



ANNUAL REPORT AND ACCOUNTS 2025



CBI Company Information

Registered Office

Confederation of British Industry

78 Cannon Street

London

EC4N 6HN

CBI Auditors

Buzzacott Audit LLP

130 Wood Street

London

EC2V 6DL

Company number

RC000139

VAT number

GB 238 7864163

Foreword from the CBI Chair:

2025 marked the CBI's 60th year as the voice of UK business and we were proud to celebrate 60 years of delivering a more competitive environment for business in the UK. Our purpose is to shape an economy in which firms across the UK can thrive. We have heard clearly from our members that to unlock growth we need to lower the costs of doing business. Throughout the year the CBI used member feedback, excellent policy and economic analysis, and strong government relationships with the new Labour government to secure progress in key areas. These included regulation, skills, trade, employment law, energy and innovation. At every major economic milestone – from the Spring Statement and the UK-EU Summit to the Industrial Strategy, Spending Review and Autumn Budget – we brought the voice of business directly into the policy making process.

Internally the CBI has continued its recovery under Rain's effective leadership, growing its membership, improving business and government engagement and re-focusing its operating model and strategy. Financial performance has also strengthened, with growing income, and reduced expenditure. The negotiation of a property deal at the end of 2025 will deliver material ongoing improvements to the cost base. Overall, the CBI ended the year on an improving financial trajectory and with our position as the clear and respected voice of UK business re-affirmed.

At the end of 2025, I succeeded Rupert Soames as Chair and President of the CBI. Rupert played a fundamental role in re-vitalising and re-focusing the CBI through challenging times. Moreover, working with Rain and her team, he has driven a strategy, endorsed by the Board, that ensures that going forward the CBI continues to deliver a member-first strategy, build an inclusive culture and a firm financial platform for its activities on behalf of members. His contribution to the CBI has been immense and I know how deeply grateful to him our members and stakeholders are for all he has done. I am enjoying working with him as he remains on the Board - a CBI custom I was keen to continue.

Financial Performance

Internally during the year, the CBI has continued to improve its operating result and net cashflow for the year. Our membership income has again increased; £2.8m of net new membership value was added during the year, growing total membership book value by 21% to £16.1m in January 2026.

This rise in membership book value, combined with sustained commercial income and careful management of costs, has underpinned a return to positive operating cashflow and income growth. Total income increased during the year by 22% to £17.1m, and total expenditure reduced by 6% to £19.2m.

Overall, the CBI reduced the operating loss before tax to £2.0m compared to £6.4m in 2024. It ended the year well placed against financial targets.

As a key part of the strategy to reduce fixed costs and improve the CBI's financial robustness, we have reduced our property footprint in London. We have transferred our existing lease in the City to another tenant in the building, becoming a sub-tenant for a smaller part of the footprint. This deal was completed early in 2026, and right-sizes our space for the future. Following a re-fit, feedback from members using our space and from colleagues has been positive.

To effect this property transaction, we had to incur significant upfront one-off costs. This has impacted our cashflow and costs in 2026, and created some short-term cashflow pressure. After looking at all financing options, and with the agreement of our existing banks, the Board approved entering into a subordinated loan, repayable in 2027. More details on this can be found on page 26.

Our goal is to return to profitability in 2026 and then reduce borrowings materially. However, this will require discipline given the challenging economic environment. We are also already planning our exciting leadership of the B20 in the autumn of 2027, ahead of the G20 being hosted in the UK. Let us know if you would like to be more involved.

Governance

During 2025 the CBI held almost 800 meetings across government, Parliament and the Civil Service, helping shape the detail of policy. We also maintained our prominent position across media, with a greater share of coverage than any other B5 business group. All this was underpinned by our highly respected work on policy and economics. I would like to thank Rain and her team for leading the CBI's activities during the year, tirelessly representing our members and improving the connections between business and government.

I would also like to thank the Board for their welcome, and for their hard work through 2025 on behalf of our members. I would particularly like to thank our Board Committee Chairs for their contributions; Victoria Cochrane who chairs Audit and Risk Committee, and Dame Ruth Cairnie who chairs the People and Culture Committee. As is customary, we welcomed Fergus Bailie to the Board as the Chair of our Chairs' Committee. I would also like to thank Peter Hogg, the previous representative from the Chairs' Committee, for agreeing to stay on the Board to provide continuity.

Key to the governance structure of the CBI are our member-led committees and councils who have particular regional, sector or technical focus. They provide invaluable feedback and insights, and I would like to thank all those contributing to them, especially the Committee Chairs.

2026 has so far been a challenging year for business, with geopolitical events influencing costs to business, especially energy, and putting pressure on inflation, interest rates and global trade flows. In such an environment with costs to business so high, we are working closely with the new Prime Minister and his team as he builds out his policy agenda. The perspective of the CBI in such conversations is of course highly relevant. We understand the financial pressure faced by many of our members and consistently represent this to government; without private sector growth the cost of living cannot be tackled effectively, and too many policies are constraining growth.

The purpose of the CBI is of course to represent you, our members. Your views and experiences give us the case studies to influence government and drive change. I have very much enjoyed meeting so many members over the last months and look forward to continuing this over the remainder of my term. As always, please do get in touch with thoughts and suggestions you want to share.

Cressida Hogg CBE

Chair of the Board, CBI



Delivering for business: the CBI's impact in 2025

2025 marked the CBI's 60th year as the voice of business, working to shape an economy in which firms across the UK can thrive. Together with our members, we turned business insight into practical influence—helping to secure progress on the cost of energy and regulation, planning reform, skills, innovation, trade and employment law. At every major economic milestone—from the Spring Statement and UK–EU Summit to the Industrial Strategy, Spending Review and Autumn Budget—we brought the experience of businesses directly into the policymaking process, helping government understand what firms need to invest with confidence, create jobs and drive growth.

Lowering the cost of doing business

The government adopted an ambition to reduce the administrative cost of regulation by 25% by the end of the Parliament. This built on a central recommendation from the CBI's *Good Regulation Guide*, namely to establish the true cumulative cost of regulation before designing reforms to reduce it. The government subsequently estimated that meeting the target could save businesses £5.6bn each year.

We also delivered practical improvements to the tax system. Following sustained CBI engagement, the government scrapped proposals requiring employers to report detailed working hours through payroll, avoiding an estimated £58m in transition costs and £10m in recurring annual costs. HMRC introduced new digital services for PAYE repayments and VAT group changes, improved its employment status checker and delayed mandatory payrolling of benefits-in-kind to give businesses more time to prepare.

Unlocking trade and investment

Ahead of the UK–EU Summit, the CBI worked with members and European partners to identify the practical changes needed to reduce trade friction and strengthen investment. Nine of our 12 recommendations were reflected **in the resulting agreement, including commitments to negotiate a Sanitary and Phytosanitary agreement, link UK and EU emissions trading systems and deepen cooperation on energy, security and mobility.**

The government estimates that the overall package could add nearly £9bn to the UK economy by 2040. An SPS agreement would make it easier, cheaper and more predictable for food, plant and animal products to move between Great Britain, Northern Ireland and the EU, supporting businesses across agriculture, **manufacturing, retail and logistics.**

Strengthening the UK's competitiveness

The Spending Review delivered a record £86bn public R&D settlement through to 2029–30, reflecting the CBI's call for long-term funding that crowds in private investment and supports the Industrial Strategy's growth sectors. The economic prize is significant with UK Research and Innovation estimating that every £1 of public R&D investment generates at least £7 in long-term economic benefit.

The Industrial Strategy also took steps to address industrial electricity prices, consistently seen as one of the most persistent barriers to UK competitiveness. The British Industrial Competitiveness Scheme will reduce electricity costs by up to 25% for more than 10,000 eligible manufacturing businesses from 2027, supporting industries that employ over 300,000 people. This represented a step towards the CBI's objective of bringing UK energy costs closer to those faced by international competitors.

Long-standing CBI calls for greater flexibility in the Apprenticeship Levy were also reflected in the new Growth and Skills Levy. Employers will be able to use funding for shorter and modular courses, helping businesses respond more quickly to changing skills needs rather than relying solely on full apprenticeships.

Fast-tracking investment and infrastructure

The Planning and Infrastructure Act reflected several core CBI recommendations, including greater delegation of planning decisions to professional officers, mandatory training for planning committee members and greater flexibility over planning fees. The Autumn Budget backed these reforms with funding for 350 additional planners and a new Planning Careers Hub, helping address the capacity constraints that delay investment.

The Office for Budget Responsibility estimates that the government's residential planning reforms could increase potential output by 0.2% by 2029–30. This underlines the scale of the economic prize from a planning system that enables projects to proceed more quickly and predictably.

