10405135

Embark Corporate Services Limited

Annual Report and Accounts
2025

Member of Lloyds Banking Group

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COMPANY INFORMATION

Board of Directors

G R Bold
S W Humphries

Company Secretary

K V Raman

Independent Auditors

Deloitte LLP
1 New Street Square
London
EC4A 3HQ

Registered Office

33 Old Broad Street
London
EC2N 1HZ

Company Registration Number

10405135

Strategic Report

The Directors present their Strategic Report on Embark Corporate Services Limited (the 'Company') for the year ended 31 December 2025. The Company is limited by shares.

The Company is a subsidiary of Scottish Widows Group Limited (SWG) and contributes to the results of the Insurance, Pensions and Investments (IP&I) Division of Lloyds Banking Group.

Principal activities

The Company is a corporate shared services provider with two primary activities.

1) To supply support function activity to other companies within the Embark Group. The Company earns its revenue through recharging these services to other group members on a cost-plus basis.

2) The Company owns and is responsible for the development of investment administration technology platforms through which financial products provided by other group companies are administered. The Company invests in and develops these technology platforms and earns revenue by levying fees to other group companies based on usage. The Company charges fees to other companies within the Embark Group based on the volume of client Assets under Administration (“AuA”) administered on the platforms. This pricing is charged on an arm’s length market price.

There have been no changes to the principal activities of the Company throughout the year.

Result for the year

The profit before tax for the year ending 31 December 2025 was £2,647k (2024: £3,420k) with total revenue of £68,678k (2024: £60,693k). The increase in revenue is driven by an increase in costs being recharged to other group members.

Economic Environment

The UK economy proved resilient to global challenges in 2025. Although elevated inflation and pay growth resulted in slower interest rate cuts than in the US and Eurozone, real-wages grew and households’ spending growth rose. Low private sector indebtedness and high household savings provide resilience and capacity for improving growth.

Our strategy and business model position us well in both constructive and more challenging economic environments. Our transformation allied to our strong customer franchise captures opportunity by effectively meeting evolving customer needs and demands, diversifying income streams, and with greater efficiency.

Climate Change

Creating a sustainable future is core to the Lloyds Banking Group purpose of Helping Britain Prosper. The Company is guided by the Lloyds Banking Group strategy which focuses on areas where we can have impact, supporting the UK’s transition to net zero through lending, investments, products and services.

In 2022, SWG launched its initial climate action plan that set out a long-term strategy with actions to drive the investment portfolio towards net zero by 2050, as well as targeting by 2025, the investment of between £20bn and £25bn in climate investing strategies. The original target was achieved at the end of 2024. At year-end 2025, £81.3bn is invested in climate aware investment strategies. This is a significant rise from what has already been achieved, driven by the launch of the new workplace proposition, Scottish Widows Lifetime Investment, which includes a higher proportion of climate aware Environmental Social & Governance (ESG)-tilted investment strategies. In 2025, SWG published an updated Transition Plan that outlines how climate strategy is being advanced to deliver good outcomes for customers. SWG remains committed to the ambition of achieving net zero across the investment portfolio by 2050, with the interim target of halving the carbon footprint by 2030 (relative to a 2019 baseline). The Plan shifts focus from portfolio decarbonisation towards enabling real-world emissions reduction and delivering resilient, responsible investment outcomes for customers. Further information can be found in the Scottish Widows Transition Plan.

The Company is supportive of the Task Force on Climate-Related Financial Disclosures (TCFD) framework and related regulatory expectations and has been included within the Lloyds Banking Group Sustainability Report. The Report is available on the Lloyds Banking Group website at **www.lloydsbankinggroup.com/investors/financial-downloads.html.**

The Company has taken advantage of the exemption from the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 reporting requirements in respect of its own Strategic Report, as the required TCFD disclosures are included in the strategic report and accounts of its ultimate parent company, Lloyds Banking Group plc, available at **www.lloydsbankinggroup.com/investors/financialdownloads.html.**

Strategic Report (continued)

Key performance indicators (KPIs)

The key financial performance indicators for the Company are revenue and profit before tax. Financial performance indicators are presented throughout these financial statements.

Outlook

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

Principal risks and uncertainties

Risks and uncertainties to our strategic plan, both positive and negative, are considered through the planning process. The following table describes the principal risks faced by the Company. Further details on financial risks and how the Company mitigates them can be found in note 16, as shown by the note reference.

