Personal Finance Society

Standards. Professionalism. Trust.

Report and Financial Statements 2025

Year ended 31 December 2025

thepfs.org

Contents

Reference and administrative details

Directors

Name	Start of appointment	Member of the Personal Finance Society since
Carla Brown (President and Chair), FPFS, MSc, Chartered Financial Planner, Certified Financial Planner	22/06/2023	2005
Ian Callaghan, FCII, BA (Hons) Chartered Insurance Broker	18/03/2025	-
Michael Crane, ACII, Chartered Insurer	19/06/2024	-
Kathryn Gannon, FPFS, Chartered Financial Planner	01/03/2025	2007
Edward Grant, FPFS, MSc, Chartered Financial Planner	12/07/2023	2005
Adam Harper, FCABS	05/03/2026	
Matthew Hill	30/09/2024	-
Roger Jackson, AFPS, Chartered Financial Planner	01/12/2025	2013
Craig Palfrey, DipPFS, Certified Financial Planner	01/03/2025	2005
Alan Whittle FPFS, Chartered Financial Planner	02/03/2026	2007

Our thanks to directors who served on the board during the reporting period:

Name-	Start of appointment	End of appointment
Trevor Edwards, FCCA, MBA, Cert CII	30/09/2024	08/08/2025
Christine Elliott	12/07/2023 Reappointed - 19/09/2024	01/06/2024 10/04/2025
Mathew Mallett	30/09/2024	04/04/2025
Deborah Mitchell, DipPFS	01/06/2024	30/11/2025
Gillian White, Chartered FCIPD, Chartered Director	01/06/2024 Reappointed - 30/09/2024	19/06/2024 31/12/2025
Daniel Williams	22/06/2023	19/05/2025
Ben Wright	20/02/2024	19/05/2025

AUDITOR
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

REGISTERED OFFICE
1st Floor
30 Old Broad Street
London
EC2N 1HT

Directors' report

for the year ended 31 December 2025

The directors present their report and financial statements for the year ended 31 December 2025 in accordance with the Companies Act 2006.

Company information

The Society is a company limited by guarantee and registered in England and Wales. The address of its registered office is disclosed on page 2.

Principal activities

The Personal Finance Society (the Society or Company) is a professional body for financial advisers and associated or supporting roles. It seeks to represent the interests of the public by influencing the technical and behavioural standards of the advice profession, and collaborates with regulators, government and other interest groups.

Review of business results

The Personal Finance Society (the Society or Company), in line with its planned strategy, ended 2025 with stable net asset reserves at £18.6 million, which continues to be sufficient to ensure that the Society has the resources to continue delivering value to the public, through its membership, well into the future. This remains the equivalent of 23 months of normalised operating expenditure before any mitigating activities.

The qualification success of our members continued to drive professional standards with those becoming Associates and Fellows continuing to grow, while 477 members achieved Chartered Financial Planner status in 2025 (2024: 498). While the number of new Chartered Financial Planners was slightly lower year on year, the total number of Chartered Financial Planners increased to 8,471 at the end of 2025, up from 8,392 in 2024. This commitment from members to push beyond the minimum regulatory qualification standards supports and aligns with the Society's objective of improving consumer confidence and trust and demonstrates the Society's strategic success in driving professional standards.

Financial results

The total financial result for the Society in 2025 was a loss before tax of £27k (2024: loss before tax of £0.66 million). The financial result of the Society for the year is set out in the statement of income and expenditure on page 10.

In 2025, the PFS experienced a decrease in the total number of members, ending the year at 36,807 members which is 1,896 fewer members at the end of 2025 than at the start of the year. As a result of the movement and mix in member volume, total membership revenue of the PFS for 2025 was £7.27 million (2024: £7.66 million).

Revenue from event sponsorship (Conferences, seminars and other training and professional activities) increased to £1.22 million (2024: £1.05 million). Sponsored events incurred a financial loss to the Society of £0.70 million (2024: £0.15 million) and this was planned by the Board as a means of utilising PFS's reserves to invest in the quality of events delivered to members.

