Cavendish Online Limited

Annual report and financial statements
for the year ended 31 December 2025

Registered office

234 High Street
Exeter
EX4 3NL
United Kingdom

Registered number

04045709

Current Directors

J C Nelmes
K A Lyons
R A Messenger

Company Secretary

G J Donaldson

Member of Lloyds Banking Group

Directors' report

For the year ended 31 December 2025

The Directors present the Annual report and audited financial statements of Cavendish Online Limited (the 'Company') for the period ended 31 December 2025.

The Company is a wholly owned subsidiary of Lloyds Bank Insurance Services Limited and is part of the Insurance, Pensions and Investments (IP&I) Division of Lloyds Banking Group (the "Group").

The Company has taken the exemption available under section 414B of the Companies Act 2006 not to prepare a Strategic report.

Principal activity

The principal activity of the Company is to provide discount brokerage services for life insurance and other protection products.

General information

The Company is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006, domiciled and registered in England and Wales (registered number: 04045709). The Company is regulated by the Financial Conduct Authority ("FCA").

On 4 December 2025, the Company issued a variation of rights for all shares where ordinary shares now have full voting, dividend and capital distribution (including on winding up) rights, they do not confer any rights of redemption. This variation did not result in any change to the total number of shares in issue or the aggregate nominal value, all shares were re-designated from share classes A-J into 'Ordinary'.

Company performance

The result of the Company for the year ended 31 December 2025 is a profit after taxation of £69,000 (2024: £1,031,000 loss) as set out in the Statement of comprehensive income on page 4.

The total net assets of the Company at 31 December 2025 are £779,000 (2024: £710,000).

Post balance sheet events

There are no post Balance sheet events requiring disclosure in these financial statements.

Key performance indicators (KPIs)

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

The development, performance and position of the IP&I Division are presented within Lloyds Banking Group plc's annual report, which does not form part of this report.

Future outlook

The Directors consider that the Company's principal activities will continue to be unchanged in the foreseeable future.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are managed within the framework established for the Group and are not managed separately for the Company. Further details of the Company's and Group's risk management policy are contained in note 15 to the financial statements.

Economic environment

In 2025, the UK economy experienced modest growth alongside persistent inflation pressures. Elevated input costs and continued global uncertainty limited business investment. Technological developments, including increased adoption of artificial intelligence, supported incremental productivity gains; however, challenges such as new US trade tariffs, geopolitical tensions including ongoing conflict in both Eastern Europe and the Middle East and ongoing supply chain disruption continued to weigh on economic activity.

Globally, recovery remained uneven, with inflation and differing monetary policy paths contributing to variable demand conditions. As a result, many UK businesses maintained a cautious approach to investment and expansion.

Consistent with the Group's purpose of Helping Britain Prosper and its commitment to supporting customers, the Group continued to assist those most affected by developments in the economic environment.

The Company will continue to monitor the situation and risks to the business.

Directors' report (continued)

For the year ended 31 December 2025

Employees

The Company has no direct employees (2024: nil). All staff are employed by other companies within the Group and the relevant staff costs are recharged to the Company. Full details of policies relating to disabled persons, together with details of actions taken regarding the provision of information to employees, their consultation and involvement, are shown in the Lloyds Banking Group plc Annual Report and Accounts for 2025, which does not form part of this report, and is available on the Lloyds Banking Group plc website: https://www.lloydsbankinggroup.com/investors/financial-downloads.html

Dividends

No dividends were paid or proposed during the year ended 31 December 2025 (2024: £nil).

Directors

The names of the current Directors are listed on the front cover.

The following changes have taken place between the beginning of the reporting period and the approval of the Annual report and financial statements:

R M St Louis	(resigned 31 March 2026)
K A Lyons	(appointed 31 March 2026)

No Directors had any interest in any material contract or arrangement with the Company during or at the end of the year.

Registered address

The Company changed its registered address from 20 Cathedral Yard, Exeter, EX1 1HB to 234 High Street, Exeter, EX4 3NL on 6 February 2024.