Financial risks

Principal Risk	Note reference	Description
Credit risk	16(a)	Credit risk is the risk that parties with whom we contract, fail to meet their financial obligations. The Company is subject to credit risk through a variety of counterparties through invested assets and bank accounts. Credit risk is mitigated via the Credit Risk Policy framework, which ensures exposures are appropriately monitored and action taken where necessary.
Market risk	16(b)	Market risk is the risk that the Company's capital or earnings profile is affected by adverse market rates. Of particular importance to the Company is interest rate risk. External rates are outwith the Company's control, so mitigation is via having sufficient financial reserves to recover reduced earnings.
Liquidity risk	16(c)	Liquidity risk is 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. The Company is exposed to liquidity risk from the payment of shareholder expenses. Liquidity risk is mitigated by applying the Liquidity Risk Policy, which includes controls to maintain liquidity at necessary levels.

Non-financial risks

Principal Risk	Description
Operational risk	Operational risk is the risk of loss from inadequate or failed internal processes, people and systems or from external events. This includes risks around Information, Cyber and Physical Security, IT Systems, Data and Privacy, Internal and External Supplier, People, Business Continuity, Payments and Transaction Execution, Financial Reporting (including Tax), Health & Safety and Premises, Change Execution risk. Operational risk is managed through an operational risk framework. The Company maintains a formal approach to operational risk event escalation, whereby material events are identified, captured and escalated. Root causes of events are determined, and action plans put in place to ensure an optimum level of control to keep customers and the business safe, reduce costs, and improve efficiency.
Climate risk	The Company defines climate risk as the risk from the impacts of climate change and the transition to net zero ('inbound risk'), or a result of the Company's response to tackling climate change and supporting the transition to net zero ('outbound risk').

Strategic Report (continued)

Section 172(1) Statement and Statement of Engagement with Other Stakeholders

This section constitutes the Company's Section 172(1) statement for the purposes of the Companies Act 2006 (the 'Act'), describing how the Directors have had regard to the matters set out in Section 172(1)(a) to (f) when fulfilling their duty to promote the success of the Company. Further detail on stakeholder interaction is contained within the Directors' Report on pages 7 to 9.

The Directors remain mindful in all their deliberations of the long-term consequences of their decisions, as well as the importance of the Scottish Widows Group maintaining a reputation for high standards of business conduct and the Board engaging with, and taking account of, the views of key stakeholders.

This statement also includes examples of how the Directors have had regard to stakeholder interests in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended by the Companies (Miscellaneous Reporting) Regulations 2018).

As a subsidiary of Lloyds Banking Group plc, the Company follows many of Lloyds Banking Group's processes and practices, which are referred to in this statement where relevant.

Stakeholder Engagement and Board Oversight

Engaging with stakeholders at every level is integral to the Company's role in supporting the delivery of Lloyds Banking Group's Helping Britain Proposer strategy.

The Board delegates day to day engagement with stakeholders to senior management as part of running the business. Senior management supports Board decision making by addressing stakeholder implications in proposals submitted to the Board for consideration.

Shareholders

The Company is a wholly owned subsidiary of Lloyds Banking Group and as such the Board ensures that the strategy, priorities, processes and practices of the Company are aligned, where appropriate, to those of Lloyds Banking Group, ensuring that its interests as the Company's shareholder are duly acknowledged. Further information in respect of the relationship of Lloyds Banking Group with its shareholders is included in the Strategic Report within the Lloyds Banking Group Annual Report and Accounts for 2025, available on the Lloyds Banking Group website.

Colleagues

The Company does not directly employ colleagues; they are employed by other Lloyds Banking Group entities.

Suppliers

The Company relies on a combination of external suppliers and intra-group arrangements to support its shared services activities and the development and operation of its investment administration technology platforms.

These supplier relationships are important to service continuity, operational resilience and long-term value delivery.

The Board delegates to management the primary responsibility of oversight of external supplier relationships.

Communities and Environment

Creating a sustainable and inclusive future is core to Lloyds Banking Group's strategy and purpose of Helping Britain Prosper.

More information on how Lloyds Banking Group is embedding climate-related risks and opportunities into business operations and strategy, including Task Force on Climate-Related Financial Disclosures can be found in the Lloyds Banking Group Sustainability Report 2025 on the Lloyds Banking Group website.

The Strategic Report has been approved by the Board of Directors and signed on its behalf by:

Graeme Bold

G R Bold
Director
For and on behalf of the Board of Directors
30 June 2026

Directors' Report

The Directors present the audited financial statements of the Company. The Company is a limited company, domiciled and incorporated in England and Wales.

The Company is a subsidiary of Embark Group Limited, a wholly owned subsidiary of Scottish Widows Group Limited. The Company's ultimate parent company and ultimate controlling party is Lloyds Banking Group plc.