Total operating expenses in 2025 of £9.30 million (2024: £10.16 million) were £0.86 million lower than the prior year. The main decrease in operating expenses related to the reduced recharge costs from the Chartered Insurance Institute reflecting Group activities and projects. The total benefit recharge in 2025 was £5.64 million (2024: £6.96 million), a net decrease of £1.32 million in the year. 2025 included a £0.5m contribution to centrally incurred expenditure towards the membership modernisation project. 2024 included a non-routine recharge of £2.6 million relating to the PFS's contribution to historical expenditure of the Group for which the PFS received benefit and examination support.

The PFS recorded non-operating items in 2025 (interest receivable and taxation) resulting in a credit of £0.81 million (2024: non-operating credit of £0.96 million).

The net reserves of the Society were stable in the year and now stand at £18.59 million (31 December 2024: £18.58 million), and this level represents 23 months of reserve cover (which is the number of months of operating expenditure represented by the reserves), thus providing sufficient protection against future risks and uncertainties which the Society may face. The Board recognises that the level of reserves of the PFS remains quite high and continues to seek ways that the reserves may be utilised for the benefit of members and the wider profession.

In line with its agreed strategy, a PFS Investment Committee, comprised of Board members, was formed to oversee the performance of its investment portfolio. The average return of deposits and investments in 2025 was 4.91% (4.23% 2024) and the Board has also appointed two discretionary investment managers to ensure the reserves are managed effectively for the medium to long term.

There were 24,381 Statements of Professional Standing (SPS) issued to regulated practitioners in 2025 which represents an increase of 271 or 1.1% in SPSs issued to professionals. The total number of members at the end of the year was 36,807, a decrease of 1,896 or 5% against 2024 members.

Investing in and growing our membership remains a priority and the Board will continue to use reserves to achieve this ambition, including the launch of a £1 million investment, "Pathway to the Profession", to support new entrants. At its core, the initiative has provided free access to PFS membership for 500 individuals alongside support for professional qualifications, including study materials and examination entry. This combined offer ensures that individuals are not only introduced to the profession but are also supported in progressing towards recognised professional standards.

During the year, the Personal Finance Society (PFS) played a central role in supporting the development of financial planning professionals through high-quality qualifications, learning content and continuing professional development (CPD).

Activity across learning and assessment maintained its recovery, with increased exam sittings and qualification completions compared to recent years. This reflected a growing engagement with professional development and a positive shift towards rebuilding the talent pipeline.

Directors' report *continued*

In particular, there was an increase in candidates progressing through to advanced-level qualifications, an important indicator of both commitment to professionalism and future capacity within the sector.

PFS POWER has grown into a highly valuable and distinctive part of the organisation's member offering. Led by practitioners for practitioners, it provides practical, experience-led content that complements formal technical qualifications by focusing on the skills that are not traditionally taught, particularly the human and behavioural aspects of financial planning. Over the past year, work has been undertaken to better align PFS POWER with the wider communications and professional standards framework, ensuring its content supports broader organisational priorities while retaining the authenticity that has driven its success. As a result, it now represents a rich and increasingly integrated resource for members seeking to enhance their professional capability beyond technical knowledge.

Building on the continued success of our local and regional events, our National Conference 2025 was held in November at ExCeL London, and brought together around 2,000 financial planning professionals, making it the largest event of its kind in the UK.

It focused on the key structural challenges facing the profession, including access to advice, talent shortages, technological change, and evolving client expectations, and provided a platform for industry leaders, regulators, and practitioners to exchange insights and explore practical solutions.

A central focus was addressing the widening advice gap, with discussions centred on how to make financial guidance more accessible and affordable for a broader population. It also highlighted the talent gap, recognising the need to attract and develop new entrants as demand for advice grows and experienced professionals retire. In addition, our programme explored the innovation gap, emphasising the role of technology, particularly digital tools and artificial intelligence improving efficiency, compliance, and client engagement.

The programme featured a diverse range of keynote speakers, including the England footballers Beth Mead MBE and Lucy Bronze MBE, who shared insights on high performance, resilience, and teamwork. Through keynote speeches, panel sessions, and networking opportunities, it reinforced the importance of collaboration across the industry and underscored our commitment to supporting a more inclusive, innovative, and future-ready financial planning profession.

