

Tuskerdirect Limited

Annual Report and Accounts

2025

Registered number:

03864648

Member of Lloyds Banking Group

Strategic report

For the year ended 31 December 2025

The directors present their Strategic report of Tuskerdirect Limited (the "Company") together with the financial statements of the Company for the year ended 31 December 2025.

Business overview

The principal activities of the Company continue to be providing vehicle management, leasing and finance services, primarily through Employee Benefit Car Schemes. These services are rendered by Tuskerdirect Limited ("Tusker") to both the public and private sectors.

The directors consider the level of new business written in the year to represent a very strong year of growth, ordering and delivering more vehicles for more drivers than ever before. The total closing vehicle fleet size increased by 49% (2024: 49% increase) from 56,907 vehicles to 84,962 vehicles. This movement compares to a 45% increase (2024: 45% increase) in the value of the Company's vehicle fleet from £1,515.1m to £2,202.0m.

The Company's result for the year shows a profit before tax of £78.9m in 2025 (2024: loss of £34.2m). The Company's reported profit is principally driven by growth in fleet size, along with lower impairment provisions from revaluations.

To support growth and the goal to 'Help the UK Drive a Better Car', Tusker continues to invest in its people through training, mentoring and the onboarding of new members of staff in 2025 across all departments. There was further investment in services to support the growth in 2025 and the forecast accelerated growth in future years. Average headcount increased from 325 to 370, reflecting these investments.

The total equity for the Company increased from £46.9m in 2024 to £105.4m as a result of current year profit after tax.

The directors of Lloyds Banking Group plc manage the operations of Lloyds Banking Group (the "Group" or "LBG") on a divisional basis. The Company is included within the Transport business, which sits within the Consumer lending business unit, within the Retail Division of the Group. The Retail Division is a portfolio of businesses and operates in a number of specialist markets providing consumer lending and contract hire to personal and corporate customers. The Company has primarily been funded by other companies within the Group since acquisition.

Future outlook

The Company continues to perform well to achieve significant fleet growth, which the Company expects to continue to develop within the boundaries of Group risk appetite. Consumer demand for used EVs is increasing and vehicles that have been subject to impairment provisioning in 2025 are expected to continue to generate rental income in the following years of their leases.

Downward pressure on Battery Electric Vehicle ("BEV") used car prices has been seen in 2025. An increase in supply, especially from new entrants to the market has maintained strong competition with manufacturers offering discounts for new vehicles which impacts the second hand vehicle market. There has been more stability in non-BEV, with a fall towards the end of the year which is aligned to seasonal expectations. This was supported by reduced supply of used cars returning to the market, reflecting fewer registrations during the COVID-19 period.

Government policy to encourage the use of EVs through salary sacrifice, and low benefit in kind ("BIK") rates, continues to make EVs attractive to drivers in the short term. In the 2024 October Budget, the Government announced rates for company car tax until 2030, increasing gradually to a BIK rate of 9% by 2030. This provides drivers with certainty for 5 years and the Company continues to review the possibility and impact of any change in Government policy.

The work that Tusker undertook in prior years through the strategy to focus on Car Benefit schemes for cleaner, low emission vehicles has put the business in a position with a developed pipeline of new business, strong technology platform and highly experienced team ensuring that the business remains primed to deliver further new customer launches, orders, deliveries and a high level of customer service.

The Company remains focused on achieving its objectives around the climate change agenda and expects the current growth in electric vehicles to continue as customers take action to meet net zero emissions targets.

There remains further uncertainty on the UK economy, which is experiencing the impacts of inflation pressures and rising energy costs, creating financial challenges across the country. The combination of these factors could adversely affect the performance of the Company. Any adverse changes affecting the UK economy may impact market, credit and operational exposures. Any deterioration in global macroeconomic conditions, including as a result of geopolitical events, global health issues, acts of war or terrorism, or significant cyber attack could have an adverse effect on the Company's results.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group. While these risks are not managed separately for the Company, the Company is a main trading company of the Group's Transport business. They include, but are not limited to, macroeconomic and geopolitical uncertainties and inflation trends which could contribute to the cost of living and associated implications for consumers and businesses.

The directors consider that one of the key drivers of performance for the Company is the fluctuations in the residual values of fleet vehicles. Residual values are impacted by the UK economy, which influence the performance on disposal of ex-fleet vehicles in the second-hand car market. Additional volatility exists with battery electric vehicles ("BEVs") which have historically been priced at a premium to internal combustion engine vehicles, however, significant price reductions have been seen over the last few years as significant volumes of BEVs have come into the used car market for the first time, adversely impacting disposal proceeds.

Operational resilience remains crucial, enabling the Company to prevent, withstand and respond to cybersecurity threats and IT outages, using intelligence and learnings from recent global events. The Company continues to modernise its technology and strengthen capabilities and ensure the safe, responsible use of models and tools such as artificial intelligence.

Credit risk, liquidity risk, market risk and interest rate risk are managed and monitored by risk teams internal to the Group alongside the Company. Further details of these risks and the risk management policy are contained in note 20 of the financial statements.

Strategic report (continued)

For the year ended 31 December 2025

Principal risks and uncertainties (continued)

Credit risk

Credit risk arises on the individual customer balances within Trade and other receivables. These operating lease rentals receivable are continually monitored by the Company and the Group's internal risk teams for credit performance.

Further information can be found included in note 20.4.

Liquidity risk

Liquidity risk is the risk of the Company being unable to meet its financial obligations.

Subsequent to the acquisition of the Tusker group by LBG in February 2023, the liquidity risk has reduced substantially, as vehicles purchased after acquisition are predominantly funded by LBG, with liquidity facilities available to draw from LBG. Facilities existing with third party asset backed lenders prior to the acquisition of the Company by LBG remain in place but the Company is no longer reliant on these to fund new business and these overall facilities have reduced as the related vehicles reach end of contract term.

The Company's ability to meet its funding obligations is closely monitored by the Group's Corporate Treasury team. Further information can be found in note 20.1.

Market risk

Market risk is the risk surrounding the market factors that management has applied in estimating the anticipated residual values of operating lease agreements where the Company retains title of the asset. The Company is exposed to fluctuations in the value of second hand motor vehicles and will be adversely impacted if disposal proceeds are less than the forecast net book value.

The Company holds residual value impairment provision against vehicles, which reflects uncertainty around technological development for BEVs, the lack of market data on second hand electric vehicles and the fall in used prices through the current and prior year. The growing popularity in electric vehicles along with manufacturers increasing volumes of BEVs in the UK in line with Zero Emission Vehicle ("ZEV") mandate increases the Company's exposure to electric vehicle residual value risk.

Further information can be found in note 20.2.

Interest rate risk

The Company faces interest rate risk, primarily through the interest on intragroup funding obligations and interest on amounts payable to external funders. The interest rate charged on intragroup funding obligations is linked to The Bank of England base rate and thus would be impacted by base rate increases or decreases.

Interest rate risk is discussed in more detail in note 20.3.

Other risks

As set out above, the 2024 October Budget provided continuity for salary sacrifice car schemes by confirming BIK rates until 2030, with the Government continuing to help ensure that people can access an electric vehicle that they may otherwise not be able to afford. Future Government policy on levels of BIK rates remains a risk, as these impact the net cost of a vehicle to a driver. Increases in BIK rates would result in an increase in the net cost to a driver. The Company continually reviews its products and services to minimise the impact of any such risks, through ensuring pricing remains competitive.

Post balance sheet events

There were no material post balance sheet events requiring disclosure in these financial statements.

Key performance indicators ("KPIs")

The directors consider that the key performance indicators for the Company are loss before tax, total fleet size, volume of deliveries and disposal loss.

