

CONSOLIDATED ANNUAL REPORT

and Financial Statements for the period
from 1 April 2024 to 31 December 2024



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Directors:

Richard Denton (Chair)
Boley Smillie (Chief Executive Officer) (resigned 13/01/2025)
Steve Sheridan (Chief Executive Officer, formerly Chief Financial Officer)
Tracey Le Cheminant (People & Culture Director) (appointed 13/01/2025)
Niall Mc Swiggan (Chief Financial Officer) (appointed 13/01/2025)
Neil Pailing (Chief Information Officer) (appointed 13/01/2025)
Chris Carter (Non-Executive)
Jane St. Pier (Non-Executive)
Paula Williams (Non-Executive)
Peter Shaefer (Non-Executive) (resigned 30/09/2024)
Mark Dunster (Non-Executive) (resigned 30/09/2024)

Auditor:

Deloitte LLP
Regency Court
Gategny Esplanade
St Peter Port
GUERNSEY
GY1 3HW

Registered office:

Envoy House
La Vrangue
St Peter Port
GUERNSEY
GY1 1AA

Company Number: 38693



CHAIRMAN'S STATEMENT

I am pleased to present this Annual Report for Guernsey Post Limited, covering the nine-month period ended 31 December 2024. This shortened reporting period reflects the alignment of our financial year-end with that of our shareholder, the States of Guernsey.

During this transitional period, the Group has remained focused on delivering reliable services, managing operational pressures, and investing in long-term sustainability. As our transformation programme continues to progress, I am encouraged to report an improvement in financial performance, with losses reduced to £0.5 million for the period.

Nonetheless, the financial environment remains challenging. The business continues to face several strategic headwinds, including structural changes in the postal sector, intensifying competition, rising operational costs, and evolving customer expectations. These pressures underscore the importance of maintaining a clear strategic direction and a long-term vision to ensure Guernsey Post remains resilient, customer-centric, and financially sustainable.

LEADERSHIP AND ORGANIZATIONAL CHANGE

During the reporting period, Boley Smillie stepped down as Chief Executive of Guernsey Post to assume the role of Chief Executive and Head of the Public Service for the States of Guernsey. Boley joined the company in 1991 and served as Chief Executive from 2010. Under his leadership, Guernsey Post evolved from a traditional letter-based service into a diversified parcel delivery business. He successfully guided the company through several major challenges, including the removal of Low Value Consignment Relief, the reform of the Company Pension Scheme, and the operational and financial impacts of the COVID-19 pandemic. The Board extends its sincere appreciation to Boley for his dedication, leadership, and valuable contributions throughout his tenure, and wishes him continued success in his new role.

Effective 2nd January 2025, Steve Sheridan was appointed Chief Executive Officer. Steve previously served as Chief Financial Officer and has played a key role in the company's financial and strategic planning. Steve is known for his collaborative leadership style and focus on innovation, and his priorities as CEO include enhancing operational efficiency, expanding e-commerce services, and driving digital transformation. His deep understanding of the business and its community role positions him well to lead Guernsey Post into its next phase.

The Board also acknowledges the planned retirement of two long-serving non-executive directors, Mark Dunster and Peter Schaefer. Mark has provided valuable legal and governance expertise, while Peter brought international commercial experience and strategic insight. The Board thanks both Mark and Peter for their dedicated service and significant contributions to Guernsey Post.

We are delighted to welcome Niall Mc Swiggan, Neil Pailing, and Tracey Le Cheminant to the Board as Executive Directors. Their appointments mark an important step in strengthening the Board's capabilities, bringing experience and complementary skills that will be instrumental in supporting our business transformation programme, the delivery of our future strategic ambitions, and providing strong support to the CEO. We are confident that their leadership will help drive meaningful progress and lasting impact across the organisation.

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MARKET CONTEXT AND INDUSTRY CHALLENGES

The postal sector continues to undergo significant structural change, both locally and globally. Guernsey Post, like many operators, is responding to a sustained decline in traditional letter volumes, a trend mirrored in the UK, where addressed mail fell by 9% again last year. This ongoing shift has necessitated a strategic realignment, with a greater focus on parcels delivery and logistics services, to meet changing customer demands and ensure long-term sustainability.

At the same time, parcel volumes have continued to grow. However, this growth is accompanied by increasing competition and pressure on margins, as revenues have not kept pace with volume increases.

Customer expectations are evolving rapidly, with increasing demand for faster, more flexible delivery options and greater transparency in pricing and service. In response, Guernsey Post has introduced a range of service innovations aimed at meeting these changing needs. These developments form part of our broader strategy to continually enhance service quality, improve customer experience, and ensure our offerings remain relevant in a dynamic market.

UNIVERSAL SERVICE OBLIGATIONS AND REGULATORY FRAMEWORK: A STRATEGIC PRIORITY

As the designated provider of the universal postal service across the Bailiwick, Guernsey Post plays a vital role in supporting the island's social and economic wellbeing. This responsibility is central to our public service mission and underpins our commitment to island-wide service coverage.