Protecting confidence to hire

The government's original proposals would have introduced protection from unfair dismissal from the first day of employment. Following sustained engagement by the CBI and its members, together with constructive discussions between business, government and trade unions, the final legislation introduced a six-month qualifying period instead. This protects important rights for employees while preserving meaningful probation periods and giving employers greater confidence when recruiting.

Representing Members

Throughout the year, we maintained extensive engagement on behalf of members:

- 788 meetings across government, Parliament and the civil service.
- 235 meetings with Business and Trade ministers and officials covering employment regulation, the Industrial Strategy and wider business policy.
- 108 meetings with HM Treasury, including regular engagement with the Chancellor and ministerial roundtables involving CBI members.
- Engagement with representatives from 44 countries and more than 170 international stakeholders, including through the B7, Business at OECD and BusinessEurope.

Member testimonial

“It’s never been more important for business to speak with one voice. Being a member of the CBI means that we can set out the purpose of business, a shared prosperity for all.”

— **Raj Singh-Dehal, Chief Corporate Officer, Center Parcs UK & Ireland**

Leading the national business debate

The CBI remained the UK’s leading national business voice. Across 2025, we achieved 21,225 media mentions, including 2,945 appearances in national print and broadcast media, an average of more than eight each day. We secured 41% of national coverage among the five main business organisations, with 1,525 mentions focused on the cost of doing business, business rates and tax.

CBI membership

Membership growth accelerated further in 2025. Building on the returning and re-engaged members secured in 2024 and early 2025, the CBI added almost £2.8m of net new membership value over the course of the year, taking total subscription value from £13.3m in January 2025 to £16.1m in January 2026 — growth of around 21%.

Membership in numbers

As of September 2026, reflecting the most recent data available at the time of finalising this report, the CBI's membership subscription value stood at £17.5m — 28% higher than at the start of 2024, and up a further 8.6% since January 2026 alone. The CBI's 850 direct members, comprising 1,250 separate registered companies, are joined by over 100 trade associations and the 150,000 trade association members doing business across every region and nation of the UK. You can see the members and businesses that form the CBI Council [here](#).

People and Culture

A strong culture, shared sense of purpose and an inclusive organisation that draws on different perspectives and experiences are fundamental to delivering the best possible value for our members and contributing to the wider economy and society.

Building on the foundations of our cultural transformation, we continue to strengthen our culture and evolve our ways of working. Our latest pulse survey showed that 79% of colleagues say working at the CBI motivates them to do their best work, with meaningful work and purpose among the strongest motivators. Our values – integrity, respect, brilliance and courage – are also strongly embedded with 82% of colleagues saying they are reflected in their interactions with one another. This gives us confidence that our values are shaping not only how we work together, but how we engage with our members and stakeholders.

We are proud that women continue to make up the majority of our workforce. Our 2025 pay gap reporting showed women represented 56% of colleagues and our mean gender pay gap reduced from 3.4% to 0.5%, reflecting balanced female representation across our pay structure. We continue to focus on other aspects of diversity and inclusion, recognising that a breadth of backgrounds, experiences and perspectives strengthens our understanding of the businesses we represent.

Our people tell us that being together adds particular value for collaboration, relationship-building and rapid problem-solving. We are using that insight to focus the moments when we come together on strengthening connections, sharing expertise and solving problems more effectively – all in support of delivering better for our members.

Our focus over the next year is to use member insights to inform how we work and where we focus our skills and capability. We are committed to developing and deploying our talent to achieve even greater member value.

Our values



Integrity

We lead honestly, holding ourselves and others accountable to our values. We are open, consistent and thoughtful in everything that we do.



Respect

We behave inclusively, embrace diversity of all kinds, create a fair and supportive environment, and treat each other with kindness and empathy.



Brilliance

We bring together the brightest minds and deliver collaboratively. We're continually learning and seeking new ways to create impactful solutions.



Courage

We challenge confidently, build a trusted environment, dare to do things differently, and empower people to speak up and create the change they want to see.

Governance of the CBI

The CBI is a Royal Charter organisation governed by its members through the CBI Council. The Council has delegated its authority to the Chairs' Committee for policy matters and financial, governance and strategic issues to the CBI Board.

CBI Board

Chair: Cressida Hogg, CBE

First attended CBI Board, January 2026

www.cbi.org.uk/about-us/our-people/cbi-board/cressida-hogg-cbe/

Executive Directors:

Rain Newton-Smith, Chief Executive Officer, CBI

First attended CBI Board, April 2023

www.cbi.org.uk/about-us/our-people/cbi-board/rain-newton-smith/

Ben Bailey, Chief Financial Officer, CBI

First attended CBI Board, March 2025

www.cbi.org.uk/what-we-do/our-people/cbi-board/ben-bailey/

Non-Executive Directors:

Fergus Bailie, Senior Council Chair

First attended CBI Board, June 2026

www.cbi.org.uk/about-us/our-people/cbi-board/fergus-bailie/

Dame Ruth Cairnie, DBE*

First attended CBI Board, December 2024

www.cbi.org.uk/about-us/our-people/cbi-board/ruth-cairnie/

Peter Hogg

First attended CBI Board, June 2024

www.cbi.org.uk/about-us/our-people/cbi-board/peter-hogg/

Lesley Ann Nash

First attended CBI Board, September 2024

www.cbi.org.uk/about-us/our-people/cbi-board/lesley-ann-nash/

Rupert Soames, Board Member and former CBI Chair

First attended CBI Board, January 2024

www.cbi.org.uk/about-us/our-people/cbi-board/rupert-soames-obe/

Senior Independent Director:

Victoria Cochrane**

First attended CBI Board, June 2023

www.cbi.org.uk/about-us/our-people/cbi-board/victoria-cochrane/

** Denotes Chair of the People and Culture Committee*

***Denotes Chair of the CBI Audit and Risk Committee*

CBI Executive Committee

The CBI Executive Committee is the key group responsible for the day-to-day running of the CBI at an operational level.

Rain Newton-Smith

Chief Executive Officer

Ben Bailey

Chief Financial Officer

John Foster

Chief Policy and Campaigns Officer

Louise Hellem

Chief Economist

Tracy Black

Chief Commercial Officer

Asha Musoni

Chief People and Transformation Officer

CBI Board

Purpose of the CBI Board

The CBI Board is constituted as a standing committee, with delegated authority of both the Council and the previous Finance & General Purposes Committee. It is responsible for all matters other than those specified for the Chairs' Committee and those retained by the CBI Council. The Board is the ultimate decision-taking body on all operational, financial, strategic and corporate governance aspects of the CBI. It is supported by an Audit and Risk Committee and Remuneration Committee. In 2023, a Nominations Committee and People and Culture Committee were established as sub-committees of the CBI Board.

Responsibility of the CBI Board

- CBI business plan (strategy, long term viability and resourcing).
- Signing off the annual budget and annual accounts of the CBI.
- Responsible for corporate governance of the CBI.
- Review of the CBI's risk and control processes.
- Review, monitor and act on the people and culture related matters at the CBI.
- Approval of the overall levels of insurance for the CBI.
- Major changes to the benefits or funding of the CBI pension plans.
- Changes to the basis of funding to the CBI exceeding 10% of income.
- Transactions with single or annual impact exceeding £1m.
- Re-organisation affecting more than 10% of the staff.
- Receive updates from and ensure effectiveness of its sub-committees.

Membership of the CBI Board

Membership of the CBI Board must include the Chief Executive Officer and the Chief Financial Officer. There must be a majority of Non-Executive Directors at all times. The term of appointment for Non-Executive Directors is for an initial three years, with the option of a further three-year extension. Appointments to the position are made by the CBI Chair and are subject to member approval at the CBI Annual General Meeting.

All members of the CBI Board stand for re-election at the Annual General Meeting. There is no maximum number of terms of office but in practice, the intention is to permit Non-Executive Directors up to two terms of three years. No current Non-Executive Director on the Board exceeds this limit.

Points to note on membership of the CBI Board in 2025

- Ben Bailey joined the CBI Board in 2025.
- Rupert Soames ended his term as CBI President and Chair of the CBI Board in December 2025.

Notes regarding 2026

- In April 2026, Fergus Bailie was elected Senior Council Chair via the CBI Chairs' Committee, to represent the views of the CBI Council. He first attended the CBI Board in that capacity in June 2026.
- Peter Hogg's term as Senior Council Chair ended in April 2026, when he was succeeded by Fergus Bailie. Mr Hogg agreed to remain on the Board as a Non-Executive Director for a further year, to provide continuity through the transition.

Roles and responsibilities of a Non-Executive Director

Non-Executive Directors of the CBI Board provide constructive challenge, help monitor and manage corporate-wide risk and provide guidance on CBI strategy. This includes:

- Scrutiny of management's performance in meeting agreed goals and objectives and the monitoring of performance.
- Satisfying themselves on the integrity of financial information and that controls and risk management systems are robust and defensible.
- Providing challenge and guidance on the CBI's business plan, strategy and budget.
- Demonstrating behaviours conducive to effective decision-making by the collective Board.