KPI	2025	2024	Analysis
Revenue (£'000)	776,361	559,630	Growth in revenue has been primarily driven by the increase in average fleet size compared with prior year. The largest element of growth relates to rentals from lease agreements (£155m) with additional increases in services provided under lease agreements (£60m).
Profit / (loss) before tax (£'000)	78,931	(34,207)	The improvement in the Company's reported profit is principally driven by fleet growth, along with lower impairment provisions from revaluations compared with prior year.
Total closing fleet size (number of vehicles)	84,962	56,907	The closing fleet size has grown due to the strong increase in new business in the year, with the deliveries noted below. The Company's vehicle assets are all provided to customers under operating leases.
Deliveries (number of vehicles)	39,677	27,365	Deliveries have increased with the continued increase in demand for Employee Benefit Car Schemes, launching of new customers, and good supply of vehicles.
Disposal loss (£'000)	(37,312)	(29,753)	Used vehicle prices remained subdued throughout 2025, adversely impacting disposal proceeds and resulting in losses on vehicle disposals at the end of lease agreements. In addition, vehicle residual values have been decreasing over time, reflecting market conditions.

Strategic report (continued)

For the year ended 31 December 2025

Section 172(1) statement

This section (pages 3 to 4) is 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) of the Act, when performing their duty to promote the success of the Company under section 172.

As a wholly owned subsidiary of the Group, the Company operates within the wider Group governance framework and follows many of the related processes and practices concerning stakeholder engagement, responsible business activities and long-term decision-making.

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

Stakeholder engagement

The Board recognises the fundamental importance of engaging with its stakeholders, gaining a deeper understanding of their views, and the importance of this understanding in informing their discussions and decision-making. During the year, key stakeholders included customers, suppliers, colleagues, shareholders and communities.

Customers

In helping the UK to drive a better car, the Company continues to offer their car benefit schemes to more public and private sector businesses and in 2025 transitioned more drivers to BEVs or Ultra Low Emission Vehicles ("ULEV") than ever before. 80% of all orders in 2025 were BEVs and a further 18% were ULEV. More investment was put into operations and customer service ensuring that Tusker continues to prioritise driver and customer satisfaction.

The Directors ensure the Company, as part of the Group, works toward achieving the Group's customer ambitions by focusing on customer fair value and by treating customers fairly. The Board meets on a regular basis and directors have also worked to review customer plans, regularly reviewing customer behaviour and customer pricing, to understand areas where improvements can be made.

The Company is an active participant in broader LBG Transport business initiatives. These include continued investment in enhancing the customer journey and proposition for its strategic partners.

Suppliers

The directors ensure the Company, as part of the Group, is supported by and makes use of the Group's supplier oversight model. This oversight assesses managed suppliers' activities against a set of risks that their activity poses. The business works with the Group's Consumer Lending Chief Operating Office to understand and agree a supplier risk oversight routine; one which reviews and shares supplier performance and considers risks and mitigations across resiliency of service provision, supplier conduct in delivering customer treatment, alongside data handling and cyber risk oversight. This oversight extends to ensuring we pay our suppliers the due amount in a timely manner, to help our supplier base prosper. This risk framework is focused on those suppliers considered today to present the highest risk, and the work to understand and mitigate the risk profile of the current supplier base is continual.

Colleagues

As part of the Group, the Company's approach to employee matters and employee engagement is aligned to that of the Group, where colleagues take pride in working for an inclusive and diverse organisation which continues to work towards building a culture in which everyone feels included, empowered and inspired to do the right thing for customers.

The Company aims to appoint the best person available into any role and to attract talented people from diverse backgrounds. Applications from people with a disability are encouraged and given full and fair consideration. The Company is unbiased in the way it approaches assessment, appointment, training and promotion. A wide range of programmes are available to support colleagues who become disabled or develop a long-term health condition during employment.

Shareholders

The Company is a wholly owned subsidiary of Lloyds Banking Group plc, forming part of the Group's Consumer Lending Business Unit. As a wholly owned subsidiary, the directors ensure that the strategy, priorities, processes and practices of the Company are fully aligned where required to those of the Group, ensuring that the interests of Lloyds Banking Group plc as the Company's ultimate parent company are duly acknowledged.

Further information in respect of the relationship of Lloyds Banking Group plc with its shareholders is included within the Strategic report within the Lloyds Banking Group plc Annual Report and Accounts for 2025, which does not form part of this report, available on the Lloyds Banking Group plc website: <https://www.lloydsbankinggroup.com/investors/financial-downloads.html>.

Strategic report (continued)

For the year ended 31 December 2025

Section 172(1) statement (continued)

Communities and the environment

The Company continues to support Lloyds Banking Group plc related initiatives, including Helping Britain Prosper, by actively managing its current fleet. The Company is an integral part of supporting the Group's desire to transition to electric vehicles, forming part of a number of commitments it has made to support the green agenda, for example developing and growing relationships with key strategic Electric Vehicle Original Equipment Manufacturers.

Further information in respect of the Group's overall approach to engaging with and contributing to the communities in which it operates is included within the Strategic report within the Lloyds Banking Group plc's Annual Report and Accounts for 2025, which does not form part of this report. Additional information on the Group's role in supporting the country and its people is available on the Lloyds Banking Group plc website within the Society and Environment section of the annual report: <https://www.lloydsbankinggroup.com/investors/financial-downloads.html>.

The Company continues to be recognised on a standalone basis and as part of LBG Transport with a number of national and local award wins, including:

Leasing Company of the Year (> 20,000 vehicles), Lloyds Banking Group Transport, Greenfleet, 2025
Number One ranking in the Fleet News 50 Awards for Lloyds Banking Group Transport, 2025
Company Car Scheme of the Year, 2025, WSB Awards
Leasing Company of the Year (> 20,000 vehicles), Lloyds Banking Group Transport, BusinessCar, 2025
Environmental Impact Award, e-Mobility Awards, 2025
Highly Commended (with Jet2), Best Voluntary Benefit, Employee Benefits Awards, 2025
Green World Ambassador, 2025, Green Apple Awards
Best Workplace Car Benefit Scheme Provider 2025 – UK, Corporate Excellence Awards, Corporate Vision Magazine, 2025
Silver Green World Award, Green Organisation, 2025

How stakeholder interest has influenced decision making

The directors acknowledge that one of the primary responsibilities of the board is to ensure the strategy of the Company, as aligned to that of the Group, is to effectively manage its customer base to generate sustainable returns, central to which is ensuring engagement with stakeholders. This includes considering in all instances the long-term implications of decisions made, acting at all times to maintain the highest possible standards of conduct to maintain Company reputation and ensuring that Company decisions are taken within the risk appetite of the Group.

An area of particular focus for the directors remains the challenges of market conditions in the second hand car market partly by diversifying lease terms and product offering. Despite uncertainty in this market segment, the Company continues to enhance its electric vehicle proposition to meet customer demand for sustainable motoring and to reflect the Group's desire to transition to electric vehicles in support of the green agenda.

Emerging risks

The impact of the climate change agenda on the Company's ability to facilitate a switch from vehicles with internal combustion engines to electric vehicles remains an emerging risk. The growth of the electric vehicle market poses a risk of uncertainty in the residual value estimates that the Company assumes in pricing, especially in the second hand electric vehicle market which is still relatively immature and has been seen to be volatile in recent years. This could impact the Company's relative competitiveness in the market where other lenders take a different view of residual values, and/or could result in the need to adjust the Company's impairment provisions.