In light of sustained pressures—driven by well-documented shifts in market dynamics, digital transformation, and rising operational costs—we are actively reviewing the scope and sustainability of our universal service obligations and the regulatory framework that governs them. This review is essential to ensure these obligations remain fit for purpose, financially sustainable, and capable of supporting the long-term resilience of postal services for all islanders.

Guernsey Post remains committed to evolving in step with the changing needs of our customers, our community, and the broader postal and logistics landscape. The pace of change presents both challenges and opportunities, and our ability to adapt will be critical to our future success.

NETWORK CHANGES

In 2024, Royal Mail withdrew funding for the dedicated mail aircraft service that had historically transported Guernsey's mail. This prompted a significant operational shift for Guernsey Post, requiring a swift and effective response to safeguard service continuity.

To ensure uninterrupted delivery for customers, Guernsey Post implemented a revised logistics model. Outbound mail is now transported via a newly secured charter flight, while inbound mail operations have been successfully integrated into our new Portsmouth parcel hub. This transition has allowed us to streamline operations and align mail handling more closely with our growing parcel logistics network.

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To support the growth in e-commerce and the launch of myUKaddress, Guernsey Post opened a new parcel hub in Portsmouth in May 2024. This facility has streamlined cross-Channel logistics by consolidating parcels for Guernsey and reducing handling times.

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While the change represented a departure from long-standing arrangements, our priority throughout has been to maintain reliable service for the island. The revised transport model is now operating effectively and is expected to deliver long-term benefits in terms of efficiency, resilience, and integration with our broader logistics strategy.

INNOVATION IN E-COMMERCE SERVICES

In October 2024, we launched myUKaddress, a new service providing Guernsey customers with a UK-based delivery address. This enables access to a wider range of online retailers, many of whom do not deliver directly to the Channel Islands. The service to users has seen strong uptake, with approximately 25% of Guernsey households registered to date.

To complement this, we introduced the RockShopper Online Directory, a curated platform that helps identify Local, UK and International Retailers offering delivery to the Bailiwick either directly or via our myUKaddress service. It offers guidance on delivery charges, VAT treatment, and return policies, enhancing the online shopping experience for island residents.

These initiatives were developed in response to customer feedback and align with our broader digital transformation strategy, reinforcing Guernsey Post's commitment to serving the unique needs of its island community as a trusted logistics partner.

CHAIRMAN'S STATEMENT (continued)

OPERATIONAL ENHANCEMENTS

To support the growth in e-commerce and the launch of myUKaddress, Guernsey Post opened a new parcel hub in Portsmouth in May 2024. This facility has streamlined cross-Channel logistics by consolidating parcels for Guernsey and reducing handling times.

At Envoy House, our £1.8 million investment in a high-capacity parcel sorting machine is now delivering measurable benefits. With the ability to process 6,400 parcels per hour, it has significantly improved efficiency and strengthened operational resilience.

These developments reflect our broader strategy to modernise infrastructure, enhance logistics capabilities, and meet the evolving needs of our personal and business customers.

ENVIRONMENTAL AND COMMUNITY INITIATIVES

Guernsey Post remains committed to reducing its environmental impact and supporting the local community through a range of targeted initiatives:

This year, we deepened our collaboration with EVie, reinforcing our shared commitment to promoting greener transport solutions across the island. By providing operational support and engaging directly with the community, we helped raise awareness of more sustainable travel options. This partnership is a key part of our broader environmental strategy and reflects our dedication to reducing our carbon footprint while supporting organisations that share our vision for a cleaner, more sustainable Guernsey.

Alongside our environmental efforts, we remained actively involved in supporting local charities and community initiatives. We were proud to work closely with the Saffery Rotary Walk, Les Bourgs Hospice, and GROW, offering hands-on assistance, promoting their missions, and sharing access to our resources and facilities. We also supported the Guernsey Welfare Service and helped bring festive spirit to the island by contributing to the delivery of the St Peter Port Christmas Lights.

These partnerships go far beyond financial support, they are built on meaningful collaboration and a shared commitment to making a lasting, positive impact in our community.

LOOKING AHEAD

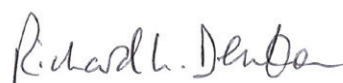
Guernsey Post's strategy is centred on building a resilient, customer-focused, and financially sustainable business that continues to deliver essential services while adapting to a rapidly evolving market. As traditional mail volumes decline and competition in the parcel sector intensifies, we are proactively reshaping our business model to ensure long-term viability.

In parallel, the Board is actively working to formalise Guernsey Post's strategy for 2025 and beyond under a revised vision and mission. This refreshed strategic framework will provide clear direction for the next phase of our transformation and will be published in the latter half of 2025.

Our focus is on diversifying revenue streams, improving operational efficiency, and investing in service innovation. We are strengthening our logistics and transport capabilities to meet growing demand and support greater independence and flexibility in how we operate. At the same time, we are modernising our retail services to enhance customer convenience and reduce costs through digital platforms and out-of-store access.