CBI Board attendance for 2025*

Name	Q1 - 13 March 2025	Q2 - 10 July 2025	Q3 - 11 September 2025	Q4 - 4 December 2025
Chair: Rupert Soames	ATTENDED	ATTENDED	ATTENDED	ATTENDED
Lesley Ann Nash	ATTENDED	ATTENDED	ATTENDED	ATTENDED
Ruth Cairnie	ATTENDED	APOLOGIES	ATTENDED	ATTENDED
Peter Hogg	ATTENDED	ATTENDED	ATTENDED	ATTENDED
Victoria Cochrane	ATTENDED	APOLOGIES	APOLOGIES	ATTENDED
Ben Bailey	ATTENDED	ATTENDED	ATTENDED	ATTENDED
Rain Newton-Smith	ATTENDED	ATTENDED	ATTENDED	ATTENDED

The following ad hoc virtual meetings were also convened in 2025:

Name	4 April 2025	16/17 October 2025
Chair: Rupert Soames	PARTICIPATED	PARTICIPATED
Lesley Ann Nash	PARTICIPATED	PARTICIPATED
Ruth Cairnie	PARTICIPATED	PARTICIPATED
Peter Hogg	PARTICIPATED	PARTICIPATED
Victoria Cochrane	PARTICIPATED	PARTICIPATED
Ben Bailey	PARTICIPATED	PARTICIPATED
Rain Newton-Smith	PARTICIPATED	PARTICIPATED

CBI Audit and Risk Committee

Purpose of the CBI Audit and Risk Committee

The CBI Audit and Risk Committee is a key sub-committee of the CBI Board. It is chaired by a Non-Executive Director of the CBI Board who works closely with the CBI's Chief Financial Officer. The Audit and Risk Committee plays a primary role in signing off the CBI accounts and is responsible for risk and compliance.

Responsibilities of the Audit and Risk Committee

- The integrity of the financial statements of the CBI.
- The corporate accounting and financial reporting process.
- Systems for identification and management of risk and internal controls at the CBI.
- External audit.
- Compliance with laws, regulations and ethical codes of practice.
- Ensuring the long-term viability of the business by providing constructive challenge and review of the CBI's strategic and financial plans.

Membership of the Audit and Risk Committee

Membership of the CBI Audit Committee is comprised of the CBI Chief Financial Officer in an executive capacity and two Non-Executive Directors from the CBI Board. Appointments of both members of the committee and its Chair are made by the CBI Chair with each appointment being notified to and ratified by the CBI Board. Representatives from the CBI auditors (Buzzacott Audit LLP) are invited to attend each Audit and Risk Committee meeting. Victoria Cochrane was appointed Chair of the CBI Audit and Risk Committee in June 2023.

External Auditors of the CBI

The Audit Committee is responsible for recommending a firm of auditors of appropriate independence and experience and for the approval of all audit fees and terms of engagement. Auditors of the CBI are approved via a vote at the Annual General Meeting and held under review by the CBI Audit Committee (currently Buzzacott Audit LLP).

The Audit Committee follows the guidelines set out in the Financial Reporting Council Ethical Standard in monitoring the non-audit services being provided to the CBI by its external auditors.

The Audit Committee's policy is to undertake a formal assessment of the auditors' objectivity and independence each year which includes:

- Review and agreement of non-audit services provided to the CBI and related fees.
- Review of the auditors' own procedures for ensuring the independence of the audit firm, and partners and staff involved in the audit.
- Obtaining written confirmation from the auditors that, in their professional judgement, they are independent.

CBI Auditor Rotation

The Audit and Risk Committee reviews the effectiveness, independence and objectivity of the CBI's external auditor annually. It also keeps the tenure of the audit firm and engagement partner under review.

In 2019, the Committee agreed a policy that the external audit would normally be put to tender at least every ten years, with a maximum audit-firm tenure of twenty years, and that the lead audit partner would rotate approximately every five years.

Buzzacott Audit LLP has served as the CBI's external auditor since 2013. Given the exceptional circumstances the organisation has navigated since 2023, the Committee took the view that continuity of audit relationship was the right priority during this period, and has kept this position under regular review as the CBI's recovery has progressed. Having reviewed the position again in 2026, the Committee is satisfied that retaining Buzzacott for the audit of the year ending 31 December 2026 remains appropriate, and will continue to keep the timing of any future tender under review. The Committee is separately considering the appropriate timing for a change of engagement partner. The appointment of the external auditor remains subject to approval by members at the Annual General Meeting.

CBI Audit and Risk Committee attendance in 2025

Name	Q1 - 11 March 2025*	Q2 – 14 May 2025*	Q3 – 28 August 2025	Q4 - 20 November 2025
Chair: Victoria Cochrane	ATTENDED	ATTENDED	ATTENDED	ATTENDED
Lesley Ann Nash	ATTENDED	ATTENDED	ATTENDED	ATTENDED
Ben Bailey	ATTENDED	ATTENDED	ATTENDED	ATTENDED
Rain Newton-Smith**	N/A	ATTENDED	ATTENDED	N/A

Note: N/A denotes an individual that was not a member of the CBI Audit and Risk Committee at the time of the meeting and was therefore not required to attend the meeting.

*A representative from the CBI Auditors, Buzzacott, joined the Q1 and Q2 meetings.

**Rain Newton-Smith as CBI CEO, was invited to join the Q2 and Q3 Audit and Risk Committee meetings.

CBI Chairs' Committee

CBI Chairs' Committee is the top policy committee at the CBI, responsible for setting and steering the CBI policy decisions. This committee is comprised of all the chairs from the 12 CBI Regional and National Councils and the policy focused Standing Committees. Together these chairs represent over 650 senior business leaders from over 400 CBI members across our Councils and Standing Committees. The committee meets quarterly and is joined by the full CBI Executive Committee. It is chaired by the Senior Council Chair, elected by the committee members every two years. You can view the members that sit on the CBI Council on the [CBI website](#).

CBI Council or Committee	Full Name	CBI Member
Tech and Innovation Committee	Gabriela Styf Sjoman	BT Group plc
South East Council	Mike Wilson	Blake Morgan
Energy Transition Committee	Ian Simm	Impax Asset Management Group plc
London Council	Virginia Blackman	Cluttons LLP
Taxation Committee	Ali Kennedy	BAE Systems Plc
East Midlands Council	Rajbinder Singh-Dehal	Center Parcs Ltd
South West Council	Carmen Peacock	Lloyds Banking Group Plc
Yorkshire and the Humber Council	Fergus Bailie	Bailie Group Ltd
Wales Council	Iain Mansfield	Principality Building Society
UK Competitiveness Committee	Oriel Petry	Airbus
North West Council	Mark Power	Liverpool John Moores University
Future of Work Committee*	Position Vacant Previous Chair: Samantha Brook (Severfield plc)	
Scotland Council	Martin Pibworth	SSE PLC
Trade Association Council	Neil Carberry	The Recruitment & Employment Confederation
West Midlands Council	Chris Woolridge	Wedge Group Galvanizing Ltd
Northern Ireland Council	Brian Donaldson	Maxol Group
North East Council	Jane Robinson	Newcastle University
East of England Council	Marcus Watson	Pest Control Partnership (UK) Limited
Financial Services Council	Georgina Fleet	Zurich Insurance plc
SME Council	David Crichton-Miller	Oxford Innovation Limited
Economic Growth Board	Richard Wheatley	Centrica plc

Note: Committee members listed as of the end of Q3 2026

* Recruitment currently in progress

Corporate Social Responsibility

Social impact

Good Business Charter

In February 2025, the CBI was re-accredited with the [Good Business Charter](#). To receive Good Business Charter accreditation, organisations must meet the requirements for all 10 components which collectively cover care for employees, suppliers, customers and the environment whilst paying their fair share of tax. This achievement reflects our ongoing commitment to responsible business practices, which include paying the real Living Wage, supporting employee voice and ethical sourcing.

Living Wage Employers

The CBI is fully accredited by the Living Wage Foundation. [The Living Wage Foundation](#) accredits Living Wage Employers for their commitment to paying their staff according to the cost of living.

Change the Race Ratio

The CBI is a founding member of [Change the Race Ratio](#), who are the leading campaign in the UK calling for businesses to take action to improve racial and ethnic minority representation in their leadership teams.

Regulation and Compliance

Scotland Lobbying Act

The CBI in 2025 remained registered in compliance with the Lobbying (Scotland) Act 2016, which covers engagement with the Members of the Scottish Parliament, Special Advisers to the Scottish government or Ministers of the Scottish government. This data is publicly available via the [Lobbying Register website](#).

EU Transparency Register

The CBI in 2025 remained registered on the European Union's Transparency Register under the registration number: 73725676990-18. This data is publicly available via the [EU Transparency Register website](#).