The Company is exempt from the Streamlined Energy and Carbon Reporting ("SECR") requirement, as it does not have to report on SECR in its own Directors' report where it is included in the Group SECR statement of a UK Group report. Further information in respect of SECR is included within the Lloyds Banking Group plc 2025 Annual Report and Accounts, which does not form part of this report, available on the Lloyds Banking Group plc website: <https://www.lloydsbankinggroup.com/investors/financial-downloads.html>.

General

The directors do not consider there to be any further material issues which need to be included in the Strategic report.

Approved by the board of directors and signed on its behalf by:



N Williams

Director

25 September 2026

Directors' report

For the year ended 31 December 2025

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2025.

General information

The Company is a private company, limited by shares, incorporated, registered and domiciled in England and Wales (registered number: 03864648).

Employees

The Company has one remaining direct employee as at 31 December 2025 (2024: 1). As at 30 November 2023, the Company employed 301 staff. As part of the integration of the Tusker business into the Lloyds Banking Group payroll and reward arrangements, the employment of 298 employees was transferred to Lloyds Bank plc with effect from 1 December 2023. Employees supporting the Company's operations are now employed by Lloyds Bank plc and, accordingly, any subsequent increases in headcount have been employed by Lloyds Bank plc rather than the Company. The related 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 2025 Annual report and Accounts, 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).

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of the accounts. Thus they continue to adopt the going concern basis of accounting in preparing the Annual Report and Accounts taking into account the following:

- funding arrangements have been reviewed with the parent undertaking providing funding for new business;
- the Company will continue to pay ongoing obligations to existing funders from the cash flows being generated by the current business;
- the Company will continue to be able to repay its liabilities as they fall due through its liquid assets and/or its ability to drawdown on further funding as required from LBG; and
- that it is the intention of LBG to continue to provide adequate access to liquidity for the foreseeable future.

Post balance sheet events

There were no material post balance sheet events requiring disclosure in these financial statements.

Registered office

The Company's registered office is Building 4, Hatters Lane, Croxley Green Business Park, Watford, Hertfordshire, WD18 8YF.

Directors

The current directors of the Company are shown below.

P L Hyne
A M North
N A Williams
C Wisdom

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

P H Gilshan (resigned 26 December 2025)

Company secretary

The Company secretary is D D Hennessey.

The following changes have taken place between the beginning of the reporting period and the approval of the Annual report and accounts.

R Beattie (resigned 9 March 2026)
D D Hennessey (appointed 9 March 2026)

Information included in the Strategic report

The disclosures for Principal risks and uncertainties and Key performance indicators that would otherwise be required to be disclosed in the Directors' report can be found in the Strategic report on pages 1 to 4.

Statement of engagement with employees and other stakeholders

A statement of engagement with employees and other stakeholders is included in the Strategic report on pages 1 to 4.

Directors' report (continued)

For the year ended 31 December 2025

Approach to Corporate Governance

In accordance with the Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008 (as amended by the Companies (Miscellaneous Reporting) Regulations 2018) (the "Regulations"), for the year ended 31 December 2025, the Company has in its corporate governance arrangements applied the Wates Corporate Governance Principles for Large Private Companies (the "Principles"), which are available at [frc.org.uk](https://www.frc.org.uk). The following section explains the Company's approach to corporate governance, and its application of the Principles.

Principle One – Purpose and Leadership

The board is collectively responsible for the long term success of the Company. It achieves this by agreeing the Company's strategy, within the wider strategy of Lloyds Banking Group plc, and overseeing delivery against it. The Company's strategy is discussed further in the Strategic Report on pages 1 to 4 of these financial statements. The board also assumes responsibilities for the management of the culture, values and wider standards of the Company, within the equivalent standards set by the Group, which are discussed 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>

Consideration of the needs of all stakeholders is fundamental to the way the Company operates, as is maintaining the highest standards of business conduct, which along with ensuring delivery for customers is a vital part of the corporate culture. The Company's approach is further influenced by the need to build a culture in which everyone feels included, empowered and inspired to do the right thing for customers. To this end, the board plays a role in establishing, promoting and monitoring the Company's corporate culture and values, aligning to the culture and values of the Group, which are discussed in more detail 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>

Principle Two – Board Composition

The Company is led by a Board comprising the executive directors which can be found on page 5 of this report. The Board considers its composition regularly, and is committed to ensuring it has the right balance of skills and experience. The Board considers that its current size and composition is appropriate to the Company's circumstances. New appointments are made on merit, taking account of the specific skills, experience and knowledge needed to ensure a rounded Board and the benefits each candidate can bring to the Board overall. There is a range of initiatives within the Group to help provide mentoring and development opportunities for female and BAME executives, and to ensure unbiased career progression opportunities.

The Board will undertake an annual review of its effectiveness, which provides an opportunity to consider ways of identifying greater efficiencies, ways to maximise strengths and highlights areas of further development. The effectiveness review is commissioned by the Board, assisted by the Company Secretary.

Principle Three – Director Responsibilities

The directors assume ultimate responsibility for the affairs of the Company, and along with senior management are committed to maintaining a robust control framework as the foundation for the delivery of good governance, including the effective management of delegation through related Group processes. Policies are also in place in relation to potential conflicts of interest which may arise.

The Board does not operate any committees. An elected director will chair the board meeting and receive support from the Company Secretary for the provision to each meeting of accurate and timely information.

Principle Four – Opportunity and Risk

Strategic opportunities which may arise are considered in the first instance by the Board of the Group, as part of the Group Board's role in considering such opportunities relevant to itself and its subsidiaries. Any opportunity which is specifically relevant to the Company is subsequently considered by the Board.

The Board is responsible for the long term sustainable success of the Company, generating value for its shareholder and ensuring a positive contribution to society. Key to this is the Company's culture, purpose, values and strategy, as discussed under Principle One, which are closely aligned to those of the Group.

Strong risk management is central to the strategy of the Company, which along with a robust risk and control framework, acts as the foundation for the delivery of effective risk management. The Board agrees the Company's risk appetite, within the wider risk appetite of the Group, and ensures the Company manages risk effectively through delegation within the management hierarchy. Board level engagement, coupled with the direct involvement of management in risk issues, ensures that escalated issues are promptly addressed and remediation plans are initiated where required. The Company's risk appetite, principles, policies, procedures, controls and reporting are managed in conjunction with those of the Group, and as such are regularly reviewed to ensure they remain fully in line with regulations, law, corporate governance and industry best practice. The Company's financial risks are discussed further within note 20.

Principle Five – Remuneration

The Remuneration Committee of the Group assumes responsibility for the approach to remuneration for certain of its subsidiaries, including that of the Company. This includes reviewing and making recommendations to the Group Board on remuneration policy. Whilst the Company has only one remaining direct employee (2024:1), all other staff are employed by a parent undertaking, Lloyds Bank plc, following a transfer of employment of 298 staff during December 2023. All staff costs have subsequently been recharged to the Company.

Principle Six – Stakeholders

The Company, as part of the Group, operates under the Group's wider Responsible Business approach, as overseen by the LBG Responsible Business Committee. The purpose of the Committee is to support the Board in overseeing the Company's policies, performance and priorities as a responsible business including embedding purpose, social and environmental matters, culture, workforce engagement and duty to customers and stakeholders.

Directors' report (continued)

For the year ended 31 December 2025

Directors' indemnities

LBG 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 the directors 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 LBG. In addition, the Company has in place appropriate directors and officers liability insurance cover which was in place throughout the financial year.

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 the 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; and
- 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' confirmations

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

- the Company's financial statements, which have been prepared in accordance with 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 profit of the Company; and
- the Strategic 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 risks and uncertainties that it faces.

