



Strategic and Financial Review

Year ended 31 December 2024



Personal
Finance
Society

Standards. Professionalism. Trust.

CONTENTS

Reference and Administrative Details	2
Directors' Report	3
Directors' Responsibilities	7
Independent Auditor's Report	8
Financial Statements	10
Statement of income and expenditure	10
Statement of financial position	11
Notes to the financial statements	13

REFERENCE AND ADMINISTRATIVE DETAILS

Directors

NAME	ROLE	START OF APPOINTMENT	END OF APPOINTMENT	MEMBER OF THE PERSONAL FINANCE SOCIETY SINCE
Carla Brown (President), 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	09/06/2024		-
Trevor Edwards, FCCA, MBA, Cert CII		30/09/2024		2024
Edward Grant, FPFS, MSc	Chartered Financial Planner	12/07/2023		2005
Kathryn Gannon, FPFS	Chartered Financial Planner	01/03/2025		2007
Matthew Hill		30/09/2024		-
Deborah Mitchell, DipPFS	Senior Independent Director	01/06/2024		2006
Craig Palfrey, DipPFS	Certified Financial Planner	01/03/2025		2005
Gillian White, Chartered FCIPD	Chartered Director	01/06/2024 Reappointed -30/09/2024	19/06/2024	2019

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

NAME	START OF APPOINTMENT	END OF APPOINTMENT
Elizabeth Bastin	01/12/2020	19/12/2024
Neil Buckley	12/07/2023	30/09/2024
Christine Elliott	12/07/2023 Reappointed - 19/09/2024	01/06/2024 10/04/2025
Sarah Howe	21/12/2022	04/04/2025
Mathew Mallett	30/09/2024	04/04/2025
Catharine Seddon	12/07/2023	30/09/2024
Anthony Ward	15/09/2021	11/10/2024
Neil Watts	21/12/2022	30/09/2024
Piers White	01/06/2024	18/09/2024
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
3rd Floor
20 Fenchurch Street
London
EC3M 3BY

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2024 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 2024 having decreased its net asset reserves by 3% to £18.58 million, which continues to be sufficient at ensuring 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 22 months of normal operating expenditure.

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.

In line with its agreed strategy, a PFS Investment Committee, comprised of Board members, was formed to oversee the reserves. The average deposit return in 2024 was 4.23% (1.68% 2023) and the Board has also appointed discretionary investment managers to ensure the reserves are managed effectively across the medium to long term.

There were 24,110 Statements of Professional Standing (SPS) issued to regulated practitioners in 2024 which represents an increase of 716 or 3.1% in SPSs issued to professionals. The total number of members at the end of the year was 38,703 a decrease of 962 or 2.4% against 2023 members.

The qualification success of our members continued to drive professional standards with those becoming Associates and Fellows continuing to grow. More than 230 members achieved Chartered Financial Planner status in 2024. That represents

30 more members who achieved Chartered Financial Planner status in 2024, compared to 2023 (200 members achieved Chartered Financial Planner status in 2023). The total number of Chartered Financial planners in 2024 were 8,392 (2023: 8,159 Chartered Financial Planners) which represents an increase of 2.9% 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. The increase in the number of Chartered members in 2024 contributed to the increase in membership subscriptions revenue.

The PFS POWER panel continues to be a driving force in celebrating and sharing best practice in financial planning. Through this initiative, we aim to empower planners at all stages of their careers by providing practical tools, real-life insights, and inspiration from across the profession. In November 2024, we published the Guide to Financial Planning which is a collaborative resource designed by planners, for planners, offering structure, clarity and confidence in delivering meaningful client outcomes. The guide has been widely adopted and is helping to raise standards, support CPD, and showcase the value of truly client-centred financial planning.

The Society hosted its annual graduation event at London's Westminster Chapel where more than 300 members and their guests joined in celebrating those achieving Associate, Fellowship and Chartered Financial Planner status.

The finalists for our Personal Finance Awards and their guests attended an exclusive celebration lunch in London, hosted by broadcaster Davina McCall. Congratulations to our 2024/25 winners, who were:

- Chartered Financial Planner of the Year: Michael Colyer, FPFS
- Chartered Financial Planning Firm of the Year: Five Wealth
- Education Champion of the Year: Stephen Hughes, FPFS
- Investment Advice Specialist of the Year: Christopher Wordsworth, APFS

DIRECTORS' REPORT CONTINUED

REVIEW OF BUSINESS RESULTS (CONTINUED)

- Equality, Diversity and Inclusion Champion of the Year: Nicola Crosbie, FPFS
- Paraplanner of the Year: Scott Daniels, FPFS
- Retirement & Later Life Advice Specialist of the Year: Adam Kemp, FPFS
- Mortgage Advice Specialist of the Year: Joshua Gerstler, FPFS
- Personal Finance News Outlet of the Year: FT Adviser
- President's Award: Progeny.