Feedback from attendees was very positive.

Governance and Operating Model

The directors who served the Society during and after the year ended 31 December 2025 are listed on page 2.

2025 was an important period of reflection and renewal at Board level. The PFS took steps to strengthen governance and clarify its strategic direction, ensuring the Society is well placed to represent members and champion professional standards.

A key element of this work was resetting the relationship between the Personal Finance Society and the CII Group. Through constructive engagement and a shared commitment to serving members, we established a clear operational framework. This renewed relationship allows us to focus on what matters most: supporting members, promoting professionalism and enhancing the reputation of financial planning.

Strong governance provides the stability needed to move forward with confidence. With an effective, stable Board, robust financial position and an aligned approach between the PFS and the CII Group, the Society is now in a very strong position to focus on the opportunities ahead.

Going concern

The PFS remains a financially resilient organisation having 23 months of normal operating expenditure represented by its capital and reserves. The PFS continues to demonstrate its commitment to supporting members and in 2025 the Society utilised some of its capital and reserves to fund member events with an enriched program to enhance members' experience and continues to do so for 2026. The Society intends to continue delivering events that are rich in content, meeting members' needs and supported by a greater contribution from the Society's reserves to ensure that the Society has greater control over the delivery of content.

There continues to be progress in the relationship with the Chartered Insurance Institute (CII), with greater collaboration between the boards of the PFS and CII. There are significant developments within financial planning which the PFS remains committed to ensuring that members are well equipped to support customers and bring further value to society at large. The collaboration between PFS and CII is expected to continue as both boards seek to address challenges facing PFS members, one of them being improvement of the examination experience of members. The directors will also ensure that costs that are shared with the Chartered Insurance Institute continue to benefit the financial planning profession and members of the PFS.

The directors are of the view that the financial resilience and organisational stability of the PFS means that the Company is a going concern and that it is appropriate to prepare the financial statements of the PFS as at 31 December 2025 on a going concern basis.

Principal risks and uncertainties

Our core membership numbers remain broadly stable, despite a reduction of 5% in 2025 and follows wider financial profession trends. There continues to be risks from inflation and ongoing economic uncertainty posed by domestic and international factors. The Society maintained its focus on developing a healthy and collegiate relationship with the CII, and on governance development alongside extending our Board to represent our members.

The regulatory and international geopolitical landscape remains uncertain, and it will be important to ensure the Society continues to engage the FCA and government to ensure our members' views are represented with the regulator and government.

Stability and growth are key elements of the group's strategy as the PFS Board moves on from addressing governance matters to identifying long-term growth, enhancing our events delivery and expanding our membership value as core elements that will sit at the heart of organisational strategy. The Society will focus on forging relationships with all aspects of the profession to ensure that the future for both the profession and its members is a priority for the coming year.

Members

At 31 December 2025, the Society had 36,807 (31 December 2024: 38,703 members) members across all designations and includes the Pathway to the Profession free membership (up to 500).

The composition of members is set out below:

	2025	2024
Fellows	4,114	4,058
Associates	4,823	4,814
Diploma	20,230	21,162
Certificate	2,545	2,876
Student and Affiliates	5,095	5,793
Total Society Members	**36,807**	**38,703**

Personal Finance Society diploma members and above are also members of the European Financial Planning Association (EFPA) which has 101,400 certified members across 13 countries. EFPA is a leading professional standards setting body for financial planners, building public confidence and trust across Europe.

The members have undertaken to contribute to the assets of the Society in the event of the Society being wound up. Each member's contribution is limited to an amount not exceeding £1.

Auditor

All of the current directors have taken all of the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

Crowe U.K. LLP was reappointed as the Institute's auditor during the year and has expressed its willingness to continue in that capacity.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law) including FRS102. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the directors are required to:

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

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

So far as each of the directors at the date of this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies in accordance with Chapter 3 of Part 16 of the Companies Act 2006.