Modern Slavery Act

The CBI is committed to acting ethically and with integrity and has taken steps to ensure that modern slavery is not taking place anywhere within the organisation or its wider supply chain. The CBI [Modern Slavery Statement](#) can be found on our website.

Anti-bribery policy

The CBI is committed to ensuring its staff act with integrity and honesty. It operates a £25 threshold on gifts received by CBI staff, where above this threshold the gifts must be logged on an internal hospitality register. In 2025 the average 'gift' to CBI staff was valued at around £188.62 and the bulk of entries in the hospitality register remained small tokens of gratitude, tickets to events, conferences or business dinners.

UK Competition Act

The CBI undertakes measures to remain compliant with the Competition Act 1998. This includes guidance for CBI policy staff in the running of meetings with members and guidance for members in the meeting papers on the CBI's approach to Competition Law. The CBI has e-learning modules for CBI staff on UK Competition law, which are reviewed and re-launched annually as mandatory training for existing staff and new starters.

Sustainability

The main environmental impact that the CBI can have is through its external influence on the actions of Government and members. The footprint of the CBI's own activities is relatively small, but nevertheless it has continued to seek to reduce the footprint where both possible and economically viable.

The CBI internal Sustainability Working Group adopted a CO2e science-based target for the organisation. This is to reduce emissions by 50% by 2030 based on the last year of pre-pandemic activity, 2019. The CBI's reported emissions decreased in 2025, reflecting the significant reduction in the size of its regional office locations, alongside changes in business travel, employee commuting and other operational activity.

Energy and GHG emissions data for Reporting Year 2025

Reporting Category	Tonnes of CO ₂ e
Stationary Fuel Combustion (Scope 1)	12.2
Purchased heat/steam/cooling (Scope 2)	17.5
Purchased Electricity (Scope 2)	49.0
Fuel & Energy related activities not included in Scopes 1 or 2 (Scope 3)	22.8
Other Business Travel (Scope 3)	31.6
Employee Commuting & Homeworking (Scope 3)	133.5
Total	266.6
Intensity ratio: tonnes CO ₂ e / FTE	1.78

Year on Year Comparison

Tonnes of CO₂e

Emissions from:	2024	2025	% Change
Scope 1	17.4	12.2	-29.9%
Scope 2	84.7	66.5	-21.5%
Scope 3	198.9	187.9	-5.5%
Total	301.0	266.6	-11.4%
Intensity metric: tonnes CO ₂ e / FTE	1.84	1.78	-3.3%

Methodology

The method used to calculate GHG emissions is the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), together with the latest emission factors from recognised public sources including, but not limited to, DESNZ, the US Energy Information Administration, the US Environmental Protection Agency and the Intergovernmental panel on Climate Change.

Financial Performance 2025

2025 marked a further significant step in the CBI's financial recovery. Income returned to growth, expenditure remained tightly controlled and the operating deficit reduced substantially. The organisation also returned to positive operating cash flow. In addition, Heads of Terms were signed during the year for a material restructuring of the CBI's occupation of Cannon Place. The transaction completed after the year end (see Subsequent Events, p. 25).

The operating result before tax improved to a deficit of £2.0m, compared with £6.4m in 2024. This represents an improvement of £4.4m, or approximately 68%, reflecting the recovery in membership, continued diversification of income and sustained financial discipline.

Income

Total income increased by **£3.1m** to **£17.1m** in 2025, compared with £14.0m in 2024, representing growth of approximately **22%**.

- **Membership subscriptions increased to £14.9m** from £12.3m in 2024. This reflects the continued return and re-engagement of former members, the recruitment of new members and improved retention. The growth in membership income demonstrates renewed confidence in the CBI and the value businesses place on its voice, insight and convening power.
- **Commercial income increased to £1.8m**, compared with £1.5m in 2024. Growth in events, sponsorship and CBI Economics continued to broaden the CBI's income base and reduce its reliance on membership subscriptions alone.
- **Other income was £0.4m**, compared with £0.3m in 2024.

The return to income growth represents an important milestone in the CBI's recovery. The growth was supported both by the rebuilding of the membership book and by the development of a more diversified range of commercial and economic products and services.

Expenditure

Total expenditure reduced to **£19.2m**, compared with £20.5m in 2024, a reduction of approximately **6%**.

Expenditure continued to be tightly managed throughout the year while maintaining the CBI's ability to deliver for members and invest selectively in areas capable of supporting future growth.

Payroll and pension costs reduced to approximately **£11.6m**, compared with £12.5m in 2024, while finance charges also reduced. Office, professional and other operating costs remained carefully controlled.

Expenditure associated with commercial activities increased in line with the growth in commercial income. This investment supported a higher level of events, sponsorship activity and delivery by CBI Economics.

Continued cost discipline contributed significantly to the narrowing of the deficit and remains a central element of the CBI's financial recovery plan.

Subsequent Events

Cannon Place property transaction

On 1 September 2025, the CBI signed Heads of Terms for a proposed restructuring of its occupation of Cannon Place. The transaction completed on 18 March 2026 and was therefore a non-adjusting post-balance-sheet event at 31 December 2025.

Under the transaction, the CBI transferred its existing leasehold interest to another occupier and retained a smaller part of the premises under an underlease. The transaction forms part of the CBI's ongoing management of its cost base and right-sized the CBI's London office footprint to reflect its current operating requirements while maintaining appropriate accommodation for colleagues, members and events.

Following completion, the CBI ceased to bear the direct rental and property-cost obligations associated with the transferred area. The restructuring is expected to deliver a material and recurring reduction in the CBI's cost base reducing annual property cash costs by approximately £1.5m and generate cumulative net cash savings of approximately £4.5m over the period to 31 December 2028.

The total amount payable by the CBI on completion was approximately £1.1m for dilapidations, office reconfiguration and rent deposit. These upfront costs enabled the CBI to secure the substantially lower ongoing property costs described above. This included a reverse premium of approximately £0.74m, comprising a contribution of approximately £0.28m towards dilapidations and approximately £0.46m in respect of an agreed rent-free period. The completion payment also included a refundable rent deposit of approximately £0.26m.

As the transaction completed after the year end, the resulting reduction in ongoing property costs and contractual commitments was not reflected in the CBI's financial performance or lease commitments at 31 December 2025. The recurring financial benefit of the transaction will therefore begin to be reflected in the CBI's financial statements from 2026 onwards.

Subordinated director loan

To bridge the timing gap between the upfront costs of the Cannon Place restructuring and the recurring savings it will generate, the CBI entered into an unsecured, subordinated loan facility of up to £750,000 with Rupert Soames, who served as CBI President and Chair until December 2025 and continues to serve as a Non-Executive Director. The facility bears interest at 6% per annum, and the CBI intends to repay it in 2027, subject to the minimum liquidity conditions set out in the Subordination Agreement (note 14). £500,000 had been drawn by the date these accounts were approved.

Late-stage revisions to the commercial terms of the transaction increased the upfront funding requirement. Having evaluated other options, including bank facilities, external funding and multi-year membership arrangements, the Board concluded that a short-term director loan was the most appropriate solution.

Although the facility was below the Board's £1.0m approval threshold, the Board approved it on 23 January 2026 because it involved a related party. Mr Soames declared his interest and recused himself from the decision. The terms, including the interest rate, were reviewed against comparable financing to confirm they were on arm's-length terms, and the Board received independent legal advice from Slaughter and May confirming that the governance process followed was appropriate and that the conflict of interest had been properly managed. The CBI's banking group, led by Lloyds Bank plc, also consented, subject to the facility's formal subordination to the CBI's existing overdraft (note 14).

As the loan was entered into after the reporting date, no amount was outstanding and no interest had accrued at 31 December 2025. It has therefore been treated as a non-adjusting post-balance-sheet event.

Capital Expenditure

Capital expenditure in 2025 was approximately **£0.1m**, compared with £0.07m in 2024.

Investment remained focused on essential operational requirements, with major discretionary investment continuing to be carefully prioritised while the organisation progresses towards profitability.

Financial Position

At the year end, the balance sheet showed net liabilities of approximately **£18.0m**, compared with net liabilities of £15.2m at the end of 2024.

The movement principally reflects the retained deficit for the year and an adverse movement in the accounting valuation of the defined benefit pension plan.

At 31 December 2025, the CBI had a bank overdraft of approximately £4.9m, compared with £6.2m at the end of 2024. This improvement reflects the significant strengthening in operating cash performance during the year.

Debtors and prepayments reduced to £4.2m from £5.7m in 2024, while fixed assets reduced to £1.0m from £1.3m.

The CBI maintained its external financing facilities throughout 2025. Following the year end, the facilities were renewed through to 31 July 2027, providing continued access to funding as membership and commercial revenues rebuild.

