multi-employer scheme.

Employees are entitled to enroll into UKGI's group stakeholder pension plan, a defined contribution scheme administered by Fidelity. Contributions are charged in the Statement of Comprehensive Net Expenditure as they become payable in accordance with the rules of the scheme.

(g) Employee benefits

The Company has accrued for the cost of the outstanding employee paid holiday entitlement. The accrual is based on salary, employer's National Insurance contributions and pension contributions.

(h) Financial instruments

UKGI is not exposed to significant financial risk factors arising from financial instruments. Financial assets and liabilities are generated by day-to-day operation activities rather than being held to change the risks facing UKGI in undertaking its activities.

UKGI's financial assets are: trade receivables due from related parties and other trade receivables.

UKGI's financial liabilities are: trade and other payables due to related parties, other trade payables and lease liabilities.

The carrying values of short-term financial assets and liabilities (at amortised cost) are not considered different from fair value.

i) Market risk

Market risk is the possibility that financial loss might arise as a result of changes in such measures as interest rates and stock market movements. The vast majority of UKGI's transactions are undertaken in sterling and so its exposure to foreign exchange risk

is minimal. UKGI's income and operating cash flows are substantially independent of changes in market interest rates.

ii) Credit risk

Credit risk arises from deposits with banks as well as credit exposures to HMT and other debtors, including amounts due from other government departments. The credit risk exposure to HMT and other government departments is considered negligible; UKGI's operating costs are recovered from HMT, which is financed by resources voted by Parliament. Surplus operating cash is only held within the Government Banking Service.

iii) Liquidity risk

Liquidity risk is the possibility that UKGI might not have funds available to meet its commitments to make payments; this is managed through prudent cash forecasting and is considered negligible as expenses are recouped through grant-in-aid.

(i) Tax

Value Added Tax – input tax on purchases is partially recoverable, in proportion to the Company's taxable outputs. Irrecoverable tax is charged to the relevant expenditure category or included in the capitalised purchase of non-current assets. Where output VAT is charged, or input VAT is recoverable, amounts are stated net of VAT.

Corporation Tax – UKGI is liable to pay corporation tax where taxable income exceeds the costs associated with that income. No payment was made to HMRC in the current or previous period.

(j) Non-current assets and depreciation

The value of the Company's non-current assets is stated at cost less accumulated depreciation and impairment losses. Only those assets costing more than £5,000 and having an economic value to the Company beyond the year in which they were bought are capitalised. Where parts of an item have different useful lives, they are accounted for as separate assets. Depreciation is applied on a straight-line basis over the estimated useful economic lives of assets. Depreciation methods, useful lives and residual values of non-current assets are reviewed at least at each balance sheet date.

Estimated useful economic lives of non-current assets

Asset type	Estimated Useful Life
Office furniture and fittings	Ten years
Leasehold improvements	The remaining period of the lease
Right-of-use-assets	The remaining period of the lease

(k) Leases

Leases are recognised and measured under IFRS 16. At the inception of each contract, the Company assesses whether the contract is, or contains a lease, where a lease is any arrangement which conveys the right to control an asset for a period of time in exchange for consideration as set out in note 2 (m). The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and is depreciated on a straight-line basis over the residual lease term. The lease liability is initially measured at the present value of remaining lease payments, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, a rate determined by HMT and based on government's incremental borrowing rate.

(l) Functional & presentational currency

These Financial Statements are presented in pounds sterling, which is the Company's functional currency.

(m) Estimates and judgements

IFRS 15 requires that revenue is recognised as and when performance obligations have been satisfied. As described in note 2 (d) above, no judgement is required as to the satisfaction of these performance obligations as revenue is charged, received and recognised in the same period as the services performed.

IFRS 16 requires the company to assess whether any new contract is, or contains a lease. At inception of the contract at 100 Parliament Street, the company assessed that the contract is not a lease, due to the conditions of '*IFRS 16 B14 Substantive substitution rights*' being met and therefore no 'right-of-use' asset and corresponding liability has been recognised in respect of this contract.

The company determines the licence term as the non-cancellable term of the licence.

3. Staff costs

	2024-25 £000	2023-24 £000
Salaries	13,944	13,226
Employer national insurance contributions	1,741	1,635
Pensions costs	686	802
Seconded	2,111	1,715
Total Costs	18,482	17,378

Further details of staff costs and numbers are disclosed in the Remuneration Committee Report.

4. Operational costs

	2024-25 £000	2023-24 £000
Office related costs	2,061	2,796
Professional services	5,741	4,484
Staff related costs including training, travel and expenses	417	342
Depreciation	18	430
Other operating expenditure	3	4
Total Costs	8,240	8,056

Professional services include audit fees payable to the National Audit Office of £68k plus VAT being £65k for work relating to 2024-25 and £3k for work relating to 2023-24 (2023-24 £58k being £55k for work relating to 2023-24, and £3k for work relating to 2022-23).