This report of the directors was approved by the Board and signed on its behalf by

CARLA BROWN
Director

MATTHEW HILL
CII, Chief Executive Officer

On behalf of the Board of Directors
Date: 19 August 2026

Independent auditor's report

To members of the Personal Finance Society

Opinion

We have audited the financial statements of The Personal Finance Society for the year ended 31 December 2025 which comprise the Statement of income and expenditure, Statement of financial position, Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors’ responsibilities, Page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, General Data Protection Regulations and taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and income recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases. We also focussed our testing on the recognition of income received around the end of the financial year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council’s (“FRC’s”) website at:

https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

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

JULIA POULTER
Senior Statutory Auditor

JPoulter

For and on behalf of **Crowe U.K. LLP**
Statutory Auditor, London, UK
Date: 24 August 2026

Financial statements

Statement of income and expenditure

For the year ended 31 December 2025

	Notes	2025	2024
		£000	£000
Revenue			
Conferences and professional activities		**1,223**	1,048
Membership subscriptions		**7,273**	7,657
Total revenue		**8,496**	8,705
Direct expenditure on conferences and professional activities		**(2,484)**	(1,752)
Other administration expenses	2	**(6,770)**	(8,274)
Distribution costs		**(45)**	(129)
Total operating expenditure		**(9,299)**	(10,155)
Operating loss	3	**(803)**	(1,450)
Interest receivable		**776**	788
(Loss)/profit on ordinary activities before taxation		**(27)**	(662)
Tax credit on profit on ordinary activities	4	**30**	172
Profit/(Loss) on ordinary activities after taxation for the financial year		**3**	(490)
Net movement in reserves			
Opening reserves		**18,583**	19,073
(Loss)/profit for the financial year		**3**	(490)
Closing reserves		**18,586**	18,583

All of the results are derived from continuing operations.

There are no gains or losses other than stated above and therefore no separate statement of total recognised gains and losses is prepared.

Statement of financial position

As at 31 December 2025

	Notes	2025	2024
		£000	£000
Non-current assets			
Investments		**498**	-
Deferred tax asset	6	**202**	172
Total non-current assets		**700**	172
Current assets			
Debtors	7	**4,519**	7,853
Cash at bank		**15,799**	13,256
		20,318	21,109
Creditors: amounts falling due within one year	8	**(2,432)**	(2,698)
Total current assets less current liabilities		**17,886**	18,411
Total net assets		**18,586**	18,583
Capital and reserves		**18,586**	18,583

The financial statements have been prepared in accordance with the special provisions relating to small companies in accordance with Chapter 3, Part 16 of the Companies Act 2006.

The financial statements on pages 11 to 20 were approved and authorised for issue by the Board 19 August 2026

CARLA BROWN
Director

Registered number: 05084125

The notes on pages 11 to 15 form part of these financial statements.

Statement of cash flows

As at 31 December 2025

	2025	2024
	£000	£000
Cash flows from operating activities		
Surplus before taxation	**(27)**	(662)
Adjustments for:		
Net interest receivable	**(776)**	(788)
Decrease in trade and other debtors	**3,335**	1,137
Increase/(decrease) in trade and other creditors	**73**	53
(Decrease)/increase in deferred income	**(338)**	(9)
Cash provided by operations	**2,267**	(269)
Taxation paid	**-**	(65)
Net cash provided by operating activities	**2,267**	(334)
Cash flows from investment activities		
Purchase of investments	**(500)**	-
Interest earned, net	**776**	788
Net cash increase in investing activities	**276**	788
Net increase in cash and cash equivalents	**2,543**	454
Cash and cash equivalents at the beginning of the year	**13,256**	12,802
Cash and cash equivalents at the end of the year	**15,799**	13,256

The Society's external debt as at 31 December 2025 was £nil (31 December 2024: £nil). As a result, no net debt reconciliation is presented.

The notes on pages 11 to 15 form part of these financial statements.

Notes to the financial statements

1. Accounting policies

a) Basis of preparation

The Personal Finance Society (The PFS or the Society) is a private company limited by guarantee, incorporated in England & Wales under the Companies Act. The registered office is given in 'Reference and administrative details' on page 2, and the principal activities of the Society are set out of page 3 of the Directors' Report.