Results for the year and dividends

The profit after taxation for the year ended 31 December 2025 was £2,118k (2024: £2,702k). The Directors do not recommend the payment of a dividend (2024: £nil).

Directors

The Directors who served in the year and up to the date of this report, except as noted, were:

G R Bold	(Appointed 10 November 2025)
S W Humphries	(Appointed 1 April 2025)
R A Messenger	(Appointed 1 April 2025, Resigned 12 May 2025)
J M D Sandell	(Resigned 31 October 2025)
C J Wood	(Resigned 31 March 2025)

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.

Employees

Lloyds Banking Group is committed to providing employment practices and policies which recognise the diversity of the workforce and ensure equality for employees regardless of sex, race, disability, age, sexual orientation or religious belief. In the UK, Lloyds Banking Group belongs to the major employer groups campaigning for equality for all staff, including Employers' Forum on Disability, Employers' Forum on Age and Stonewall. Lloyds Banking Group is also represented on the Board of Race for Opportunity and the Equal Opportunities Commission. Involvement with these organisations enables Lloyds Banking Group to identify and implement best practice for staff.

Lloyds Banking Group encourages and gives full and fair consideration to job applications from people with a disability and are unbiased in the way it assesses, selects, appoints, trains and promotes people. Lloyds Banking Group encourages job applications from those with a disability and continues to run a work experience programme with Remploy to support people with disabilities wanting to enter the workplace.

Lloyds Banking Group is committed to continuing the employment of, and for arranging appropriate training for, its employees who have become disabled persons during the period when they were employed by the Company.

Employees are kept closely involved in major changes affecting them through such measures as team meetings, briefings, internal communications and opinion surveys. These meetings, briefings and internal communications also serve to achieve a common awareness of the financial and economic factors that affect the performance of the Company and the Group. There are well-established procedures, including regular meetings with recognised unions, to ensure that the views of employees are taken into account in reaching decisions. Schemes offering share options or the acquisition of shares are available for most staff, to encourage their financial involvement in Lloyds Banking Group.

The Company has no employees as colleagues are employed by other subsidiaries within Lloyds Banking Group.

Directors' Report (continued)

Going Concern

The Directors have given careful consideration to the future prospects of the Company in deciding upon the appropriateness of the going concern basis of preparation. The financial position of the Company, its cash flows, liquidity, and financial position have been reviewed by the Directors for the next 12 months from the date of this report, taking into account uncertainties within the forecasts arising from both internal and external market factors. The liquidity and financial position of the wider Group have also been considered as part of the review.

Based on this review, the Directors are comfortable that the Company has adequate resources available to continue in operational existence for the foreseeable future, being the next 12 months from the date of this report. Thus, they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

Engagement with suppliers, customers and others

Disclosures relating to engagement with supplier, customers and others are included in the Company's Strategic Report and are therefore incorporated into this report by reference.

Financial risk management

Disclosures relating to financial risk management are included in note 16 to the financial statements and are therefore incorporated into this report by reference.

Future Developments

Factors likely to affect the future developments of the Company have been disclosed in the Strategic Report on page 4.

Political Donations

Political donations during the year were £nil (2024: £nil).

Subsequent events

Further information about subsequent events can be found in note 19.

Streamlined Energy and Carbon Reporting

The Company has taken an exemption from Streamlined Energy and Carbon Reporting (SECR), in its own Directors' Report as it is included within the group SECR report given in the Lloyds Banking Group plc 2025 Annual Report and Accounts, available on the Lloyds Banking Group plc website.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the company's financial statements in accordance with 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. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements comply with 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; 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' Report (continued)

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 report is approved:

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

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

The Directors' Report has been approved by the Board of Directors and signed on its behalf by:

Graeme Bold

G R Bold
Director
For and on behalf of the Board of Directors
30 June 2026

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF EMBARK CORPORATE SERVICES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Embark Corporate Services 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 statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 19.

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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s 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 the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMBARK CORPORATE SERVICES LIMITED (Continued)

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.

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 its 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 group's 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, HMRC Corporate tax and VAT manual; and
- did 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 included GDPR and Bribery Act.

We discussed among the audit engagement team, including relevant internal specialists such as IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of the above, we identified the greatest potential for fraud is in relation to management's impairment assessment of intangible assets. We have obtained an understanding of the key controls within the reporting process for this account balance and subsequently tested the design and implementation of the key controls identified. We have challenged management's identification and assessment of impairment indicators. For impairment assessments performed, we have assessed the value in use ("ViU") calculations, challenged key assumptions and performed detailed testing over the model inputs used such as cashflow forecasts and discount rate.

