

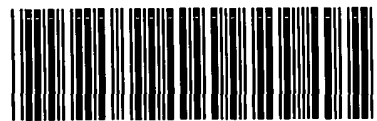
Ernst & Young LLP

Members' Annual Report and Financial Statements

27 June 2025

*Registered No. OC300001
Registered in England and Wales*

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Members' report

The members present their report and financial statements for the period ended 27 June 2025.

Ernst & Young LLP

Ernst & Young Europe LLP ('EY Europe LLP') has voting control over Ernst & Young LLP and, indirectly, its subsidiaries. Ernst & Young LLP and its subsidiaries are together referred to as the "firm".

Management

The Europe Operating Executive (EOE) is responsible for strategy execution and management of EY Europe LLP. During the financial period the EOE comprised: the Europe Managing Partner; the Deputy Europe Managing Partner; the Europe leaders of Markets, Talent and Risk Management; the Europe service line leaders of Assurance, Consulting, Strategy and Transactions and Tax; and all Europe Regional Managing Partners. The EOE meets at least monthly. From 1 July 2025, the EOE now comprises the Europe Managing Partner, the Deputy Europe Managing Partner, the Europe Risk Management Leader and all Europe Regional Managing Partners.

During the year, the firm undertook a governance review resulting in a number of changes set out below.

Until 27 June 2025, the Board of the firm was appointed by the EOE. With effect from 28 June 2025, the Board comprises two ex-officio members, being the Country Managing Partner and the Chief Financial Officer, the Partner Forum Chair and eight elected members who do not hold management or leadership roles (including the UK Chair).

The UK Chair chairs the Board. The Country Managing Partner is appointed by the Europe Managing Partner, who has the right to remove the Country Managing Partner, having consulted with the Board and appropriate partners and with the consent of the EOE.

The Country Managing Partner of the firm is Anna Anthony (since 1 January 2025). For the period 28 June 2024 to 31 December 2024 the Country Managing Partner was Hywel Ball.

In line with the Audit Firm Governance Code, the roles of Country Managing Partner and Chair were separated with effect from 1 January 2025. Hywel Ball was appointed the UK Chair for the period from 1 January 2025 until 31 March 2025. Alison Duncan was appointed the UK Chair with effect from 1 April 2025.

Partner elections were held in May 2025 to appoint eight nominated members of the Board with effect from 28 June 2025 (including the UK Chair).

Throughout the year until 27 June 2025, the firm was managed as two Regions: UK and Financial Services.

The Country Managing Partner together with up to six other members appointed by EY Europe LLP based on their leadership roles in the firm, and three members of the Partner Forum appointed by the Board, formed the Board. The Board is responsible for, amongst other matters, the commercial, financial and reputational standing of the firm as a whole, implementing the admission of new members, ensuring an adequate and effective internal controls system exists, overseeing the strategic direction and approving the financial statements.

Board members during the period ended 27 June 2025 were:

Anna Anthony	
Hywel Ball	(Resigned with effect from 31 March 2025)
Adrian Browne	
Christabel Cowling	
Alison Duncan	(Appointed UK Chair with effect from 1 April 2025)
Jane Goldsmith	(Resigned with effect from 31 December 2024)
Annie Graham	(Appointed with effect from 1 July 2024)
Maryam Hussain	(Appointed with effect from 1 January 2025)
Gavin Jordan	(Resigned with effect from 31 March 2025)
Adam Munton	
Michael Rudberg	(Appointed with effect from 1 January 2025)
Sundaresan Viswanathan	(Resigned with effect from 31 December 2024)
Andrew Walton	(Resigned with effect from 1 July 2024)

Members' report

Management (continued)

The Board is also responsible for appointing the Designated Members. The Designated Members as of 27 June 2025 were Anna Anthony, Lisa Cameron, Christabel Cowling and Alison Duncan.

Several appointments and resignations were made with effect from 28 June 2025, with the Board members from this date being:

Anna Anthony
Mark Boyle
Adrian Browne
Alison Duncan
David Canning-Jones
Ben Castell
Christabel Cowling
Steve Ivermee
Konstanze Nardi
James Tufts
Christopher Woolard

Governance

EY Europe LLP has an elected Europe Governance Sub-Committee, which includes the Presiding Partner of each Regional Partner Forum in Europe. It serves in an advisory role to the EOE on policies, strategies and other matters. The Europe Governance Sub-Committee meets four times during the year. During the period, one representative on the Europe Governance Sub-Committee was a partner of Ernst & Young LLP.

The UK Audit Committee consisted of six members of the firm as at 27 June 2025. Five members did not hold a management role. From the 28 June 2025 the UK Audit Committee consists of five members. The Committee is responsible for considering the appropriateness of the financial statements and recommending that Designated Members approve and sign the financial statements on behalf of the members of Ernst & Young LLP.

Tax governance

The firm's tax policy is one of transparency and cooperation with HM Revenue and Customs ("HMRC").

The firm's risk management strategy, which has operated for many years, is based on pursuing clarity and certainty on tax matters wherever feasible by raising significant compliance risks and uncertainties with HMRC and being compliant in law and regulation.

The firm's tax policy, as outlined on its [website](#), sets out an objective that all members must be on time and compliant with their personal tax filings and tax payments. The same objectives also apply to Ernst & Young LLP and its subsidiary entities.

The firm's tax team is required to operate according to the EY values, a clearly defined set of behaviours that includes acting with integrity and doing the right thing.

Commentary

The firm achieved fee income growth of 2% for the financial period ending 27 June 2025, increasing from £3,701m to £3,781m. The firm delivered 10% revenue growth for its Strategy and Transactions business, 5% for Tax and 3% for Assurance, while revenues for Consulting decreased by 6%.

Members' report

Commentary (continued)

EY delivered a solid performance in a tough market. The firm carefully managed its cost base while continuing to invest in the skills and capabilities needed to support its future growth and deliver high quality innovative services for clients.

The statutory profit for the financial period increased from £703m in 2024 to £722m in 2025 whilst the corresponding average statutory profit per partner increased from £779,000 to £837,000 in 2025. The distributable profit before tax for the financial period increased from £653m in 2024 to £679m in 2025 and the corresponding average distributable profit per partner increased from £723,000 to £787,000.

While the economic environment remains unpredictable and challenging, the firm has a clear strategy to drive the business forward.

The firm's Transparency Report (accessible on our website) describes our approach to risk management and internal control. It also sets out how we have adopted the Audit Firm Governance Code, which is intended to enhance trust and confidence in audit amongst stakeholders and across the market as a whole. We continue to monitor developments in corporate governance and audit reform closely and are working with the Financial Reporting Council (FRC).

Going concern

The firm, which is part of the EY global network, has considerable financial resources, contracts with a large number of clients across different industries and geographies and has talented and motivated partners and employees. Information about its capital and exposure to liquidity risk is set out in notes 15 and 20 to the financial statements.

The firm has prepared a base case forecast and forecasts with multiple downside sensitivities through to 31 December 2026 focusing on the impact of a range of declines in revenue, reduced cash collection rates and increased costs. These sensitised forecasts include severe but plausible scenarios and the resulting impact on the firm's cash flows, borrowing facilities and associated covenants has then been considered, alongside reverse stress testing. We have also considered what mitigations could be put in place if required such as reducing discretionary spend, pausing recruitment, a reduction or delay in Partner distributions and raising additional capital from members.

As at the latest month end, September 2025, the firm had net cash of £193m, and, as outlined in note 20, committed borrowing facilities of £450m at the date of signing the accounts, which will expire in June 2030. Having considered the detailed analysis and the firm's long-standing relationships with lenders, the Designated Members are confident that the firm will maintain an appropriate level of committed facilities with adequate headroom throughout the going concern period with no mitigating actions required. The Designated Members are confident in the resilience of the business and believe that the firm is well placed to manage its business risks successfully.

The Designated Members therefore have a reasonable expectation that the firm has adequate resources to continue in operational existence to 31 December 2026 and so continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Members' report

UK taxation of income

Under UK tax law, members of Ernst & Young LLP pay tax that is individually assessed on their share of profits. Income taxes are not assessed on the LLP itself and it is therefore not dealt with in these financial statements. The taxation payable on the LLP's profits is the personal liability of the members. A retention from profits is made to fund payments of taxation on members' behalf.

The tax expense recognised in these financial statements relates to corporate income taxes arising in the LLP's corporate subsidiaries at a rate of 25% (2024: 25%). Current tax liabilities are measured at the amount expected to be paid to the taxation authorities, based on tax rates and laws that are substantively enacted by the balance sheet date. Deferred tax balances have been calculated at a rate of 25%, which is the rate prevailing in the period when the deferred tax balances are expected to be utilised.

Energy and carbon report

The firm's energy and carbon report is included on pages 55 to 65.



Anna Anthony
Managing Partner
24 October 2025

Statement of members' responsibilities

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 ('LLP Regulations') require the members to prepare financial statements for each financial period. The members have elected to prepare financial statements for the firm and the LLP in accordance with UK adopted international accounting standards ("IFRS").

IAS 1 'Presentation of Financial Statements' requires that financial statements present fairly for each financial period the limited liability partnership's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS. Members are also required to:

- properly select and apply accounting policies;
- make judgments and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the firm's and the LLP's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under the LLP Regulations, the members are responsible for ensuring that adequate accounting records are kept which disclose with reasonable accuracy at any time the financial position of the firm and the LLP, and which enable them to ensure that the financial statements will comply with those regulations. The members have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the firm and LLP and to prevent and detect fraud and other irregularities. The members are responsible for the maintenance and integrity of the firm's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The members' responsibilities set out above are discharged by the Designated Members on behalf of the members. The Designated Members at the date of approval of the financial statements confirm that, so far as they are aware, there is no relevant information of which the firm and LLP's auditors are unaware and each Designated Member has taken all the steps that ought to have been taken by them as members to make themselves aware of any relevant audit information and to establish that the firm and LLP's auditors were aware of that information.

Independent auditor's report

to the members of Ernst & Young LLP

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the Limited Liability Partnership's affairs as at 27 June 2025 and of the Group's and Limited Liability Partnership's profit for the period then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Limited Liability Partnership's financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of Ernst & Young LLP (the 'Limited Liability Partnership' or 'EY') and its subsidiaries (together the 'Group') for the period ended 27 June 2025, which comprise the Consolidated and Limited Liability Partnership's Income Statements, the Consolidated and Limited Liability Partnership's Statements of Comprehensive Income, the Consolidated and Limited Liability Partnership's Balance Sheets, the Consolidated and Limited Liability Partnership's Statements of Cash Flows, the Consolidated and Limited Liability Partnership's Statements of Changes in Members' Interests and the notes to the financial statements, including a summary of accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the Limited Liability Partnership's financial statements, the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

We remain independent of the Group and the Limited Liability Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Limited Liability Partnership.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Members' assessment of the Group and the Limited Liability Partnership's ability to continue to adopt the going concern basis of accounting included:

- Understanding the design and implementation of controls around management's assessment of going concern;
- Agreeing the underlying data used in the Members' assessment of going concern with board-approved budgets, the starting position with current management accounts, and the opening cash position with supporting bank statements;
- Corroborating the available facilities across the going concern period with signed agreements or other third-party evidence;
- Challenging the assumptions used in board-approved forecasts for the base case and evaluating these against prior period actuals;
- Evaluating the judgements and sensitivities used against external economic data;

Independent auditor's report

to the members of Ernst & Young LLP

- Assessing whether covenant compliance is met throughout the going concern period for both the base case and stressed scenarios.

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 Group and the Limited Liability Partnerships' 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 Members with respect to going concern are described in the relevant sections of this report.

Overview

Coverage	99% (2024: 99%) of Group profit before tax 99% (2024: 95%) of Group revenue 90% (2024: 90%) of Group total assets			
Key audit matters (KAM)	KAM	Description	2025	2024
	1	Revenue recognition and valuation of unbilled receivables	✓	✓
	2	Completeness and valuation of provisions for professional liability	✓	✓
Materiality	The materiality that we used for the Group financial statements was £34m (2024: £30m) and was determined by applying 5% (2024: 5%) to profit distributable to members (before tax) for the period ended 27 June 2025, based on forecasted results provided at the planning stage and revised upward for final results. Materiality for the Limited Liability Partnership financial statements was set at £32m (2024: £29m).			

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements.

We also addressed the risk of Management override of internal controls, including assessing whether there was evidence of bias by Management that may have represented a risk of material misstatement.

We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

As part of our Group audit, we identified two components within scope:

- Ernst & Young LLP - the parent entity, representing over 95% of the Group's activities and treated as a standalone component due to its significance.
- Ernst & Young Trading Subsidiaries - comprising EY Seren Limited, EY Professional Services Limited, and EY Private Client Services Limited. These entities share common management, finance teams, systems, and processes.

The Group's centralised information systems enabled the Group Auditor to perform audit procedures across all components.

Independent auditor's report

to the members of Ernst & Young LLP

The remaining 28 components (2024: 22) were assessed as non-significant. These were subject to analytical review procedures performed by the Group engagement team, supporting our conclusion that there were no significant risks of material misstatement in the consolidated financial statements.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- procedures on the entire financial information of the component, including performing substantive procedures and tests of operating effectiveness of controls; and
- procedures on one or more classes of transactions, account balances or disclosures.

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following.

Component	Component Name	Entity	Group Audit Scope
1	Ernst & Young LLP	Ernst & Young LLP	Statutory audit and procedures on the entire financial information of the component.
2	Trading Subsidiaries	EY Seren Limited EY Professional Services Limited EY Private Client Services Limited	Procedures on one or more classes of transactions, account balances or disclosures

The Group engagement team has performed all procedures directly, and has not involved component auditors in the Group audit.

Procedures performed centrally

The group operates a centralised IT function that supports IT processes for certain components. This IT function is subject to specified risk-focused audit procedures, predominantly the testing of the relevant IT general controls and IT application controls.

Given the high degree of centralisation in financial reporting, consistency in control environments, and similarity in business activities across the Group, we performed centrally designed procedures addressing fraud risks related to management override of controls and potential manipulation of revenue-related financial data.

Changes from the prior year

There have been no significant changes in the group scoping compared to the prior year.