We are also undertaking a planned restructuring of the business and implementing necessary workforce changes to align with our future operating model. These changes are being approached with a strong commitment to open and constructive engagement with our union partners. We are proud of the positive and proactive relationships we have built, which are helping to ensure that change is managed responsibly, respectfully, and with a shared focus on long-term sustainability.

Ultimately, our success depends on our people. By fostering a culture of adaptability, collaboration, and customer focus, we aim to build a business that is not only fit for the future but also continues to deliver meaningful value to the island. On behalf of the Board, I would like to thank all Guernsey Post employees for their professionalism, dedication, and resilience. Their continued efforts are instrumental in helping us uphold our role as a reliable and responsive service provider for the community.



R Denton, Chairman

11/08/2025

Business Review for the Period

OUR RESULTS

Guernsey Post Limited reported an operating loss of £0.5m for the nine month period ended 31 December 2024 ("the Period"), which compares to a prior year operating loss of £1.1m in the 12 month period ended 31 March 2024 ("Prior Year").

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Turnover for the 9-month period was £29.1m, compared to £38.0m for the 12-month period ending 31 March 2024.

Expenditure for the 9-month period was £29.7m, compared to £39.2m for the 12-month period ending 31 March 2024.

Direct costs, associated with servicing revenues were £13.7m for the 9-month period, compared to £18.8m for the 12-month period ending 31 March 2024.

Total staff related expenditure for the period was £12.3m, compared to £15.7m for the 12-month period ending 31 March 2024. The number of reported full-time equivalent employees as at 31 December 2024 was 264.

Depreciation costs of £0.7m and amortisation of goodwill (related to the subsidiary HR Air Ltd) of £0.3m in the period.

Loss on ordinary activities before Taxation / Loss for the financial period was £0.5m, compared to £1.1m for the 12-month period ending 31 March 2024.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The Group continues to operate with a strong Balance Sheet and a healthy liquidity position. Shareholders' funds were £22.5m, a decrease of £0.5m in the period.

At the period end, the Group reported a cash balance of £3.0m (31 March 2024: £4.5m), alongside separate short-term investment balances held with States Treasury of £0.05m (31 March 2024: £2.2m) and £7.8m (31 March 2024: £5.6m) of other current assets, supported by a £16.9m (31 March 2024: £17.4m) fixed assets base.

Reported current liabilities and provisions were £5.2m (31 March 2024: £6.7m), the primary balance being the amount owed to Royal Mail of £1.0m (31 March 2024: £1.3m).

CONSOLIDATED STATEMENT OF CASH FLOWS

The Group had net outward cash movements of £3.7m during the period (prior year cash outflow of £2.1m), with net cash outflow from operations contributing £3.4m in the period (prior year cash generation; £0.9m).

Capital spend in the period was £0.4m (prior year: £3.4m), the reduction is due to investment in the parcel automation machine and the redevelopment of our postal headquarters, Envoy House in the prior year.

OPERATIONAL SUMMARY

The total number of mail items handled during the period was approximately 25.7m representing a decline of 4% on the same period in the prior year. The Group continue to see growth in inward parcel volumes offsetting declines in traditional letter mail.

Total outward mail was down 6% on the same period in the prior year, primarily due to a decrease in outward bulk mail volumes.

BOARD PROFILE



Richard Denton
CHAIR

Richard has over 30 years' experience of leading UK and international subsidiaries of four major banking groups. Subsequently, he became CEO of a specialist family office business, managing property developments and acquiring companies. Richard now leads his own consultancy, a business coaching business, a cyber security business and has a range of international Non-Executive Director positions.

Locally he has chaired the Guernsey Banking Deposit Compensation Scheme and was a Non-Executive Director of Guernsey Electricity. He has been a National Council Member for the Institute of Directors, representing the international branches.

Richard holds an MBA with distinction from Warwick University; is an Associate of the Institute of Bankers; a Chartered Member of the Institute of Securities and Investments and a Member of the Society of Trust and Estate Practitioners. He has also recently achieved the Henley Certificate in Executive Coaching and is a Chartered Director of the Institute of Directors.



Boley Smillie
FORMER CHIEF
EXECUTIVE OFFICER

Born and raised in Guernsey, Boley Smillie joined Guernsey Post Limited in 1991 from his secondary education at La Mare de Carteret School. The subsequent years saw him gain a wide range of experience in different roles, rising through the ranks of the Company. Boley became Operations Director in 2007 and was appointed as an Executive Director in April 2010. In September 2010, Boley was promoted to the role of Chief Executive.

During his time as Chief Executive, Boley has successfully led the Company through a number of significant challenges, ranging from the consequential impact of the abolition of low value consignment relief, to the restructuring of the business designed to maximise the

growth opportunities in e-commerce. Boley has added to his hands-on experience by undertaking a number of professional qualifications in marketing, business and finance.