Directors' indemnities

Lloyds Banking Group plc has granted to the Directors of the Company a deed of indemnity which constitutes 'qualifying third party indemnity provisions' for the purposes of the Companies Act 2006. The deed was in force during the whole of the financial year and at the date of approval of the financial statements or from the date of appointment in respect of any Director who joined the Board of the Company during the financial year. Directors no longer in office but who served on the Board of the Company at any time in the financial year had the benefit of this deed of indemnity during that period of service.

The Deed for existing Directors is available for inspection at the registered office of Lloyds Banking Group plc. In addition, the Group has in place appropriate Directors and Officers Liability Insurance cover which was in place throughout the financial year.

Going concern

The going concern of the Company is dependent on successfully maintaining adequate levels of capital and liquidity. In order to satisfy themselves that the Company has adequate resources to continue to operate for the foreseeable future, the Directors have considered a number of key dependencies which are set out in the risk management section (note 15). Having consulted on these, the Directors conclude that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors are required to prepare the Company's financial statements in accordance with United Kingdom adopted international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

Directors' report (continued)

For the year ended 31 December 2025

Statement of Directors' responsibilities (continued)

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether the financial statements comply with United Kingdom adopted international accounting standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

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

Directors' confirmations

Each of the Directors, as listed in the Directors' report, confirm to the best of their knowledge that:

- the Company financial statements, which have been prepared in accordance with United Kingdom adopted international accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and
- the Directors report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risk and uncertainties that it faces.

Auditor and disclosure of information to Auditor

In accordance with Section 418 of the Companies Act 2006, in the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that they ought to have taken as a Director in order to make themself aware of any relevant audit information and to establish that the Company auditors are aware of that information.

Deloitte LLP is deemed to be re-appointed as auditor under section 487(2) of the Companies Act 2006.

Approved by the Board of Directors and signed on its behalf of the Board of Directors:

R A Messenger
Director

19 June 2026

Statement of comprehensive income

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Revenue		**10,533**	6,072
Commission expense		**(861)**	(329)
Net commission income	3	**9,672**	5,743
Loss on disposal of property, plant and equipment		**(1)**	(6)
Depreciation of property, plant and equipment	9, 10	**(43)**	(61)
Other operating expenses	5	**(9,553)**	(7,004)
Profit/(loss) before tax		**75**	(1,328)
Taxation	6	**(6)**	297
Profit/(loss) after tax, being total comprehensive income/(expense)		**69**	(1,031)

The notes set out on pages 8 to 18 are an integral part of these financial statements.

Balance sheet
As at 31 December 2025

	Note	2025 £'000	2024 £'000
ASSETS			
Cash and cash equivalents	7	**2,152**	1,449
Trade and other receivables	8	**486**	259
Property, plant and equipment	10	**77**	116
Current tax asset		**-**	343
Total assets		**2,715**	2,167
LIABILITIES			
Trade and other payables	11	**85**	105
Amounts due to group undertakings	16	**693**	777
Provision for liabilities and charges	12	**1,114**	549
Current tax liability		**24**	-
Deferred tax	13	**20**	26
Total liabilities		**1,936**	1,457
EQUITY			
Share capital	14	**1,500**	1,500
Accumulated losses		**(721)**	(790)
Total equity		**779**	710
Total equity and liabilities		**2,715**	2,167

The notes set out on pages 8 to 18 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors and were signed on its behalf by:

R A Messenger
Director

19 June 2026

Statement of changes in equity

For the year ended 31 December 2025

	Share capital	Retained earnings/ (Accumulated losses)	Total equity
	£'000	£'000	£'000
At 1 January 2024	-	241	241
Loss for the year being total comprehensive expense	-	(1,031)	(1,031)
Issue of share capital	1,500	-	1,500
At 31 December 2024	1,500	(790)	710
Profit for the year being total comprehensive income	-	69	69
At 31 December 2025	**1,500**	**(721)**	**779**

The notes set out on pages 8 to 18 are an integral part of these financial statements.