Climate change

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management and those charged with governance to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and
- Review of the minutes of Board and Audit Committee meeting and any other relevant party and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment as set out in the Energy and Carbon report may affect the financial statements and our audit.

Independent auditor's report

to the members of Ernst & Young LLP

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Members' going concern assessment.

We also assessed the consistency of management's disclosures included as 'Other Information' on pages 1-5 and 55-65 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks and related commitments.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report

to the members of Ernst & Young LLP

Key audit matter	Description	How the scope of our audit addressed the key audit matter
<p>Revenue recognition and valuation of unbilled receivables</p> <p>The Group's accounting policy in respect of revenue recognition and the assessment of significant estimates are described in note 2 on page 22 and 23 respectively. Other related disclosures are presented in notes 3 and 14.</p>	<p>Revenue is recognised based on the stage of completion of customer contracts, requiring management to exercise judgement in identifying performance obligations, assessing progress, and determining the amount of revenue to be recognised, either over time or at a point in time, in accordance with contractual terms.</p> <p>At the period end, management estimates the stage of completion and the right to consideration for each engagement to determine revenue recognition and the valuation of unbilled receivables. These assessments involve complex and subjective judgements at the individual engagement level.</p> <p>Due to the inherent estimation uncertainty and the risk of error or bias in these judgements, revenue recognition at the period end, including the valuation of unbilled receivables, was identified as a significant risk of material misstatement and a key audit matter.</p>	<p>Tests of controls: We evaluated the operating effectiveness of key controls within the revenue transaction cycle for all components where revenue was identified as a significant audit risk. This included automated & manual controls over:</p> <ul style="list-style-type: none"> • Review and approval of contractual agreements • Accuracy of timecard entries and costs incurred on engagements • Automated calculation of unbilled receivables • Confirmation of the stage of completion at and around the period end <p>Tests of Detail</p> <p>For engagements open at the period end, we performed substantive procedures at the engagement level to address the risk of inappropriate revenue recognition. These included:</p> <ul style="list-style-type: none"> • Recalculating expected revenue to ensure alignment with contractual terms, the Group's accounting policies, and applicable financial reporting standards • Challenging management's assessment of stage of completion, revenue recognised, and provisions against unbilled amounts through enquiry and corroborative evidence • Assessing open engagements using data available before and after the period end to substantiate estimates used in revenue recognition • Conducting retrospective reviews of prior and current period samples against finalised information to evaluate the accuracy of management's estimates • Evaluating accruals for interfirm invoices in transit and their impact on period-end work-in-progress and payments on account <p>Key Observations</p> <p>Based on the procedures performed, we found management's assumptions to be reasonable and did not identify any indicators of bias in the determination of period-end revenue and the valuation of unbilled receivables.</p>

Independent auditor's report

to the members of Ernst & Young LLP

Key audit matter	Description	How the scope of our audit addressed the key audit matter
<p>Completeness and valuation of provisions for professional liability claims and regulatory matters</p> <p>The accounting policy for provisions in respect of claims and regulatory matters is included within note 2 on page 25 and 26 and noted as a financial statement area subject to significant judgement and estimation uncertainty. The disclosures associated with claims and regulatory matters are included in note 18.</p>	<p>In accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets', provision is made for claims for alleged professional negligence and regulatory matters when there is a present obligation as a result of a past event that gives rise to a probable payment and when the quantum of the payment can be reliably estimated.</p> <p>Determining whether to provide and if so, the amount to provide, involves a high degree of judgement and estimation uncertainty. This is particularly the case for the claim from the administrators of NMC Health plc (note 18).</p> <p>This results in the completeness and valuation of provisions for professional liability claims and regulatory matters being assessed as a significant risk of material misstatement and a key audit matter.</p>	<p>Audit procedures performed over the completeness and valuation of professional liability claims and regulatory matters included:</p> <ul style="list-style-type: none"> • Inspection of documentation verifying the existence of the Group's professional indemnity insurance cover and the appropriateness of recognising reimbursements as relevant. • Enquiry of the Group's legal counsel and where applicable external counsel as to the status of claims and actions by regulatory bodies, clients and audited entities which were corroborated to internal and where available third-party documentation. • Obtaining and reviewing the period end claims confirmations prepared by each service line to ensure that all matters had been appropriately considered. • Challenging judgements and estimates in relation to quantum and timing used to calculate the provisions by obtaining supporting documentation and considering Management's ability to exercise bias. • Consultation with certain subject matter specialists and assessment of management's expert's competence and objectivity, for specific claims. • Obtaining and reviewing other internal and publicly available information to determine whether the information obtained was complete. • Performing a retrospective review of a sample of prior period claims provisions against updated or finalised information to assess the accuracy of Management's previous estimates. • Considering the adequacy of the presentation and disclosures in the financial statements related to professional liability claims and regulatory matters. <p>Key observations</p> <p>We did not identify, either from external or internal sources, any material claims or regulatory matters or circumstances not already included in the internal reporting procedures. Certain specific claims were subject to high estimation uncertainty, where the range of probable outcomes was multiples of audit</p>

Independent auditor's report

to the members of Ernst & Young LLP

Key audit matter	Description	How the scope of our audit addressed the key audit matter
		materiality. Accordingly, the resolution of those claims may be for amounts that are materially lower or higher than the amounts provided in note 18. Notwithstanding, the provisions were appropriately derived in the circumstances and the judgements and estimates made by Management in determining the provision for claims and regulatory matters are appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2025 £m	2024 £m	2025 £m	2024 £m
Materiality	£34m	£30m	£32m	£29m
Basis for determining materiality	Based on 5% of distributable profit before taxation for the respective period.			
Rationale for the benchmark applied	Distributable profit before taxation is a principal consideration for users of the financial statements in assessing the financial performance.			
Performance materiality	£25m	£23m	£24m	£22m
Basis for determining performance materiality	Performance materiality was set at 75% of materiality.			
Rationale for the percentage applied for performance materiality	In setting the level of performance materiality, we considered a number of factors including the historically low level of adjustments.			

Independent auditor's report

to the members of Ernst & Young LLP

Component performance materiality

For the purposes of our Group audit opinion, we determined performance materiality for each component, excluding the Parent Company whose materiality is disclosed above, based on a range of 75% (2024: 53%) of Group performance materiality. This was informed by factors including aggregation risk and our assessment of the risk of material misstatement at the component level.

Performance materiality for Ernst & Young LLP was set at 95% of Group performance materiality, reflecting its significance and limited aggregation risk. For the EY Trading Subsidiaries, we applied 75% of Group performance materiality due to higher aggregation considerations.

To manage aggregation risk across the Group, we applied a cap whereby aggregated component performance materiality did not exceed 1.5 times the Group performance materiality. Component performance materiality ranged from £14 million to £25 million (2024: £14 million to £27 million).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £1.7m (2024: £1.5m). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Other Companies Act 2006 reporting as applied to limited liability partnerships

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Members' report	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> • the information given in the Members' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Members' report have been prepared in accordance with applicable legal requirements. <p>In the light of the knowledge and understanding of the Group and Limited Liability Partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the Members' report.</p>
Matters on which we are required to report by exception	<p>We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:</p> <ul style="list-style-type: none"> • adequate accounting records have not been kept by the Limited Liability Partnership, or returns adequate for our audit have not been received from branches not visited by us; or • the Limited Liability Partnership financial statements are not in agreement with the accounting records and returns; or • certain disclosures of Members' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Independent auditor's report

to the members of Ernst & Young LLP

Responsibilities of Members

As explained more fully in the Statement of Members' responsibilities, the Members 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 Members 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 Members are responsible for assessing the Group's and the Parent 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 Members either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance, including the General Counsel, the Chair & Managing Partner and the Audit Committee; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 and UK Adopted International Accounting Standards, as well as, regulations issued by the FRC and ICAEW.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example, through the imposition of fines or litigations. We identified such laws and regulations to be data protection laws, anti-money laundering regulations and UK employment and taxation legislation.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Independent auditor's report

to the members of Ernst & Young LLP

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance and internal audit regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition at period end, the valuation of unbilled receivables and completeness and valuation of provisions for professional liability claims and regulatory matters, the responses to which are set out in the key audit matters section of our report.

The auditor's responsibilities relating to fraud in an audit of financial statements requires us to presume that the risk of management override of controls is present and significant. Our procedures in respect of the above included, but were not limited to:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Incorporating unpredictability testing;
- Assessing significant estimates made by management for bias; and
- Challenging and assessing the appropriateness of the estimation uncertainty and judgement made by Management having regard to supporting evidence and historical outcomes. The key estimates and judgements were identified as revenue recognition, accounting for lease liabilities, provisions for claims and other regulatory matters, the estimates used in calculating the defined benefit pension obligations and the assumptions used in the impairment testing of goodwill and intangible assets.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

to the members of Ernst & Young LLP

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the Limited Liability Partnership'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 Limited Liability Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Mark Cardiff (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

24 October 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated income statement

for the period ended 27 June 2025

	Notes	2025 £m	2024 £m
Fee income	3	3,781	3,701
Expenses billed to clients		(571)	(526)
Net revenue		3,210	3,175
Other operating income	4	217	263
Staff costs	5	(1,694)	(1,737)
Depreciation, amortisation and impairment		(89)	(90)
Other operating expenses	6	(895)	(863)
Operating profit		749	748
Finance revenue		6	4
Finance costs	7	(30)	(34)
Profit before taxation		725	718
Tax expense in corporate subsidiaries		(3)	(15)
Profit for the financial period		722	703

Reconciliation to profit distributable to members			
Profit for the financial period (in accordance with IFRS) (before tax)		725	718
Adjustments made in determining distributions	8	(18)	(25)
Fixed allocation of current period profits		(28)	(40)
Profit for the financial period distributable to members (before tax)		679	653
Tax expense in corporate subsidiaries		(3)	(15)
Profit for the financial period remaining to be divided (after tax)		676	638

Consolidated statement of comprehensive income

for the period ended 27 June 2025

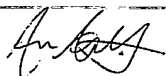
	Note	2025 £m	2024 £m
Profit for the financial period		722	703
<i>Items that will not be reclassified to profit or loss:</i>			
Net remeasurement losses on retirement benefit liabilities	19	(3)	(33)
Fair value gains on equity investments		4	1
Total comprehensive income for the financial period		723	671

Consolidated balance sheet

at 27 June 2025

Registered number OC300001

	Notes	27 June 2025 £m	28 June 2024 £m
Assets			
Non-current assets			
Intangible assets and goodwill	9	81	100
Plant and equipment	10	82	90
Right-of-use assets	11	207	242
Investments	12	37	34
Other receivables	13	9	14
		<u>416</u>	<u>480</u>
Current assets			
Trade and other receivables	14	1,375	1,268
Amounts due from members		67	37
Cash		289	191
		<u>1,731</u>	<u>1,496</u>
Total assets		<u><u>2,147</u></u>	<u><u>1,976</u></u>
Equity and liabilities			
Current liabilities			
Trade and other payables	16	543	504
Payments on account		240	210
Lease liabilities	17	52	47
Provisions	18	166	50
Members' capital		12	8
		<u>1,013</u>	<u>819</u>
Non-current liabilities			
Lease liabilities	17	210	253
Provisions	18	62	41
Retirement benefit liabilities	19	112	137
		<u>384</u>	<u>431</u>
Members' capital		183	216
		<u>1,580</u>	<u>1,466</u>
Total liabilities		<u><u>1,580</u></u>	<u><u>1,466</u></u>
Equity: Members' other interests		<u>567</u>	<u>510</u>
Total equity and liabilities		<u><u>2,147</u></u>	<u><u>1,976</u></u>



Anna Anthony
Designated Member
24 October 2025



Christabel Cowling
Designated Member
24 October 2025

Consolidated statement of cash flows

for the period ended 27 June 2025

	Notes	2025 £m	2024 £m
Profit before taxation		725	718
Adjustment for:			
Net finance costs		24	30
Depreciation, amortisation and impairment		89	90
Profit on disposal of plant and equipment		(1)	(2)
Retirement benefit contributions net of plan administration expenses	19	(34)	(35)
Gain on investments valued at fair value through profit		(1)	(1)
Loss on derivative financial instrument		1	5
(Increase)/decrease in trade and other receivables		(100)	42
Increase/(decrease) in trade and other payables		69	(28)
Increase/(decrease) in provisions		136	(3)
		908	816
Cash generated from operations			
Corporate tax paid by subsidiaries		-	(16)
		908	800
Net cash inflows from operating activities			
Purchase of software and plant and equipment		(33)	(26)
Proceeds from sale of plant and equipment		8	9
Disposal of investments		2	-
Sub lease income received	17	2	2
Interest received		6	4
		(15)	(11)
Net cash outflows from investing activities			
Payments to and on behalf of members		(709)	(676)
Members' capital introduced		17	28
Repayment of capital to retiring members		(46)	(29)
Payment of lease liabilities including interest	17	(55)	(54)
Other interest paid		(2)	(7)
		(795)	(738)
Net cash outflows from financing activities			
Net increase in cash		98	51
Cash at beginning of period		191	140
Cash at end of period		289	191

Consolidated statement of changes in members' interests

for the period ended 27 June 2025

	<i>Members' other interests</i>			<i>Total equity</i>	<i>Amounts due (from)/to members</i>		<i>Total members' interests</i>
	<i>Profits to be divided</i>	<i>Other reserves</i>	<i>Fair value reserves</i>		<i>capital</i>	<i>members</i>	
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
At 30 June 2023	642	(123)	2	521	225	(57)	689
Total comprehensive income	703	(33)	1	671	-	14	685
Transfers between reserves	(25)	25	-	-	-	-	-
Profit allocations	(682)	-	-	(682)	-	682	-
Payments to and on behalf of members	-	-	-	-	-	(676)	(676)
Capital introduced	-	-	-	-	28	-	28
Capital repaid	-	-	-	-	(29)	-	(29)
At 28 June 2024	638	(131)	3	510	224	(37)	697
Total comprehensive income	722	(3)	4	723	-	13	736
Transfers between reserves	(18)	18	-	-	-	-	-
Profit allocations	(666)	-	-	(666)	-	666	-
Payments to and on behalf of members	-	-	-	-	-	(709)	(709)
Capital introduced	-	-	-	-	17	-	17
Capital repaid	-	-	-	-	(46)	-	(46)
At 27 June 2025	676	(116)	7	567	195	(67)	695

Notes to the financial statements

at 27 June 2025

1. Corporate information

Ernst & Young LLP is a limited liability partnership, incorporated and domiciled in England and Wales.