Statement of 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 auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors and disclosure of information to auditors

Deloitte LLP are 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 by:

Nick Williams

N Williams

Director

25 September 2026

Statement of comprehensive income

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Revenue	4	776,361	559,630
Direct costs	4	(586,019)	(492,568)
Gross profit		190,342	67,062
Interest expense	5	(79,096)	(70,446)
Other operating expenses	4	(32,315)	(30,823)
Profit / (loss) before tax		78,931	(34,207)
Taxation	8	(20,429)	8,435
Profit / (loss) after tax, being total comprehensive profit / (loss)		58,502	(25,772)

The accompanying notes on pages 12 to 26 are an integral part of these financial statements.

The profit after tax for the period is derived from continuing operations.

Statement of financial position

As at 31 December 2025

	Note	2025 £'000	2024 £'000
ASSETS			
Cash and cash equivalents		34,852	41,979
Trade and other receivables	9	113,833	142,526
Inventories		12,888	6,318
Property, plant and equipment	11	2,205,218	1,518,696
Intangible assets	12	4,204	3,674
Total assets		2,370,995	1,713,193
LIABILITIES			
Trade and other payables	14	102,506	97,692
Current tax liability		6,444	-
Lease liabilities	15	3,127	3,548
Borrowed funds	16	2,098,403	1,532,528
Deferred tax liability	13	37,432	23,447
Provision for liabilities and charges	17	17,666	9,063
Total liabilities		2,265,578	1,666,278
EQUITY			
Share capital	18	557	557
Share premium account	18	6,375	6,375
Retained earnings		98,485	39,983
Total equity		105,417	46,915
Total equity and liabilities		2,370,995	1,713,193

The accompanying notes on pages 12 to 26 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:

Nick Williams

N Williams

Director

25 September 2026

Statement of changes in equity

For the year ended 31 December 2025

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
At 1 January 2024	557	6,375	65,755	72,687
Loss for the year being total comprehensive expense	-	-	(25,772)	(25,772)
At 31 December 2024	557	6,375	39,983	46,915
Profit for the year being total comprehensive income	-	-	58,502	58,502
At 31 December 2025	557	6,375	98,485	105,417

The accompanying notes on pages 12 to 26 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 used in operating activities			
Profit / (loss) before tax		78,931	(34,207)
Adjustments for:			
- Interest expense	5	79,096	70,446
- Depreciation and impairment of property, plant and equipment	4	323,607	259,276
- Net book value on disposal of property, plant and equipment	11	172,326	169,198
- Purchase of property, plant and equipment	11	(1,182,207)	(900,430)
- Amortisation of intangible assets	4	1,259	571
Changes in operating assets and liabilities:			
- Net increase in inventories		(6,570)	(4,048)
- Net decrease / (increase) in trade and other receivables	9	9,154	(8,187)
- Net increase in trade and other payables	14	4,814	27,346
- Increase in provision for liabilities and charges	17	8,603	3,239
Cash used in operations		(510,987)	(416,796)
Tax received ¹		19,539	12,483
Net cash used in operating activities		(491,448)	(404,313)
Cash flows used in investing activities			
Purchase of property, plant and equipment	11	(248)	(216)
Purchase of intangibles	12	(1,789)	(1,453)
Net cash used in investing activities		(2,037)	(1,669)
Cash flows generated from financing activities			
Increase in net borrowings with Group undertakings	16	626,021	599,420
Proceeds from borrowings	16	12,611	13,963
Repayment of borrowings	16	(139,669)	(164,922)
Repayment of lease liabilities	15	(569)	(562)
Interest paid ²		(12,036)	(18,775)
Net cash generated from financing activities		486,358	429,124
Change in Cash and cash equivalents		(7,127)	23,142
Cash and cash equivalents at beginning of year		41,979	18,837
Cash and cash equivalents at end of year		34,852	41,979

The accompanying notes on pages 12 to 26 are an integral part of these financial statements.

¹In December 2025, the Company received £19.5m to surrender losses to the wider LBG Group in respect of the 2024 tax position (2024: £12.5m in respect of the 2023 tax position).

²Interest paid relates to interest paid on amounts owed to funders.

Notes to the financial statements

For the year ended 31 December 2025

1. Basis of preparation

1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements have also been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB) and as adopted for use in the UK.

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 24. No standards have been early adopted.

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.

The financial statements have been prepared on a going concern basis and under the historical cost convention. The directors have assessed the Company's ability to continue as a going concern and are satisfied that it remains appropriate to prepare the financial statements on this basis. Further details of the directors' assessment are provided in the Directors' Report.

2. Material accounting policies

2.1 Income recognition

Revenue

Revenue substantially comprises rental income and income from services provided under lease agreements, which is credited to the statement of comprehensive income on a straight line basis. Due to the Company routinely disposing of its assets, the sales proceeds received on disposal of previously leased vehicles are also recognised as revenue. Vehicle sales are recognised in the period in which the sale occurs, upon the transfer of risks and rewards of ownership to the customer, with the book value of the vehicle being charged to direct costs.

Included within revenue is income in respect of vehicle maintenance agreements. Customers can purchase service packages for their leased vehicles, paid for through a fixed amount each month over the duration of the contract. The Company's performance obligation to the customer is to provide maintenance services on an ongoing basis in line with manufacturer set service intervals as and when the need arises. This obligation is deemed to be satisfied on the completion of the MOT or mileage interval service which can be at any point during the contract term. Due to usage, ageing and wear and tear, the majority of costs are typically incurred in the later stages of the contract term. The Company recognises a small percentage of the revenue on a monthly basis in the statement of comprehensive income to cover the other support and technical overheads, with the remainder of the revenue being deferred to the statement of financial position. When the maintenance expenditure is incurred, the cost and associated deferred revenue are recognised in the statement of comprehensive income.

The Company recognises all remaining deferred income or excess maintenance spend at the point of vehicle de-hire on an individual basis and these amounts are taken to the statement of comprehensive income through direct costs in the period the contract terminates.

The services are provided on a principal basis as the Company has primary responsibility for the provision of the service, controls what maintenance services are provided to the customer and takes the risk of over and under spend including inflationary impacts and the customers have no ongoing relationship with the garages performing the service. The Company does not refund maintenance rentals paid if the customer terminates the contract early.

The Company also includes amounts in respect of insurance in revenue, as it is deemed to act on a principal basis with regards to arranging insurance cover with a third party provider for operating lease customers. The Company allocates the transaction price associated with the performance obligation of arranging insurance based on the premium charged by the insurance provider, and this obligation is satisfied over time as insurance is provided to the customer for each month of the lease term. The Company does not take any third party insurance risk.

The price of each distinct element of the customer contract is priced individually i.e. customer rental amounts, insurance amount, customer services elements agreed, etc. This is aggregated into a monthly total, which is charged to the customer. As a result, there is no allocation of transaction price required, rather each element with its own performance obligation, is priced individually. There is an element of judgement required in pricing, specifically around the uncertainty in determining the total maintenance spend over the lease term.

Other income includes amounts arising at the end of vehicle contracts, which are recognised in the period during which the contract terminates.

2.2 Financial assets and liabilities

Financial assets comprise cash and cash equivalents and trade and other receivables. Financial liabilities comprise borrowed funds, lease liabilities and trade and other payables. On initial recognition, all financial assets are measured at fair value and subsequently classified and measured at amortised cost if they are held to collect contractual cash flows where those cash flows represent solely payments of principal and interest. A financial asset results in contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if the most significant element of interest are considerations for time value of money and credit risk. All financial liabilities are measured at amortised cost.

The Company initially recognises financial assets and liabilities when the Company becomes a party to the contractual provisions of the instrument.

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.

Notes to the financial statements (continued)

For the year ended 31 December 2025

2. Material accounting policies (continued)

2.3 Impairment

Impairment of financial assets

Trade receivables and impairment of trade receivables

Owned vehicles leased to customers under operating leases reflect the Company's principal trading activity, accounting for more than 90% of the Company's funded fleet and associated activities.