Cash flow statement

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Cash flows generated from/(used in) operating activities			
Profit/(loss) before tax		**75**	(1,328)
Adjustments for:			
- Depreciation of Property, plant and equipment		**43**	61
- Loss on disposal of Property, plant and equipment		**1**	6
- Increase in Provisions for liabilities and charges	12	**565**	88
- Increase in Trade and other receivables	8	**(227)**	(138)
- Decrease in Trade and other payables	11	**(20)**	(5)
- (Decrease)/Increase in amounts due to group undertakings	16	**(84)**	440
Cash generated from/(used in) operations		**353**	(876)
Tax received/(paid)		**355**	(3)
Net cash generated from/(used in) operating activities		**708**	(879)
Cash flows used in investing activities			
Purchase of Property, plant and equipment	10	**(5)**	(56)
Net cash used in investing activities		**(5)**	(56)
Cash flows generated from financing activities			
Lease liability repayments		**-**	(19)
Issue of Share Capital	14	**-**	1,500
Net cash generated from financing activities		**-**	1,481
Change in Cash and cash equivalents		**703**	546
Cash and cash equivalents at beginning of year		**1,449**	903
Cash and cash equivalents at end of year		**2,152**	1,449
Cash and cash equivalents comprise			
Cash at bank	7	**2,152**	1,449

The notes set out on pages 8 to 18 are an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2025

1. Material accounting policies

The material accounting policies adopted in the preparation of these financial statements, which have been consistently applied to all periods presented in these financial statements unless stated otherwise, are set out below.

1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with United Kingdom adopted International accounting standards in conformity with the requirements of the Companies Act 2006.

The financial information has been prepared under the historic cost convention.

In accordance with IAS 1 'Presentation of Financial Statements', assets and liabilities in the Balance Sheet are presented in accordance with management's estimated order of liquidity.

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in pounds sterling, which is the Company's functional and presentational currency.

No new IFRS Accounting Standard pronouncements which have been adopted resulted in a material impact within these financial statements.

Details of those pronouncements which will be relevant to the Company but which were not effective at 31 December 2025 and which have not been applied in preparing these financial statements are given in note 18. No standards have been early adopted.

The Directors are satisfied that it is the intention of Lloyds Banking Group plc that its subsidiaries, including the Company, will continue to have access to adequate liquidity and capital resources for the foreseeable future and, accordingly, the financial statements have been prepared on a going concern basis.

1.2 Revenue recognition

Commission income

Income comprises brokerage fees and commission income, which are recognised in the Statement of comprehensive income at the later of the inception of renewal of the underlying policy and when the policy placement has been completed and confirmed, having regard to the nature and term of the policy involved. Allowance is made for commission clawback refunds on the basis of prior lapse experience. Additional commission is due from certain third party insurers based upon their underwriting results. This is recognised in the Statement of comprehensive income only when the Company has been notified of the underwriting result, or of the extent that it is highly probable that a significant reversal in the amount of additional commission recognised will not occur, or the income is received.

1.3 Expense recognition

Other operating expenses

Administrative expenses are recognised in the Statement of comprehensive income as incurred. These consist of costs either incurred directly by the Company or recharged from fellow Group subsidiaries.

1.4 Financial assets and liabilities

Management determines the classification of its financial assets and financial liabilities at initial recognition. Financial assets comprise Cash and cash equivalents, and Trade and other receivables. Financial liabilities comprise Trade and other payables and Amounts due to Group undertakings.

On initial recognition, financial assets are classified and measured at amortised cost.

Notes to the financial statements (continued)
For the year ended 31 December 2025

1. Material accounting policies (continued)

1.4 Financial assets and liabilities (continued)

Financial assets are derecognised when the contractual right to receive cash flows from those assets has expired or when the Company has transferred its contractual right to receive the cash flows from the assets and either: substantially all of the risks and rewards of ownership have been transferred; or the Company has neither retained nor transferred substantially all of the risks and rewards, but has transferred control.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

1.5 Property, plant and equipment, including right-of-use assets

Property, plant and equipment is included at historical purchase cost less depreciation and any impairment allowance. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated using the straight line method to allocate the difference between the cost and expected residual value over their estimated useful lives, or the period of the lease whichever is less. Estimated useful lives are as follows:

Leasehold premises	4 - 10 years
Computer and office equipment	4 - 10 years
Fixtures and fittings	3 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance sheet date.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In the event that an asset's carrying amount is determined to be greater than its recoverable amount it is written down immediately. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use.