The group and LLP financial statements of Ernst & Young LLP for the period ended 27 June 2025 were approved and authorised for issue by the Board on behalf of the members on 24 October 2025.

The principal activity of Ernst & Young LLP is the provision of assurance, consulting, taxation and strategy and transactions services in the UK and the Channel Islands. Its registered office is at 1 More London Place, London SE1 2AF.

2. Accounting policies

Basis of preparation

The group and LLP financial statements have been prepared in accordance with UK adopted international accounting standards ("IFRS").

The financial statements have been prepared on a going concern basis. The Designated Members have concluded that it is appropriate to adopt this basis having considered multiple forecasts covering a period up to 31 December 2026. The forecasts consider a range of severe but plausible scenarios including varying declines in revenue, reduced cash collection rates and increased costs. The impact on the firm's cash flows, borrowing facilities and associated covenants has then been considered, including reverse stress testing and potential mitigations such as pausing recruitment, a reduction or delay in Partner distributions and raising additional capital from members. As at the latest month end, September 2025, the firm had cash of £193m and committed borrowing facilities of £450m at date of signing the accounts which will expire in June 2030. Having considered the detailed analysis and the firm's long standing relationships with lenders, the Designated Members expect that the firm will maintain an appropriate level of committed facilities with adequate headroom throughout the period with no mitigating actions required.

The Designated Members have therefore concluded that there is no material uncertainty relating to going concern and that it is appropriate to present the financial statements of the firm and the LLP on a going concern basis. Further details of this assessment can be found within the Members' report.

The functional currency of the LLP and its subsidiaries is pounds sterling. The financial statements are presented in pounds sterling and, unless otherwise indicated, are rounded to the nearest million pounds (£m).

The financial statements have been drawn up for the period from 29 June 2024 to 27 June 2025 (the comparative period being from 1 July 2023 to 28 June 2024).

Key judgements and sources of estimation uncertainty

The preparation of financial statements requires the application of judgement and the use of estimates that affect the amounts reported for assets, liabilities, revenues and expenses. Information about these judgements and estimates is included in the accounting policies and other notes. Although estimates are based on the best information available, actual outcomes could differ from the amounts included in the financial statements.

Judgements

- Establishing the likelihood of a cash outflow from a claim and determining whether the outcome of a claim is reliably measurable (page 26)
- Leases - determining lease term where there are options to extend or terminate (page 24)
- The firm's unconditional right to a refund of any surplus in its defined benefit pension scheme (page 26)

Notes to the financial statements

at 27 June 2025

2. Accounting policies (continued)

Key judgements and sources of estimation uncertainty (continued)

Estimates

- Revenue recognition – estimating the costs to complete and the value of unsatisfied/partially satisfied performance obligations (page 23)
- Determining the most likely outcome and the quantum of a claim (page 26)
- Measuring the defined benefit pension scheme liabilities (page 26)
- Assessing any impairment of goodwill and customer relationships (page 25)

Basis of consolidation

The group financial statements include the financial statements of Ernst & Young LLP and the entities it controls (its subsidiaries) drawn up to 27 June 2025. Control is achieved when the firm is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All intra-firm balances and transactions have been eliminated in full.

Revenue recognition

Fee income represents revenue earned under a wide variety of types of contracts with clients to provide professional services. Revenue is recognised when services are transferred to the client at an amount that reflects the consideration to which the firm expects to be entitled in exchange for those services.

Each contract is assessed to identify the performance obligation(s) and to estimate the total transaction price. The transaction price includes variable consideration only to the extent that it is highly probable it will not be subsequently reversed. The total transaction price is then allocated to each performance obligation within the contract.

The firm typically recognises the transaction price as revenue over time because most contracts give the firm the right to receive payment for work performed to date. Where this is not the case, the firm recognises revenue at a point in time, typically when the service has been completed and delivered to the client.

When recognising revenue over time, the firm generally measures progress towards complete satisfaction of the performance obligations using time and costs incurred as a proportion of the total estimated time and costs. The firm considers this to be the best measure of how services are transferred to clients over time.

The firm has concluded that it is the principal in the majority of its revenue arrangements, including where work is performed by other EY Member Firms, on the basis that the firm typically controls the services before transferring them to the client.

Payment terms are negotiated separately with each client, but typically involve periodic billings as services are provided. Where amounts billed to clients are less than the revenue recognised at the period end date, the difference is recognised as unbilled receivables. Where the amounts billed exceed the revenue recognised at the period end date, the difference is recognised as payments on account. The performance obligations related to any payments on account are generally satisfied within a year of such billing.

Notes to the financial statements

at 27 June 2025

2. Accounting policies (continued)

Revenue recognition (continued)

Significant estimates

In determining the amount of revenue to be recognised on incomplete performance obligations, it is necessary to estimate the stage of completion, the remaining time and costs to be incurred and the amounts that will be received for the services provided. These estimates, which are normally resolved within a year of the reporting date when the performance obligation has been fully satisfied and fees agreed, are made at a performance obligation level and a different assessment of any of these factors would result in a change to the amount of revenue recognised.

The effect of making different assessments could, in aggregate, have a material effect on the carrying amounts of unbilled receivables (which are shown in note 14 and 26) and/or payments on account. Revenue recognised in the current year in respect of performance obligations satisfied, or partially satisfied, in previous years amounted to £53m (2024: £78m) which largely arises from revisions to such estimates.

Other operating income

Income earned from providing support services, to EYGS LLP and the network to further the international alignment, enhancement cooperation and cohesion among Member Firms and the recharge of the cost of staff and members to other entities within the EY global network is recognised on the same basis as fee income and included in other operating income.

Taxes

The taxation payable on the LLP's profits is the personal liability of the members and as a result such amounts are not dealt with in these financial statements. A retention from profits is made to fund payments of taxation on members' behalf.

The tax expense relates to corporate income taxes arising in the LLP's corporate subsidiaries at a rate of 25% (2024: 25%). Current tax liabilities are measured at the amount expected to be paid to the taxation authorities, based on tax rates and laws that are substantively enacted by the balance sheet date. The firm does not expect to be subject to any top-up income taxes.

Plant, equipment and intangible assets

Plant, equipment and intangible assets are stated at cost less accumulated depreciation or amortisation and any impairment in value. The initial cost of an asset (other than one acquired in a business combination) comprises its purchase price and any costs directly attributable to bringing the asset into operation.

Depreciation or amortisation is charged so as to write off the cost of assets to their residual value over their expected useful lives using the straight-line method. The expected useful lives are as follows:

Leasehold property improvements	-	The shorter of the lease term and 10 years
Computer equipment	-	2, 3 or 5 years
Furniture and other equipment	-	5 to 7 years
Motor vehicles	-	5 years
Customer relationships and brand	-	1.5 to 12 years

An item of plant and equipment or an intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognising the asset is included in the income statement. The residual values, useful lives and depreciation or amortisation methods of assets are reviewed, and adjusted if appropriate, at each financial period end.

Notes to the financial statements

at 27 June 2025

2. Accounting policies (continued)

Leases

A lease is a contract or part of a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases are accounted for as a right to use the underlying asset and a lease liability from commencement date (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term of between 2 and 25 years.

Lease liabilities are measured initially at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. The present value is determined using the firm's incremental borrowing rate (IBR) as the interest rate implicit in leases is not readily determinable.

Thereafter the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the remaining lease payments, for example following a rent review; the IBR is revised when a lease is modified or the lease term changes.

Significant judgements

The firm determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease, if it is reasonably certain to be exercised, or any options to terminate the lease, if it is reasonably certain not to be exercised.

Several of the firm's lease contracts include extension and termination options and judgement is applied in evaluating whether it is reasonably certain the lease will continue into these optional periods. Of the total lease liability at the end of the period, £13m (2024: £13m) relates to those periods covered by termination options that the firm considers it is reasonably certain not to exercise.

The undiscounted lease payments for periods covered by options to extend that are not reasonably certain to be taken, and by termination options where it is not reasonably certain these will be allowed to lapse, are £221m (2024: £188m). These payments are not included in the calculation of lease liabilities or right-of-use assets.

After the commencement date, the firm reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The effect of a change in the judgements made could have a material effect on the carrying value of the lease liabilities and right-of-use assets which are shown in notes 17 and 11 respectively.

Notes to the financial statements

at 27 June 2025

2. Accounting policies (continued)

Impairment of non-financial assets

The carrying value of non-financial assets is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable and goodwill is tested for impairment annually. If the carrying amount of an asset (or associated cash generating unit) is higher than its recoverable amount an impairment loss is recognised in the income statement.

Significant estimates

For the purpose of impairment testing, goodwill is allocated to the cash generating unit ("CGU") from the business combination in which the goodwill arose. Where more than one business combination supplies the same product or service, they are combined into a single CGU. The carrying amount of the CGU is compared to its recoverable amount, which is its value in use.

The estimation of value in use is based on assumptions including estimates on future growth rates and appropriate discount rates. These assumptions are based on future events and are therefore revised as circumstances change.

The effect of a change in the estimates could have a material effect on the carrying value of the goodwill shown in note 9.

Financial instruments

The firm recognises financial instruments when it becomes party to the contracts that give rise to them and they are derecognised on settlement. They are measured initially at fair value, normally being the transaction price. The subsequent accounting treatment depends on the classification of an instrument as set out below:

Receivables

Receivables are carried at amortised cost using the effective interest method if the time value of money is significant. Client receivables are carried at original invoiced amounts, less an allowance for all expected credit losses.

Financial liabilities

Financial liabilities, including members' capital and other payables, are carried at amortised cost using the effective interest method if the time value of money is significant. Trade payables are generally carried at the original invoiced amount.

Provisions and contingencies

Provisions are recognised when the firm has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the balance sheet date. In the case of the surplus property provision, this relates to the estimated cost of dilapidations. If the effect of the time value of money is material, the expected future cash flows are discounted at a rate that reflects current market assessments of the time value of money and, where appropriate, risks specific to the liability. Any increase in the provision due to the passage of time is recognised as a finance cost, and any increases due to revised estimates are recognised as an operating expense.

Notes to the financial statements

at 27 June 2025

2. Accounting policies (continued)

Provisions and contingencies (continued)

Significant estimates and judgements

In determining whether a provision should be recognised in respect of alleged professional negligence claims or regulatory matters, it is necessary to make a judgement as to whether the firm has a present obligation as a result of a past event that gives rise to probable payments and, if so, whether the obligation can be reliably estimated. When a provision is recognised the amount is based on the best estimate of the most likely cost to the firm of defending and settling claims, taking into account the most likely outcome and range of possible outcomes. These judgments and estimates are made on a claim by claim basis and take account of all available evidence. A different assessment could result in a change to the amount of provision recognised, particularly when a matter is at an early stage or for complex legal claims. Certain claims have a wide range of potential outcomes, given their nature, and there are reasonably possible changes that could have a material effect on the carrying amount of the claims provision (shown in note 18), and potentially operating expenses. To the extent a claim is covered by insurance, the effect on operating expenses of changes to the provision will be mitigated by changes to the associated reimbursement right, once the amount of the claim exceeds the insurance deductible.

Contingent liabilities, including liabilities that are not probable or which cannot be measured reliably, are not recognised but are disclosed unless the possibility of settlement is considered remote. Contingent assets are not recognised but are disclosed where an inflow of economic benefits is probable.

Reimbursements from insurance policies that would be due on settlement of a provision are recognised within 'trade and other receivables', when virtually certain. Separate disclosure is not made of any individual claim or of expected insurance recoveries where that disclosure might seriously prejudice the position of the firm.

Staff costs (including pensions)

Salaries, defined contribution pension scheme contributions and other short-term benefits are recognised when the employee renders service, taking account of annual holiday entitlements used. Annual profit-related bonuses are recognised in the period in which the profit arises.

Defined benefit pension liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate determined by reference to the current estimated rate of return on high quality sterling corporate bonds of equivalent term to the scheme liabilities. Defined benefit pension scheme assets are measured at fair value. Actuarial valuations are performed as at each balance sheet date based on full valuations obtained at least triennially and updated for subsequent changes in material assumptions. The resulting net defined benefit asset or liability is presented separately on the face of the balance sheet.

Significant estimates and judgements

Estimating the defined benefit obligation for the firm's pension scheme requires assumptions to be made about a number of financial and demographic variables. The assumptions used change from year to year which has a consequential effect, often material, on the measurement of the obligation and, primarily, other comprehensive income. The most significant variables are inflation rates, the discount rate and life expectancy rates and the assumptions used together with a sensitivity analysis showing the impact of changes in those assumptions are set out in note 19 along with the amount of the obligation.

The trustees cannot unconditionally wind up the plan or use a surplus to enhance member benefits without employer consent. Therefore, whilst not explicit in the trust deed, the firm considers that it has an unconditional right to a refund of any surplus in the scheme, including one that would arise from making payments under the funding agreement, assuming the gradual settlement of the plan liabilities over time. Any refund would be subject to a tax which is considered an income tax and therefore does not restrict the recoverability of any such surplus.

Notes to the financial statements

at 27 June 2025

2. Accounting policies (continued)

Staff costs (including pensions) (continued)

The net interest cost, determined by applying the discount rate to the net liability at the start of the period, is recognised as a finance cost. Remeasurements of the net liability, comprising actuarial gains and losses and returns on plan assets (excluding amounts included in net interest), are recognised in other comprehensive income.

Members' participations

Members' participations give rise to a number of rights, obligations and entitlements which result in the recognition by the firm of various assets, liabilities and residual interests in its net assets (i.e. equity) as set out below.

Members' capital

Members' capital, which is repayable when membership ceases, is accounted for as a financial liability.