Trade receivables represent amounts outstanding from operating lease customers in relation to rentals due. Provisions held against these trade receivables make up the majority of the impairment on financial assets.

A simplified model for impairment is applied to provide for lifetime expected credit losses when a customer has defaulted and the recovery of the debt is unlikely. Under these circumstances, an expected credit loss is recognised for the customer. Provisions made during the year, less amounts released and recoveries of amounts written off in previous years are charged to the statement of comprehensive income.

A customer default is defined as a circumstance whereby a customer is no longer able to settle its obligations to the Company as and when they fall due. The Company defines a default as a circumstance when a customer falls into administration and the appointed insolvency practitioner confirms no further amounts relating to the amount owed would be repaid. In such a case, the amount receivable from the customer would be written off. The Company would also make every effort to recover the amounts owing and subsequently the vehicle assets from the customer.

2.4 Cash and cash equivalents

For the purposes of the statement of financial position and cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity.

2.5 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.

Notes to the financial statements (continued)

For the year ended 31 December 2025

2. Material accounting policies (continued)

2.6 Property, plant and equipment

Property, plant and equipment includes owned vehicles leased to customers, office and other equipment, IT and computer equipment and leasehold improvements.

Owned vehicles leased to customers are stated at cost and are depreciated to the current market value of the asset already in the age and condition at the end of the lease, on a straight line basis over its useful economic life, typically between 3 and 8 years. The useful economic life for a leased asset is deemed to be the length of the lease. Once the vehicle lease has terminated, owned vehicles leased to customers are moved into inventories, whilst awaiting sale or to be re-leased. At this date, they are held at the written down value.

The residual values of property, plant and equipment are regularly reviewed, any changes in residual values are captured by adjusting depreciation prospectively over the remaining useful life.

Leasehold improvements are stated at cost and are depreciated to their estimated residual value on a straight line basis over the estimated useful life, considered to be up to 10 years.

Office and other equipment are stated at cost and are depreciated to their estimated residual value on a straight line basis over the estimated useful life, considered to be up to 3 years.

IT and computer equipment are stated at cost and are depreciated to their estimated residual value on a straight line basis over the estimated useful life, considered to be 3 years.

Impairment of Property, plant and equipment

Impairment of owned vehicles leased to customers under operating leases is assessed by comparing the carrying amount of the asset with the recoverable amount. Any impairment identified in this way is charged immediately to the statement of comprehensive income.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a market rate, which reflects current market assessments of the time value of money and the risks specific to the asset.

If there is objective evidence that an impairment loss has been incurred, a provision is established which is calculated as the difference between the statement of financial position carrying value of the asset and the present value of estimated future cash flows, including future rentals receivable and a current assessment of residual values, which is discounted to their present value using a market rate. Such provisions may be released if the recoverable amount returns to, or exceeds the carrying amount. This assessment is performed on an asset by asset basis. The method and assumptions used for estimating future cash flows are reviewed regularly by the Company to reduce any differences between the loss estimates and actual loss experienced.

Lease classification

The Company as a lessor

Finance leases are noted to be those leases where substantially all the risks and rewards of ownership are passed to the lessee. Lease agreements, which do not represent finance leases, are classified as operating leases. Assets leased to customers under such agreements are included in Property, plant and equipment and are depreciated over their lease term down to their residual values on a straight line basis. Residual values are regularly reassessed and the impact upon the depreciation charge is adjusted prospectively unless an impairment is indicated.

The Company as a lessee

Where the Company leases assets for its own use, such as buildings and office equipment, these are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Assets and liabilities arising from such a lease are initially measured at the present value of future lease payments, discounted at the Company's incremental borrowing rate.

ROU assets are subsequently depreciated over the lease term on a straight line basis. The lease liability is increased by interest and reduced by lease payments made. Lease payments are allocated between the liability and interest cost. The interest cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.7 Intangible assets

Expenses incurred for software product development are expensed as incurred unless the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. Such expenses and advances paid for software development which is not yet ready for the intended use as at the reporting date are recognised as intangible assets. Once they are completed for the intended use, the Intangible assets are carried at historical costs less accumulated amortisation, and are amortised over their useful lives using the straight line method.

2.8 Provision for 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.

Notes to the financial statements (continued)

For the year ended 31 December 2025

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with International Financial Reporting Standards 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.

The following are the critical accounting judgements and key sources of estimation uncertainty that the directors have made in the process of applying the Company's accounting policies which has the most significant effect on the amounts recognised in the financial statements.

Owned vehicles leased to customers

The carrying value of assets leased to customers and related depreciation and impairment charges depends on an estimate of the residual value of the vehicle at the end of the lease. The Company views the residual value of its operating leases as a key source of estimation uncertainty and as a result, regularly reviews and estimates the residual value of its operating lease assets net of selling costs at the end of contract by reference to independent market value data and the prevailing economic conditions. The adjustment arising from the reviews is accounted for in accordance with the policy described in Note 2.6.

Impairment of Property, plant and equipment for changes in residual value

The used car market in the UK is mature with prices dependent upon a broad range of economic and vehicle specific factors. These factors are taken into consideration by means of the data provided by market specialists, overlaid with adjustments to reflect Company specific knowledge and experience. The expected market price determined in this manner is the most significant assumption impacting the expected residual value of vehicles net of selling costs, realised at the point of sale at the end of the lease contract. Whilst the likely future used vehicle prices are determined based on management's best estimate, it is possible that the actual outcome will be different, therefore this is considered to be a key source of estimation uncertainty.

The relationship between used vehicle prices and the level of impairment required is non-linear. On a fleet basis, vehicles will become impaired at different levels of used vehicle price reduction and vehicles already impaired will see the impact of incremental reductions to used vehicle prices reduced by the discount rate applied. When the lease contract is impaired there is an immediate impact on profit and loss.

Further, for the purpose of performing impairment testing, a source of estimation uncertainty is the discount rate used to determine future cashflows which reflects the return that a market investor would require.

The impairment loss recognised in the year relating to the vehicle fleet is £31.0m (2024: £57.9m) (see note 11). The impairments have been included in the statement of comprehensive income under direct costs. The impairment arose due to volatility in pricing of battery electric vehicles ("BEVs"), which have historically been priced at a premium to internal combustion engine ("ICE") vehicles, but recent price reductions in new BEVs have had a downward impact on used BEV prices.

Set out below is an indication of the sensitivity of impairment charges to changes in residual values at 31 December.

Management identifies market factors that impact the future values of vehicles and make specific considerations when determining the level of impairment. The table below shows the combined sensitivity across the whole fleet.

	1pp		2pp		5pp	
	Increase £'000	Decrease £'000	Increase £'000	Decrease £'000	Increase £'000	Decrease £'000
2025	(2,473)	2,625	(4,804)	5,400	(11,049)	14,775
2024	(4,100)	4,259	(8,040)	8,680	(18,909)	22,981

Set out below is an indication of the sensitivity of the discount rate used to determine the present values of future cashflows which, as noted above, reflects the return that a market investor would require.