1.6 Cash and cash equivalents

For the purposes of the Balance sheet and Cash Flow Statement, Cash and cash equivalents comprise balances with less than three months' original maturity.

1.7 Impairment of financial assets

The Company has not adopted the simplified expected credit loss model for its financial assets, as allowed by IFRS 9, paragraph 5.5.15. Instead, the general expected credit loss model has been applied to financial assets.

1.8 Taxation

Tax expense comprises current and deferred tax. Current and deferred tax are charged or credited in the Statement of comprehensive income except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, outside the Statement of comprehensive income (either in other comprehensive income, directly in equity, or through a business combination), in which case the tax appears in the same statement as the transaction that gave rise to it.

Current tax is the amount of corporate income taxes expected to be payable or recoverable based on the profit for the period as adjusted for items that are not taxable or not deductible, and is calculated using tax rates and laws that were enacted or substantively enacted at the Balance sheet date.

Current tax includes amounts provided in respect of uncertain tax positions when management expects that, upon examination of the uncertainty by His Majesty's Revenue and Customs (HMRC) or other relevant tax authority, it is more likely than not that an economic outflow will occur. Provisions reflect management's best estimate of the ultimate liability based on their interpretation of tax law, precedent and guidance, informed by external tax advice as necessary. Changes in facts and circumstances underlying these provisions are reassessed at each Balance sheet date, and the provisions are re-measured as required to reflect current information.

Notes to the financial statements (continued)
For the year ended 31 December 2025

1. Material accounting policies (continued)

1.8 Taxation (continued)

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Balance sheet. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted at the Balance sheet date, and which are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences but not recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint arrangements where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future. Deferred tax liabilities are not recognised on temporary differences that arise from goodwill which is not deductible for tax purposes.

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilised, and are reviewed at each Balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. In certain cases where forecast profits are not expected to be sufficient to support the recognition of a deferred tax asset on a standalone entity basis, further consideration has been given to the availability of UK group relief with connected companies to support the recognition.

Deferred tax assets and liabilities are not recognised in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination. Deferred tax is not discounted.

The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes currently required by IAS12 Income Taxes.

1.9 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

1.10 Dividends

Dividends payable on ordinary shares are recognised as a reduction in equity in the period in which they are approved.

1.11 Share based payments

The Company's ultimate parent company operates a number of Group wide, equity settled, share based compensation plans. The Company receives recharges in respect of a number of share based compensation plans operated by the Company's ultimate parent company based on the fair value of the number of equity based instruments that are expected to vest in respect of services of the relevant employees included in note 5. This expense is determined by reference to the fair value of the number of equity instruments that are expected to vest. The fair value of equity instruments granted is based on market prices, if available, at the date of grant. In the absence of market prices, the fair value of the instruments at the date of grant is estimated using an appropriate valuation technique, such as a Black-Scholes option pricing model. The determination of fair values excludes the impact of any non-market vesting conditions, which are included in the assumptions used to estimate the number of options that are expected to vest.

At each Balance sheet date, this estimate is reassessed and if necessary revised. Any revision of the original estimate is recognised in the Statement of comprehensive income over the remaining vesting period.

Full details of these schemes can be found in the 2025 Annual Report and Accounts of the Group.

1.12 Provisions for other liabilities and charges

Provisions are recognised in respect of present obligations arising from past events where it is probable that outflows of resources will be required to settle the obligations and they can be reliably estimated.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although those estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

In the course of preparing these financial statements, no critical judgements have been made in the process of applying the company's accounting policies.