An additional fraud risk has been pinpointed to the capitalisation and allocation of project costs incurred to determine the additions to intangible assets. We have obtained an understanding of the key controls within the reporting process for this account balance and subsequently tested the design and implementation of the key controls identified. We have performed detailed testing over the project costs incurred to determine their allocation and assessed the appropriateness of assumptions made to determine if costs are capital in nature as per IAS 38 requirements.

A fraud risk has been identified in relation to the recognition and measurement of revenue for the provision central shares services and provision of technology platforms. We have obtained an understanding of the key controls within the revenue reporting process and subsequently tested the design and implementation of the controls identified. We have performed detailed substantive testing over revenue transactions to evaluate whether revenue has been recognised in accordance with the requirements of IFRS 15. Furthermore, we have reviewed supporting documentation to confirm the existence of underlying service delivery and the accuracy of revenue allocation.

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 in-house 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 and reviewing internal audit reports.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMBARK CORPORATE SERVICES 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or 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.

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.

Peter van Daesdonk FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
30 June 2026

Statement of Comprehensive Income
For the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Revenue	3	68,678	60,693
Administrative expenses		(65,756)	(56,976)
Operating profit		2,922	3,717
Net investment expense	5	(275)	(297)
Profit before tax		2,647	3,420
Taxation	6	(529)	(718)
Total comprehensive profit for the year		2,118	2,702

All results are derived from continuing operations.

The Company has no other items of comprehensive income and as such the total comprehensive income for the year is the same as the profit for the year.

The notes on pages 17 to 28 form an integral part of the financial statements.

Statement of Financial Position
At 31 December 2025

	Notes	2025 £'000	2024 £'000
Non-current assets			
Intangible assets	7	33,283	37,611
Property, plant and equipment	8	3,279	3,943
		36,562	41,554
Current assets			
Trade and other receivables	10	11,523	5,037
Current tax assets	9	325	1,945
Cash and cash equivalents	11	136	1,336
		11,984	8,318
Total assets		48,546	49,872
Current liabilities			
Trade and other payables	12	(50,250)	(53,662)
Lease liabilities	15	(257)	(365)
		(50,507)	(54,027)
Net current liabilities		(38,523)	(45,709)
Non-current liabilities			
Lease liabilities	15	(3,274)	(3,531)
Deferred tax liability	9	(2,056)	(1,723)
		(5,330)	(5,254)
Total liabilities		(55,837)	(59,281)
Net liabilities		(7,291)	(9,409)
Equity			
Share capital	13	1,250	1,250
Retained losses		(8,541)	(10,659)
Total equity		(7,291)	(9,409)

Registered No. 10405135

The notes on pages 17 to 28 form an integral part of the financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 30 June 2026. They were signed on its behalf by:

Graeme Bold

G R Bold
Director

Statement of Changes in Equity
For the year ended 31 December 2025

	Share capital £'000	Retained losses £'000	Total equity £'000
Balance at 1 January 2024	1,250	(13,361)	(12,111)
Total comprehensive income for the year	–	2,702	2,702
Balance at 31 December 2024	1,250	(10,659)	(9,409)
Total comprehensive income for the year	–	2,118	2,118
Balance at 31 December 2025	1,250	(8,541)	(7,291)

The notes on the following pages 17 to 28 form an integral part of the financial statements.

Statement of Cash Flows
For the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Net cash from operating activities	14	2,229	8,258
Investing activities			
Net interest paid	5	(275)	(297)
Payment to acquire intangible assets	7	(2,651)	(6,877)
Payment to acquire property, plant and equipment	8	(138)	(115)
Net cash used in investing activities		(3,064)	(7,289)
Financing activities			
Payment of lease liabilities		(365)	(247)
Net cash used in financing activities		(365)	(247)
Net (decrease)/increase in cash and cash equivalents		(1,200)	722
Cash and cash equivalents at beginning of year		1,336	614
Cash and cash equivalents at end of year	11	136	1,336

The notes on the following pages 17 to 28 form an integral part of the financial statements.

Notes to the financial statements

1. Accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared:

(1) in accordance with United Kingdom adopted international accounting standards and in conformity with the requirements of the Companies Act 2006
(2) under the historical cost convention, as modified by the revaluation of investment properties and certain financial assets and financial liabilities at fair value through profit or loss, as set out in the relevant accounting policies

The Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

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. Analysis of the assets and liabilities of the Company into amounts expected to be received or settled within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in the notes.