	0.5pp		1pp		2pp	
	Increase £'000	Decrease £'000	Increase £'000	Decrease £'000	Increase £'000	Decrease £'000
2025	2,699	(2,436)	5,697	(4,649)	12,825	(8,567)
2024	4,937	(4,553)	10,291	(8,730)	22,337	(16,062)

4. Profit / (loss) before tax

The following items have been included in arriving at Profit/(loss) before tax

	2025 £'000	2024 £'000
Revenue		
Rentals from lease agreements	463,437	307,798
Revenue from services provided under lease agreements	172,219	109,338
Proceeds from disposal of property, plant and equipment	138,596	140,558
Other revenue	2,109	1,936
	776,361	559,630

Notes to the financial statements (continued)

For the year ended 31 December 2025

4. Profit / (loss) before tax (continued)

	2025 £'000	2024 £'000
Direct costs		
Depreciation & impairment of owned vehicles leased to customer (note 11)	322,977	258,663
Cost of sale on disposal of property, plant and equipment	175,908	170,311
Other direct costs	87,134	63,594
	586,019	492,568
Other operating expenses		
Staff costs (see note 6)	21,032	17,898
Depreciation of non-vehicle assets (see note 11)	630	613
Amortisation of Intangible assets (note 12)	1,259	571
Auditors remuneration - Audit of Company financial statements	279	326
Other operating expenses	9,115	11,415
Other operating expenses	32,315	30,823

5. Interest expense

	2025 £'000	2024 £'000
Interest expense		
Interest on lease liabilities	(148)	(165)
Interest on amounts payable to funders	(12,106)	(19,077)
Interest on intercompany borrowings (see note 19)	(66,842)	(51,029)
Other interest	-	(176)
Interest expense	(79,096)	(70,446)

6. Staff costs

	2025 £'000	2024 £'000
Wages and salaries	16,412	14,467
Social security costs	2,278	1,766
Pension costs	2,342	1,665
	21,032	17,898

Staff costs above represent an average workforce of 370 (2024:325).

The Company has one remaining direct employee (2024: 1) at 31 December 2025. All other staff are now employed by the parent undertaking, Lloyds Bank plc, following a transfer of employment of 298 staff during December 2023. All staff costs have subsequently been recharged to the Company. The staff costs disclosure includes those staff working for Tusker throughout the period and for which costs are borne by Tusker, irrespective of the legal employer entity.

Any incremental staff working on Tusker are employed by other group companies.

7. Directors' emoluments

The directors' emoluments for services provided to the Company are set out below:

	2025 £'000	2024 £'000
Aggregate emoluments	541	792
Company contributions to money purchase pension schemes	47	55
	588	847
Highest paid director:		
Aggregate emoluments	278	278
Company contributions to money purchase pension schemes	41	-
	319	278

Notes to the financial statements (continued)

For the year ended 31 December 2025

7. Directors' emoluments (continued)

The amounts reported above are an allocation of a proportion of the directors' total remuneration in so far as it relates to qualifying services for their role as a director of the Company. All costs are borne by other Group companies.

No recharges have been received from any other Group company to Tuskerdirect Limited for the services of P L Hyne, A M North or N A Williams.

The number of directors to whom retirement benefits accrued under defined benefit schemes is nil (2024: nil). The number of directors to whom retirement benefits accrued under money purchase schemes is four (2024: four).

No directors exercised any share options in the period (2024: none). No shares were received or receivable by any director in respect of qualifying services under a long term incentive plan.

Directors and related parties who lease or purchase vehicles from the Company do so on terms that are aligned with those available to all customers. During the year the number of directors who leased or purchased a vehicle from the company was two (2024: one).

8. Taxation

	2025 £'000	2024 £'000
a) Analysis of (expense)/credit for the year		
UK corporation tax:		
- Current tax on taxable loss for the year	(6,498)	18,823
- Adjustments in respect of prior years	54	698
Current tax (expense)/credit	(6,444)	19,521
UK deferred tax:		
- Origination and reversal of temporary differences	(13,821)	(10,272)
- Adjustments in respect of prior years	(164)	(814)
Deferred tax expense (see note 13)	(13,985)	(11,086)
Tax (expense)/credit	(20,429)	8,435

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

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

A reconciliation of the (expense)/credit 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 / (loss) before tax	78,931	(34,207)
Tax (expense)/credit thereon at UK corporation tax rate of 25.00% (2024: 25.00%)	(19,733)	8,552
Factors affecting (expense)/credit:		
- Disallowed items	(1)	(1)
- Adjustments in respect of prior years	(110)	(116)
- Other	(585)	-
Tax (expense)/credit on loss on ordinary activities	(20,429)	8,435
Effective rate	(25.88%)	(24.66%)

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

9. Trade and other receivables

	2025 £'000	2024 £'000
Trade receivables	63,435	34,182
Prepayments and accrued income	14,114	8,708
Other taxation	36,284	26,099
Corporation tax asset	-	19,539
Amounts due from group undertakings (see note 19)	-	53,998
Trade and other receivables	113,833	142,526

At 31 December 2024, amounts due from group undertakings were unsecured, non-interest bearing and repayable on demand; however, there was no expectation that repayment would be demanded. The balance comprised £53.8m due from the immediate parent undertaking, Hamsard 3353 Limited, and £0.2m due from Hamsard 3352 Limited. On 15 May 2025, these balances were settled following capital injections into Hamsard 3352 Limited of £185.8m by Lloyds Bank Asset Finance Limited, and subsequently into Hamsard 3353 Limited of £185.8m by its immediate parent company, Hamsard 3352 Limited.

The provision for doubtful debts as at the reporting date was £232,000 (2024: £140,000) which is held on gross trade receivables of £232,000 (2024: £140,000).

Refer to note 2 for details of impairment and provisioning.

10. Investment in subsidiary undertakings

The Company holds 100% of the ordinary share capital of Landau Finance Limited, a dormant company registered in the United Kingdom. The registered office address for the subsidiary is Building 4, Hatters Lane, Croxley Green Business Park, Watford, Hertfordshire, WD18 8YF. The proportion of the voting rights in the subsidiary undertaking held directly by the Company do not differ from the proportion of ordinary shares held.

The investment is fully written down and so has a carrying value of nil (2024: nil).

Notes to the financial statements (continued)

For the year ended 31 December 2025

11. Property, plant and equipment

	Right of use asset	IT and computer equipment	Owned vehicles not leased to customers	Owned vehicles leased to customers	Office and other equipment	Leasehold improvements	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 January 2024	4,953	1,023	9,422	1,241,661	533	826	1,258,418
Additions	57	107	11,490	888,940	7	45	900,646
Disposals	-	-	-	(254,038)	-	-	(254,038)
Transfers	-	-	(9,422)	9,422	-	-	-
At 31 December 2024	5,010	1,130	11,490	1,885,985	540	871	1,905,026
Additions	-	207	25,143	1,157,064	8	33	1,182,455
Disposals	-	-	-	(266,102)	-	-	(266,102)
Transfers	-	-	(11,490)	11,490	-	-	-
At 31 December 2025	5,010	1,337	25,143	2,788,437	548	904	2,821,379
Accumulated depreciation							
At 1 January 2024	1,290	774	-	208,555	522	753	211,894
Charge for the year (see note 4)	442	162	-	200,773	5	4	201,386
Disposals	-	-	-	(84,840)	-	-	(84,840)
Impairment charge	-	-	-	57,890	-	-	57,890
At 31 December 2024	1,732	936	-	382,378	527	757	386,330
Charge for the year (see note 3)	448	154	-	292,017	6	22	292,647
Disposals	-	-	-	(93,776)	-	-	(93,776)
Impairment charge	-	-	-	30,960	-	-	30,960
At 31 December 2025	2,180	1,090	-	611,579	533	779	616,161
Net book value at 31 December 2025	2,830	247	25,143	2,176,858	15	125	2,205,218
Net book value at 31 December 2024	3,278	194	11,490	1,503,607	13	114	1,518,696

The total cash inflow from leases in the year was £635.7m (2024: £417.1m).