Notes to the financial statements (continued)

For the year ended 31 December 2025

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Commission clawbacks

The Company uses estimates in the calculation of the commission clawback provision. The provision is calculated with respect to past experience of the impact of refunded commission, and of predicted future cancellation of policies, which are subject to indemnity commission. As future revenue has the potential to change, these are considered to be key sources of estimation uncertainty. Further details of estimates used appear in note 12.

If the estimated clawback rate were to increase or decrease by 50 basis points, the impact on profit or loss would be an increase or decrease respectively of £70,000 (2024: £54,000).

3. Net commission income

	2025	2024
	£'000	£'000
Revenue	**10,533**	6,072
Commission expense	**(861)**	(329)
Net commission income	**9,672**	5,743

4. Other operating expenses

	2025	2024
	£'000	£'000
Staff costs (see note 5)	**7,661**	5,445
Administrative expenses	**1,892**	1,559
Other operating expenses	**9,553**	7,004

Fees payable to the Company's auditors for the audit of the financial statements of £32,870 (2024: £32,130) have been borne by a fellow Group company and are not recharged to the Company. Accounting and administration services are provided by a fellow group undertaking and are recharged to the Company as part of Administrative expenses.

5. Staff costs

	2025	2024
	£'000	£'000
Wages and salaries	**6,212**	4,199
Social security costs	**772**	468
Share based payments	**30**	23
Pension costs recharged by Lloyds Bank plc	**647**	755
Staff Costs	**7,661**	5,445

The Company had no direct employees during the year (2024: nil). The 2024 average monthly number of employees has been restated from 90 to nil with no impact on the staff cost expense for 2024. All staff are located in the United Kingdom and provide management, administration and sales support. All staff contracts of service are with Lloyds Bank plc however and the staff costs shown above were paid by Lloyds Bank plc in respect of staff identified and recharged to the Company.

Notes to the financial statements (continued)
For the year ended 31 December 2025

5. Staff costs (continued)

The Company participates in various defined benefit and defined contribution pension schemes operated by companies within the Group. The Company's ultimate parent company operates a number of group wide, equity settled, share based compensation plans and share based payment schemes. Further details in respect of the schemes can be found in the 2025 financial statements of the Company's ultimate parent undertaking, copies of which may be obtained from the Group Secretariat, Lloyds Banking Group plc, 33 Old Broad Street, London, EC2N 1HZ. The Lloyds Banking Group plc financial statements may be downloaded via https://www.lloydsbankinggroup.com/investors/financial-downloads.html.

The Directors, who are considered to be key management, received no remuneration in respect of their services to the Company. The emoluments of the Directors are paid by a fellow Group undertaking on behalf of the ultimate parent, Lloyds Banking Group plc, which makes a recharge to the Company. The Directors are also Directors of a number of other subsidiaries of the Group and are also substantially engaged in managing the respective business areas within the Group. Given this, it is not possible to make an accurate apportionment of Directors' emoluments in respect of their services to each of the subsidiaries. Accordingly, these financial statements include no emoluments in respect of the Directors.

6. Taxation

	2025	2024
	£'000	£'000
a) Analysis of (charge)/credit for the year		
UK corporation tax:		
- Current tax on taxable profit/(loss) for the year	**(24)**	317
- Adjustments in respect of prior years	**12**	-
Current tax (charge)/credit	**(12)**	317
UK deferred tax:		
- Origination and reversal of timing differences	**4**	5
- Adjustments in respect of prior years	**2**	(25)
Deferred tax credit/(charge) (see note 13)	**6**	(20)
Tax (charge)/credit	**(6)**	297

Corporation tax is calculated at a rate of 25.00% (2024: 25.00%) of the taxable profit/(loss) for the year.

b) Factors affecting the tax (charge)/credit for the year

A reconciliation of the (charge)/credit that would result from applying the standard UK corporation tax rate to the profit before tax to the actual tax (charge)/credit for the year is given below:

	2025	2024
	£'000	£'000
Profit/(loss) before tax	**75**	(1,328)
Tax credit thereon at UK corporation tax rate of 25.00% (2024: 25.00%)	**(19)**	332
Factors affecting expense:		
- Disallowed items	**(1)**	(10)
- Adjustments in respect of prior years	**14**	(25)
Tax (charge)/credit on profit/(loss) on ordinary activities	**(6)**	297
Effective rate	**(7.67%)**	(22.36%)

The Company has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes currently required by IAS12 Income Taxes. No provision for Pillar 2 current tax is required in respect of this period.