In November 2024, the PFS & CII Apprenticeship Awards took place at the Insurance Hall, in London, with congratulations extended to the following Financial Services Apprenticeship winners:

- Financial Adviser Apprentice of the Year: Joshua Anderson, DipPFS
- Paraplanner Apprentice of the Year: Victoria Tolley, DipPFS
- Financial Services Administrator Apprentice of the Year: Milena Damjanovic, CertCII (FS).

The Society continued to deliver a comprehensive programme of professional development events, both centrally and through our regional volunteer-led structure. There were 70 local events delivered for members in 2024, along with 16 large scale in-person events. We have received and acknowledged the feedback from our volunteers on the level of support required to host events and this feedback will be incorporated into our approach to events in 2025.

We held an engaging Officers' Conference with our regional volunteers in Manchester in November 2024, combined with our AGM, and the following day welcomed around 1,200 members to a highly successful Annual Conference at Manchester Central. In addition to our in-person events we continued to grow our digital events platform, delivering 102 new webinars, with almost 15,000 live and on-demand streams from members across the year.

Thanks to the support of our practitioner volunteers, our My Personal Finance Skills schools education programme delivered 525 essential financial skills sessions in schools in the 2023/2024 academic year, reaching almost 19,000 students. Our Duke of Edinburgh financial skills programme also remained popular with over 300 students enrolling as part of their DoFE bronze award.

OPERATING RESULTS

The total financial result for the Society in 2024 was a loss before tax of £0.66 million (2023: profit before tax of £0.12 million). The financial result of the Society for the year is set out in the statement of income and expenditure on page 11.

In 2024, the PFS experienced a decrease in the total number of members, ending the year at 38,703 members which is 962 fewer members at the end of 2024 than at the start of the year. Despite the movement in member volume, total membership revenue of the PFS for 2024 increased by £0.45 million to £7.66 million (2023: £7.21 million). Around half of the increase was attributed to the increase in the value of members' fees billed as members advance their membership level. The remainder of the increase related to an adjustment to the level of deferred income arising from a recalculation where deferred income on the balance sheet was reduced and recognised in the income statement.

There was a planned reduction in revenue from event sponsorship (Conferences, seminars and other training and professional activities) as 2024 reported event sponsorship revenue of £1.05 million (2023: £1.43 million). Sponsored events incurred a financial loss to the Society of £0.70 million (2023: £0.15 million) and this was planned by the Board as a means of utilising PFS's reserves to enhance the quality of events delivered to members.

Total operating expenses in 2024 of £10.16 million (2023: £8.96 million) were £1.20 million higher than the prior year. The main increase in operating expenses related to the increase in the benefit recharge costs from the Chartered Insurance Institute. Recurring benefit recharge costs reduced but was offset by a non-routine recharge in 2024 related mainly to the PFS's contribution to historic capital expenditure of the Group for which the PFS received benefit and examination support. The total benefit recharge in 2024 was £6.96 million (2023: £5.99 million) an increase of £0.97 million in the year.

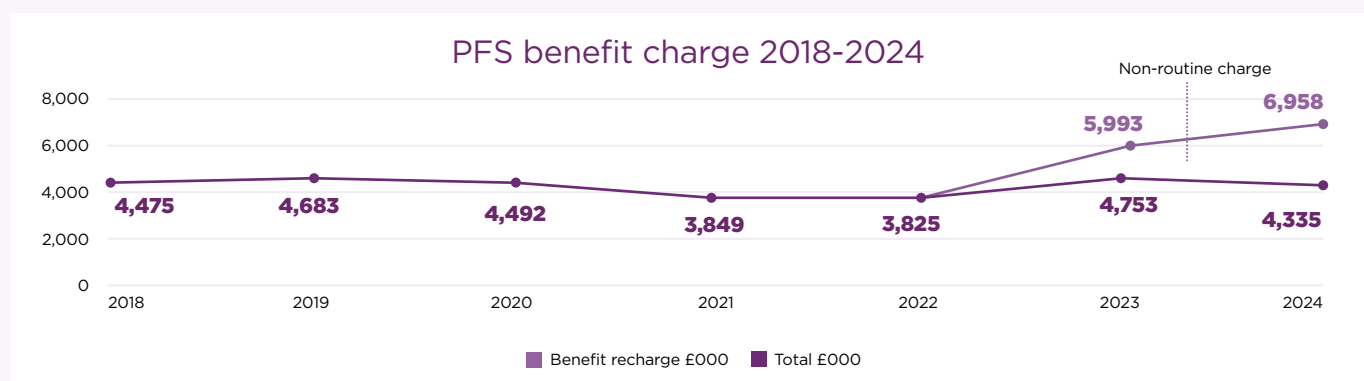


Figure 1 - Chart showing the historical benefit charge to the PFS 2018-2024

The PFS recorded non-operating items in 2024 (interest receivable and taxation) resulting in a credit of £0.96 million (2023: non-operating credit of £2.15 million).