Cash flow

The improvement in trading performance translated into a substantial strengthening of operating cash generation.

The CBI generated approximately £1.9m of net cash from operating activities in 2025, compared with a net operating cash outflow of £4.2m in 2024. This represents a year-on-year improvement of approximately **£6.1m**.

After capital expenditure and financing costs, the overall year-end cash position improved by approximately **£1.3m** during the year.

The return to positive operating cash flow is a major milestone in the recovery and demonstrates that the combined focus on income growth, revenue diversification and cost control is delivering tangible financial results.

The CBI's cash position remains the principal financial challenge facing the organisation. Cash balances move through the year, with the low point typically occurring in the summer, and the summer 2026 low point was not materially better than in 2025, reflecting slower than planned new member recruitment early in 2026 and one-off costs, including the upfront costs of the Cannon Place transaction. The Board's priority is to strengthen cash and reduce the CBI's borrowings.

Pension Plan

The CBI's defined benefit pension plan reported an accounting deficit of approximately £0.7m at 31 December 2025, compared with an accounting surplus of £0.3m at the end of 2024. After recognising the related deferred tax asset, the net pension liability was approximately £0.6m, compared with a net asset of £0.3m at the end of 2024.

The movement reflects changes in the value of the Plan's assets and liabilities during the year. The accounting valuation remains sensitive to movements in market yields, inflation assumptions, asset performance and longevity assumptions and may therefore fluctuate significantly from year to year.

The CBI paid deficit-recovery contributions of £0.18m during 2025, compared with £0.27m in 2024. The CBI and the Plan's Corporate Sole Trustee continue to monitor the funding position and investment strategy.

Going Concern

The accounts continue to be prepared on a going concern basis.

Management has prepared medium-term financial projections and detailed cash flow forecasts, taking account of the principal risks and uncertainties facing the CBI. These include membership retention and recruitment, the conversion of commercial opportunities, pension funding requirements, property commitments and the continued management of operating costs.

The forecasts have been updated to reflect trading to date in 2026, including new member recruitment running behind plan, and have been subject to sensitivity analysis, including scenarios reflecting lower income, delayed cash receipts, reduced commercial margins and adverse changes in trading performance. The Board has also identified and documented a range of mitigating actions that could be taken should a shortfall arise, including accelerating the collection of subscription income and further tightening of the cost base, and has considered the headroom available under the CBI's renewed financing facilities. The substantial reduction in the operating deficit, the return to positive operating cash flow and the growth in membership and commercial income demonstrate the progress made during 2025. In reaching its going-concern conclusion, the Board has also taken account of the

completion of the Cannon Place property transaction (See Subsequent Events) in March 2026 and the subsequent renewal of external financing facilities through to 31 July 2027. These factors reinforce the Board's confidence that the CBI has sufficient resources to meet its obligations and continue operating for a period of at least 12 months from the date the accounts are authorised for issue.

2026 and Future Financial Plans

Trading in 2026 has so far been more difficult than we planned. In a challenging economic environment, businesses have taken longer to commit to new memberships, and new member recruitment has been behind our plan. Retention of existing members remains strong. The CBI has responded by continuing to diversify revenue streams such as Events, Sponsorship, CBI Economics and the provision of other professional services. The Board has reflected current trading in its forecasts and in its going concern assessment.

Cost discipline remains central to the financial plan, alongside selective investment in capabilities that support growth, improve productivity and strengthen delivery for members.

The Cannon Place property transaction and the subsequent renewal of external financing facilities through to July 2027 provide a stronger foundation for the next phase of the CBI's recovery.

The Board remains focused on improving cash generation across the financial year and, over time, reducing the CBI's borrowings and building back reserves.

Risk

The Board has overall accountability for ensuring that risk is effectively managed, with the Audit and Risk Committee overseeing the effectiveness of the CBI's risk-management processes.

Each business area undertakes a periodic review to identify, assess and manage the risks within its remit. Management also undertakes a top-down review to ensure that the principal risks facing the organisation are captured consistently and that appropriate mitigations are in place.

Risks are assessed against defined criteria, considering both the likelihood of occurrence and the potential impact on the CBI. The principal risks are reported to the Executive Committee for review and challenge before being presented to the Audit and Risk Committee and the Board.

Annual budgets are approved by the Board as part of the CBI's medium-term financial planning process. Performance against the budget, cash flow forecasts and wider plan

targets is reviewed regularly by the Executive Committee and the Board. The plans are considered in the context of the risks and opportunities facing the organisation.

The principal financial and operational risks identified during 2025 included:

- liquidity and the continued availability of external financing;
- membership retention and the pace of new member recruitment;
- delivery of commercial income and appropriate margins;
- reputational risk and the maintenance of stakeholder confidence;
- management of the defined benefit pension plan;
- cyber security, data protection and operational resilience;
- delivery of the Cannon Place property transaction and management of the associated execution and transition risks;
- the management of organisational change; and
- maintaining effective financial and operational controls.

Internal controls and financial reporting

The CBI Board is ultimately responsible for the organisation's system of internal control and for reviewing its effectiveness. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can therefore provide reasonable, but not absolute, assurance against material misstatement or loss.

The Audit and Risk Committee reviews the processes for identifying, evaluating and managing the risks faced by the CBI. The organisation continues to review and improve the effectiveness of its financial and non-financial controls, including operational and compliance controls, risk management and the overarching control environment.

During 2025, the Board, Audit and Risk Committee and management continued to monitor the control environment closely. Particular focus was placed on cash and liquidity management, financial forecasting, revenue recognition, expenditure control, significant property matters and the management of risks associated with the CBI's continuing recovery.

The CBI's key internal-control procedures include the following:

- Authority to operate business areas, regional activities and projects is delegated to managers within limits established by the Chief Executive Officer and Chief Financial Officer, under the overall supervision of the Board.
- Systems and procedures are in place at both corporate and business area level to identify, control and report on key risks, including credit, liquidity, operational error, cyber security and fraud.

- Annual financial plans are prepared and approved by the Board. Results, cash flow and key performance indicators are monitored regularly, with monthly reporting of performance against budget, forecast and prior periods.
- All expenditure, including capital expenditure, is governed by approved budgets, delegated authority limits and appropriate authorisation processes.
- The Board monitors compliance with policies and standards and reviews the effectiveness of the organisation's control structures. This is supplemented by management reporting on significant changes in the business or external environment.
- The Audit and Risk Committee reviews the controls in operation, considers any identified weaknesses and oversees the implementation of actions arising from issues reported by management or the external auditors.

The Board keeps the effectiveness of the system of internal control under review. Its review includes:

- consideration of financial and operational reports identifying variances from plan, emerging risks and mitigating actions;
- discussions with senior management on risk and control matters;
- review of reports and recommendations from the external auditors; and
- monitoring the completion of agreed control-improvement actions.

Internal Audit

The CBI does not have an internal audit function. This is considered appropriate given the size and organisational structure of the CBI and the close involvement of the executive directors and senior management in the day-to-day operations. The Board and Audit and Risk Committee keep this position under review and may commission targeted independent reviews where additional assurance is considered appropriate.

Statement of Responsibilities in Relation to the Accounts

Under the CBI's Charter and bye-laws, the Council is required to cause proper books to be kept so as to show a true and fair view of the state of the CBI's affairs and to explain its transactions. The Council is also required to present audited accounts at each Annual General Meeting. The members of the CBI Board discharge these responsibilities on behalf of the Council and have elected to prepare these accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

In preparing these accounts, the members of the CBI Board are required to:

- Select suitable accounting policies and then apply them consistently.

- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts.
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the CBI will continue to operate.

The Chief Executive and the Chief Financial Officer have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the CBI and to detect fraud and other irregularities. The members of the CBI Board are responsible for the maintenance and integrity of the corporate and financial information included on the CBI's website. Legislation in the United Kingdom governing the preparation and dissemination of the accounts and other information included in annual reports may differ from legislation in other jurisdictions.

The members of the CBI Board who held office at the date of approval of these accounts confirm that, so far as they are aware, there is no relevant audit information of which the CBI's auditors are unaware. Each member of the CBI Board also confirms that they have taken such steps as they consider necessary to make themselves aware of any relevant audit information and to establish that the CBI's auditors are also aware of that information.

The members of the CBI Board consider that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CONFEDERATION OF BRITISH INDUSTRY

Opinion

We have audited the accounts of the Confederation of British Industry ("the CBI") for the year ended 31 December 2025 which comprise the Income Statement, Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows and notes to the accounts. 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 accounts:

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

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 accounts section of our report. We are independent of the CBI in accordance with the ethical requirements that are relevant to our audit of the accounts in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the CBI's use of the going concern basis of accounting in the preparation of the accounts 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 CBI's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the Board 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 CBI annual report, other than the accounts and our Auditor's report thereon. Our opinion on the accounts does not cover the other information, 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 accounts 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 accounts 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the CBI and its environment obtained in the course of the audit, we have not identified material misstatements in the annual report. We have nothing to report in respect of the following matters where we are required 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 accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the members of the CBI Board

As explained more fully in the statement of the responsibilities, CBI's members are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of accounts that are free from material misstatement, whether owing to fraud or error.