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

The Society is not required under Financial Reporting Standard 102, 'Statement of Cash Flows', to prepare a cash flow statement as it is a subsidiary undertaking of the Chartered Insurance Institute, an organisation incorporated by Royal Charter, whose financial statements include a consolidated cash flow statement. However, the Society has elected to prepare a cashflow statement for the benefit of users of these financial statements.

b) Going concern

The Society continues to maintain significant net asset reserves which totalled £18.59 million as at 31 December 2025 and includes total cash and cash equivalents of £15.80 million which is more than sufficient to support the Society for a period which exceeds 12 months from the date that these financial statements are approved.

The directors remain of the view that there are no material uncertainties that call into doubt the PFS's ability to continue for at least 12 months from the date that these accounts are approved. The financial statements have therefore been prepared on a going concern basis.

c) Revenue

Membership subscriptions are credited to the statement of income and expenditure on a proportional basis across the membership period. Any subscription amounts allocated to a future financial period are carried forward as deferred income in the balance sheet. Revenue from conferences, seminars and other training and professional activities is accounted for, excluding VAT, in the period in which the activity takes place. Revenue is derived predominately in the UK.

d) Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is measured on an undiscounted basis.

e) Interest receivable

Interest receivable is included in the financial statements of the period in which it is receivable. Interest is receivable from short-term, fixed rate deposits.

f) Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience, underlying transaction data, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

1) Revenue recognition and related receivables: The Directors exercise judgement in determining whether revenue recognition criteria have been met and whether related receivable balances are supported by sufficient evidence and are recoverable. This assessment requires consideration of underlying transactions, customer records, historical collection experience and other available evidence.

2) The 'Contribution to benefits provided centrally' in Note 2 is a recharge from the parent entity which includes apportionments of activities and investments in operations undertaken by of the Chartered Insurance Institute, in support of the Society. The apportionments are based on estimates made of the level of activities undertaken by the various departments in support of the Society. The total apportionment of costs to the Society through the application of these estimates are disclosed in Note 2.

2. Other administration expenses

	2025	2024
	£000	£000
Staff costs	**493**	579
Printing and stationery	**98**	111
Contribution to benefits provided centrally by the Institute	**5,638**	6,958
Fees and services	**347**	599
Sundry expenses	**194**	27
Total	**6,770**	8,274

Fees and services include third-party consultancy costs incurred during the year to support the Society's directors in various matters engaged during the year.

Staff costs include staff, permanent, temporary and contract staff who are employed by the Chartered Insurance Institute and allocated to the Society. The Society does not employ any staff directly (see note 5).

Contribution to benefits provided centrally comprises charges for:

	2025	2024
	£000	£000
Membership services	**2,102**	1,874
Other overheads	**3,041**	2,461
Recurring benefit charge	**5,143**	4,335
Exceptional benefit charge	**495**	2,623
Total contribution to benefits provided centrally	**5,638**	6,958

Membership services comprise customer services, membership communication, events, marketing, and operations. Other overheads comprise all other services including irrecoverable membership fees, IT, Finance, HR, Secretariat and Legal, together with property and related costs.

Exceptional benefit charge: in 2025, these costs are a contribution to centrally incurred expenditure towards the membership modernisation project. In 2024, these costs are a contribution to historical, centrally incurred capital expenditure and support for members' qualifications

3. Operating (loss) is stated after charging

	2025	2024
	£000	£000
Auditor's remuneration – audit fees	**13**	14

4. Corporation tax credit on profit on ordinary activities

	2025	2024
	£000	£000
Corporation tax charge at 25%* (2024: 25%)	**-**	-
Deferred taxation	**(30)**	(172)
Tax credit for period	**(30)**	(172)

The tax charge for the year differs from the standard rate of corporation tax in the UK at 25% (2024: 25%*). The differences are explained below.