The net reserves of the Society have reduced in the year and now stand at £18.58 million (31 December 2023: £19.07 million), however, this level represents 22 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.

GOVERNANCE AND OPERATING MODEL

The directors who served the Society during and after the year ended 31 December 2024 are listed on page 2.

The Society's governance and operating model continued to be a strong focus in 2024 where the board saw several appointments and departures (as per listing on page 2). The Board made significant strides to improve its governance and oversight to ensure the Society remains a robust and relevant organisation supporting the profession over the coming years.

In 2024, the PFS's Board appointed a new President. The Board recognises that the first half of 2024 was challenging but achieved significant progress in the latter half of 2024. The Board continues to seek a balanced and collaborative relationship with the Chartered Insurance Institute, forging a long-term healthy relationship that supports our membership base now and in the future. The PFS's Board will continue to ensure that it acts in the best interests of the Society in pursuit of its objects and members' interests.

GOING CONCERN

The PFS remains a financially resilient organisation having more than 20 months of normal operating expenditure represented by its capital and reserves and more than 12 months of normal operating expenditure represented by cash which is held in PFS's bank accounts. The PFS continues to demonstrate its commitment to supporting members and in 2024 the Society utilised some of its capital and reserves to fund member events with an enriched program to enhance members' experience. 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 personal finance 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 2024 on a going concern basis.

DIRECTORS' REPORT CONTINUED

PRINCIPAL RISKS AND UNCERTAINTIES

Our core membership numbers remain broadly stable, with only a small reduction of 2.4% in 2024. 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

On 31 December 2024, the Society had 38,703 (31 December 2023: 39,665 members) paid up members across all designations. Our international membership grew 14% during 2024 to 311 (2023: 274).

The composition of members is set out below:

	2024	2023
Fellows	4,058	3,962
Associates	4,814	4,735
Diploma	21,162	21,670
Certificate	2,876	3,122
Student and Affiliates	5,793	6,176
Total Society Members	38,703	39,665

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). 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

On behalf of the Board of Directors

Date: 17 July 2025

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 2024 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 2024 and of its loss 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 7, 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

For and on behalf of Crowe U.K. LLP

Statutory Auditor, London, UK

Date: 6 August 2025

FINANCIAL STATEMENTS

Statement of income and expenditure

For the year ended 31 December 2024

	Notes	2024	2023
		£000	£000
Revenue			
Conferences and professional activities		1,048	1,427
Membership subscriptions		7,657	7,206
Total operating income		8,705	8,633
Direct expenditure on conferences and professional activities		(1,752)	(1,573)
Other administration expenses	2	(8,274)	(7,274)
Distribution costs		(129)	(113)
Total operating expenditure		(10,155)	(8,960)
Operating loss	3	(1,450)	(327)
Interest receivable		788	449
(Loss)/profit on ordinary activities before taxation		(662)	122
Tax credit on profit on ordinary activities	4	172	1,699
(Loss)/profit on ordinary activities after taxation for the financial year		(490)	1,821
Net movement in reserves			
Opening reserves		19,073	17,252
(Loss)/profit for the financial year		(490)	1,821
Closing reserves		18,583	19,073

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 of 31 December 2024

	Note	2024	2023
		£000	£000
Non-current assets			
Deferred tax asset	6	172	-
Total non-current assets		172	-
Current assets			
Debtors	7	7,853	8,959
Cash at bank		13,256	12,802
Total current assets		21,109	21,761
Creditors: amounts falling due within one year	8	(2,698)	(2,688)
Total current assets less current liabilities		18,411	19,073
Total net assets		18,583	19,073
Capital and reserves		18,583	19,073

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 on 17 July 2025.

CARLA BROWN

Director

Registered number: 05084125

The notes on pages 14 to 20 form part of these financial statements.

FINANCIAL STATEMENTS CONTINUED

Statement of cash flows

As at 31 December 2024

	2024	2023
	£000	£000
Cash flows from operating activities		
Surplus before taxation	(662)	122
Adjustments for:		
Net interest receivable	(788)	(449)
Decrease in trade and other debtors	1,137	2,831
Increase/(decrease) in trade and other creditors	53	(375)
(Decrease)/increase in deferred income	(9)	274
Other non-cash adjustments	-	97
Cash provided by operations	(269)	2,500
Taxation paid	(65)	(95)
Net cash provided by operating activities	(334)	2,405
Interest received	788	352
Net increase in cash and cash equivalents	454	2,757
Cash and cash equivalents at the beginning of the year	12,802	10,045
Cash and cash equivalents at the end of the year	13,256	12,802

The Society's external debt as at 31 December 2024 was £nil (31 December 2023: £nil). As a result, no net debt reconciliation is presented.