The International Accounting Standards Board (IASB) has issued an amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates, effective 1 January 2025. This amendment has not had a significant impact on the Company.

Cash Flow Statement

The Statement of Cash Flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities.

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing of financing activities are eliminated. Interest received or paid is classed as investing cash flows.

Payments made on behalf of the Company by other Group entities are included in the Statement of Cash Flows.

Future Accounting 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 amendments to the IFRS Accounting Standards effective 1 January 2026, including Amendments to IFRS 9 Financial Instruments and Amendments to IFRS 7 Financial Instruments Disclosures. These improvements and amendments are not expected to have a significant impact on the Company.

Operating profit

Operating profit is stated after the inclusion of all operating items, but before financing costs and income from investments.

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties and are net of value added tax (''VAT''), returns, rebates and discounts. The Company recognises revenue in line with the provision of the service to the customer over the duration of the contract. Revenue recognition for the Company's principal activities is described below:

- Support function activity is recharged to other entities within the Group on a cost-plus basis based on activity usage. Recharges are made in the period in which the original expense was incurred by the Company.

- The provision of technology platform services to other Group companies is charged at 'arms-length' price in the month in which the service was provided.

Notes to the financial statements

1. Accounting policies (continued)

Expense recognition

Administration costs are recognised in the statement of comprehensive income as accrued, within administrative expenses.

Taxation, including deferred income taxes

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.

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 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 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.

Intangible assets

Purchased intangible assets and costs directly associated with the development of systems are capitalised as intangible assets where there is an identifiable asset controlled by the Company and will generate future economic benefits in accordance with IAS 38.

Costs that are directly associated with the development of platform software controlled by the Company, and that are expected to generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development team's employee costs and other relevant resource costs required to develop the platform software and bring the platform into use. All other costs associated with software maintenance are recognised through the statement of comprehensive income as the expense is incurred, within operating expenses.

Software development costs recognised as assets are valued at cost. Once brought into use, the assets are amortised using the straight-line method over their expected useful lives. Subsequent expenditure is only capitalised when it increases the expected future economic benefits of the specific asset to which it relates. The amortisation charge for the year in respect of software is recognised through the statement of comprehensive income, within operating expenses.

Intangible assets are amortised in the Statement of Comprehensive Income using the following useful economic lives:

Computer software	7 years	Straight line

Intangible assets are reviewed annually for impairment or more frequently if there are indications that assets might be impaired.

Notes to the financial statements

1. Accounting policies (continued)

Property, plant, and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and any impairment loss. Depreciation is charged so as to write off the cost of asset over their estimated useful lives, using the straight-line method, on the following bases:

Computer equipment	3 years
Furniture and equipment	10 years
Leasehold improvements	10 years
Right-of-use assets	Over lease term

Depreciation rates, methods and the residual values underlying the calculations of depreciation of items of property, plant and equipment are kept under review to take account of any change in circumstances. All items of property, plant and equipment are reviewed annually for impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Financial instruments

(i) Classification

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are measured at FVTPL. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(ii) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

(iii) Subsequent measurement and gains and losses

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

Incremental costs.

Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Notes to the financial statements

1. Accounting policies (continued)

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property in ‘property, plant and equipment’ in the Statement of Financial Position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted at the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortised cost using the effective interest method and is re-measured when there is a change in future lease payments arising from a change in an index or rate. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2. Critical accounting judgements and key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year or in the period of the revision and future financial years if the revision affects both current and future financial years.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

Capitalisation of software development costs (accounting judgement)

Software development costs recognised as assets are valued at cost and amortised using the straight-line method over their expected useful lives. Subsequent expenditure is only capitalised when it increases the future economic benefits of the specific asset to which it relates. Judgement is exercised over the eligibility of costs for capitalisation. See note 7.

Impairment of intangible assets (source of estimation uncertainty)

The Company reviews whether intangible assets are impaired at least on an annual basis or more frequently if there are indications that assets might be impaired. This comprises an estimation of the value in use. In assessing value in use, the estimated future cash flows expected to arise from each intangible asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset. Sensitivity analysis on key assumptions has been performed. See note 7 for details.

Notes to the financial statements

3. Revenue

(i) Disaggregation of revenue

An analysis of the Company's revenue is as follows:

	2025 £'000	2024 £'000
Provision of technology platforms	11,699	11,131
Provision of central shared services	55,854	42,351
Software development build fees	–	5,882
Other revenue	1,125	1,329
	68,678	60,693

Revenue arises from the Company's principal activities and represents fees charged on the provision of central shared services to the Embark Group and the provision of technology platforms to the Embark Group. Build fees relate to amounts charged to companies within Lloyds Banking Group for development of the Group's core technology platform. Turnover arises entirely in the UK.