Notes to the financial statements (continued)

For the year ended 31 December 2025

7. Cash and cash equivalents

	2025	2024
	£'000	£'000
Cash at bank	**2,152**	1,449

Cash at bank of £1,565,000 (2024: £1,076,000) is unsecured, interest bearing and repayable on demand. Cash at bank of £587,000 (2024: £373,000) is unsecured, non-interest bearing and repayable on demand. The carrying value of cash approximates to its fair value.

8. Trade and other receivables

	2025	2024
	£'000	£'000
Trade debtors	**1**	6
Other debtors	**5**	5
Prepayments	**83**	44
Accrued income	**397**	204
Trade and other receivables	**486**	259

All balances within Trade and other receivables are non-interest bearing and unsecured. The carrying value of Trade and other receivables is approximate to its amortised cost.

9. Right-of-use assets

	Property	**Total**
	£'000	**£'000**
Cost:		
At 1 January 2024	145	145
Disposals	(145)	(145)
At 31 December 2024	-	-
At 31 December 2025	**-**	**-**
Accumulated depreciation:		
At 1 January 2024	126	126
Charge for the year	19	19
Disposals	(145)	(145)
At 31 December 2024	-	-
At 31 December 2025	**-**	**-**
Net book value		
At 31 December 2025	**-**	**-**
At 31 December 2024	-	-

Notes to the financial statements (continued)

For the year ended 31 December 2025

10. Property, plant and equipment

	Fixtures and fittings £'000	Motor vehicles £'000	Internet assets £'000	Office equipment £'000	Total £'000
Cost:					
At 1 January 2024	28	4	10	223	265
Additions	-	-	-	56	56
Disposals	(28)	(4)	-	(48)	(80)
At 31 December 2024	-	-	10	231	241
Additions	-	-	-	5	5
Disposals	-	-	-	(60)	(60)
At 31 December 2025	**-**	**-**	**10**	**176**	**186**
Accumulated depreciation:					
At 1 January 2024	28	3	10	116	157
Charge for the year	-	1	-	41	42
Disposal	(28)	(4)	-	(42)	(74)
At 31 December 2024	-	-	10	115	125
Charge for the year	-	-	-	43	43
Disposals	-	-	-	(59)	(59)
At 31 December 2025	**-**	**-**	**10**	**99**	**109**
Net book value					
At 31 December 2025	**-**	**-**	**-**	**77**	**77**
At 31 December 2024	-	-	-	116	116

11. Trade and other payables

	2025 £'000	2024 £'000
Trade creditors	**14**	25
Deferred income	**34**	54
Accrued expenses	**35**	23
VAT liability	**2**	3
Trade and other payables	**85**	105

Trade and other payables are non-interest bearing, unsecured and repayable within 12 months.

Notes to the financial statements (continued)

For the year ended 31 December 2025

12. Provision for liabilities and charges

	2025	2024
	£'000	£'000
Opening balance	**549**	461
Utilised during the year	**(1,605)**	(920)
Charge for the year	**2,170**	1,008
Closing balance	**1,114**	549

Commission clawbacks

This relates to commission received on an indemnity basis which results in a proportion of commission being repayable to the third party underwriter in the event of the policy being cancelled by the policyholder. The provision is calculated with respect to past experience of the impact of refunded commission, and of predicted future cancellation of policies, which are subject to indemnity commission.