Allocation of profits

Profits are allocated for division amongst members at the discretion of the Board with the approval of EY Europe LLP. The members participate fully in the firm's allocated profits. Unrealised gains, including those arising on investments, are allocated for division amongst members when realised. Amounts paid to members in advance of profit allocation are recoverable from them and are recognised as a receivable. Profit allocations are recognised as a deduction from equity when payment is no longer discretionary. Fixed allocations of profits are payable during the period in which they are allocated or included in 'amounts due from members'.

Members' annuities

Members are required to make their own provision for pensions by contributing to personal pension plans. However, a liability is recognised for the firm's obligation to pay annuities to certain former members. The liabilities are accounted for as insurance contracts, presented within provisions and measured based on the present value of expected cash flows.

Members' interests

Members' other interests include profits to be divided and other equity reserves. In the event of a winding up, members' other interests along with members' capital rank after unsecured creditors.

Total members' interests represent the firm's equity and members' capital, less amounts due from members.

Charges in respect of the EY network

EY Member Firms, including Ernst & Young LLP, are party to agreements under which certain expenses of, and investments in, the global network will be charged to the Member Firms. An annual charge is levied on each Member Firm existing at the time based on a percentage of the Member Firm's revenues for that period. These charges are recognised as an expense in the period in which the revenues are earned. No liability is recognised in respect of potential future charges because no current obligation is considered to arise at the period end.

Notes to the financial statements

at 27 June 2025

2. Accounting policies (continued)

New and amended accounting standards and interpretations and other changes to the financial statements

A number of standards and other pronouncements have been issued and were effective for the financial period. These are either not applicable to the group and LLP or have not had any significant impact on the group and LLP's financial statements.

A number of standards and other pronouncements are in issue that are not yet effective and have not been adopted, none of which are expected to have a material impact on the financial statements, *although IFRS 18 Presentation and Disclosure in Financial Statements* could result in minor changes to the format of the income statement and changes in associated disclosures.

3. Fee income

	2025 £m	2024* £m
Assurance services	1,107	1,075
Consulting services	1,020	1,080
Taxation services	1,043	993
Strategy and transactions services	611	553
	<u>3,781</u>	<u>3,701</u>

Revenue expected to be recognised by the firm in future periods from satisfaction of performance obligations that were unsatisfied or partially unsatisfied at the period end was estimated to be £900m (2024: £1,100m) of which £400m (2024: £500m) is expected to be recognised in more than one year. All amounts are in the LLP.

*The comparatives have been updated to reflect a change in the service line structure. The impact of the change on the prior period is an increase in Assurance services fee income of £36m and a corresponding decrease of £36m in Consulting services. The adjustment relates to the LLP.

4. Other operating income

	2025 £m	2024 £m
People and cost recharges to EY global network entities	162	178
Gain on revaluation of investments	1	1
Other	54	84
	<u>217</u>	<u>263</u>

Notes to the financial statements

at 27 June 2025

5. Staff costs

The aggregate employment costs of staff (excluding members) were:

	2025	2024
	<i>£m</i>	<i>£m</i>
Salaries and benefits	1,456	1,502
Social security costs	161	157
Defined contribution pension costs	77	78
	<u>1,694</u>	<u>1,737</u>

The average number of full-time equivalent staff (excluding members) during the period was:

	2025	2024
	<i>No.</i>	<i>No.</i>
Client service staff	15,530	16,221
Support staff	2,301	2,324
	<u>17,831</u>	<u>18,545</u>

6. Other operating expenses

Fees payable to the LLP's auditor for the audit of the group and LLP financial statements were £785,000 (2024: £799,000). Fees payable to the LLP's auditor and their associates for the audit of subsidiary financial statements were £285,000 (2024: £303,000). Fees paid to the firm's auditors for non-audit services were £70,000 (2024: £77,000). No other services were provided by the auditors.

7. Finance costs

	2025	2024
	<i>£m</i>	<i>£m</i>
Net interest on retirement benefit liabilities (note 19)	6	4
Interest on members' capital	13	14
Interest on discounted provisions and annuity obligations (note 18)	1	2
Interest payable on bank loans and overdraft	2	7
Interest on lease liabilities (note 17)	8	7
	<u>30</u>	<u>34</u>

Notes to the financial statements

at 27 June 2025

8. Members' shares of profits

The average number of members during the period was:

	2025	2024
	No.	No.
Average number of members	863	903

The profits distributable to partners are determined in accordance with policies which differ from IFRS. The principal differences relate to retirement benefit liabilities, lease accounting and intangible assets.

The estimated share of profits to be allocated to key management was £14.9m (2024: £16.2m). Their capital at 27 June 2025 was £3.7m (2024: £5.0m) and amounts due from them were £nil (2024: £0.7m). Key management of the firm and the LLP consists of the Board, Designated Members and UK members who serve on the Europe Operating Executive.

9. Intangible assets and goodwill

27 June 2025	<i>Customer relationships & brand £m</i>	<i>Goodwill £m</i>	<i>Software £m</i>	<i>Total £m</i>
Cost:				
At 28 June 2024 and 27 June 2025	45	85	6	136
Amortisation and impairment:				
At 28 June 2024	30	1	5	36
Charge for the period	2	-	1	3
Impairment	2	14	-	16
At 27 June 2025	34	15	6	55
Net book value:				
At 27 June 2025	11	70	-	81

All software is held by the LLP.

Notes to the financial statements

at 27 June 2025

9. Intangible assets and goodwill (continued)

28 June 2024	<i>Customer relationships & brand £m</i>	<i>Goodwill £m</i>	<i>Software £m</i>	<i>Total £m</i>
Cost:				
At 30 June 2023	45	85	5	135
Additions	-	-	1	1
	<u>45</u>	<u>85</u>	<u>6</u>	<u>136</u>
At 28 June 2024				
Amortisation and impairment:				
At 30 June 2023	15	-	4	19
Charge for the period	5	-	1	6
Impairment	10	1	-	11
	<u>30</u>	<u>1</u>	<u>5</u>	<u>36</u>
At 28 June 2024				
Net book value:				
At 28 June 2024	<u>15</u>	<u>84</u>	<u>1</u>	<u>100</u>

Goodwill as at the period end relates to the following cash generating units ("CGUs"):

	<i>Goodwill £m</i>
EY-Seren Limited	17
SAP (previously AgilityWorks)	13
Microsoft Services Group*	13
ServiceNow (previously Whyaye)	9
Others	18
	<u>70</u>

*represents an aggregation of the Pythagoras and Seaton acquisitions which supply the same products and services

Notes to the financial statements

at 27 June 2025

9. Intangible assets and goodwill (continued)

Impairment review

The acquired businesses represent the CGUs for which goodwill is assessed for impairment. The impairment review is carried out at the 31 March each year. The recoverable amounts are determined based upon the value in use, using subsidiary Board approved cash flow projections for the next five years and 3 months to align with the end of the relevant financial periods. The key assumptions are presented in the table below:

	2025	2024
	%	%
Year 1 - 5 compound annual revenue growth rate ("CAGR")	2.7%-8.9%	17.9%
Terminal growth rate	2.8%	2.8%
Discount rate	9.0%-13.0%	11.5%-21.5%

The values assigned to the key assumptions are determined based on past experience of the firm together with external market analysis.

Due to economic changes in the Consulting sector, the recoverable amount of several CGUs, determined based on value in use, were lower than their carrying values. The following table shows the impairments recognised and the key assumptions used in the calculation of the value in use.

CGU	Impairment	Recoverable amount	CAGR	Terminal growth rate	2025	2024
					discount rate	discount rate
	£m	£m	%	%	%	%
Microsoft Services Group	6	19	7.5%	2.8%	9.0%	11.5%-12.5%
Service Now	8	15	6.0%	2.8%	10.0%	15.0%

For the remaining CGUs, where no impairment has been recognised, the following table shows the changes in the average annual revenue growth rate or discount rate which would result in an impairment:

CGU	Headroom	CAGR	Terminal growth rate	Discount rate	Change in	Change in
					CAGR	discount rate
	£m	%	%	%	%	%
SAP	5	6.0%	2.8%	11.0%	1.6%	2.2%
EY-Seren Limited	1	2.7%	2.8%	11.0%	0.9%	0.6%

A reasonably possible change in the terminal growth rates would not result in an impairment.

Notes to the financial statements

at 27 June 2025

10. Plant and equipment

<i>27 June 2025</i>	<i>Short leasehold improvements</i>	<i>Computer equipment</i>	<i>Furniture and other equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Cost:					
At 28 June 2024	168	75	26	44	313
Additions	7	12	3	11	33
Disposals	-	(16)	-	(15)	(31)
At 27 June 2025	<u>175</u>	<u>71</u>	<u>29</u>	<u>40</u>	<u>315</u>
Depreciation:					
At 28 June 2024	123	62	21	17	223
Charge for the period	14	10	2	8	34
Disposals	-	(16)	-	(8)	(24)
At 27 June 2025	<u>137</u>	<u>56</u>	<u>23</u>	<u>17</u>	<u>233</u>
Net book value:					
At 27 June 2025	<u>38</u>	<u>15</u>	<u>6</u>	<u>23</u>	<u>82</u>

All plant and equipment is held by the LLP apart from £1m (2024: £2m) which is held by subsidiaries.

Contracted capital expenditure that has not been provided in the financial statements amounted to £nil (2024: £nil).

Notes to the financial statements

at 27 June 2025

10. Plant and equipment (continued)

28 June 2024	<i>Short leasehold improvements</i>	<i>Computer equipment</i>	<i>Furniture and other equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Cost:					
At 30 June 2023	162	98	25	43	328
Additions	6	2	1	16	25
Disposals	-	(25)	-	(15)	(40)
	<u>168</u>	<u>75</u>	<u>26</u>	<u>44</u>	<u>313</u>
Depreciation:					
At 30 June 2023	108	76	19	17	220
Charge for the period	15	11	2	8	36
Disposals	-	(25)	-	(8)	(33)
	<u>123</u>	<u>62</u>	<u>21</u>	<u>17</u>	<u>223</u>
Net book value:					
At 28 June 2024	<u>45</u>	<u>13</u>	<u>5</u>	<u>27</u>	<u>90</u>

11. Right-of-use assets

<i>Properties</i>	2025	2024
	<i>£m</i>	<i>£m</i>
Cost:		
At the beginning of the period	431	400
Additions	-	11
Disposals	-	(1)
Modifications	1	21
At the end of the period	<u>432</u>	<u>431</u>
Depreciation and impairment:		
At the beginning of the period	189	152
Depreciation charge for the period	35	35
Impairment	1	2
At the end of the period	<u>225</u>	<u>189</u>
Net book value	<u>207</u>	<u>242</u>

All right-of-use assets are held by the LLP (2024: Enil held-by subsidiaries).

Notes to the financial statements

at 27 June 2025

12. Investments

	2025 £m	2024 £m
<i>Equity investments</i>		
Investment in EY Global Finance Inc	16	16
Investment in EMEIA Fusion LP	3	3
Investment in EYGI B.V.	4	-
Corporate bond fund	14	15
	<u>37</u>	<u>34</u>
Total equity investments	<u>37</u>	<u>34</u>

EY Global Finance Inc is a US (Delaware) corporation owned by Member Firms of the EY global network. The corporation takes deposits and lends money to the Member Firms of the EY global network.

EMEIA Fusion LP is a UK Limited Partnership ultimately owned by various Member Firms within the EMEIA region. Its purpose is to invest, either via its subsidiaries or directly, in assets and businesses with international reach on behalf of those Member Firms.

EYGI B.V. is a company incorporated in the Netherlands owned by Member Firms of the EY global network. The company provides Global Delivery Enablement Services and Technology Services to Member Firms of the EY network.

During the period, the firm recognised fair value movements through other comprehensive income relating to gains on the investments in EY Global Finance Inc of £nil (2024: £1m) and EYGI B.V. of £4m (2024: £nil).

The investments in EY Global Finance Inc, EMEIA Fusion LP and EYGI B.V. are classified within level 3 of the fair value hierarchy.

The corporate bond fund relates to an externally managed fund of bonds issued by UK and overseas companies and governments. During the period, the firm recognised fair value gains through profit of £1m (2024: £1m) (level 1 of the fair value hierarchy).

All investments are held by the LLP.

13. Other non-current receivables

	2025 £m	2024 £m
Derivative financial instrument	-	2
Finance lease receivables (note 17)	4	5
Employee receivables	4	6
Other non-current receivables	1	1
	<u>9</u>	<u>14</u>
	<u>9</u>	<u>14</u>

The derivative financial instrument is held at fair value and is classified within level 3 of the fair value hierarchy.

All other receivables are held by the LLP.

Notes to the financial statements

at 27 June 2025

14. Trade and other receivables

	2025 £m	2024 £m
Unbilled receivables	474	467
Client receivables	590	616
Amounts due from EY network entities	101	116
Derivative financial instrument	1	–
Other receivables	205	60
Income tax receivable	1	4
Finance lease receivables (note 17)	1	2
Prepayments	2	3
	<u>1,375</u>	<u>1,268</u>

Client receivables are shown net of an allowance for expected credit losses, movements on which are as follows:

	2025 £m	2024 £m
At beginning of period	12	11
New and additional provisions	7	13
Recoveries	(7)	(10)
Write-offs	(1)	(2)
At end of period	<u>11</u>	<u>12</u>

The derivative financial instrument is held at fair value and is classified within level 3 of the fair value hierarchy.

15. Members' interests

Profits to be divided represent amounts expected to be allocated to members after the balance sheet date. The remainder of members' other interests principally represent the deficit on the defined benefit pension scheme and a retirement healthcare scheme, lease accounting differences and notional amortisation of goodwill, which are included within other reserves.

The firm's objective when managing capital is to safeguard its ability to continue as a going concern so as to provide returns to members and benefits for other stakeholders. Long-term financing is provided by way of capital introduced by members, which broadly finances the firm's investment in plant and equipment and core working capital. The amount of capital each member is required to subscribe is linked to their profit allocation and the firm's financing requirements. Adjustments to the capital and financing structure may be made in the light of changes in circumstances and economic conditions. Payments of profits to members are made only when the Board is satisfied that the firm's financing requirements will permit such payments.

Capital, which is monitored on the basis of total members' interests excluding other reserves, decreased to £811m from £828m.