In 2021, Boley led negotiations on the acquisition of the freight and logistics business, HR Air Ltd, a significant milestone in Guernsey Post Limited's diversification strategy. Boley was subsequently appointed as a Director of HR Air Limited.

Boley is also the Non-Executive Chair of Guernsey Mind and an advisor on the Guernsey Ports Board.

Boley resigned from Guernsey Post on 13/01/2025 following his appointment as Chief Executive and Head of the Public Service in Guernsey.



Steve Sheridan
CHIEF EXECUTIVE
OFFICER, FORMER
CHIEF FINANCIAL
OFFICER

Steve Sheridan was appointed Chief Executive Officer of Guernsey Post Limited in January 2025, bringing over 25 years of financial and commercial leadership experience to the role. His appointment follows a decade of service on the company's Board and a successful period as Chief Financial Officer, during which he played a pivotal role in shaping the organisation's strategic and operational direction.

As CEO, Steve leads Guernsey Post through a period of significant transformation within the postal and logistics sector. He is responsible for driving the company's long-term strategy, with a focus on operational resilience, digital innovation, and sustainable growth. His leadership is centred on ensuring the business remains agile and customer-focused, while adapting to evolving market demands and regulatory developments.

Steve's background spans senior roles in the insurance, fiduciary, banking, and commercial sectors. He qualified

as an accountant in 2004 and has extensive expertise in financial management, business transformation, and strategic delivery. At Guernsey Post, he has overseen several major initiatives, including the reform of the company's pension scheme, the electrification of the delivery fleet, the acquisition of HR Air Ltd., and the implementation of automated parcel sortation technology.

He is also a Director of HR Air and a member of the Institute of Directors, holding a Diploma in Company Direction. Steve brings a strong governance perspective to his role and is committed to leading Guernsey Post with integrity, transparency, and a clear focus on delivering value to customers, employees, and the wider community.



Tracey Le Cheminant
PEOPLE & CULTURE
DIRECTOR

Tracey joined Guernsey Post in 2002 as part of the Customer Services team before starting her career in Human Resources in 2008.

Tracey is an experienced and strategic Human Resources leader, overseeing all HR functions across the Guernsey Post Group with a strong focus on employee engagement, workplace policies, and organisational development. With a deep commitment to fostering a positive and inclusive work culture, Tracey ensures that the company's people-centric strategies align with business goals while prioritising employee wellbeing and professional growth.

With expertise spanning performance management, leadership and development strategies, succession planning, and incentivisation development, Tracey drives initiatives that enhance staff potential and organisational resilience. Her hands-on approach to dispute resolution, industrial relations, and policy

development ensures that the company maintains fair and constructive workplace practises.

As a trained workplace mediator, Tracey is adept at managing complex employee relations matters, facilitating resolutions that foster collaboration and productivity. Her background in communications, coaching, and wellbeing strategies enables them to develop frameworks that support both personal and professional growth.

Beyond fostering a strong corporate culture, Tracey leads initiatives in recruitment and selection, health and safety compliance, and internal communications, ensuring that the company maintains a high-performing and engaged workforce. Her ability to integrate strategic HR solutions with business needs continues to strengthen the company's operations, creating an environment where employees thrive.



Niall Mc Swiggan
CHIEF FINANCIAL
OFFICER

Niall was appointed Chief Financial Officer of Guernsey Post in 2025, having joined the organization as Head of Finance in 2020. He brings over a decade of financial leadership experience in both international and local markets.

Born and educated in Guernsey, Niall qualified as a Chartered Certified Accountant in 2012 with KPMG, where he gained extensive experience in financial management both locally and during several years with the firm's Hong Kong and Abu Dhabi offices.

Since joining Guernsey Post, Niall has led the Finance function, overseeing financial planning, reporting, and governance. As Chief Financial Officer, he is responsible

for the company's overall financial strategy, capital structure, and risk management. He also serves as Company Secretary.

Niall has played a key role in several major business initiatives, including leading the redevelopment of Envoy House as part of the Parcel Automation project, and launching on-demand electric vehicle rental services in partnership with EVie.

Niall is a Fellow of the Association of Chartered Certified Accountants and a member of the Institute of Directors, holding a Diploma in Company Direction.



Neil Pailing
CHIEF INFORMATION
OFFICER

Neil joined the Board of Guernsey Post as Chief Information Officer in January 2025, bringing with him over two decades of experience in IT leadership, digital transformation, and risk management across both public and private sectors.

Since joining Guernsey Post in 2017, Neil has led the organisation's IT and digital change function and has delivered strategic projects including the implementation of automated parcel sortation.

As CIO, Neil is responsible for IT strategy, cybersecurity and organisational risk management. He oversees all aspects of the IT function, as well as project delivery.

Neil previously held senior roles at the Guernsey Financial Services Commission where he led regulatory risk initiatives and major IT transformation programmes. He began his career in software consulting and project delivery for multinational clients in the consumer goods sector.