Timing of transfer of goods or services:

	2025 £'000	2024 £'000
Products and services transferred at a point in time	–	–
Products and services transferred over time	68,678	60,693
	68,678	60,693

4. Auditor's remuneration

	2025 £'000	2024 £'000
Fees payable to the Company's auditor		
Audit of these financial statements	139	204
	139	204

5. Net investment expense

	2025 £'000	2024 £'000
Interest payable on loans	–	—
Interest payable on lease liabilities (note 15)	275	297
	275	297

Notes to the financial statements

6. Taxation

a) Analysis of tax (expense)/credit for the year

	2025 £'000	2024 £'000
UK corporation tax		
- Current tax on taxable profit for the year	(609)	(623)
- Adjustments in respect of prior years	413	1,244
Current tax (expense)/credit	(196)	621
UK deferred tax		
- Origination and reversal of temporary differences	185	69
- Adjustments in respect of prior years	(518)	(1,408)
Deferred tax expense	(333)	(1,339)
Tax expense	(529)	(718)

Corporation tax is calculated at a rate of 25% (2024: 25%) of the taxable profit for the year.

b) Factors affecting the tax expense for the year

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

	2025 £'000	2024 £'000
Profit before tax:	2,647	3,420
Tax expense thereon at UK corporation tax rate of 25% (2024: 25%)	(662)	(855)
Factors affecting credit/expense:		
- Disallowed items	(44)	(20)
- Adjustments in respect of prior years	(105)	(164)
- Non-taxable items	282	321
Tax expense on profit/loss on ordinary activities	(529)	(718)
Effective rate	19.98%	20.99%

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

7. Intangible assets

	Computer software £'000
Cost	
At 1 January 2025	54,974
Additions	2,651
At 31 December 2025	57,625
Accumulated Amortisation	
At 1 January 2025	17,363
Charge for the period	6,979
At 31 December 2025	24,342
Net book value	
At 31 December 2025	33,283
At 31 December 2024	37,611

A review of the carrying value of the intangible assets to assess indications of impairment is performed on an annual basis. The recoverable amounts for 2024 and 2025 have both been calculated on a value in use basis.

The value in use calculations require estimates in relation to uncertain items, including management's expectation of future revenue growth, operating costs, profit margins, operating cash flows, and the discount rate. Future cash flows used in the value in use calculations are based on the latest board approved six-year financial plans to determine projections of future cash flows. A discount rate has been applied to underlying cash flows with an indefinite useful life, which aligns with the long-term nature of the business in order to establish a present value.

Management have projected cash flows using perpetuity growth rates, which aligns with the long-term nature of business. The key assumptions used in the value in use calculation are as follows:

	2025 %	2024 %
Discount rate	8.25	10.5
Growth rate beyond approved forecast period	2.0	3.5

Discount rate is based on the Lloyds Banking Group Board-approved cost of equity. Growth rates beyond the approved forecast period are in line with expected growth in the relevant markets.

A 1% increase in discount rate would result in a £7.7m change to value in use and a 1% reduction in the growth rate applied would result in a £6.2m change to value in use. Under these scenarios no impairment would be required.

8. Property, plant and equipment

	Leasehold property £'000	Leasehold improvements £'000	Computer equipment £'000	Furniture and equipment £'000	Total £'000
Cost					
At 1 January 2025	4,435	768	2,152	555	7,910
Additions	–	–	138	–	138
Disposals	(380)	(244)	–	(121)	(745)
At 31 December 2025	4,055	524	2,290	434	7,303
Accumulated Depreciation					
At 1 January 2025	1,709	276	1,797	185	3,967
Charge for the period	266	57	260	44	627
Disposals	(380)	(137)	–	(53)	(570)
At 31 December 2025	1,595	196	2,057	176	4,024
Net book value					
At 31 December 2025	2,460	328	233	258	3,279
At 31 December 2024	2,726	492	355	370	3,943

Property, plant and equipment includes right-of-use assets of £2,460k (2024: £2,726k) related to leased assets that do not meet the definition of investment property (see note 15).