Notes to the financial statements

at 27 June 2025

16. Trade and other payables

	2025 £m	2024 £m
Trade and other payables	287	256
Social security and other taxes	128	129
Amounts due to EY network entities	123	114
Income tax payable	2	1
Deferred tax	3	4
	<u>543</u>	<u>504</u>

17. Leases

The firm has entered into non-cancellable commercial property leases with remaining terms of up to 15 years. They include clauses to allow upward revision of the rental charge periodically according to prevailing market rates. Several lease contracts include extension and termination options (note 2).

The carrying amounts of lease liabilities and the movements during the period were as follows:

	2025 £m	2024 £m
At the beginning of the period	300	308
Additions	8	19
Disposals	-	(1)
Modifications	1	21
Accretion of interest (note 7)	8	7
Payments	(55)	(54)
	<u>262</u>	<u>300</u>
At the end of the period	<u>262</u>	<u>300</u>
Current	52	47
Non-current	210	253
	<u>262</u>	<u>300</u>

All lease liabilities are held by the LLP apart from £3m (2024: £5m) held by subsidiaries. Of the total lease liabilities at the period end, £10m (2024: £8m) related to motor vehicles.

The maturity analysis of lease liabilities is disclosed in note 20. The related right-of-use assets are disclosed in note 11.

Notes to the financial statements

at 27 June 2025

17. Leases (continued)

The following amounts have been recognised in profit or loss:

	2025 £m	2024 £m
Depreciation expense on right-of-use assets (note 11)	35	35
Impairment of right-of-use assets (note 11)	1	2
Interest expense on lease liabilities (note 7)	8	7
Low value lease expense	4	3
	<u>48</u>	<u>47</u>
Total amount recognised in profit and loss	<u><u>48</u></u>	<u><u>47</u></u>

The firm had total cash outflows for leases of £59m (2024: £57m) during the period. All cash outflows relate to the LLP apart from £4m (2024: £7m) in subsidiaries.

During the period, the firm sublet some of its leased properties with lease terms of up to three years.

The carrying amounts of the sublease receivables and the movements during the period were as follows:

	2025 £m	2024 £m
At the beginning of the period	7	9
Payments received	(2)	(2)
	<u>5</u>	<u>7</u>
Net book value	<u><u>5</u></u>	<u><u>7</u></u>
	<u>1</u>	<u>2</u>
Current (note 14)	4	5
Non-current (note 13)	<u>5</u>	<u>7</u>
	<u><u>5</u></u>	<u><u>7</u></u>

All lease receivables are held by the LLP (2024: £1m held by subsidiaries).

Notes to the financial statements

at 27 June 2025

18. Provisions and contingencies

2025	Annuity obligations	Properties	Claims	Total
	£m	£m	£m	£m
At the beginning of period	22	25	44	91
New/increase	-	2	188	190
Release	-	(1)	-	(1)
Discounting	1	-	-	1
Paid	(3)	(2)	(48)	(53)
At end of period	20	24	184	228

2024	Annuity obligations	Properties	Claims	Total
	£m	£m	£m	£m
At the beginning of period	23	23	46	92
New/increase	-	3	23	26
Release	-	-	(6)	(6)
Discounting	2	-	-	2
Paid	(3)	(1)	(19)	(23)
At end of period	22	25	44	91

Provisions are analysed as follows:

	2025	2024
	£m	£m
Current	166	50
Non-current	62	41
	228	91

The estimate of annuity obligations is based on an actuarial valuation as at 27 June 2025. The main assumptions used were inflation rates of 2.9% (2024: 3.4%), discount rates of 4.8% (2024: 4.4%) and post-retirement mortality for former members aged 85 of 6.7 years (2024: 6.7 years).

Property provisions represent the estimated cost of dilapidations. These provisions are generally expected to be utilised within ten years, although an element is for costs which extend beyond this period.

All provisions are held by the LLP apart from £1m (2024: £4m) held by subsidiaries.

Notes to the financial statements

at 27 June 2025

18. Provisions and contingencies (continued)

In the normal course of business, the firm may receive claims for alleged negligence or be subject to regulatory proceedings. The firm carries professional indemnity insurance, which is written through a captive insurance company and a proportion of the total cover is reinsured through the commercial market. Cases are usually resolved within three to five years, although claims that involve court action can take longer. Contingent liabilities arise where it is possible, but not probable, that payments will result from a claim in respect of an obligation arising from a past event. Where it is considered probable that payments will arise from claims, a provision is made for the estimated cash outflow unless it is not possible to reliably estimate the amount of the obligation, in which case it is disclosed as a contingent liability. The administrators of NMC Health plc, an entity formerly audited by the firm, have brought what we consider to be a highly speculative civil claim of £2.4 billion against the firm, an amount which is not considered to be within a range of possible outcomes. Proceedings are ongoing and the firm will continue to appropriately defend the claim. No further disclosures are included in respect of this claim as this might seriously prejudice the position of the firm. The accounting policy, along with information about the associated judgements and estimates, is detailed in note 2.

All provisions are held in the LLP apart from property provisions of £1m (2024: £4m) held in subsidiaries.

19. Retirement benefit liabilities

Summary of pension arrangements

The firm operates the Ernst & Young Retirement Benefits Plan (EYRBP). The EYRBP has a defined benefit section funded by the payment of contributions to a separately administered trust fund, and four defined contribution sections.

The defined benefit section or final salary section of the EYRBP ("FSS") was closed to new members in 1997 and to future accrual in 2003. The benefits are based on members' salary and length of service on retirement or, if earlier, on ceasing to accrue benefits in the plan.

E & Y Trustees Limited is the corporate trustee for the EYRBP. The Board of the Trustee company consists of eight directors, of which four are nominated by the firm and four by the plan members. It has overall responsibility for administration of the pension arrangements, investment of the plan's assets and communication of the plan's benefits. Actions of the Trustee Board are governed by current legislation on the operation of occupational pension arrangements, and by the Trust Deed and Rules.

In addition, the firm operates a separate defined contribution pension scheme to which all current and new employees are offered membership.

Notes to the financial statements

at 27 June 2025

19. Retirement benefit liabilities (continued)

Period end valuation

The deficit in the EYRBP pension scheme and the present value of the liability for a closed post-retirement healthcare scheme included in the financial statements are as follows.

	2025	2024
	<i>£m</i>	<i>£m</i>
Equities (unquoted)	2	125
Fixed interest stock	317	580
Liability driven investments*	589	352
Alternatives	124	34
Cash	21	8
	<hr/>	<hr/>
Total fair value of assets	1,053	1,099
Present value of scheme liabilities	(1,165)	(1,236)
	<hr/>	<hr/>
Retirement benefit liabilities	(112)	(137)
	<hr/> <hr/>	<hr/> <hr/>

* The plan's liability driven investment (LDI) holdings aim to reduce the plan's exposure to movements in interest rates and inflation expectations. The primary instruments which are used within these portfolios to achieve the required matching characteristics include fixed interest gilts, index-linked gilts, and repurchase agreements, and potentially interest rate swaps, inflation swaps and total return swaps.

Scheme assets are held as units in collective investment schemes and are stated at fair value which is determined by reference to observable unit prices.

Asset allocation strategy

The assets of the EYRBP are managed by the corporate trustees, E & Y Trustees Limited, however, they have delegated some control to a fiduciary manager.

Scheme assets in the FSS are invested in different classes of investments, including alternative investments, in order to benefit from the effect of diversification, whilst at the same time providing appropriate risk-return features.

Taking advice from the fiduciary manager, the Trustee Board have agreed an investment strategy for the FSS, whereby assets are moved from growth type investments to matching type investments as the funding level of the plan improves. The fiduciary manager is responsible for selecting the underlying investment managers in various sub asset classes, monitoring performance of the managers and replacing the managers if deemed appropriate.

Notes to the financial statements

at 27 June 2025

19. Retirement benefit liabilities (continued)

Principal actuarial assumptions at the balance sheet date

The main assumptions made in arriving at retirement benefit liabilities were:

	2025	2024
	%	%
Discount rate	5.65	5.20
Inflation rate - Retail Prices Index (RPI)	2.95	3.15
Inflation rate - Consumer Prices Index (CPI)	2.65	2.80
Post-retirement mortality:	Years	Years
Current pensioners at 65 – male	23	22
Current pensioners at 65 – female	24	24
Future pensioners at 65 – male	22	22
Future pensioners at 65 – female	25	25

Discount rate

The discount rate has been derived using the yields on AA rated sterling corporate bonds at the balance sheet date, which reflect the currency and maturity profile of the expected benefit payments in the FSS which at year end had an average duration of 13-14 years (2024: 15 years).

Inflation

RPI inflation is derived by reference to the difference between fixed-interest and index-linked long-term government bonds. To account for the premium that investors are willing to pay to mitigate the risk that inflation is higher than expected, the inflation assumption incorporates an inflation risk premium. CPI inflation is set by reference to RPI.

On 25 November 2020, the Government and UK Statistics Authority's joint consultation response on RPI reform was published. This confirmed their intention to amend the RPI calculation methodology to be aligned to that already in use for the calculation of the CPI (including housing) with effect from 2030. The firm has therefore assumed that CPI will be in line with RPI from 2030 onwards, resulting in the weighted average CPI assumption being 0.30% lower than the RPI assumption (2024: 0.35%).

Mortality

The post-retirement mortality assumptions are based on a bespoke set of base tables ("VitaCurves") which reflect the characteristics of the EYRBP's membership using data collated by Club Vita. Future improvements in longevity are projected in line with the CMI 2024 model (2024: CMI 2023), subject to a long-term improvement rate of 1.25% (2024: 1.25%) per annum for males and 1.00% (2024: 1.00%) per annum for females. The core version of the CMI model used incorporates a "fitted overlay" to explicitly model the initial excess mortality from the COVID-19 pandemic and its subsequent reduction, while placing 100% weight on all recent data.

The 'current' amounts above are the assumed longevity of pensioners who are aged 65 at the period end and the 'future' amounts are the assumed longevity of employees at age 65 who are aged 45 at the period end.

Notes to the financial statements

at 27 June 2025

19. Retirement benefit liabilities (continued)

Changes in the present value of the defined benefit obligations:

	2025	2024
	£m	£m
At beginning of period	1,236	1,190
Benefits paid	(53)	(50)
Remeasurement (gain)/loss - effect of changes in financial assumptions	(77)	9
Remeasurement loss/(gain) - effect of changes in demographic assumptions	6	(7)
Remeasurement (gain)/loss - experience adjustments	(9)	35
Interest cost	62	59
	<u>1,165</u>	<u>1,236</u>

Changes in the fair value of plan assets:

	2025	2024
	£m	£m
At beginning of period	1,099	1,055
Interest income on plan assets	56	55
Contributions by employer	37	37
Benefits paid	(53)	(50)
Remeasurement (loss)/gain - actual asset return compared to interest income	(83)	4
Plan administrative expenses	(3)	(2)
	<u>1,053</u>	<u>1,099</u>

The scheme exposes the firm to actuarial risks such as longevity risk and investment risk which includes an element of currency and interest rate risk.

Sensitivity analysis

The following table shows the amount by which the present value of the FSS defined benefit obligations would increase as a result of the following changes to the individual principal actuarial assumptions:

£m	2025		2024	
Decrease to discount rate	0.50%	77	0.50%	86
Increase to inflation	0.50%	22	0.50%	26
Increase to life expectancy	1 year	31	1 year	36

Contributions to the scheme

In accordance with current legislation on the operation of occupational pension arrangements, the firm and the Trustee Board of the pension fund agreed to a schedule of contributions to clear the pension scheme deficit, following the most recent full triennial actuarial valuation as at 1 October 2022. This sets out minimum contributions of £37m per year (including administrative expenses of £1-2m) that are to be paid into the FSS on a quarterly basis until July 2029.

Notes to the financial statements

at 27 June 2025

20. Financial instruments

In addition to lease assets and lease liabilities, the firm has the following financial instruments:

<i>27 June 2025</i>	<i>Amortised cost</i>	<i>Fair value through other comprehensive income</i>	<i>Fair value through profit and loss</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>
Financial assets			
Investments	-	23	14
Derivative financial instruments	-	-	1
Trade and other receivables	1,375	-	-
Amounts due from members	67	-	-
Cash	289	-	-
Financial liabilities			
Trade and other payables	410	-	-
Provisions	24	-	-
Payments on account	240	-	-
Members' capital	195	-	-
<i>28 June 2024</i>	<i>Amortised cost</i>	<i>Fair value through other comprehensive income</i>	<i>Fair value through profit and loss</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>
Financial assets			
Investments	-	19	15
Derivative financial instruments	-	-	2
Trade and other receivables	1,273	-	-
Amounts due from members	37	-	-
Cash	191	-	-
Financial liabilities			
Trade and other payables	370	-	-
Provisions	25	-	-
Payments on account	210	-	-
Members' capital	224	-	-

The firm's treasury operations are managed within formally defined policies which are regularly reviewed. Financial instruments are not used for speculative activity and complex financial instruments are avoided.

Financial instruments give rise to liquidity, credit, interest rate, foreign currency and electricity price risks. Information about how these risks arise and are managed is set out below. In addition, the financial assets designated at fair value through other comprehensive income give rise to a small amount of equity price risk.

Notes to the financial statements

at 27 June 2025

20. Financial instruments (continued)

Liquidity risk

Liquidity risk arises from the firm's ongoing financial obligations, including settlement of financial liabilities such as trade and other payables and lease liabilities as well as members' capital.

The firm's financing requirements vary during the period, primarily as a result of the incidence of major payments such as contributions to the defined benefit pension schemes, professional indemnity insurance premiums and payments to and on behalf of members.

It is the firm's policy to have in place short-term borrowing facilities that exceed forecast borrowing requirements for the following twelve months. Undrawn borrowing facilities available at 27 June 2025 consisted of uncommitted facilities totalling £30m (2024: £35m) and committed revolving credit facilities totalling £450m (2024: £450m). The revolving credit facility will expire in June 2030. These arrangements are considered adequate to finance variations in forecast working capital.