Neil holds a Master's degree in Mechanical Engineering from the University of Warwick and is a Certified Information Systems Security Professional (CISSP). He also holds a Diploma in Company Direction from the Institute of Directors and several project and leadership qualifications.



Chris Carter
NON-EXECUTIVE

Chris has over twenty years' experience in Commercial Trading, Marketing, Customer Experience and strategy roles. Having initially worked for Havas Advertising Group in London developing brand and marketing strategies for Tesco, Diageo and PepsiCo Britvic, Chris moved to Guernsey and joined Specsavers in 2013 where he held several leadership roles before joining the UK & Ireland operating board as Trading Director in 2018 with responsibility for all marketing, product, and pricing.

As a regular contributor to industry publications and former executive committee member of the Incorporated Society of British Advertisers (ISBA), Chris has also been actively involved in industry wide projects to redefine digital marketing measurement, champion inclusivity, and improve the sustainability of the marketing industry. Chris holds the IOD certificate in Company Direction and recently moved to a new position within the Specsavers group, leading the Brand and Business Growth agenda for Newmedica, providing ophthalmology services across the UK.

BOARD PROFILE



Jane St Pier
NON-EXECUTIVE

Jane is a chartered accountant by profession, training with Price Waterhouse in London, and then working with them in audit, assurance and management consultancy roles. She moved to Guernsey in 1995 working in the trust and fiduciary sector. She has been a non-executive director for the last 15 years, with experience in a range of Guernsey and UK organisations. Locally, she co-founded Young People Guernsey, the charity behind The HUB, and was subsequently chair of the Youth Commission for Guernsey and Alderney for six years.

Jane is currently Chair of the Convenor and Tribunal Board, an independent body which is a vital part of the child welfare system in the Bailiwick; and is also a non-executive director of Guernsey Community Foundation, and the Guernsey Chamber of Commerce. Earlier this year she co-founded At Home in Guernsey, the first charity in Guernsey specifically offering support to those who find themselves at risk of homelessness in the Bailiwick and is the charity's chair. Jane has an MSc in Corporate Governance and is a member of the Chartered Governance Institute for UK and Ireland, and a Fellow of the Institute of Chartered Accountants in England and Wales.



Paula Williams
NON-EXECUTIVE

Originally from New Zealand, Paula and her family moved to Guernsey in 2012. As an experienced Management Consultant, Paula has over 20 years of experience in business transformation in London, Australia, New Zealand and Guernsey. Paula has an MBA in Strategic Management from Henley Business School, the Institute of Directors Diploma in Company Direction and experience working with businesses to improve company performance.

Paula has been a Non-Executive Director for 6 years for the Channel Islands Co-operative Society and President for 30 months. As Managing Director for Island Consortium, Paula is actively involved in working with other businesses to meet their regulatory training requirements. In her spare time, Paula is also Chair of the Bailiwick of Guernsey Scout Association, which won the Queens Award for Voluntary Service in 2019.



Mark Dunster
NON-EXECUTIVE

Advocate Dunster is a partner at Carey Olsen specialising in litigation, compliance and financial regulatory matters. He undertakes a wide variety of commercial and civil litigation work and advises institutions on regulatory matters, including anti-money laundering, data protection, employment law, e-Gambling and renewable energy.

In 1994, Mark was called as a barrister and practised in London before returning to his native Guernsey, where he qualified as an advocate in 1997. He has been a partner at Carey Olsen since 2001 and became a Notary Public in 2006.

Mark acts as both an executive and non-executive director on a number of Guernsey (and non-Guernsey) companies in sectors as wide as trust and fiduciary services, electronic gaming, credit card payment processing, commercial real estate and investment holding.

Mark is the past Chair of the Guernsey Association of Compliance Officers and the former Chair of the Guernsey Bar Association.

Between 2004 and 2008, Mark was a member of Guernsey's Health and Social Services Department. He was formally Connétable of St Pierre du Bois and is now a Douzenier for that Parish.

Mark has a breadth of commercial experience with some very large and complex organisations. This experience includes reviews of corporate governance structures, developing strategy and evaluating the deployment of capital and resources between competing opportunities. He holds the Institute of Directors Chartered Director status.

Mark resigned from Guernsey Post on 30/09/2024.



Peter Shaefer
NON-EXECUTIVE

Born and raised in the North West of England, Peter has worked and lived in many jurisdictions including Holland, Switzerland, France and Guernsey. He is a Member of the Chartered Institute of Public Finance and Accountancy and the Institute of Directors and holds a degree in Geology with Industrial Management from the University of Liverpool. He currently holds a number of executive and non-executive positions, CEO of La Perla (global fashion and beauty business) and is Chair of Guernsey Electricity Limited.

Peter has had enjoyed a varied career, including:

- The global beauty company, Coty Inc, which he joined in 2000 and culminated in his appointment as Senior Vice President of Business Transformation in 2014 with responsibility for overseeing a company-wide reorganisation and restructuring programme. His previous roles with Coty Inc included CFO Europe and Asia and

Senior Vice President, Business Development, with responsibility for Mergers & Acquisitions and accelerating international development.