In preparing the accounts, the members are responsible for assessing the CBI'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 members either intend to liquidate the CBI or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether owing 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 accounts.

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 applicable to the CBI and the sector in which it operates. We determined that the following laws and regulations were most significant: the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), anti-bribery regulations, employment law, health and safety legislation and data protection regulations.
- We understood how the CBI is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit and Risk Committee.
- We assessed the susceptibility of the CBI's accounts to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant account item to which they relate.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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 members of the Board, as a body, in accordance with the Bye Laws of the CBI. Our audit work has been undertaken so that we might state to the CBI'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 CBI and the CBI's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Buzzacott Audit LLP". The signature is written in a cursive, flowing style.

Buzzacott Audit LLP

130 Wood Street

London

EC2V 6DL

Date: 12 October 2026

CBI Accounts for 2025

Income statement

Income Statement

for the year ended 31 December 2025

	Notes	2025	2024
		£000	£000
Income			
Members' subscriptions	1(d) & 2	14,944	12,256
Rents and licence fees		6	10
Commercial activities		1,754	1,451
Interest on short-term deposits		-	-
Other income		407	312
		<u>17,111</u>	<u>14,029</u>
Expenditure			
Payroll	4	10,730	11,655
Pension costs	4	873	890
Travel and subsistence		264	219
Other staff costs		340	365
Office expenses		761	818
Premises costs		2,909	2,896
Subscriptions to other organisations		775	724
Commercial activities		605	535
Legal and professional costs		550	588
Promotional activities and surveys		70	68
Functions and entertaining		39	33
Depreciation	1(e) & 8	399	483
Finance charges	6	826	1,209
Project cost		-	-
Miscellaneous expenses		9	(16)
		<u>19,150</u>	<u>20,467</u>
Operating Result before tax	3	<u>(2,039)</u>	<u>(6,438)</u>
Taxation charge	7	<u>(15)</u>	<u>(89)</u>
Retained deficit for the year		<u>(2,024)</u>	<u>(6,349)</u>

Statement of Comprehensive Income for the year ended 31 December 2025

		2025	2024
Statement of Comprehensive Income		£000	£000
for the year ended 31 December 2025			
Retained deficit for the year		(2,024)	(6,349)
Actuarial (loss)/gain recognised in the pension scheme	13	(917)	(2,309)
Current tax (liability)/benefit arising on Employer contributions to the DB pension scheme	7	(15)	(89)
Deferred tax cost arising on Employer contributions to the DB pension scheme		(34)	(51)
Deferred tax cost arising on actuarial (gain)/loss		224	579
Total recognised loss for the year		<u>(2,766)</u>	<u>(8,219)</u>

All amounts relate to continuing activities.

Statement of Financial Position

at 31 December 2025

	Notes	2025	2024
		£000	£000
Fixed assets			
Tangible fixed assets	8	963	1,285
Current assets			
Debtors and prepayments	9	4,214	5,667
		4,214	5,667
Less current liabilities			
Amounts falling due within one year			
Bank Overdraft		(4,916)	(6,170)
Creditors, accruals and deferred income	10	<u>(17,544)</u>	<u>(16,107)</u>
		(22,460)	(22,277)

Net current liabilities		(18,246)	(16,610)
Total assets less current liabilities		(17,283)	(15,325)
Deferred tax asset	11	(131)	(131)
Net liabilities excluding pension (liability)/asset		(17,414)	(15,456)
Pension (liability)/asset net of deferred tax	13	(552)	256
Net assets including pension asset		<u>(17,966)</u>	<u>(15,200)</u>
Represented by:			
Accumulated (deficit)/surplus		<u>(17,966)</u>	<u>(15,200)</u>
Accumulated (deficit)/surplus		2025	2024
		£000	£000
Opening surplus		(15,200)	(6,981)
Total recognised losses for the year		(2,766)	(8,219)
Closing (deficit)/surplus		<u>(17,966)</u>	<u>(15,200)</u>

These accounts were approved by the Board and authorised for issue on 12 October 2026 and were signed by:



Rain Newton-Smith,
Chief Executive Officer



Ben Bailey,
Chief Financial Officer

Statement of Cash flows

for the year ended 31 December 2025

	2025	2024
	£000	£000
Cash flows from operating activities		
Operating Result before taxation	(2,039)	(6,438)
Adjusted for:		
Depreciation	399	483
Finance charges	826	1,209
Decrease in debtors	1,453	423
Increase/(Decrease) in creditors	491	(590)
(Decrease)/Increase in deferred income	946	990
Contributions to pension plan	(180)	(267)
Net cash from operating activities	<u>1,896</u>	<u>(4,190)</u>
Cash flows from investing activities		
Interest received	-	-
Purchase of tangible fixed assets	(77)	(66)
Net cash used in investing activities	(77)	(66)
Cash flows from financing activities		
Interest and other charges paid	(565)	(472)
Net cash used in financing activities	(565)	(472)
Change in cash and cash equivalents	1,254	(4,728)
Cash and cash equivalents at 1st January	(6,170)	(1,442)
Cash and cash equivalents at 31st December	(4,916)	(6,170)
Analysis of cash and cash equivalents	(1,254)	4,728
	2025	2024
	£000	£000
Bank Overdraft	(4,916)	(6,170)
	-	-
Total cash and cash equivalents	<u>(4,916)</u>	<u>(6,170)</u>

The CBI had no borrowings at 31 December 2025 other than the bank overdraft included in cash and cash equivalents, and accordingly no separate reconciliation of net debt has been prepared.

Notes to the accounts

1. Accounting policies

a) Basis of preparation

The Confederation of British Industry was set up by royal charter, registered number RC000139 (England and Wales).

The CBI's registered office is Cannon Place, 78 Cannon Street, London, EC4N 6HN.

These accounts 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'). The accounts have been prepared on the historical cost basis.

The accounts have been prepared under FRS 102 and presented in sterling and rounded to the nearest £'000.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the CBI's accounts.

b) Going concern

The accounts have been prepared on a going concern basis. Management has developed medium-term financial projections and cash flow forecasts based on the current business model, taking into account the principal risks and uncertainties described in the Risk section of The annual report, including (but not limited to) the retention and recruitment of members, agreed pension funding requirements, the maintenance of commercial margins, and the CBI's ability to continue managing costs tightly while investing to grow the business.

In reaching its conclusion, the Board has also had regard to the substantial improvement in trading and cash performance during 2025, the completion of the Cannon Place property transaction (See Subsequent Events), and the renewal of financing facilities through to 31 July 2027.

The current facilities do not extend for the full twelve months from the date of approval of these accounts, and the forecasts therefore assume that they will be extended on broadly similar terms. The CBI has a good working relationship with its banking group, led by Lloyds Bank plc, which has renewed the facilities on previous occasions, and the directors have no reason to believe that the facilities will not be extended.

Sensitivity analysis has been applied to the key assumptions underlying these projections, including scenarios reflecting lower income, delayed cash receipts, reduced commercial margins and adverse changes in trading performance, covering a period of at least 12

months from the date these accounts are authorised for issue. Based on this analysis, the Board considers it reasonable to expect that the CBI will have sufficient resources to continue operating throughout that period.

The majority of the CBI's income is raised through Membership Subscriptions. The Board has identified and documented a range of mitigating actions that could be taken should income fall short of forecast, including accelerating the collection of subscription income and further tightening of the cost base.

Having considered the forecasts, the sensitivity analysis, the mitigating actions available and the expected extension of the financing facilities, the directors have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the CBI's ability to continue as a going concern, and that it is appropriate to prepare these accounts on a going concern basis.

c) Critical accounting estimates and areas of judgement

Preparation of the accounts requires the management of the CBI to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets.
- valuation of the pension scheme and assumptions used in the valuation.
- estimating the bad debt provision for outstanding membership subscriptions.
- estimating the future income and expenditure when assessing the going concern of the CBI.

d) Members' subscriptions and commercial income

Membership subscriptions are invoiced two months before the start of the subscription period. Income from members' subscriptions is recognised at the start date of the subscription period, with any income relating to future years being deferred to the relevant year. The bad debt provision for outstanding membership subscription at the year end has been calculated using historic data of resignations from the three previous years and then adjusting for specific items. The CBI has also estimated the resignation value of subscriptions invoiced but unpaid at the year end relating to next year based on the resignation value from previous years'.