Notes to the financial statements

9. Tax assets and liabilities

	2025 £'000	2024 £'000
Current tax recoverable	325	1,945
Total tax assets	325	1,945

Deferred tax liabilities	(2,056)	(1,723)
Total tax liabilities	(2,056)	(1,723)

a) Deferred tax

The movement in the deferred tax liability is as follows:

	2025 £'000	2024 £'000
Brought forward	(1,723)	(384)
Expense for the year	(333)	(1,339)
Balance at 31 December	(2,056)	(1,723)

The deferred tax expense in the period comprises the following temporary differences:

	2025 £'000	2024 £'000
Accelerated capital allowances	40	(716)
Pensions and other post-retirement benefits	–	–
Other temporary differences	(373)	(623)
Total deferred tax expense	(333)	(1,339)

The deferred tax liability comprises:

	2025 £'000	2024 £'000
Accelerated capital allowances	(2,929)	(2,969)
Other temporary differences	873	1,246
Total deferred tax liability	(2,056)	(1,723)

10. Trade and other receivables

	2025 £'000	2024 £'000
Other debtors	15	36
Prepayments	217	848
Other tax and social security	132	327
Amounts owed from Group Companies	11,159	3,826
	11,523	5,037

Of the total, £nil (2024: £nil) is due more than one year after the reporting date.

There are no loss allowances on balances due from Group companies as the probability of default is negligible. Amounts owed from Group Companies are repayable on demand.

11. Cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank and in hand	136	1,336

The Directors consider that the carrying amount of these assets approximates to their fair value. The credit risk on cash and cash equivalents is limited because the counterparties are large, established UK banks.

Notes to the financial statements

12. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	–	167
Accruals	1,662	4,338
Amounts owed to Group Companies	48,588	49,157
	50,250	53,662

Amounts owed to Group Companies are repayable on demand and therefore included within current liabilities.

No interest is charged on trade and other payables.

13. Share capital

	2025 £'000	2024 £'000
Issued and fully paid:		
1,250,001 (2024: 1,250,001) voting ordinary 'A' shares of £1 each	1,250	1,250
	1,250	1,250

14. Notes to the Statement of Cash Flows

	2025 £'000	2024 £'000
Operating profit	2,922	3,717
Adjustments for:		
Amortisation of intangible asset	6,979	5,975
Depreciation on property, plant and equipment	627	763
Loss on disposal of property, plant and equipment	176	–
Operating cash flows before movements in working capital	10,704	10,455
(Increase)/Decrease in receivables	(6,486)	6,525
(Decrease) in payables	(3,412)	(8,853)
Taxation	444	(361)
Cash from operations	1,250	7,766
Corporation tax credit received in relation to research & development	979	492
Net cash from operating activities	2,229	8,258

Notes to the financial statements

15. Leases

Right-of-use assets

Right-of-use assets relate to rented office space and are presented as property, plant and equipment. See note 19 for details of subsequent events relating to leases.

	Leasehold property £'000
2025	
Balance at 1 January	2,726
Depreciation charge for the year	(266)
Balance at 31 December	2,460

Lease liabilities

Maturity analysis – contractual undiscounted cash flows	2025 £'000	2024 £'000
Less than one year	513	511
One to five years	2,104	2,054
More than five years	2,299	2,863
Total undiscounted lease liabilities at 31 December	4,916	5,428

Lease liabilities included in the statement of financial position	2025 £'000	2024 £'000
Current	257	365
Non-current	3,274	3,531
	3,531	3,896

Amounts recognised in profit or loss

Leases under IFRS 16	2025 £'000	2024 £'000
Interest on lease liabilities	(275)	(297)

Notes to the financial statements

16. Risk management

The Company's financial instruments primarily comprise cash and cash equivalents, trade payables and trade receivables. All of these arise as a result of the Company's normal operations. The Company does not enter into transactions for speculative purposes and there are no instruments held for trading.

The Company manages its risks in accordance with the Group Risk Policies and Board approved risk appetite. The main financial risks arising from the Company's financial instruments are credit risk, interest rate risk and liquidity risk. These are further discussed below:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's recoverability of fees billed to customers and counterparties.

Credit risk is mitigated by:

- Limiting the amount of exposure to any one party;
- Only dealing with creditworthy counterparties;
- Embedding suitable processes to recover debt when it becomes overdue; and
- Ensuring a suitable provision for bad and doubtful debt is maintained.

A summary of the current position on Company receivables is included in note 10.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. The maximum credit exposure to credit risk at the reporting date was:

	2025 £'000	2024 £'000
Cash and cash equivalents	136	1,336
Trade & other receivables	11,523	5,037
	11,659	6,373

(b) Market risk - Interest rate risk

The Company is exposed to interest rate risk as a result of positive holding of corporate cash balances which earn interest at a variable rate.