- Japan Tobacco International, undertaking a number of roles across the globe, including General Auditor and Senior Finance Director.
- The oil industry, working in a variety of finance and audit roles;
- The Audit Commission, where he qualified as a Chartered Accountant.

Peter's skills include managing strategic change and international development, project management, corporate governance, risk management, developing business and financial strategy and financial planning and analysis.

Peter resigned from Guernsey Post on 30/09/2024.

Corporate Governance Report

COMPLIANCE

Guernsey Post Limited's corporate governance arrangements are based on the proportionate application of good practise principles in corporate governance, predominantly those contained within the UK Corporate Governance Code published in January 2024 ('the Code'), where relevant. Guernsey Post Limited is committed to the development of a sustainable and profitable business that benefits all stakeholders, which includes achieving the highest standards of corporate governance for our Shareholder, the States of Guernsey.

Guernsey Post Limited has signed a Memorandum of Understanding with the States' Trading Supervisory Board that sets out the rights, expectations and duties of both parties and includes the requirement to comply with best practise on corporate governance.

THE BOARD

DIRECTORS

The Board's role is to provide entrepreneurial leadership of the Group within a prudent and effective framework of risk management and internal control. The Board is responsible for setting and implementing strategy, allocating the necessary human and financial resources to meet the Group's objectives and monitoring the performance of management against those objectives. The Board is collectively accountable for the success of the Group, sets its values and standards and takes decisions objectively in the interests of the Group, its Shareholder and other stakeholders.

Non-Executive Directors help to develop and challenge the Group's strategy. They evaluate the performance of management and monitor the reporting of performance. They consider the integrity of financial information and the strength of financial controls and risk management systems. They oversee executive remuneration and play the main role in the appointment, removal and succession planning for Executive Directors.

Matters referred to the Board are governed by a scheme of delegated authorities that provides the framework for the decisions to be taken by the Board, those which must be referred to our Shareholder and those which can be delegated to Committees of the Board, or senior management.

There were four board meetings held during the period. If a Board member cannot attend a meeting, he or she receives a copy of the agenda and the accompanying papers in advance of the meeting and is invited to comment on the matters to be discussed.

The names of the members of the Board Committees are set out on pages 8-10 (9-14*), together with details of their background. The Board Committees have authority to make decisions according to their terms of reference.

CHAIRMAN AND CHIEF EXECUTIVE

Guernsey Post Limited has a Non-Executive Chair and a Chief Executive. There is a clear division of responsibility between these two positions. Richard Denton, the Non-Executive Chair, is responsible for the running of the Board and Boley Smillie (now superseded by Steve Sheridan), as Chief Executive is responsible for the running of the Group's business.

Richard Denton spends, on average, one day per week in his role as Chair. He holds a number of other external Directorships, but the Board considers that his external Directorships do not make conflicting demands on his time as Chair.

BOARD BALANCE AND INDEPENDENCE

Throughout the period, the Group has had a balance of independent Non-Executive Directors on the Board, who ensure that no one person has disproportionate influence. All the Non-Executive Directors bring with them significant commercial experience from different industries, which ensures that there is an appropriate balance of skills on the Board.

As of the date of this report there are four Non-Executive Directors and four Executive Directors on the Board.

APPOINTMENTS TO THE BOARD

Recommendations for appointments to the Board are the responsibility of the Nominations Committee. The appointment of Non-Executive Directors must be ratified by the States of Guernsey.

The Nominations Committee meets 1-3 times a year to consider the balance of the Board, job descriptions and objective criteria for Board appointments and succession planning.

INFORMATION AND PROFESSIONAL DEVELOPMENT

For each scheduled Board meeting, the Chair and the Company Secretary ensure that, during the week before the meeting, the Directors receive a copy of the agenda for the meeting, financial, strategic, and operating information and information on any other matter which is to be referred to the Board for consideration. The Directors also have access to the Company Secretary for any further information they require. In the months where there is no scheduled Board meeting, the Directors receive the prior month and cumulative Group financial and operating information.

The Company Secretary gives guidance on Board procedures and corporate governance.

The Company Secretary, who is appointed by the Board and is also the Chief Financial Officer and an Executive Director, is responsible for ensuring compliance with Board procedures. This includes recording any concerns relating to the running of the Group, or proposed actions arising therefrom, that are expressed by a Director in a Board meeting. The Company Secretary is also Secretary to the Remuneration and Nomination Committees. The Company Secretary is available to give ongoing advice to all Directors on Board procedures, corporate governance, and regulatory compliance.