Commercial income, including events, sponsorship and consultancy services, is recognised as the related activities, services or benefits are delivered, irrespective of the timing or structure of payments received. Income relating to a specific event is recognised when the event takes place. Where contractual activities, services or benefits are delivered over a period of time, income is recognised by reference to the stage of completion, typically on a

time-apportioned basis over the contract period, or by reference to specific milestone events where the benefits provided are weighted towards particular dates. Amounts received in advance of the period to which they relate are deferred until the related income is earned.

e) Capitalisation & depreciation

The CBI capitalises assets with a value of £1,000 or more. Depreciation is provided on assets on the basis of their cost and from the date they are brought into use on a straight line basis over their estimated useful lives, generally as follows:

Office furniture and equipment	10%-33% per annum
Computer hardware and software	25%-33% per annum
Website costs	33% per annum
Motor vehicles	25% per annum
Plant and machinery	5%-10% per annum
Leasehold improvements	Over the term of the lease or the estimated life of the asset if shorter

f) Leases

Regular annual rental charges and income under operating leases are charged or credited to the income and expenditure account when the amounts are incurred.

Assets acquired under finance leases are capitalised in fixed assets at the net present value of the minimum lease payments and depreciated in accordance with accounting policy (e) above. The finance charge is apportioned to accounting periods using the actuarial method.

g) Taxation

The charge for taxation is based on the result before tax and takes into account deferred tax.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required under FRS102.

h) Foreign currency

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the year end. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction or the rate agreed where a forward contract was used. Exchange differences are taken into account in arriving at the retained surplus for the year.

i) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material. The CBI's bad debt provisions are based on historic data from previous years and the current information available.

j) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the CBI to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and that the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

k) Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than a month from the date of acquisition. Deposits for more than a month but less than one year have been disclosed as short term deposits Of which there were none in the current or prior years.

l) Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the year end date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the CBI anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

m) Financial instruments

The majority of the CBI's financial assets and financial liabilities are of a kind that qualify as basic financial instruments.

n) Pensions

The CBI currently provides a group pension plan and other personal pension plans to staff and makes regular payments into the schemes. All the schemes are defined contribution plans. The amounts paid by the CBI are charged to pension costs in the year.

The CBI previously operated a pension plan providing benefits based on final pensionable pay. This scheme was closed to all staff on 31st March 2012. The assets of the plan are managed by third-party investment managers and are held separately in trust. Independent professionally qualified actuaries undertake regular valuations of the plan. These inform the level of contributions paid by the CBI to fund the benefits set out in the rules of the plan.

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using an attained age method and are discounted at the current rate of return of a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme deficit or surplus (to the extent it is recoverable) is recognised in full. The movement in the scheme deficit/surplus is split between operating charges, and finance items in the statement of comprehensive income.

o) Related party transactions

The CBI discloses transactions with related parties, including transactions with directors and key management personnel, where such transactions are not conducted under normal market terms available to unrelated third parties, or where disclosure is otherwise required to give a true and fair view.

p) Post balance sheet events

Events after the balance sheet date that provide additional evidence of conditions existing at that date are reflected in the accounts. Material events that are indicative of conditions arising after the balance sheet date are disclosed but not adjusted for.

2. Members' subscriptions

	2025	2024
	£000	£000
Subscriptions	14,944	12,262
Provision for bad debts	=	(6)
	14,944	12,256

3. Operating result

Operating result before taxation is stated after charging:	2025	2024
	£000	£000
Auditor's remuneration:		
Audit	44.5	43.0
Other services - tax and related advice	4.5	5.0
Rentals payable under operating leases:		
Land and buildings	1,369	1,423
Motor vehicles and equipment	35	41
Depreciation	399	483
and after crediting:		
Rentals receivable under operating leases:		
Land and buildings	6	6

The CBI makes no political contributions.

4. Staff costs

	2025	2024
	No.	No.
The average number of staff employed by the CBI during the year was:	146	165
	£000	£000
Their aggregate payroll costs were:		
Salaries	9,492	10,272
Severance costs	25	169
Social security costs	1,213	1,214
	10,730	11,655
Pension costs	873	890
	<u>11,603</u>	<u>12,545</u>

5. Remuneration of directors and key management personnel

The key management personnel of the CBI in charge of directing, controlling, running and operating the CBI on a day-to-day basis are the directors. Of the staff included within staff costs in note 4, 8 were called directors in 2025 (2024: 11). Their total emoluments, including the estimated money value of non-cash benefits, were £1,322k (2024: £1,406k). Of this, £0k related to severance costs (2024: £46k). All but 2 (2024: 3) of the directors are members of one of the CBI's pension plans. The cost to the CBI of the other plans for these 2 directors was £23k (2024: £15k).

6. Finance charges

	2025	2024
	£000	£000
Bank charges and foreign exchange differences	565	472
Defined benefits scheme admin expenses	<u>261</u>	<u>737</u>
	<u>Surplus</u>	<u>1,209</u>

7. Taxation

(i) Analysis of taxation for the year:		
	2025	2024
<i>Income statement</i>		
	£000	£000
<i>Current tax</i>		
UK corporation tax on operating result	<u>(15)</u>	<u>(89)</u>
	(15)	(89)
<i>Deferred tax</i>		
Accelerated capital allowances	-	-
Trade losses derecognised/(deferred)	-	-
	<u>—</u>	<u>—</u>
Taxation charge on operating result	<u>(15)</u>	<u>(89)</u>
(ii) Factors affecting the current tax charge for the year:		
The tax assessed for the year differs from that at the standard rate of corporation tax of 19% (2024: 19%).		
The differences are explained below:		
<i>Income statement</i>		
Operating result before tax	<u>(2,039)</u>	<u>(6,438)</u>
Tax at standard rate of corporation tax	(387)	(1,223)

Current year tax loss not recognised	387	1,223
Tax charge on operating result for the year (trade losses used, note 7(i))	=	=
<i>Statement of comprehensive income</i>		
Tax at standard rate of 19% (2024: 19%) on total losses recognised in the statement of comprehensive income	=	<u>(439)</u>
Comprised		
Movement in deferred tax asset due to pension scheme surplus	-	(528)
Current taxation credit for the year	<u>15</u>	<u>89</u>
	<u>15</u>	<u>(439)</u>

8. Tangible Fixed assets

	Office furniture & equipment	Computer hardware & software	Leasehold improvements	Total
	£000	£000	£000	£000
Cost:				
At 1 January 2025	848	3,001	2,558	6,407
Additions	-	77	-	77
Disposals	(73)	-	(200)	(273)
At 31 December 2025	<u>775</u>	<u>3,078</u>	<u>2,358</u>	<u>6,211</u>
Depreciation:				
At 1 January 2025	769	2,377	1,896	5,042
Charge for year	20	301	158	479
Disposals	(73)	-	(200)	(273)
At 31 December 2025	<u>716</u>	<u>2,678</u>	<u>1,854</u>	<u>5,248</u>
Net book value:				
At 31 December 2025	<u>59</u>	<u>400</u>	<u>504</u>	<u>963</u>
At 31 December 2024	<u>79</u>	<u>544</u>	<u>662</u>	<u>1,285</u>

The opening balance of Computer hardware & software includes £80k of assets which were under construction at 31 December 2024 and were not depreciated until brought into use during 2025.

9. Debtors and prepayments

	2025	2024
	£000	£000
Trade debtors	3,482	4,698
Corporation tax	20	20
Other debtors	20	89
Forward contracts	-	-
Prepayments and accrued income	<u>692</u>	<u>860</u>
	<u>4,214</u>	<u>5,667</u>

10. Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Trade creditors	2,066	927
Other taxes and social security	1,563	1,726
Other creditors and accruals	1,568	2,053
Deferred income	<u>12,347</u>	<u>11,401</u>
	<u>17,544</u>	<u>16,107</u>

Other taxes and social security includes employer contributions of £70k (2024: £68k) to the defined contributions plans. Other creditors and accruals includes an accrual for holiday pay of £128k (2024: £133k).

11. Deferred tax liability/(asset)

	2025	2024
Deferred tax is principally a result of accelerated capital allowances	£000	£000
At 1 January	131	131
Prior year deferred tax rate adjustment		
Credit/(Debit) for the year	-	-
Trade losses derecognised/(used)	-	-
At 31 December	<u>131</u>	<u>131</u>

Deferred tax is calculated at 20% (2024: 19%) being the taxation rate expected to be applicable when the timing differences reverse. Having reassessed this position for 2025, the CBI continues to conclude that it is not yet appropriate to recognise the deferred tax asset, as there is not yet a sufficient level of certainty over future taxable profits against which the underlying losses could be utilised.

12. Commitments

At 31 December 2025 the CBI had the following future minimum commitments under non-cancellable leases:

	2025		2024	
	Land and buildings	Equipment	Land and buildings	Equipment
	£000	£000	£000	£000
Within one year	739	13	1,274	13
In the second to fifth years inclusive	1,143	6	3,586	-
Over five years	=	=	=	=
	<u>1,882</u>	<u>19</u>	<u>4,860</u>	<u>13</u>

There were capital commitments of £nil at 31 December 2025 (2024: £nil).