Given the size of the Company, there is no requirement for a separate treasury department; therefore, the finance department review the level of cash balances within the business on a daily basis and ensure the utilisation of its cash balances is optimised.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is mitigated by:

- Building a business that is cash generative;
- Maintaining at all times a stock of liquid assets that are of sufficient quality and quantity so as to be able to withstand the Company's liquidity stress scenarios;
- Monitoring liquidity risk exposures on an ongoing basis under a variety of market-wide and idiosyncratic liquidity stress scenarios; and
- Maintaining a diversified funding base.

The following table shows the contractual maturities of the Company's financial liabilities, all of which are measured at amortised cost:

	At 31 December 2025		At 31 December 2024	
	Trade payables £'000	Other Payables £'000	Trade payables £'000	Other Payables £'000
< 6 months	–	1,662	167	4,338
Carrying value of liabilities	–	1,662	167	4,338

Notes to the financial statements

17. Related party transactions

During the year the following related party transactions were entered into with other Group subsidiaries:

The Company has charged its fellow subsidiary, EBS Pensions Limited, £2,567k (2024: £1,561k) for finance, marketing, facilities, HR, compliance & legal and senior management costs and £2,798k (2024: £2,767k) for the use of pension administration software owned by Embark Corporate Services Limited. At the year-end there was a balance owing from EBS Pensions Limited of £401k (2024: £735k).

The Company has charged its fellow subsidiary, Embark Investment Services Limited, £48,809k (2024: £35,596k) for finance, marketing, facilities, HR, compliance & legal and senior management costs and £7,448k (2024: £6,995k) for the use of pension administration software owned by Embark Corporate Services Limited. At the year-end there was a balance owing from Embark Investment Services Limited of £9,519k (2024: £1,031k).

The Company has charged its fellow subsidiary, Embark Services Limited, £2,662k (2024: £2,589k) for finance, marketing, facilities, HR, compliance & legal and senior management costs and £1,453k (2024: £1,369k) for the use of pension administration software owned by Embark Corporate Services Limited. At the year-end there was a balance owing from Embark Services Limited of £1,141k (2024: £814k).

The Company has charged its fellow subsidiary, Sterling ISA Managers Limited, £1,045k (2024: £1,045k) for finance, marketing, facilities, HR, compliance & legal and senior management costs. At the year-end there was a balance owing from Sterling ISA Managers Limited of £87k (2024: £87k).

The Company has charged its fellow subsidiary, Embark Investments Limited, £770k (2024: £1,757k) for finance, marketing, facilities, HR, compliance & legal and senior management costs. The Company has been charged by its fellow subsidiary, Embark Investments Limited, £15k (2024: £20k) for investment governance services in respect of Retirement Pathways oversight. At the year-end there was a balance owing from Embark Investments Limited of £11k (2024: £195k).

The Company has been charged by its fellow subsidiary, Lloyds Bank plc, £800k (2024: £1,500k) for group internal audit services. At the year-end there was a balance owing to Lloyds Bank plc of £4,430k (2024: £8,435k).

The Company has charged Scottish Widows Limited £nil (2024: £5,569k) for software development build fees. At the year-end there was a balance owing from Scottish Widows Limited of £nil (2024: £963k).

The Company has been charged charged by its fellow subsidiary, Scottish Widows Services Limited, £31,988k (2024: £nil) for central shared services. At the year-end there was a balance owing to Scottish Widows Services Limited of £7,158k (2024: £nil).

At the year-end there was a balance owing to Embark Group Limited of £36,500k (2024: £40,543k).

At the year-end there was a balance owing to Halifax Share Dealing Limited of £nil (2024: £179k).

Transactions between the Company and key management

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.

Key management compensation

The Directors consider that they receive no remuneration for their services to the Company. Key management personnel provide services to other companies within Lloyds Banking Group and consider their services to the Company to be incidental to their other activities within Lloyds Banking Group.

18. Parent undertaking and controlling party

The Company's immediate parent undertaking is Embark Group Limited, a company incorporated in England and Wales. The Registered Office Address of Embark Group Limited is 33 Old Broad Street, London, United Kingdom EC2N 1HZ.

Embark Group 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. Once approved, copies of the consolidated Annual Report and Accounts of Lloyds Banking Group may be obtained from Lloyds Banking Group's head office at 33 Old Broad Street, London, EC2N 1HZ or downloaded via www.lloydsbankinggroup.com.

19. Subsequent events

In January 2026 the leasehold property was transferred out of the Company to another Lloyds Banking Group entity, reducing the value of the lease liability and leasehold property held within property, plant and equipment on the Company's Statement of Financial Position to £nil.