Members' capital is repayable when membership ceases, for which members are required to give twelve months' notice (or such longer period of notice as the Board may agree). The capital of members who have given notice of retirement within one year of the reporting date is classified as current, with the remainder classified as falling due between one and two years, being the earliest possible date on which it would have to be repaid if all members had given notice at the period end date of their intention to terminate their membership. In practice, however, most of this balance is viewed as being longer-term in nature and in most situations capital introduced by new members is expected to replace that of retiring members. The contractual payments arising from trade and other payables are equal to their carrying amount and are due within one year.

Lease liabilities, on an undiscounted basis, are repayable £47m (2024: £48m) within one year, £87m (2024: £93m) between one and two years, £34m (2024: £58m) between three and five years and £135m (2024: £150m) over five years.

Cleared funds held at banks are monitored daily and surplus funds are placed on short-term deposit.

A charge in favour of EY Securities Limited, in its capacity as trustee for current and future recipients of member retirement annuities payable by the firm, has been created over the corporate bond fund of £14m (2024: £15m). Receipts from these assets are designed to match, so far as possible, payments of certain annuity obligations (note 18).

A letter of credit for £45m (2024: £40m) has been provided to E & Y Trustees Limited by a relationship bank.

Credit risk

Credit risk arises primarily from client receivables and unbilled receivables, other financial assets including cash, amounts due from members and other receivables and, indirectly, from the corporate bond fund.

The firm has established procedures to minimise the risk of default by client receivables, including detailed checks on credit standing within client acceptance and continuance procedures. Unbilled receivables are typically billed to clients and payable within a month of arising. The majority of the client receivables balance represents invoices issued less than three months before the period end, with £31m (2024: £37m) aged between three and six months and £3m (2024: £14m) aged in excess of six months.

Cash deposits are placed only with the firm's relationship banks or EY Global Finance Inc. No more than £125m (2024: £125m) may be deposited with any one bank. The externally managed corporate bond fund invests in bonds issued by UK and overseas companies and governments, with at least 80% invested in bonds with an investment grade credit rating but may also invest up to 20% in sub investment grade bonds, of which 5% can be unrated bonds. As at 27 June 2025, over 98% of the investments are held in bonds that have a Standard and Poor's investment grade credit rating (2024: 98%). Amounts due from members are expected to be recovered from the current period's profit allocations.

Notes to the financial statements

at 27 June 2025

20. Financial instruments (continued)

Credit risk (continued)

The firm, along with six other member firms of the EY network, has provided a guarantee against a €42m loan agreement and €27m facility agreement owed to EY Global Finance Inc by Skyline HoldCo GmbH, a subsidiary of EMEA Fusion LP.

Interest rate risk

Interest rate risk arises primarily from members' capital, cash and cash equivalents, borrowings, lease liabilities finance lease and other long-term receivables, and, indirectly, from the corporate bond fund. Interest on members' capital is paid at floating market rates. Interest on cash and deposits is effectively earned at a floating rate because of their short-term placement. Interest on lease liabilities and long-term receivables is effectively incurred and generated at fixed rates. The impact of interest rate risk to the firm is not significant.

Foreign currency risk

Although most of the firm's income and expenses are denominated in sterling, foreign currency risk arises from transactions denominated in other currencies, particularly the US dollar and Euro. Balances in foreign currency bank accounts are held to facilitate cash management and, from time to time, to provide a hedge of future foreign currency expenditure. The impact of foreign currency risk to the firm is not significant.

Electricity price risk

The derivative financial instrument is a multiperiod contract to purchase renewable energy at a fixed price. The instrument is valued at each balance sheet date using discounted cash flows. The fair value of the contract is based on estimated future energy consumption and estimated future market energy prices. The impact of electricity price risk to the firm is not significant.

21. Related parties

EY Europe LLP has power over the firm, although its exposure to variable returns is not considered sufficient to meet the definition of control and therefore the firm has no controlling party.

During the period, EY Europe LLP charged the firm a management fee of £10k (2024: £10k) which remained payable at the period end.

Details of key management compensation and transactions with the pension scheme are disclosed in notes 8 and 19 respectively.

Notes 22-30 continue on page 51

LLP income statement

for the period ended 27 June 2025

Registered number OC300001

	Notes	2025 £m	2024 £m
Fee income	22	3,707	3,618
Expenses billed to clients		(636)	(602)
Net revenue		3,071	3,016
Other operating income		201	245
People costs	23	(1,613)	(1,705)
Depreciation, amortisation and impairment		(72)	(72)
Other operating expenses		(844)	(801)
Operating profit		743	683
Dividend income from subsidiaries		45	91
Finance revenue		11	6
Finance costs	7	(30)	(34)
Profit for the financial period		769	746

LLP statement of comprehensive income

for the period ended 27 June 2025

	Note	2025 £m	2024 £m
Profit for the financial period		769	746
<i>Items that will not be reclassified to profit or loss:</i>			
Net remeasurement losses on retirement benefit liabilities	19	(3)	(33)
Fair value gains/(losses) on equity investments		4	1
Total comprehensive income for the financial period		770	714

LLP balance sheet

at 27 June 2025

Registered number OC300001

	Notes	27 June 2025 £m	28 June 2024 £m
Assets			
Non-current assets			
Intangible assets	9	-	1
Plant and equipment	10	81	88
Right-of-use assets	28	207	242
Investments	12	37	34
Investments in subsidiaries	24	22	25
Other receivables	25	104	78
		<u>451</u>	<u>468</u>
Current assets			
Trade and other receivables	26	1,376	1,260
Amounts due from members		67	37
Cash		261	148
		<u>1,704</u>	<u>1,445</u>
Total assets		<u>2,155</u>	<u>1,913</u>
Equity and liabilities			
Current liabilities			
Trade and other payables	27	527	484
Payments on account		237	204
Lease liabilities	28	51	44
Provisions	18	165	48
Members' capital		12	8
		<u>992</u>	<u>788</u>
Non-current liabilities			
Lease liabilities	28	208	251
Provisions	18	62	39
Retirement benefit liabilities	19	112	137
		<u>382</u>	<u>427</u>
Members' capital		183	216
		<u>1,557</u>	<u>1,431</u>
Total liabilities		<u>1,557</u>	<u>1,431</u>
Equity: Members' other interests		<u>598</u>	<u>482</u>
Total equity and liabilities		<u>2,155</u>	<u>1,913</u>



Anna Anthony
Designated Member
24 October 2025



Christabel Cowling
Designated Member
24 October 2025

LLP statement of cash flows

for the period ended 27 June 2025

Registered number OC300001

	Notes	2025 £m	2024 £m
Profit before taxation		769	746
Adjustment for:			
Net finance costs		19	28
Dividend income from subsidiaries		(45)	(91)
Depreciation, amortisation and impairment		71	72
Profit on disposal of plant and equipment		(1)	(2)
Retirement benefit contributions net of plan administration expenses	19	(34)	(35)
Gain on investments valued at fair value through profit		(1)	(1)
Loss on derivative financial instrument		1	5
(Increase)/decrease in trade and other receivables		(100)	42
Increase in trade and other payables		76	5
Increase/(decrease) in provisions		139	(4)
Net cash inflows from operating activities		894	765
Purchase of software, plant and equipment		(33)	(25)
Proceeds from sale of plant and equipment		8	9
Disposal of investments		2	-
Sub lease income received	17	2	2
Dividends received		8	-
Interest received		11	6
Net cash outflows from investing activities		(2)	(8)
Payments to and on behalf of members		(697)	(665)
Members' capital introduced		17	28
Repayment of capital to retiring members		(46)	(29)
Payment of lease liabilities including interest	28	(51)	(44)
Other interest paid		(2)	(7)
Net cash outflows from financing activities		(779)	(717)
Net increase in cash		113	40
Cash at beginning of period		148	108
Cash at end of period		261	148

LLP statement of changes in members' interests

at 27 June 2025

	<i>Members' other interests</i>			<i>Total equity</i>	<i>Amounts due</i>		<i>Total members' interests</i>
	<i>Profits to be divided</i>	<i>Other reserve</i>	<i>Fair value reserves</i>		<i>(from) capital</i>	<i>to members' interests</i>	
	£m	£m	£m	£m	£m	£m	£m
At 30 June 2023	561	(124)	2	439	225	(57)	607
Total comprehensive income	746	(33)	1	714	-	14	728
Transfers between reserves	(26)	26	-	-	-	-	-
Profit allocations	(671)	-	-	(671)	-	671	-
Payments to and on behalf of members	-	-	-	-	-	(665)	(665)
Capital introduced	-	-	-	-	28	-	28
Capital repaid	-	-	-	-	(29)	-	(29)
At 28 June 2024	610	(131)	3	482	224	(37)	669
Total comprehensive income	769	(3)	4	770	-	13	783
Transfers between reserves	(16)	16	-	-	-	-	-
Profit allocations	(654)	-	-	(654)	-	654	-
Payments to and on behalf of members	-	-	-	-	-	(697)	(697)
Capital introduced	-	-	-	-	17	-	17
Capital repaid	-	-	-	-	(46)	-	(46)
At 27 June 2025	709	(118)	7	598	195	(67)	726

Notes to LLP financial statements

at 27 June 2025

22. Fee income

	2025	2024*
	<i>£m</i>	<i>£m</i>
Assurance services	1,107	1,073
Consulting services	966	1,021
Taxation services	1,022	971
Strategy and transactions services	612	553
	<u>3,707</u>	<u>3,618</u>

*The comparatives have been updated to reflect a change in the service line structure, as disclosed in note 3.

23. People costs

The aggregate employment costs of staff (excluding members) were:

	2025	2024
	<i>£m</i>	<i>£m</i>
Recharges from service company	-	1,060
Salaries and benefits	1,389	563
Social security costs	152	55
Other pension costs	72	27
	<u>1,613</u>	<u>1,705</u>

Until 1 February 2024, no staff were directly employed by Ernst & Young LLP but the entity managed and controlled staff provided by its services company Ernst & Young Services Limited. The costs of these individuals were recharged to the LLP and included within recharges from service company above. From 1 February 2024, the staff were directly employed by Ernst & Young LLP.

The average number of full-time equivalent staff (excluding members) during the period was:

	2025	2024
	<i>No.</i>	<i>No.</i>
Client service staff	15,500	6,746
Support staff	2,293	965
	<u>17,793</u>	<u>7,711</u>

Notes to LLP financial statements

at 27 June 2025

24. Investment in subsidiaries

	2025	2024
	<i>£m</i>	<i>£m</i>
Cost less provision for impairment	22	25

The Limited Liability Partnership has the following subsidiaries:

<i>Subsidiary undertakings</i>	<i>Country of incorporation</i>	<i>Nature of business</i>
Ernst & Young Limited provider	UK	Taxation and resource service
Ernst & Young Resources (CI) Limited	Jersey	Staff and resource service provider
Ernst & Young Services Limited *	UK	Staff and resource service provider
Ernst & Young Services (UK) Limited	UK	Holding entity
Rolls House Holdings Limited	UK	Holding entity of Ernst & Young Services Limited
Foviance Group Limited	UK	Holding entity of EY Seren Limited
EY Seren Limited *	UK	Consultancy service provider
EY Professional Services Limited *	UK	Consultancy service provider
AgilityWorks India Private Limited *	India	Consultancy service provider
EY Private Client Services Limited *	UK	Personal taxation service provider
Pythagoras Communications Holdings Limited *	UK	Holding entity of Pythagoras Communications Limited
Pythagoras Communications Limited *	UK	Non-trading entity
Lane 4 Management Group Holding Limited *	UK	Holding entity of Lane 4 Management Group Limited
Lane 4 Management Group Limited *	UK	Non-trading entity
Seaton Partners Limited *	UK	Non-trading entity
Peak EPM Limited *	UK	Non-trading entity
Peak EPM US Inc *	United States	Non-trading entity
Peak EPM Canada Inc *	Canada	Non-trading entity
Digital Detox Ventures Limited*	UK	Holding entity of Digital Detox Limited
Digital Detox Limited*	UK	Non-trading entity
Whyaye Limited*	UK	Non-trading entity
EY Incentives Limited *	UK	Consultancy tax services provider
EY Foundation	UK	Charity
Ernst & Whinney Limited	UK	Dormant
E & Y Trustees Limited	UK	Dormant
Ernst & Young International Limited	UK	Dormant
Garrard House Executor Trustees Co Limited *	UK	Dormant
EYGS UK Participation Limited	UK	Dormant
EY Securities Limited *	UK	Dormant
EY Corporate Secretaries Limited	UK	Dormant
Creative Sharepoint Limited *	UK	Dormant
Pointbeyond Limited *	UK	Dormant
New Street Nominees Limited	Guernsey	Dormant
Ernst & Young Property (Jersey) Limited	Jersey	Dormant

* Interest held indirectly.

All subsidiaries are wholly owned.

Notes to LLP financial statements

at 27 June 2025

24. Investment in subsidiaries (continued)

The registered addresses of the subsidiaries are:

UK entities: 1 More London Place, London, SE1 2AF

Jersey entities: Liberation House, Castle Street, St Helier, Jersey, JE1 1EY

Guernsey entity: Royal Chambers, St Julian's Avenue, St Peter Port, Guernsey

Indian entity: 779, Sector-15A, Faridabad, Haryana 121007, India

United States entity: 108 West 13th Street, Wilmington, Delaware 19801, United States

Canadian entity: TD Tower, 77 Westmorland Street Suite 300, Fredericton, New Brunswick E3B6Z3, Canada

25. Other non-current receivables

	2025 £m	2024 £m
Derivative financial instrument	-	2
Finance lease receivables (note 17)	4	5
Employee receivables	4	6
Amounts owed by subsidiaries	95	64
Other non-current receivables	1	1
	<u>104</u>	<u>78</u>

26. Trade and other receivables

	2025 £m	2024 £m
Unbilled receivables	466	446
Client receivables	583	602
Amounts due from EY network entities	85	111
Amounts owed by subsidiaries	26	34
Derivative financial instrument	1	-
Finance lease receivables (note 17)	1	2
Prepayments	2	3
Other receivables	212	62
	<u>1,376</u>	<u>1,260</u>

Client receivables are shown net of an allowance for expected credit losses, movements on which are analysed in note 14.