13. Pension schemes

The CBI operates a defined benefits pension plan in the UK - the Confederation of British Industry Retirement Benefits Plan ('the Plan'). The Plan was closed to new entrants on 1 May 2009 and to further benefit accruals from 31 March 2012. All staff are offered membership of a group pension plan, to which the CBI contributes, or a contribution to approved personal pension plans, all of which are defined contribution arrangements. The Plan's assets are held in separate trustee administered funds.

Contributions to the Plan are determined by the results of triennial formal actuarial valuations. The most recent valuation, carried out as at 31 December 2023, showed a funding deficit on the technical provisions basis of £1.2m (a funding level of 98%), and was finalised in early 2025. Following this valuation, the CBI agreed a revised deficit-recovery contribution schedule with the Plan's Trustee: £180,000 per annum for 2025 and 2026, rising to £420,000 per annum for 2027, 2028 and 2029, with the objective of eliminating the funding shortfall by 31 May 2029. The next triennial valuation will be carried out as at 31 December 2026.

As the Plan is closed to future accrual, there were no regular contributions in 2025. At 31 December 2025 the Plan had an accounting deficit of £682k under FRS 102.

Following a review of the Plan's governance arrangements, Dalriada Trustees Limited was appointed as independent Professional Corporate Sole Trustee with effect from 8 December 2025, replacing the previous four-member Trustee Board. The change did not alter members' benefits or the CBI's funding obligations.

Risks

The main risks the CBI is exposed to by the Plan are:

- Mortality risk - the assumptions adopted by the CBI make allowance for future improvements in life expectancy.
- However, if life expectancies improve at a faster rate than assumed, this would result in greater payments from the Plan and consequently increases in the Plan's liabilities. The CBI and the Plan's Trustees review the mortality assumption on a regular basis to minimise the risk of using inappropriate assumptions.
- Investment risk - the Plan invests its assets in a portfolio of asset classes. There is residual risk that as the selected portfolio matures, there is the possibility of not being able to reinvest the assets at the assumed rates. The Plan's Trustees review the structure of the portfolio on a regular basis to minimise these risks.
- Inflation risk - increases to benefits in the Plan are linked to inflation. If inflation is greater than expected, the liabilities will increase.
- Employer risk - the Plan's funding position and recovery plan depend on the CBI's ongoing ability to support the Plan through contributions. The CBI and the Plan's Trustee monitor the CBI's financial position and outlook on a regular basis as part of the Plan's

governance arrangements, and this is taken into account in setting the Plan's funding and investment strategy.

All figures in £'000s		
Components of benefit cost recognised in income statement	2025	2024
Net interest cost on net defined assets	(23)	(129)
Administration expenses	284	866
Net benefit cost in income statement	<u>261</u>	<u>737</u>
Amount recognised in OCI		
Actuarial losses arising from changes in assumptions	(505)	(4,975)
Experience gains on liabilities	-	-
Actuarial (losses)/gains on assets	<u>1,422</u>	<u>7,284</u>
Loss/(Gain) recognised in OCI	<u>917</u>	<u>2,309</u>
Funded Status		
The funded status of the Plan at the year end and the related amounts recognised on the statement of financial position are:		
	2025	2024
Plan assets	57,268	59,415
Plan liabilities	<u>(57,950)</u>	<u>(59,099)</u>
Pension (deficit)/surplus	<u>(682)</u>	316
Related deferred tax asset/(liability)	130	(60)
Net pension asset	<u>(552)</u>	<u>256</u>

The assumptions used to determine the Plan's defined benefit obligation at end of year are:

At 31 December			
		2025	2024
Future inflation assumption	-RPI	2.95%	3.5%
	-CPI	2.55%	3.05%
Future increase in pensions in payment (LPI max 5%, min 3% p.a.)		3.6%	3.8%
Discount rate		5.45%	5.45%

The life expectancies are based on the S3NXA tables, with no adjustments to reflect the Plan's membership. Future improvements are based on the CMI projections model with a long-term improvement of 1.25%, a smoothing factor of 7, an initial parameter of 0.25% and a w parameter of 10%. The smoothing factor is the default parameter of the CMI Model.

Life expectancy at 31 December	Male		Female	
	2025	2024	2025	2024
From 65 and now 65	21.8	21.3	24.1	23.8
From 65 and now 45	22.8	22.2	25.2	24.9

The change in Plan liabilities during the year were:

	2025	2024
Plan liabilities at start of year	59,099	64,953
Interest cost	3,118	2,902
Past service costs	-	-
Actuarial losses/(gains) arising from changes on demographic assumptions	975	(26)
Actuarial losses/(gains) arising from changes on financial assumptions	(1,732)	(5,237)
Actuarial losses arising from changes on experience adjustment	252	288
Benefits paid	(3,762)	(3,781)
Plan liabilities at end of year	<u>57,950</u>	<u>59,099</u>

The change in Plan assets during the year were:

	2025	2024
Plan assets at start of year	59,415	68,048
Interest income	3,141	3,031
Experience (losses)/gains	(1,422)	(7,284)
Employer contributions	180	267
Administration expenses	(284)	(866)
Benefits paid	(3,762)	(3,781)
Plan assets at end of year	<u>57,268</u>	<u>59,415</u>

The 31 December 2023 triennial valuation has been completed since the last year end. As there were no changes to the final valuation compared to the initial results allowed for in last year's results, no allowance for the valuation was required at this year end. The current funding rate commenced 1 March 2024 with the aim of becoming 100% funded on a Self Sufficiency basis.

The CBI paid contributions to the Plan of £180k in the year (2024: £267k). The Plan Asset Allocation at the year end was as follows:

	2025	2024
Bonds	56,002	57,754
Cash and Other	<u>1,266</u>	<u>1,661</u>
Total	<u>57,268</u>	<u>59,415</u>

Experience adjustments DB Pension Plan

	2025	2024
Fair value of asset, end of year	57,268	59,415
Defined benefit obligation, end of year	<u>57,950</u>	<u>59,099</u>
Funded status	(682)	316
Experience adjustment on Scheme assets gain	1,422	7,284

Decrease in asset

Decrease discount rate by 0.25%	1,533
Increase rate of inflation by 0.25%	775
Life expectancies increase by 1 year	2,204
RPI +0.25%	1,679
CPI +0.25%	867

14. Related Party Transactions

During the year, the CBI entered into an unsecured, subordinated loan facility of up to £750,000 with Rupert Soames, a Non-Executive Director and its immediate past Chair and President, to support liquidity following completion of the Cannon Place property transaction (see note 15). The loan bears interest at 6% per annum. As at the date these accounts were approved, only £500k of the facility was drawn.

The facility was reviewed and approved by the Board on 23 January 2026 in accordance with the CBI's related party procedures. Mr Soames declared his interest in the transaction and recused himself from the Board's discussion and approval. The terms of the facility, including the interest rate, were benchmarked against comparable commercial financing to confirm they were agreed on arm's-length terms. The Board also received independent legal advice from Slaughter and May, confirming that the governance process followed was appropriate and that the conflict of interest had been properly managed.

The CBI's banking group, led by Lloyds Bank plc, also consented to the facility, subject to its formal subordination to the CBI's existing overdraft. The Board approved the resulting Subordination Agreement between the CBI, Lloyds Bank plc and Mr Soames on 30 January 2026; Mr Soames did not participate in this approval. The agreement does not alter the principal amount of the facility but governs payment priority and restricts repayment, which is subject to prior bank consent and minimum ongoing liquidity headroom.

No other transactions with directors or key management personnel requiring disclosure under FRS 102 Section 33 were entered into during the year, other than remuneration disclosed in note 5.

15. Post Balance Sheet Events

On 1 September 2025, the CBI signed Heads of Terms for a restructuring of its occupation of Cannon Place. The transaction completed on 18 March 2026, after the balance sheet date, and was therefore a non-adjusting event. Under the transaction, the CBI transferred its existing leasehold interest to another occupier and retained a smaller part of the premises under an underlease.

The total amount payable by the CBI on completion was approximately £1.1m, comprising a reverse premium of approximately £0.74m (dilapidations contribution of £0.28m and an agreed rent-free period of £0.46m), a refundable rent deposit of £0.26m, and VAT and other completion adjustments, net of £0.11m contributed by the incoming occupier. The transaction is expected to reduce annual property cash costs by approximately £1.5m and generate cumulative net cash savings of approximately £4.5m to 31 December 2028.

As noted above, the CBI entered into an additional £0.75m loan facility with Rupert Soames, a Non-Executive Director and the CBI's immediate past Chair and President, to support liquidity following completion (note 14).

October 2026

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