5. Revenue

	2024-25 £000	2023-24 £000
Staff costs recovery	534	229
Revenue from other government departments	5,994	5,175
Recharges and recoveries	870	1,380
Total	7,398	6,784

Revenue from other government departments includes £5,542k relating to fees charged for the provision of shareholder services. Staff costs recovery represents income from the secondment of UKGI staff to other government departments and public bodies. Recharges and recoveries are the reimbursement of professional advice related costs incurred by UKGI on behalf of UKGI's partner bodies, and fees charged for UKGI staff acting as NEDs.

6. Finance expenditure

Finance expenditure of £1k in prior year comprises of the interest portion of the lease liability only.

7. Directors' emoluments

	2024-25 £000	2023-24 £000
Directors' emoluments	522	495
Total	522	495

Directors' emoluments include salary, performance pay awarded in the period and employer's pension contributions. Full details of the Directors' remuneration including policies are available within the remuneration section of this report.

8. Property, plant and equipment and right-of-use assets

Property, plant & equipment and Right-of-Use Assets	Right-of-use assets £'000	Leasehold improvements £'000	Office Furniture and Fittings £'000	Total £'000
At 1 April 2023	1,725	604	–	2,329
Additions	–	–	205	205
Disposals	(1,725)	(604)	–	(2,329)
At 31 March 2024	–	–	205	205
Depreciation				
At 1 April 2023	(1,428)	(477)	–	(1,905)
Depreciation charge for the year	(297)	(127)	(6)	(430)
Depreciation on disposals	1,725	604	–	2,329
At 31 March 2024	–	–	(6)	(6)
NBV at 31 March 2024	–	–	199	199
At 31 March 2024	–	–	205	205
Additions	–	–	–	–
At 31 March 2025	–	–	205	205
Depreciation				
At 31 March 2024	–	–	(6)	(6)
Depreciation charge for the year	–	–	(18)	(18)
At 31 March 2025	–	–	(24)	(24)
NBV at 31 March 2025	–	–	181	181

9. Cash and cash equivalents

	2024-25 £000	2023-24 £000
Cash held with the Government Banking Service	1,124	518
Total	1,124	518

10. Receivables

	2024-25 £000	2023-24 £000
Trade and other receivables	145	1,921
Prepayments and accrued income	957	1,409
Total	1,102	3,330

Prepayments and accrued income include prepayments of £576k (2023-24 £396k) and accrued income of £381k (2023-24 £1,013k).

11. Payables

	2024-25 £000	2023-24 £000
Trade & other payables	839	303
Accruals	4,196	5,672
Taxation and social security	466	442
Total	5,501	6,417

12. Commitments and leases

There were no leases in the current year and the Company has not entered any capital commitment contracts.

13. Called up share capital

The Company's share capital consists of one Ordinary Share of £1. The share is fully paid up.

14. Related party transactions

UKGI is a wholly owned subsidiary of HMT. HMT is regarded as a related party. During the year, UKGI has had various significant transactions with HMT, primarily in relation to the provision of secondees, recoveries for IT, finance and HR shared services.

UKGI also made material transactions with GPA, primarily in relation to the provision of accommodation services.

UKGI had significant transactions for the outward secondment of staff with the Department for Energy, Security and Net Zero, Ministry of Defence, and Department for Business and Trade.

UKGI also received income related to the provision of Shareholder services from the Department for Transport, the Ministry of Defence, the Department for Energy, Security and Net Zero, the Department for Science, Innovation and Technology, the Department for Business and Trade, the Ministry of Housing, Communities and Local Government, the Cabinet Office and the Department for Culture, Media and Sport.

No Board member, key manager or other related party has undertaken any material transactions with UKGI during the year. Details about the Board members' remuneration are included on page 49.

15. Contingent assets and liabilities

UKGI has no contingent assets. UKGI has entered into a series of industry standard indemnities with financial services firms as part of managing the disposal of HMG's shareholdings. The probability of any outflow of resources in relation to these indemnities is deemed to be remote. The number and breadth of participants involved and value of any transaction is such that it is not possible to assert with any confidence what a suitable estimate might be.

16. Ultimate controlling party

The ultimate parent entity and controlling party of UKGI is HMT, which holds the entire allotted share capital of ordinary shares of £1. HMT is domiciled in the United Kingdom and is located at 1 Horse Guards Road, London. UKGI is consolidated in the HMT Group accounts.

17. Dividends

UKGI has no intention of making a profit and does not intend to declare a dividend at any point. No dividend was declared or paid during the year (2023-24: Nil).

18. Events after the reporting period

There are no events after the reporting period which will have a material effect on the 2024-25 financial statements of UKGI.

19. Date authorised for issue

The financial statements were authorised for issue on the same date as the audit report.



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