The notes on pages 14 to 20 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 £18.58 million as at 31 December 2024 and includes total cash and cash equivalents of £13.26 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.

In 2024, changes were made to the composition of the Board of Directors, however this will not have any adverse impact on the Society's going concern and there are no plans to cease operations of the Society.

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 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2. OTHER ADMINISTRATION EXPENSES

	2024	2023
	£000	£000
Staff costs	579	543
Printing and stationery	111	59
Contribution to benefits provided centrally	6,958	5,993
Fees and services	599	662
Sundry expenses	27	17
Total	8,274	7,274

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.

Contribution to benefits provided centrally comprises charges for:

	2024	2023
	£000	£000
Membership services	1,874	1,777
Other overheads	2,461	2,976
Recurring benefit charge	4,335	4,753
Exceptional benefit charge	2,623	1,240
Total contribution to benefits provided centrally	6,958	5,993

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

Exceptional benefit charge comprises costs, the nature of which are non-routine. In 2024, these costs are a contribution to historic, centrally incurred capital expenditure and support for members' qualifications. In 2023, these costs are a contribution, centrally incurred capital expenditure and support for members' qualifications.

3. OPERATING (LOSS) IS STATED AFTER CHARGING

	2024	2023
	£000	£000
Auditor's remuneration - audit fees	14	13

4. CORPORATION TAX CREDIT ON PROFIT ON ORDINARY ACTIVITIES

	2024	2023
	£000	£000
Corporation tax charge at 25%* (2023: 23.5%)	-	28
Deferred taxation	(172)	-
Adjustment in respect of previous periods	-	(1,727)
Tax credit for period	(172)	(1,699)

The tax charge for the year differs from the standard rate of corporation tax in the UK at 25% (2024: 23.5%*). The differences are explained below.

	2024	2023
	£000	£000
(Loss)/profit on ordinary activities before tax	(662)	112
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023: 23.5%*)	(166)	28
Short-term timing difference	1	-
Other timing difference	(7)	-
Adjustment in respect of previous periods	-	(1,727)
Current tax credit for period	(172)	(1,699)

(*) The 2023 standard rate of corporation tax was pro-rated as the corporation tax rate of 25% became effective in April 2023.

5. EMPLOYEES

The table below analyses staff employed directly by the Society.

	2024	2023
	£000	£000
a) Salaries and related costs		
Salaries and related costs	-	87
Wages and salaries	-	9
Employer's social security costs	-	16
Employer's pension costs	-	112

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. EMPLOYEES - CONTINUED

The table below analyses staff employed directly by the Society.

	2024	2023
	£000	£000
b) Average number of staff employed during the year		
Total number of employees	-	2
Total number of full-time equivalents	-	2

From August 2023 the employment contracts of the two staff members were transferred to the Chartered Insurance Institute. The Society incurred total costs of £608,000 (2023: £466,000) which represents staff (excluding temporary and contractors) who are employed by the Chartered Insurance Institute and provide services predominantly to the Society.

Key management personnel of the Society comprised the Chief Executive Officer and the directors who served on the board. The total remuneration (including employer social security and pension costs) of key management personnel in the year, amounted to £569,000 (2023: £352,000). The role of Chief Executive Officer was vacated in November 2024.

6. DEFERRED TAX ASSET

The table below analyses staff employed directly by the Society.

	Short-term timing differences	Tax losses	Net
	£000	£000	£000
1 January 2024	-	-	-
Amounts charged to the income statement	9	163	172
31 December 2024	9	163	172

As at 31 December 2024, the Society retained unused tax losses of £651,000 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

	2024	2023
	£000	£000
Amounts owed by parent undertaking	7,362	8,138
Trade debtors	351	571
Accrued income	29	139
Prepayments	80	111
Corporation tax	31	-
	7,853	8,959

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.

In 2024 no amounts were transferred (2023: £2.5 million) to the Society by the Chartered Insurance Institute to reduce the amounts owed by the parent undertaking.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£000	£000
Membership subscriptions received in advance	2,409	2,418
Other income received in advance	51	55
Accrual costs	238	181
Corporation tax	-	34
	2,698	2,688

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

	2024	2023
	£000	£000
Deferred income at start of year	2,418	2,144
Amounts invoiced during year	7,648	7,481
Amounts taken into income for the year	(7,657)	(7,207)
Deferred income at end of year	2,409	2,418

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.

In 2024, two directors received £25,500 (2023: no directors were paid) in respect of a permitted allowance which was approved by the PFS Board. The Institute directors of PFS received honorarium payments of £180,000 (2023: £118,000). These costs were borne by the CII. The Directors received no other remuneration in the year as part of the role as PFS directors (2023: one director received £800).

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, 3rd Floor, 20 Fenchurch Street, London, EC3M 3BY.