13. Deferred tax liabilities

The movement in the Deferred tax liabilities is as follows:

	2025	2024
	£'000	£'000
At 1 January	**26**	6
(Credit)/charge for the year	**(6)**	20
Carried forward	**20**	26

The deferred tax (credit)/charge in the period comprises the following temporary differences:

	2025	2024
	£'000	£'000
Accelerated capital allowances	**(10)**	24
Other temporary differences	**4**	(4)
	(6)	20

Deferred tax liabilities comprises:	**2025**	2024
	£'000	£'000
Accelerated capital allowances	**20**	30
Other temporary differences	**-**	(4)
	20	26

Notes to the financial statements (continued)

For the year ended 31 December 2025

14. Share capital

	2025 £'000	2024 £'000
Allotted, issued and fully paid		
15,001,000,000 ordinary shares of 0.0001p each	**1,500**	-
15,000,693,450 "A" ordinary shares of 0.0001p each	-	1,500
130,000 "B" ordinary shares of 0.0001p each	-	-
130,000 "C" ordinary shares of 0.0001p each	-	-
10,000 "D" ordinary shares of 0.0001p each	-	-
36,500 "E" ordinary shares of 0.0001p each	-	-
10 "F" ordinary shares of 0.0001p each	-	-
10 "G" ordinary shares of 0.0001p each	-	-
10 "H" ordinary shares of 0.0001p each	-	-
10 "I" ordinary shares of 0.0001p each	-	-
10 "J" ordinary shares of 0.0001p each	-	-
	1,500	1,500

On 4 December 2025, the Company issued a variation of rights for all shares where ordinary shares now have full voting, dividend and capital distribution (including on winding up) rights, they do not confer any rights of redemption. This variation did not result in any change to the total number of shares in issue or the aggregate nominal value, all shares were re-designated from share classes A-J into 'Ordinary'.

All shares are held by Lloyds Bank Insurance Services Limited.

15. Financial risk management

This note summarises the risks associated with the activities of the Company and the way in which these are managed.

The Company is exposed to a range of financial risks through its financial assets and financial liabilities.

15.1 Market risk

Market risk is defined as the risk that the Company's capital or earnings profile is affected by adverse market rates, in particular equity, credit default spreads, interest rates and inflation in Insurance business.

15.2 Interest rate risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in interest rates and the shape of the yield curve. Interest rate risk arises in respect of cash balances which are invested in a cash fund. None of the other financial assets or financial liabilities of the Company are interest-bearing.

15.3 Credit risk

Credit risk is the risk that counterparties with whom the Company has contracted fail to meet their financial obligations.

Credit risk is managed in line with the IP&I Credit Risk Policy and the wider Lloyds Banking Group Credit Risk Policy which set out the principles of the credit control framework. Credit risk to the Company arises primarily from Trade and other receivables and financial assets. The credit risk associated with these balances is considered minimal.

Notes to the financial statements (continued)
For the year ended 31 December 2025

15.4 Capital risk

Capital risk is defined as the risk that the Company has an insufficient quantity or quality of capital or that capital is inefficiently deployed across the Company.

In order to maintain or adjust the capital structure to meet the objectives above including ensuring sufficient capital is held to meet capital requirements, the Company may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, issue new shares, sell assets or raise debt which can be included as available capital for capital requirement purposes under FCA regulations.

The Company's objectives when managing capital are to have sufficient capital to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for the shareholder and benefits for other stakeholders and to comply with the capital requirements set out by the FCA in the UK.

Consistent with others in the non-life insurance intermediation industry, the FCA imposes a Minimum Capital Requirement on the Company as defined in FCA regulations. Total available capital for capital requirement purposes is calculated as 'Total equity' as shown in the Balance Sheet.

The Company held sufficient capital to meet its minimum capital requirement throughout the reporting year.

15.5 Liquidity risk

Liquidity risk is defined as the risk that the Company does not have sufficient financial resources to meet its commitments as they fall due or can only secure them at excessive cost.

Liquidity risk may result from either the inability to sell financial assets quickly at their fair values or from the inability to generate cash inflows as anticipated.

The following table analyses the maturity of the Company's contractual cash flows for financial liabilities. The table below is based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company is obliged to pay. The table includes both interest and principal cash flows.