	2025	2024
	£000	£000
(Loss)/profit on ordinary activities before tax	**(27)**	(662)
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%*)	**(7)**	(166)
Short-term timing difference	**-**	1
Other timing difference	**(23)**	(7)
Adjustment in respect of previous periods		-
Current tax credit for period	**(30)**	(172)

The tax credit for the year differs from the standard rate of UK corporation tax of 25% (2024: 25%) primarily due to losses for which no current tax credit has been recognised. Deferred tax assets are recognised only to the extent that their recovery is considered probable, in accordance with FRS 102.

5. Employees

The table below analyses staff employed directly by the Society (see note 2)

	2025	2024
	£000	£000
a) Salaries and related costs		
Wages and salaries	**-**	-
Employer's social security costs	**-**	-
Employer's pension costs	**-**	-
b) Average number of staff employed during the year		
Total number of employees	**-**	-
Total number of full-time equivalents	**-**	-

6. Deferred tax asset

	Short-term timing differences	Tax losses	Net
	£000	£000	£000
1 January 2025	9	163	172
Amounts charged to the income statement	(2)	32	30
31 December 2025	**7**	**195**	**202**

As at 31 December 2025, the Society retained unused tax losses of £1,292,000 which is available to offset against future taxable profits. The Society has recognised a deferred tax asset in respect of unused tax losses on the basis that it is probable that future taxable profits will be available against which the losses will be utilised.

Deferred tax balances are calculated at the rate of 25%.

7. Debtors

	2025	2024
	£000	£000
Amounts owed by parent undertaking	3,580	7,362
Trade debtors	637	351
Accrued income	85	29
Prepayments	187	80
Corporation tax	30	31
Total	**4,519**	7,853

The amount owed by the parent undertaking represents the accumulation of the net inflows and outflows of the Society net of amounts settled by the parent undertaking. The amounts owed by parent undertakings are represented by cash and cash equivalents held by the Chartered Insurance Institute and is repayable on demand.

8. Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Membership subscriptions received in advance	**2,029**	2,409
Other income received in advance	**93**	51
Accrual costs	**310**	238
Corporation tax	**-**	-
	2,432	2,698

The following table represents the movement of membership subscriptions received in advance:

	2025	2024
	£000	£000
Deferred income at start of year	**2,409**	2,418
Amounts invoiced during year	**6,235**	7,648
Amounts taken into income for the year	**(6,615)**	(7,657)
Deferred income at end of year	**2,029**	2,409

9. Related Party Disclosures

As permitted by paragraph 33.1A of Financial Reporting Standard 102, the Society has not disclosed transactions with the Chartered Insurance Institute group companies which are related parties.

Key management personnel in the Group which comprises the remuneration received by the Board and Executive Leadership Team. Regarding key management personnel, several individuals have relationships or transactions which have been highlighted below:

> Matthew Hill: As per Companies House is also a director of Financial Services Skills Commission Ltd for whom there is a transaction for £4,880 in the year and European Financial Planning Association for whom there is transactions totalling £34,143.72 in the year (per the nominal ledger).
>
> Edward Grant: As per Companies House is also a director of Just Asked Limited for whom there is a transaction of £2,500 in the year (per the nominal ledger).
>
> Craig Palfrey: As per Companies House is also a director of Independent Check Limited for whom there is a transaction of £930 in the year (per the nominal ledger).

In 2025, one director received £84,000 (2024: £25,500 2 directors) in respect of a permitted allowance which was approved and paid by the PFS. The Institute directors of PFS received honorarium payments of £71,000 (2024: £180,000) and these costs were borne by the CII. The Directors received no other remuneration in the year as part of the role as PFS directors (2024: nil). The PFS engaged in one transaction with related parties in which one director has significant influence. The value of the transaction was £930. (2024: £nil). All transactions were undertaken on an arm's-length basis.

10. Parent undertaking

The Chartered Insurance Institute is the controlling entity and the ultimate parent undertaking of the smallest and largest groups for which consolidated financial statements are prepared. The consolidated financial statements of the Chartered Insurance Institute can be obtained from the Secretary, The Chartered Insurance Institute, 1st Floor, 30 Old Broad Street, London, EC2N 1HT.

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