At 31 December 2025 the future minimum rentals receivable under non-cancellable operating leases were as follows:

	2025 £'000	2024 £'000
Receivable within one year	702,527	475,191
Receivable between two to five years	955,429	670,772
Receivable later than five years	-	-
	1,657,956	1,145,963

Notes to the financial statements (continued)

For the year ended 31 December 2025

12. Intangible assets

	Software £'000
Cost	
At 1 January 2024	4,337
Additions	1,453
At 31 December 2024	5,790
Additions	1,789
At 31 December 2025	7,579
Accumulated amortisation	
At 1 January 2024	1,545
Charge for the year	571
At 31 December 2024	2,116
Charge for the year	1,259
At 31 December 2025	3,375
Net book value at 31 December 2025	4,204
Net book value at 31 December 2024	3,674

13. Deferred tax liability

The movement in the Deferred tax liability is as follows:

	2025 £'000	2024 £'000
At 1 January	(23,447)	(12,361)
Expense for the year (see note 8)	(13,985)	(11,086)
At 31 December	(37,432)	(23,447)

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

	2025 £'000	2024 £'000
Accelerated capital allowances	(11,437)	(10,945)
Other temporary differences	(2,548)	(141)
	(13,985)	(11,086)
Deferred tax liability comprises:	2025 £'000	2024 £'000
Accelerated capital allowances	(37,432)	(25,995)
Other temporary differences	-	2,548
	(37,432)	(23,447)

Notes to the financial statements (continued)

For the year ended 31 December 2025

14. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	60,697	55,554
Accruals and deferred income	38,045	40,103
Amounts owed to group undertakings (see note 19)	3,764	2,035
Trade and other payables	102,506	97,692

Accruals and deferred income includes deferred income amounts held in respect of future maintenance obligations of £16.1m (2024: £8.8m). Deferred income relates to services, maintenance and tyre replacement for vehicles on the fleet. The related performance obligations will be fulfilled when the relevant vehicles undergo servicing, maintenance and have their tyres replaced.

The revenue recognised in the year, which was included in deferred income in the prior year was £2.4m (2024: £1.4m).

There were no significant changes in the deferred income balances year on year, with no contract assets recognised.

Amounts due to group undertakings are unsecured, non-interest bearing and repayable on demand, although there is no expectation that such a demand would be made.

15. Lease liabilities

	2025 £'000	2024 £'000
Lease liabilities	3,127	3,548
At 31 December	3,127	3,548

Maturity analysis

	2025 £'000	2024 £'000
Year 1	440	421
Year 2	453	440
Year 3	468	453
Year 4	482	468
Year 5	497	482
Onwards	787	1,284
	3,127	3,548

The Company has leasing arrangements in place for the office building and office equipment. The Company does not face significant liquidity risk with regard to its lease liabilities. Lease liabilities are regularly monitored by management.

The total cash outflow with regards to lease liabilities is £0.6m (2024: £0.6m).

16. Borrowed funds

	2025 £'000	2024 £'000
Amounts due to related parties (see note 19)	1,971,591	1,278,729
Amounts payable to funders	126,812	253,799
	2,098,403	1,532,528

Amounts due to related parties are unsecured and repayable on demand, although there is no expectation that such a demand would be made. Amounts due to related parties includes interest accrued for the period and not paid (see note 19). Interest is payable at a variable rate.

Amounts due to funders are interest bearing at fixed rates, and are secured with a fixed term.

Notes to the financial statements (continued)

For the year ended 31 December 2025

17. Provision for liabilities and charges

	Fleet provisions £'000
At 1 January 2024	5,824
Charge for the year	23,037
Reversal of unused provision	(55)
Utilised during the year	(19,743)
At 31 December 2024	9,063
Charge for the year	33,741
Utilised during the year	(25,138)
At 31 December 2025	17,666

Fleet provision

Fleet provisions are an estimate of the future liability that the Company will incur as a result of its obligations to provide repair services to vehicles to cover the first proportion of the cost of damages. The remaining proportion of the damage cost is covered by the Company insurer. The uncertainty relating to fleet provisions arises in respect of the timing of when repair services occur.

18. Share capital

	2025 £'000	2024 £'000
Allotted, authorised, called up and fully paid		
55,716,464 ordinary shares of £0.01 each	557	557
	557	557

There is one class of ordinary shares and the shares have full voting, dividend and capital distribution rights.

The Share premium account contains the premium arising on issue of equity shares, net of issue expenses. Retained earnings represents cumulative profits or losses, net of any dividends paid and other adjustments.

Notes to the financial statements (continued)

For the year ended 31 December 2025

19. Related party transactions

A number of transactions are entered into with related parties in the normal course of business. These include bank balances, revenue from vehicle sales and loan and interest transactions. A summary of the related expense for the year and outstanding balances at the year end is set out below.

	2025 £'000	2024 £'000
Cash & cash equivalents held with Group undertakings		
Lloyds Bank plc	29,662	33,550
Total cash and cash equivalents held with Group undertakings	29,662	33,550
Amounts receivable from related parties		
Hamsard 3353 Limited	-	53,846
Hamsard 3352 Limited	-	152
Total amounts receivable from related parties (see note 9)	-	53,998

For the expenses charged by related parties, there were no impairment losses or allowances, nor were there any bad debts written off. For the amounts due to related parties, the amounts are unsecured with no guarantees.

At 31 December 2024, amounts due from group undertakings were unsecured, non-interest bearing and repayable on demand; however, there was no expectation that repayment would be demanded. The balance comprised £53.8m due from the immediate parent undertaking, Hamsard 3353 Limited, and £0.2m due from Hamsard 3352 Limited. On 15 May 2025, these balances were settled following capital injections into Hamsard 3352 Limited of £185.8m by Lloyds Bank Asset Finance Limited, and subsequently into Hamsard 3353 Limited of £185.8m by its immediate parent company, Hamsard 3352 Limited.

Amounts payable to related parties		
Lloyds Bank plc	(1,975,355)	(1,280,764)
Total amounts payable to related parties (see note 14 and 16)	(1,975,355)	(1,280,764)

The amounts owed to Lloyds Bank plc are in relation to a drawdown facility utilised by Tusker to acquire new vehicle assets. The balance is unsecured with no guarantees.

Revenue		
Lex Autolease Limited	386	3,169
Lloyds Bank plc	865	-
Lloyds Wealth Management Limited	143	-
Total revenue with related parties	1,394	3,169

Interest expense		
Lloyds Bank plc	66,842	51,029
Total Interest expense (see note 5)	66,842	51,029

There were no (2024: nil) provisions for doubtful debts raised in the period regarding related party balances, nor were there any expenses recognised in respect of bad or doubtful debts due from related parties.

Note that Lloyds Bank plc is the parent undertaking of the smallest such group of undertakings for which group financial statements are drawn up and of which the Company is a member. All other entities referred to in these financial statements are fellow group subsidiaries.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of an entity; the Company's key management personnel during the year totalled nine (2024: nine) of whom five (2024: five) served as members of the Board of Directors.

The amounts reported below represent remuneration costs incurred by other Group entities on behalf of the Company and recharged to the Company during the year. They represent an allocation of a proportion of the directors' total remuneration in so far as it relates to qualifying services for their role as a director of the Company. All costs are borne by other Group companies.

Refer to note 7 for further information on directors' emoluments. Other than as set out below, there were no transactions between the Company and key management personnel during the current or preceding year.

Key management personnel emoluments:

	2025 £'000	2024 £'000
Salaries and short term employee benefits	1,230	2,310
Post employment benefits	129	163
Termination benefits	-	29
	1,359	2,502

As stated in Note 7, during the year the number of directors who leased or purchased a vehicle from the company was two (2024: one).