27. Trade and other payables

	2025 £m	2024 £m
Trade and other payables	276	239
Social security and other taxes	125	123
Amounts due to EY network entities	121	111
Amounts owed to subsidiaries	5	11
	<u>527</u>	<u>484</u>

Notes to LLP financial statements

at 27 June 2025

28. Leases

The carrying amounts of right-of-use assets, lease receivables and lease liabilities and the related movements during the period are substantially the same as those disclosed for the LLP and its subsidiaries. Details of the LLP's leasing arrangements, including the maturity analysis of lease liabilities, are also substantially the same. Details can be found in notes 11 and 17.

29. Non-cash movements

Non-cash movements include the offset of £37m (2024: £91m) of dividends receivable from subsidiaries against net amounts, including loans, owed to/by subsidiaries.

30. Related parties

Purchases made from subsidiaries were £68m (2024: £1,125m). Of this, £nil (2024: £1,054m) relates to the recharge of employee salaries and related costs to the LLP from subsidiary entities. Sales made to subsidiaries were £7m (2024: £5m). Other information about transactions with subsidiaries is shown in notes 25, 26 and 27.

Details of key management compensation, transactions with the pension scheme and with EY Europe LLP are disclosed in notes 8, 19 and 21 respectively.

Included within the current period amounts owed from subsidiary undertakings is a loan receivable of £95m (2024: £17m). These amounts carry interest at the rate of 1% above the Bank of England base rate. All other balances due to or from subsidiaries are non-interest bearing and are repayable on demand.

The following subsidiaries of the LLP are exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of a parental guarantee in accordance with s479A:

<i>Subsidiary undertaking</i>	<i>Registered number</i>
Foviance Group Limited	04331949
Rolls House Holdings Limited	01985589
Ernst & Young Limited	05458987
Ernst & Young Services (UK) Limited	05319775
EY Incentives Limited	09369059
Pythagoras Communications Holdings Limited	13184504
Pythagoras Communications Limited	03000842
Lane 4 Management Group Holdings Limited	07451448
Lane 4 Management Group Limited	02776199
Seaton Partners Limited	06186693
Peak EPM Limited	08949264
Digital Detox Ventures Limited	10334143
Digital Detox Ltd	05278798
Whyaye Ltd.	12020479

31. Financial instruments

Details of the LLP's financial instruments are substantially the same as those disclosed for the LLP and its subsidiaries in note 20.

Energy and carbon report

This report is provided to comply with the Limited Liability Partnerships (Climate-related Financial Disclosure) Regulations 2022, drawing from the Task Force on Climate-Related Financial Disclosures (TCFD) framework, and the UK government's policy on Streamlined Energy and Carbon Reporting. The information below includes the activities of the members of Ernst & Young LLP and its subsidiaries (together "EY LLP" or "the firm") as per the Members' Annual Report and Financial Statements.

Governance

The Board has oversight of the firm's approach to climate risk and sustainability. The climate-related risks and opportunities are overseen by the Board through the Environmental Sustainability Committee (the "ESC"). The ESC is a sub-committee of the UK Country Committee ("UKCC"). The UKCC has the delegated authority of the Board in respect of certain specified matters.

The UKCC's purpose is to manage the operations of the firm with respect to matters that have, or may have, a UK country-specific impact, including legal, regulatory, and reputational matters and financial resilience. As part of this remit, the UKCC oversees the firm's implementation of its Net Zero Strategy via the ESC.

Emissions limits/key performance indicators are included in the scorecard of each Region (and Service Line scorecards within those Regions). Performance against the firm's carbon emission targets is managed via Service Line carbon budgets, tracked monthly by all Service Lines and reviewed quarterly by the ESC. Monitoring performance at both levels allows specific action plans to be put in place where appropriate. Each Service Line has Net Zero Champions who provide tailored support for each Service Line where necessary.

In addition to the work undertaken by the ESC, management also engages specialists from its Climate Change and Sustainability Services ('CCaSS') team to identify and assess – through scenarios – other climate-related risks and opportunities relevant for the firm. The results of the latest climate scenario assessment, details of which are set out later in this report, are reviewed by stakeholders to ensure these remain relevant, and these disclosures have been approved by the Board.

Risk management

The environment in which the firm operates creates a broad range of risks. Effective management of these risks is critical to safeguarding the firm and the EY network overall. The firm has a robust Enterprise Risk Management approach to identify, assess, mitigate, and monitor the risks it faces.

The firm maintains a risk profile covering material risks that could impact the firm's strategic ambitions. This profile includes a risk that the firm does not meet its ESG commitments, which include climate-related targets. This risk, the related controls and issues are tracked on an ongoing basis through the firm's risk governance, with ultimate oversight by the Board.

In addition to this ongoing risk management, the firm also utilises specialist skills from its CCaSS team to support its understanding of physical and transition risks, as well as relevant opportunities. These are presented in the Strategy section below and are reviewed on an ongoing basis by the ESC.

Results of the scenario assessment and individual climate-related risk drivers have been integrated into the firm's overall risk profile and are considered, as necessary, by the owners of relevant principal risks to inform their assessment and management of these risks.

Energy and carbon report

Strategy

Climate risk and opportunity identification

a) Process of identification of climate risk and opportunities

This year, the firm's climate-related risks and opportunities have been updated to align with the EY network in a process to enhance the robustness and maturity of the firm's risk assessment. The EY network has assessed climate-related risk based on their financial materiality completing stakeholder engagements and considering current services, dependencies, market conditions and the regulatory environment. The updated assessment supports a more cohesive and coordinated approach in an increasingly interconnected world to climate risk management, while still maintaining location-specific context.

On balance, the focus on risks that have been considered, reflects the firm's view that most risks, if managed successfully, also present opportunities, particularly as a firm with clear climate skills, strategy and ambition.

b) Modelling of climate risk and opportunities

The CCaSS team completed the quantitative climate analysis, localising for the firm the findings and methodologies from the analysis prepared for the EY network. For this assessment two key scenarios were considered:

- 'Net Zero' - a future where the world achieves the Paris Agreement's goal of limiting global warming to less than 2°C, ideally 1.5°C, as compared to pre-industrial levels by 2100. This scenario is aligned to the IPCC's SSP1-2.6 scenario; and
- 'Business-as-Usual' (BAU) - a future where no further action is taken on climate change beyond what has already been committed to by governments around the world, leading to 3.5° to 4.5°C of warming above pre-industrial levels by 2100. This scenario is aligned to the IPCC's SSP5-8.5 scenario.

The Net Zero and BAU scenarios were selected to understand the range of potential financial impacts under two significantly different futures. The scenarios allowed the firm to analyse both physical and socio-economic factors that could influence climate-related risks and opportunities in the future. Details on how physical and transition risks develop in both scenarios are outlined below:

Energy and carbon report

Strategy (continued)

Table 1: Characteristics of climate scenarios considered

	Physical Risks	Transition Risks and Opportunities
Net Zero (SSP1-2.6- RCP2.6)	<ul style="list-style-type: none"> Lower exposure to chronic and acute physical risks due to limited global warming Some residual risks remain (e.g. sea level rise) but are less severe than in a BAU scenario 	<ul style="list-style-type: none"> High exposure to transition risks due to policy, regulatory, and market shifts (e.g. carbon pricing, fossil fuel phase-out) to drive emission reductions Opportunities aligned to the shift to clean tech, energy efficiency, and low-carbon products and services
Business-as-Usual (SSP5-8.5- RCP8.5)	<ul style="list-style-type: none"> High exposure to physical risks due to increased frequency and intensity of extreme weather events, sea level rise, droughts, floods 	<ul style="list-style-type: none"> Low and fragmented exposure to transition risks due to limited policy action occurring unevenly across the globe

The financial effects of climate-related risks and opportunities were evaluated using current scientific models, data and relevant insights. This assessment employed the network's climate change risk assessment tool for evaluating physical risks and proprietary models for assessing transition risks and opportunities. Adjustments were made to the methodologies and underlying assumptions of these models to align them with the firm's specific business context.

The analysis evaluated risks across three distinct time horizons: short-term (2030), medium-term (2035), and long-term (2050). These time frames were selected to effectively capture the firm's exposure to physical and transition climate risks. The rationale for each time horizon is outlined below:

- **Short-term to 2030:** Addresses near-term operational risks to guide immediate policy changes and align with EY network's 2030 emission reduction target;
- **Medium-term to 2035:** Identifies future operational risks to inform updates to the future strategy; and
- **Long-term to 2050:** Assesses chronic changes in the underlying systems our business depends on, facilitating long lead-time decisions.

Results of the scenario assessment and individual climate-related risk drivers have been integrated into the firm's overall risk profile and are considered as required by the owners of relevant principal risks to inform their assessment and management of these risks. The risks identified are not considered to pose a material risk to the firm's business continuity in the short term, with ongoing monitoring and scenario analysis in place to periodically assess medium- and longer-term impacts.

Climate risk and opportunity summary results

The firm's climate risk and opportunities have been associated with risk ratings, as identified in Table 2, to reflect the risk or opportunity as a percentage of the firm's revenue, in alignment with the firm's risk rating framework, under each respective time period and climate scenario. Table 3 presents the results of the firm's assessment of the unmitigated financial impact of identified risks and opportunities.

Table 2: Climate risk and opportunity risk rating

Rating	Critical / Very High	High	Medium	Low	Very low
Impact on Revenue	>10%	5-10%	2-5%	0.1 - 2%	<0.1%

Energy and carbon report

Strategy (continued)

Table 3: Financial quantification results of current climate risk and opportunity risk assessment

ID.	Climate risk or opportunity	Risk description	Potential financial impact	BAU Results (GBP million)			Net Zero Results (GBP million)		
				2030	2035	2050	2030	2035	2050
R1	Physical risk: Chronic Heat	Increased temperatures leading to heightened risk to employee health and wellbeing	Impact on revenue due to staff wellbeing	Low	Low	Low	Low	Low	Very low
R2	Physical risk: Acute Flooding	Increased intensity, frequency and/or duration of flooding, impacting office buildings, public infrastructure and homes	Impact on revenue due to direct damage to assets	Very low	Very low	Very low	Very low	Very low	Very low
R3	Transition risk: Reputation - Climate	Real or perceived reputation damage due to a failure to meet self-imposed public climate targets	Impact on revenue to reduced client attraction	Very low	Very low	Very low	Low	Medium	Critical
R4	Transition risk: Reputation - Clients	Reputational damage from pursuing client engagements that are not aligned to EY net-zero goals	Impact on revenue to reduced client attraction	Very low	Medium	High	Medium	High	High
O1	Transition opportunity - Talent	Impact of EY's climate performance on the organization's ability to attract and retain talent given a preference to work for a climate-positive organization	Reduced operational costs due to higher staff retention	Medium	Medium	Medium	Medium	High	High
O2	Transition opportunity - Sustainability services	Increased revenues through sustainability-related products and services	Increase in revenue due to market share size and growth	Medium	Medium	High	Medium	High	High

Energy and carbon report

Strategy (continued)

Considering the geographic dispersion of sites, and nominal projected heat and flood related climate change impacts for those sites, the unmitigated financial assessment results for physical risks range from *Very low* to *Low*.

For some transition risks and opportunities (R3 and O1), the results are more significant under a Net Zero scenario compared to a business-as-usual (BAU) scenario, as the underlying drivers (stakeholder concern around climate performance, climate regulations and policy changes), are more significant. Under a Net Zero scenario R3 is quantified as *Critical* by 2050, reflecting expected heightened public concern and regulatory push for Net Zero commitments and performance. Similarly, O1 has a *High* rating in both 2035 and 2050, indicating the expectation that employees increasingly prioritise the climate performance of their workplaces in a Net Zero world.

However, drivers - specifically those related to increased stakeholder expectations around climate performance - remain relevant in both Net Zero and BAU scenarios in the latter decades, as seen with R4 being rated *High* in 2050 under both scenarios. Similarly, O2 holds a *High* rating in 2050 across both scenarios, highlighting the demand for sustainability-related services in both contexts. These risks and opportunities will continue to be monitored.

In the current reporting period, the quantitative risk and opportunity assessment methodology has been updated to reflect improved data granularity, including integrating the most up to date climate scenario datasets (e.g. NGFS, IEA), and better internal data availability, including for regional projections. These results reflect the firm's most evolved and mature quantifications to date.

Metrics, targets and net zero strategy

In January 2021 EY announced a global science-based decarbonization target and commitment to net zero, reducing absolute emissions by 40% across Scopes 1, 2 and 3 by FY25 (vs. FY19 baseline). In line with SBTi's validation of these targets, EY committed to review them against the latest criteria after five years.

To support this approach, the LLP developed a UK Net Zero Strategy comprising six key actions, and monitors progress against each of these (including emissions reduction targets determined by the global organisation) using key performance metrics. The firm achieved the following results during FY25:

1. Reduce air travel emissions by 36% by FY25 (vs. FY19 baseline):

*Scope 3 Air Travel Emissions (tCO ₂ e)					
FY19 (baseline)	Metric	FY25	FY24	FY23	FY22
69,286	Target (limit) vs. baseline	44,343 (-36%)	48,500 (-30%)	52,658 (-24%)	56,815 (-18%)
	Actual vs. baseline	38,036 (-45%)	35,143 (-49%)	25,472 (-63%)	8,209 (-88%)

These emissions targets (as limits) were integrated into performance scorecards alongside issuing 'carbon budgets' monthly reports, providing our teams with key data insights to enhance emissions monitoring, management and accountability.