As at 31 December 2025	**On demand £'000**	**< 1 month £'000**	**1-3 months £'000**	**3-12 months £'000**	**> 1 year £'000**	**Total £'000**
Trade and other payables	**-**	**16**	**-**	**-**	**-**	**16**
Accrued expenses	**-**	**31**	**-**	**4**	**-**	**35**
Amounts due to Group undertakings	**-**	**693**	**-**	**-**	**-**	**693**
	-	**740**	**-**	**4**	**-**	**744**

As at 31 December 2024	On demand £'000	< 1 month £'000	1-3 months £'000	3-12 months £'000	> 1 year £'000	Total £'000
Trade and other payables	-	28	-	-	-	28
Accrued expenses	-	16	-	7	-	23
Amounts due to Group undertakings	-	777	-	-	-	777
	-	821	-	7	-	828

Notes to the financial statements (continued)
For the year ended 31 December 2025

16. Related party transactions

The Company's immediate parent undertaking is Lloyds Bank Insurance Services Limited. Lloyds Bank Insurance Services Limited has taken advantage of the provisions of the Companies Act 2006 and has not produced consolidated Financial Statements.

The ultimate parent undertaking and controlling party is Lloyds Banking Group plc, which is the parent undertaking of the only group to consolidate these Financial Statements. Copies of the consolidated Annual Report and Financial Statements of Lloyds Banking Group plc may be obtained from Lloyds Banking Group's head office at 33 Old Broad Street, London, EC2N 1HZ or downloaded via https://www.lloydsbankinggroup.com/investors/financial-downloads.html.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, which is determined to be the Company's Directors and members of the Lloyds Banking Group plc board. Members of the Lloyds Banking Group plc board are employed by other companies within the Group and consider that their services to the Company are incidental to their other responsibilities within the Group.

A summary of the outstanding balances at the year end and the related income and expense for the year are set out below.

	2025 £'000	2024 £'000
Amounts due from Group Undertakings		
Scottish Widows Services Limited	**626**	688
Lloyds Bank plc	**67**	89
Total Amounts due from Group Undertakings	**693**	777
Commission Expense		
Lloyds Bank plc	**825**	287

The above balances are unsecured in nature and are expected to be settled in cash or by cash equivalents.

17. Post balance sheet events

There are no post Balance sheet events requiring disclosure in these financial statements.

18. Future developments

There are a number of new accounting pronouncements issued by the IASB with an effective date of 1 January 2027, including IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation of Financial Statements. While many of the existing requirements of IAS 1 Presentation of Financial Statements are retained, IFRS 18 Presentation and Disclosure in Financial Statements introduces additional disclosure obligations in relation to the structure of the income statement, management-defined performance measures, and the aggregation and disaggregation of financial information.

IFRS 18 will have no impact on the Company's net profit as it impacts neither recognition nor measurement. The new standard will impact the presentation of the Company's results as it requires that operating, investing and financing activities are presented separately. There will also be a change in the Group's cash flow statement as IFRS 18 requires that the first line of the cash flow statement is operating profit rather than profit before tax.

IFRS 19 Subsidiaries without Public Accountability: Disclosures is being assessed and is not expected to have a significant impact on the Company. IFRS 19 has yet to be endorsed for use in the UK.

The IASB has issued its annual improvements and a number of minor amendments to IFRS Accounting Standards effective date on or after 1 January 2026, including Amendments to IFRS 9 Financial Instruments and Amendments to IFRS 7 Financial Instruments Disclosure. These improvements and amendments are not expected to have a significant impact on the Company.

Independent auditor's report to the members of Cavendish Online Limited

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Cavendish Online Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent auditor’s report to the members of Cavendish Online Limited (continued)

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor’s responsibilities for the audit of the financial statements

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

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

Independent auditor's report to the members of Cavendish Online Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We 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 considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and UK tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These include the authorisation and registration under Financial Conduct Authority (FCA) Regulation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Independent auditor's report to the members of Cavendish Online Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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

N Doig

Nikola Doig CA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Edinburgh, United Kingdom
19 June 2026