ATTENDANCE AT BOARD AND BOARD COMMITTEE MEETINGS

Attendance during the year for all Board and Board Committee meetings is given in the table below:

ATTENDANCE AT BOARD COMMITTEE MEETINGS (A)				
	Board	Audit & Risk Management Committee	Nominations Committee	Remuneration Committee
Boley Smillie (resigned 13/01/2025)	4/4	3/4		
Steve Sheridan	4/4	4/4		
Peter Shaefer (resigned 30/09/2024)	3/3	3/3		
Mark Dunster (resigned 30/09/2024)	3/3		1/2	1/2
Paula Williams	4/4		3/3	3/3
Richard Denton	4/4		3/3	3/3
Chris Carter	4/4	2/3		
Jane St Pier	4/4	4/4		
Tracey Le Cheminant (appointed 13/01/2025)	0/0			
Niall Mc Swiggan (appointed 13/01/2025)	0/0			
Neil Pailing (appointed 13/01/2025)	0/0			

(A) The first figure represents attendance and the second figure the possible number of meetings e.g., 9/10 represents attendance at 9 out of a possible 10 meetings. Where a Director stepped down from the Board, or a Board Committee, during the period, or was appointed during the period, only meetings before stepping down, or after the date of appointment, are shown.

During the transitional period from Non-Executive Directors retiring from the Board and their successors being appointed, if any sub-committee of the Board found itself inquorate, any decisions proposed by such sub-committees would be referred to the main Board meeting for ratification.

remuneration consists of basic salary, benefits in kind, retirement benefits and bonus subject to the Company first generating an agreed operating profit target and second, achieving a range of key performance indicators in areas such as quality of service, efficiency and business development. Fees for the Chair and Non-Executive Directors are determined by the States' Trading Supervisory Board.

The Remuneration Committee, which is chaired by Richard Denton (and formerly Mark Dunster), consists of two Non-Executive Directors, and determines remuneration levels and specific packages appropriate for each Executive Director, taking into account the Group's annual salary negotiations. No Director is permitted to be present when his, or her, own remuneration is being discussed, or to vote on his, or her, own remuneration. The Remuneration Committee considers that the procedures in place provide a level of remuneration for the Directors, which is both appropriate for the individuals concerned and in the best interests of the Shareholder.

The remuneration of the Non-Executive Directors of Guernsey Post Limited, exclusive of travel and expenses, for the financial period ended 31 December 2024 is set out below and in Note 2:

R Denton, Chair	£13,991
P Shaefer	£7,242
P Williams	£10,863
M Dunster	£7,242
C Carter	£10,863
J St. Pier	£10,863
	£61,064

PERFORMANCE EVALUATION

The Board undergoes a regular evaluation of its performance. The evaluation consists of a confidential questionnaire, which is assessed by the Board, followed by an open discussion facilitated by the Chair.

ELECTION AND RE-ELECTION OF DIRECTORS

Guernsey Post Limited's Articles of Association state that a Non-Executive Director should be proposed for re-election if he, or she, has been appointed to the Board since the date of the last Annual General Meeting ('AGM'), or proposed for re-election, if he or she has held office for more than three years at the date of

the notice convening the next AGM. The Board ensures that each Non-Executive Director submits himself, or herself, for re-election by the Shareholder at least every three years.

Non-Executive Directors serve the Group under letters of appointment, which are generally for an initial three-year term. Their appointment is also ratified by the States of Guernsey. In accordance with the Articles of Association, Paula Williams is due to retire by rotation.

REMUNERATION

The Board recognises the importance of Executive Directors' remuneration in recruiting, retaining, and motivating the individuals concerned. Executive Directors'

ACCOUNTABILITY AND AUDIT

FINANCIAL REPORTING

The intention of the Consolidated Annual Report is to provide a clear assessment of the performance and financial position of Guernsey Post Limited. The Group has a comprehensive system for reporting financial results to the Board. An annual budget is prepared and presented to the Board for approval. During the period, monthly management accounts, including the Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows and capital expenditure reporting,

are prepared with a comparison against budget and prior year. Forecasts are revised half yearly considering this comparison and are also reviewed by the Board.

INTERNAL CONTROL AND RISK MANAGEMENT

All Directors are responsible for establishing and maintaining an effective system of internal control. Whilst all elements of risk cannot be eliminated, the system aims to identify, assess, prioritise and, where possible, mitigate the Group's risks. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group's systems are designed to provide the Board with reasonable assurance that assets are safeguarded, transactions are properly authorised and recorded and that material errors and irregularities are either prevented, or detected, within a timely period.

The Audit & Risk Management Committee has previously considered the need for an internal audit function and concluded that the financial position, size, and complexity of the Group could not justify the expense, which the Board ratified. The Board is happy to continue relying on the strength of the internal control environment through updates on risk management and internal control, health and safety reports, AML and CFT compliance, monthly management information and representations from the Executive Team, supported by the engagement of third-party compliance consultants. This approach is further complimented by external third-party assurance reviews where and when appropriate.