** Targets and performance numbers in the table above are determined by Ernst & Young Global Limited (EY Global) as a sub-set of the global emissions reduction target and allocated / measured using a different methodology to that employed by EY LLP when reporting data in the 'UK LLP Greenhouse gas emissions (tCO₂e)' table below. The most material difference between the two approaches is EY Global's consolidation of air travel emissions by engagement country (i.e. management view), compared to the UK LLP's consolidation by traveller's home country (i.e. geographical view). This accounts for the difference between the air travel emissions data in the two tables.*

Energy and carbon report

Metrics, targets and net zero strategy (continued)

- 2. Reduce electricity consumption and ensure 100% of energy is backed by renewables certification**
FY25 electricity consumption fell by 23.9% vs. FY19 (baseline year). See 'Energy efficiency actions taken' section for activities relating to energy reduction. See 'Renewable energy' section for FY25 certification performance.
- 3. Ensure the UK Virtual Power Purchase Agreement delivers certified renewable energy to cover EY's consumption and helps to further decarbonise the UK energy sector**
Since October 2021, EY's 10-year fixed price UK Virtual Power Purchase Agreement ('VPPA') has been delivering triple bottom-line benefits, including zero carbon electricity certification for all of EY's UK needs, significant cost avoidance from energy market price volatility, wider decarbonisation of the national grid by providing additional renewable power to the sector, and natural capital gains from on-site biodiversity enhancements at a solar farm facility in Norfolk. In FY25, the VPPA generated 12,768 MWh of zero carbon power for the firm's operations, backed by OFGEM Renewable Energy Guarantees of Origin (REGOs).
- 4. Deploy internal tools to enable our people to calculate and reduce CO₂e from delivering their work**
During FY25, EY focussed on planning and implementation of tools to support sustainable choices in the workplace.
 - Implemented a meeting space navigator SharePoint tool to encourage internal use of meeting rooms and set up local hotel agreements with sustainable venues local to EY offices
 - Introduced an internal rail travel booking system linked directly to EY's expense claims system
 - Provision of instant assistance with travel, meetings and events via a TME chatbot which gives guidance on sustainable travel and choices
- 5. Ensure 75% of EY's suppliers (by spend) set Science Based Targets ("SBT") by no later than FY25**
EY has continued to monitor the % of suppliers by spend that have set a Science Based Target. We invited a range of suppliers to attend training and in addition, sourcing managers for categories including real estate have negotiated for SBT commitments to be included in contracts with suppliers and landlords.
- 6. Reduce the environmental impact of internal operations by delivering best-practice initiatives**
The firm has continued to work to focus on tackling waste, resource circularity and biodiversity issues from meetings and events during FY25. Tools and processes employed include:
 - Introducing a Sustainable Events Playbook to provide organisers with a checklist and planning tool, as well as tracking emissions from new meetings and events activities including production and catering
 - Implementing a sustainability scorecard rating event venues based on their environmental credentials, ensuring bookers can make more informed, sustainable choices when selecting a host venue

During EY's Entrepreneur of the Year program and at various partner and client events throughout FY25, initiatives included: minimising food waste by collaborating with [Plan Zeroes](#); sending 0% waste to landfill; donating the equivalent of 3,192 meals to [The Felix Project](#), using local seasonal, dried and paper flower arrangements which in turn were donated to hospitals, retirement homes and hospices via charity partner [Floral Angels](#); donating used red carpet to a local animal shelter.

Launched in early 2025, the new [EY Global Environment Strategy](#) builds on the previous carbon ambition and progress already made, by evolving our environmental plans in line with current standards and frameworks. It meets current guidelines for net zero, including both a near-term target to halve emissions by FY30, and deep, sustained emissions reductions over time to achieve net zero by FY50 (90% GHG emissions reduction), both against an FY19 baseline. The UK firm is currently developing a specific Environment Strategy designed to support and align with our global ambition. We expect ratification of the UK approach in FY26 Q2.

Energy and carbon report

Metrics, targets and net zero strategy (continued)

EY also measures levels of employee engagement and satisfaction with actions it is taking to address environmental issues. Latest survey results (available July 2025) returned the following responses vs. FY24:

Global People Survey: sustainability-related responses (UK only)	Unfavourable		Neutral		Favourable		Total	
	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25
I feel good about the extent to which EY is reducing our impact on the environment	7%	7%	36%	35%	57%	58%	100%	100%
I have the information and resources I need to understand EY's environmental sustainability ambition	13%	10%	28%	25%	59%	65%	100%	100%
EY enables me to take part in activities that make a positive impact on our wider communities and the environment	8%	8%	20%	19%	71%	73%	99%	100%

GHG emissions and energy data

The firm has used the financial control approach to identify the GHG emissions / energy consumption for which we have responsibility, 100% of which occurred in the UK and offshore area:

EY LLP Group energy consumption (kWh)	2025	2024	2023	2022	2021
Gas combustion	2,859,948	2,788,068	2,819,980	2,701,159	3,492,860
Purchased electricity	15,709,352	15,439,884	16,745,845	16,131,841	13,363,343
Transport fuel*	2,867,755	2,807,781	2,981,054	1,802,178	326,588
Total energy consumption	21,437,055**	21,035,733	22,546,879	20,635,178	17,182,791

* Fuel used in personal cars on business use for which the firm reimburses its employees following claims for business mileage.

** Data has been subject to external assurance.

Energy and carbon report

GHG emissions and energy data (continued)

EY LLP Group Greenhouse gas emissions (tCO _{2e})		2025	2024	2023	2022	2021	Global net zero ambition	
Scope 1	Natural gas - consumption	0	0	0	0	0	Yes	
	Biogas - consumption	1	1	1	1	1	Yes	
	Diesel for generators - consumption	0	0	0	0	0	Yes	
	Fugitive emissions (refrigerants)	419	436	465	456	972	No	
	Scope 1 total	420**	437	466	457	973		
Scope 2	Electricity - generation	2,781	3,197	3,468	3,120	2,837	Yes	
	Scope 2 (location-based) total	2,781**	3,197	3,468	3,120	2,837		
	Scope 2 (market-based) total	0**	0	0	0	302		
Scope 3	Cat. 1: Purchased goods & services - paper	19	17	14	9	8	No	
	Cat. 2: Capital goods	Not quantified						No
	Cat 3: WTT - Natural gas	0	0	0	0	0	Yes	
	Cat 3: WTT - Biogas	358	349	353	338	438	Yes	
	Cat 3: WTT - Diesel for generators	0	0	0	0	0	Yes	
	Cat 3: Electricity - transmission and distribution	291	283	300	285	251	Yes	
	Cat 3: WTT - Electricity generation	721	709	769	746	739	Yes	
	Cat. 3: WTT - Electricity transmission & distribution	62	61	66	68	65	Yes	
	Cat 4: Upstream transportation and distribution	Not quantified						Yes
	Cat. 5: Waste generated (solid waste treatment)	3	3	11	8	5	Yes	
	Cat. 5: Water supply	8	6	7	Not quantified			No
	Cat. 5: Water treatment	6	7	8	Not quantified			No
	Cat. 6: Business travel - air	24,596	38,788	46,514	21,660	106	Yes	
	Cat. 6: WTT - business travel - air	4,988	4,770	5,720	2,372	12	Yes	
	Cat. 6: Business travel - rail	575	507	329	145	4	Yes	
	Cat. 6: WTT - business travel - rail	146	128	83	37	1	Yes	
	Cat. 6: Business travel - road	886	884	1,004	671	94	Yes	
	Cat. 6: WTT - business travel - road	231	230	261	174	25	Yes	
	Cat. 7: Employee commuting	2,576	1,423	Not quantified				Yes
	Cat. 7: Homeworking (office equipment + heating)	5,554	7,619	7,883	7,604	11,993	Yes	
	Cat. 8: Upstream leased assets	Not relevant						No
	Cat. 9: Downstream transportation and distribution	Not relevant						No
	Cat. 10: Processing of sold products	Not relevant						No
Cat. 11: Use of sold products	Not relevant						No	
Cat. 12: End-of-life treatment of sold products	Not relevant						No	
Cat. 13: Downstream leased assets	Not relevant						No	
Cat. 14: Franchises	Not relevant						No	
Cat. 15: Investments	Not relevant						No	
Scope 3 total	41,020**	55,784	63,322	34,117	13,741			
Total gross location-based GHG emissions (Scopes 1+2+3)		44,221	59,419	67,256	37,694	17,551		
Total gross market-based GHG emissions (Scopes 1+2+3)		41,440	56,222	63,788	34,574	15,016		

Emissions relating to any natural gas consumption are reported on a 'Gross Calorific Value' basis

** Data has been subject to external assurance.

Energy and carbon report

GHG emissions and energy data (continued)

Whilst the table 'EY LLP Greenhouse gas emissions (tCO₂e)' identifies the emission types included in the EY Global carbon ambition, the air travel data it shows represents a wider reporting boundary than the data shown in the table 'Scope 3 Air Travel Emissions (tCO₂e)' on page 59. The latter is used to determine the UK firm's contribution to achieving EY's science-based target.

The firm uses a financial emissions intensity metric as business travel represents most of the carbon footprint. In addition, the firm uses an energy emissions intensity metric to indicate the energy efficiency of the real estate:

Carbon intensity ratios (tCO ₂ e)		2025	2024	2023	2022	2021
Total Gross Scopes 1 + 2 + 3 per £m revenue	Location-based	11.70	16.05	17.91	11.67	6.37
	Market-based	10.96	15.19	16.99	10.71	5.45
Total Gross Scopes 1 + 2 per m ² floorspace	Location-based	0.031	0.035	0.037	0.031	0.035
	Market-based	0.004	0.004	0.004	0.004	0.012

Financial emissions intensity (tCO₂e per £m) fell in FY25. The primary reason for this was due to a decrease in GHG emissions conversion factors for air travel within the 'UK Government Conversion Factors for Company Reporting (Year: 2025, Next publication date: June 2026, Version 1.0) - DESNZ / DEFRA' - 'Business travel - air' and 'WTT - business travel - air' categories. However, we also remained focussed on delivering against our published emissions targets to FY25 as part of our UK Net Zero Strategy (see point 1. of 'Metrics, targets and net zero strategy'). In addition to continuing to allocate internal air travel 'carbon budgets' to all business functions, and monitoring of performance by our UK Environmental Sustainability Committee, EY implemented additional tools to support sustainable travel choices in the workplace. Please refer to point 4. of 'Metrics, targets and net zero strategy' for further details.

Emissions intensity from energy consumption (tCO₂e per m²) decreased by 12% in FY25 compared to FY24 - please refer to 'Energy efficiency actions taken' section below for details. The proportion of energy backed by renewables certification remained at 100%.

Methodology

We have measured and reported our greenhouse gas emissions (GHG) using the following guidelines, protocols, conversion factors and global warming potential (GWP) values:

- i. HM Government, Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, March 2019 (Updated Introduction and Chapters 1 and 2)
- ii. WRI / WBSCD The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), March 2004
- iii. WRI / WBSCD The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard, September 2011
- iv. UK Government Conversion Factors for Company Reporting (Year: 2025, Next publication date: June 2026, Version 1.10 - DESNZ / DEFRA)
- v. WRI / WBSCD The Greenhouse Gas Protocol: Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard, 2015
- vi. Antithesis: Estimating Energy Consumption & GHG Emissions for Remote Workers Whitepaper, February 2021
- vii. IEA: Emissions Factors 2024 — Annual GHG emission factors for World countries from electricity and heat generation (September 2024)
- viii. IEA: Energy Statistics Data Browser (10 June 2025)
- ix. Commuting mode share (%) for each transport (EY Global Commuting Survey)
- x. Average commuting distance for each transport mode (EY Global Commuting Survey)

Further details are available via the firm's website and latest UK Impact Report.

Energy and carbon report

Methodology (continued)

For offices where primary energy consumption data was not available (due to delays in receiving billing data from energy suppliers or landlords), estimates were derived based on energy consumption for that same site in the previous month or calculated using a 'kWh per m²' metric in comparable EY locations.

To apportion electricity consumption for More London Place between Ernst and Young LLP and EYGS LLP, consumption has been calculated as a percentage of the total energy consumption in MLP to provide a usage intensity in kWh/m².

The usage intensity (i.e. 7.9%) for Global has then been adjusted to account for other factors such as energy used solely by the UK firm in specific areas of MLP.

Renewable energy

When reporting location-based emissions related to electricity consumption, the appropriate years' DESNZ / DEFRA' UK grid average emissions conversion factor was applied to all electricity purchased, including those from renewable sources, non-renewable sources and those where the source is unconfirmed e.g. some landlord-supplies. Market-based emissions are calculated using a zero emissions factor for all certified renewable tariff electricity, plus non-renewable tariff electricity offset using OFGEM REGOs generated through the VPPA. For any other electricity consumption, the appropriate country-specific (i.e. GB) 'residual mix' conversion factor was used.

Through a combination of Renewable Energy Guarantees of Origin (REGO) certificates received via the firm's VPPA, renewable energy supplied by landlords and the firm's continued purchase of renewable biogas, 100% of the firm's energy consumption in FY25 was backed by renewables certification.

Data assurance

The 2025 Greenhouse gas (GHG) emissions and energy data provided in this report and as identified above has been reviewed on a limited assurance basis by BDO LLP. The process was conducted in accordance with International Standard on Assurance Engagements 3000 (Revised) (ISAE 3000) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements 3410 (ISAE 3410) Assurance Engagements on Greenhouse Gas Statements.

For full details of the scope of their review and final assurance opinion, please visit the firm's UK website.

Energy efficiency actions taken

FY25 electricity consumption increased by 1.7% (269,468kWh) vs. FY24. This is based on 98% actual data (i.e. meter reads) with 2% estimated consumption.

The reporting period saw a notable uplift in the occupancy levels of UK offices compared to the previous year - notably at our largest office (More London Place) where building occupancy increased by 9%. However, FY25 consumption per head (i.e. kWh / FTE) at this site actually decreased by 1.3%. As the lease end date for this site approaches, we will consider utilising ground / air source heat pumps to reduce energy consumption beyond that already achieved, following previous lighting, plant and equipment upgrades.

Short-term opportunities for implementing further energy efficiency measures across the UK estate are somewhat limited, as most HVAC plant servicing buildings where our offices are located is owned and operated by the landlord. However, we remain committed to reducing energy consumption wherever possible and will upgrade to low-energy LED lighting in our Bristol and Luton offices during 2025.

Energy and carbon report

Energy efficiency actions taken (continued)

In July 2024, our Cambridge office relocated to state-of-the-art premises in Cambridge Square, with our Leeds operations moving to a new low-energy site in Wellington Place in September - the latter having building-specific energy targets and performance monitoring in place. And our third largest UK office (Birmingham) will move to new energy-efficient premises. We therefore expect to see reduced energy consumption for these UK offices during FY26.

Additional voluntary reporting activities

The firm voluntarily reports a full carbon emissions inventory on an annual basis. This is available via our website and latest UK Impact Report.



Anna Anthony
Designated member
24 October 2025

A list of the members of the LLP can be found on the Companies House website.