Notes to the financial statements (continued)

For the year ended 31 December 2025

20. Financial risk management

The Company's operations expose it to credit risk, liquidity risk, market risk and interest rate risk; it is not exposed to any significant foreign exchange risk. Responsibility for the control of overall risk lies with the board of directors, operating within a management framework established by the LBG Retail Division, and the ultimate parent, Lloyds Banking Group plc. The liquidity risk faced by the Company is in substance managed by other Group undertakings which predominantly fund the Company and credit risk is carefully monitored by the LBG Retail Division's credit committee and credit functions. Interest rate risk is monitored and managed closely by the Group's Corporate Treasury team. Market risk is managed by the Company through the terms negotiated in commercial agreements and management regularly reviewing its portfolio of leases for impairment. Business risk is managed through regular reporting and oversight.

A description of the Company's financial assets/liabilities and associated accounting is provided in note 2.

20.1 Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due. To manage this risk extensive borrowing facilities are available from within the Group.

Prior to acquisition by LBG, the Company has worked with numerous financial institutions to obtain funding, all of which have long track records in the automotive financing market. The Company maintains a close relationship with each of the funders.

Post acquisition, the liquidity risk has reduced substantially, as vehicles purchased after acquisition are predominantly funded by LBG, with liquidity facilities available to draw from LBG. Facilities existing with third party asset backed lenders prior to the acquisition of the Company by LBG remain in place but the Company is no longer reliant on these to fund new business and these overall facilities have reduced as the related vehicles reach end of contract term.

Liquidity risks are managed as part of the Group by an intermediate parent company, Lloyds Bank plc, in consultation with the board of directors. Monthly reviews of funding positions are undertaken to anticipate any shortfalls.

The liquidity tables below present contractual maturity analyses for external funding, based on the earliest date the entity could be expected to repay the amounts owed. Note that the values are presented as gross liabilities including future interest payments and have not been discounted to net present value.

As at 31 December 2025	Up to 1 year £'000	2-5 years £'000	Over 5 years £'000	Total £'000
Intercompany borrowings	1,971,591	-	-	1,971,591
Amounts payable to funders	104,132	29,909	-	134,041
Lease liabilities	569	2,217	818	3,604
	2,076,292	32,126	818	2,109,236
As at 31 December 2024	Up to 1 year £'000	2-5 years £'000	Over 5 years £'000	Total £'000
Intercompany borrowings	1,278,729	-	-	1,278,729
Amounts payable to funders	143,395	128,816	-	272,211
Lease liabilities	569	2,241	1,363	4,173
	1,422,693	131,057	1,363	1,555,113

20.2 Market risk

Market risk is the risk surrounding the market factors that management has applied in estimating the anticipated residual values of property, plant and equipment. The Company is exposed to fluctuations in the value of second hand motor vehicles.

The Company's activities expose it to movement in the used values of motor vehicles as the sale proceeds arising from the disposal of returned vehicles are important to the profitability of the Company. Residual values, which are set at lease inception, are determined by reference to the latest available industry data and are subject to regular review by the Transport Division and the Company's Pricing Committees, which comprise members of the management team with significant industry experience. Thereafter, residual values are subject to regular review by reference to independent market value data and the prevailing economic conditions. Refer to note 3 for sensitivity analysis.

Refer to note 2 and note 3 for further detail on property, plant and equipment accounting policies and impairment.

20.3 Interest rate risk

Interest rate risk is the risk of financial loss as a result of adverse movements in interest rates, and arises largely due to timing differences between the repricing of financial assets and liabilities.

The Company faces interest rate risk, primarily through the interest on intragroup funding obligations and interest on amounts payable to funders. The interest rate charged on intragroup funding obligations is exposed to changes in the Bank of England base rate. A 1% increase in the Bank of England base rate would result in an increase in interest expense of £15.9m (2024: £10.1m), while a 1% decrease in the Bank of England base rate would result in a reduction in interest expense of £16.0m (2024: £10.2m).

The interest payable to funders is at a fixed rate once drawn down.

Notes to the financial statements (continued)

For the year ended 31 December 2025

20. Financial risk management (continued)

20.4 Credit risk

Credit risk management

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Significant credit exposures are measured and reported on a regular basis. Impairment provisions are provided for all losses expected to be incurred at the reporting date, using the basis of assessment discussed in note 2.

Cash and cash equivalents are held with other companies within the Group. The credit risk associated with these financial assets is considered trivial.

Credit risk mitigation

- Credit principles and policy: The directors set out credit principles and policy according to which all credit risk is managed. Principles and policy are reviewed regularly and any changes are subject to a review and approval process.
- Credit scoring: The Company uses statistically based decision techniques for the assessment of customers, primarily credit scoring, with material changes subject to review and approval.

Credit concentration - Trade receivables

The Company provides operating lease arrangements and other funded products to customers geographically located in the United Kingdom. The maximum exposure to trade receivables at the year end is £63.4m (2024: £34.0m). Provisions for doubtful debts are recognised in respect of trade receivables when a balance due from customer is unlikely to be recovered, e.g. the customer enters into administration. The provision for doubtful debts as at the reporting date was £232,000 (2024: £140,000).

Financial assets subject to credit risk

The maximum exposure to credit risk arising on the Company's financial assets at the reporting date is disclosed in the table below and equates to carrying value.

	2025 £'000	2024 £'000
Trade receivables (refer to note 9)	63,435	34,182

20.5 Fair values of financial assets and liabilities

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The directors consider that there are no significant differences between the carrying amounts shown in the statement of financial position and the fair value of all financial assets and liabilities.

21. Capital disclosures

The Company's objectives when managing capital are to safeguard the entity's ability to continue operating as a going concern, provide an adequate return to its shareholders through pricing products and services commensurate with the level of risk and, indirectly, to support the Group's regulatory capital requirements.

The Company's parent manages the Company's capital structure and advises the board of directors to consider making adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the board of directors may adjust the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares, or sell assets. The Company's parent can also request the Company to pay dividends or make a capital contribution in order to maintain or adjust the Company's capital structure.

The Company's capital comprises all components of equity, movements in which appear in the statement of changes in equity. The Company receives its funding requirements from its fellow group undertakings and does not raise funding externally.

Notes to the financial statements (continued)

For the year ended 31 December 2025

22. Capital commitments

At 31 December 2025, the Company had entered into contractual capital commitments to acquire motor vehicles with a total cost of £5.01 million (2024: £nil) in order to support the continued expansion of its vehicle leasing fleet.

23. Post balance sheet events

There were no material post balance sheet events requiring disclosure in these financial statements.

24. 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 Company'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.

25. Parent undertaking and ultimate controlling party

At the reporting date, the immediate parent undertaking is Lloyds Bank Asset Finance Limited. The ultimate parent company and controlling party is considered to be Lloyds Banking Group plc (incorporated in Scotland), which is also the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the Company is a member. Lloyds Bank plc is the parent undertaking of the smallest such group of undertakings. Copies of the financial statements of both companies may be obtained from Group Secretariat, Lloyds Banking Group plc, 25 Gresham Street, London, EC2V 7HN. The Lloyds Banking Group plc financial statements may be downloaded via www.lloydsbankinggroup.com/investors/financial-downloads.html.

The Company is domiciled and incorporated in the UK, with the registered office being Building 4, Hatters Lane, Croxley Business Park, Watford, Hertfordshire, WD18 8YF.

Independent auditor's report to the members of Tuskerdirect Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Tuskerdirect 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 International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); 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 cash flow statement;
- the related notes 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB.

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 directors

As explained more fully in the directors' responsibilities statement, 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 Tuskerdirect Limited (continued)

Report on the audit of the financial statements (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 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 frameworks 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 2006, pensions legislation, 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.

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.

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.

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.

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

Report on the audit of the financial statements (continued)

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.



Mark Taylor, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Bristol, United Kingdom
25 September 2026