AUDIT & RISK MANAGEMENT COMMITTEE AND AUDITOR

The Audit and Risk Committee assists Guernsey Post Group in the effective discharging of the Board's responsibilities. Operating under a Board approved terms of reference and risk management policy, the committee has delegated authority for risk management, financial reporting, and internal controls to ensure good corporate governance. The committee support the Board in evaluating the business risks on a rolling basis throughout the period, meeting with the Chief Executive before each board meeting. The committee also meet at least annually with the external auditor, with the Board Chair and Chief

Executive also providing quarterly risk management updates to the States' Trading and Supervisory Board.

The Committee members comprise independent Non-Executive Directors. Jane St. Pier, who is a qualified accountant, is the Chair of the Audit & Risk Management Committee, and the Board is satisfied that Jane has recent and relevant financial experience to enable the duties of the Committee to be fully discharged. Chris Carter is the other independent member of the Audit and Risk Management Committee.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

The Committee considers that it has acted in accordance with its term of reference, ensuring:

- The independence, objectivity, and effectiveness of external auditors.
- The Group has appropriate controls and measures in place to mitigate against material risks to its business.
- The integrity of the financial statements. Reviewing significant financial reporting issues and judgements they contain.
- Whistle blowing arrangements are in place.
- Going concern of the Group. Recommended distribution of profits appropriately reflects the solvency of the Group.

The Committee recommends that the Board approve the Group's financial statements for the period ended 31 December 2024, including the independent auditors report and unqualified opinion of Deloitte LLP to these financial statements.

SHAREHOLDER RELATIONS

The Board believes that good communication with the Shareholder is a priority. There have been regular quarterly meetings between the Chair, Chief Executive and Chief Financial Officer of Guernsey Post Limited, and senior staff of the States' Trading Supervisory Board. The Group presents its strategic plan to our Shareholder for approval every year.

The Chair and Senior Independent Director are available to meet with our Shareholder should there be unresolved matters that our Shareholder believes should be brought to its attention. The

Executive Team and the Non-Executive Directors meet with our Shareholder at the Annual General Meeting ('AGM').

The date of the AGM is agreed with our Shareholder and notice of ten working days is given. The AGM is chaired by Guernsey Post Limited, with presentations made by the Executive Team to facilitate awareness of the Group's activities and its financial performance. Our Shareholder is given the opportunity to ask questions of the Board and the Chair of each Board committee during the AGM.

COMMITTEES OF THE BOARD AND MAIN TERMS OF REFERENCE

In addition to regular scheduled Board meetings, the Group operates through various Board Committees, of which the membership and main terms of reference are set out below (except the Audit & Risk Management Committee, which is outlined above).

Richard Denton (and formally Mark Dunster) is the Chair of the Nominations Committee, supported by Paula Williams. The main terms of reference of this Committee are to regularly review the structure, size, and composition of the Board and to make recommendations on the role and nomination of Directors for appointment to the Board, Board Committees and as holders of any executive office, as well as ensuring that appropriate succession plans are in place for the Board and the Executive Team. When considering future Board appointments, the Nominations Committee pays due regard to issues of diversity, including gender. The Committee met three times in the period.

Richard Denton (and formally Mark Dunster) is also the Chair of the Remuneration Committee, supported by Paula Williams. The main terms of reference of this Committee are to determine and agree with the Board the remuneration policy for the Group's Executive Team, to approve the design of, and determine targets for, any performance related pay schemes operated by the Group and to determine the policy for, and scope of, pension arrangements for each Executive Director. The Committee met three times in the period.

DIRECTORS' REPORT

The Directors present their Consolidated annual report, together with the financial statements, for the period from 1 April 2024 to 31 December 2024. This change was made to align the reporting period with that of the parent company, the States of Guernsey. As a result of the change in the reporting period, the amounts presented in the financial statements are not entirely comparable with those of the previous 12-month period.

PRINCIPAL ACTIVITIES

The Group's principal activities are the provision of a postal service for the Bailiwick of Guernsey through a postal network and retail counter operation in accordance with the licence awarded to it by the Guernsey Competition and Regulatory Authority ('GCRA') and the marketing of its postage stamps and other philatelic products to stamp collectors worldwide.

Through the Company's subsidiary HR Air Ltd, the Group also provides freight and courier services between Guernsey, Jersey and the UK, as well as warehousing and distribution services.

SIGNIFICANT EVENTS

In March 2024 it was agreed to terminate the lease of HR Air's Heathrow site. The location of this site was well placed for the conveyance of freight via air transportation, which was historically a significant portion of HR Air's volume. As HR Air has shifted to solely offering sea freight, the location of this site in Heathrow no longer provides an operational benefit.

In May 2024, the business relocated its UK presence to Portsmouth, a location offering stronger links to freight shipping operators serving the islands.

This relocation has allowed the Group to focus on innovative growth opportunities and enabled the successful launch of myUKaddress this year, which has seen over a quarter of households in Guernsey sign up to the service which facilitates the delivery of items to the Bailiwick which retailers are unable to fulfil themselves.

RESULTS

The results for the period are shown in the Consolidated Statement of Comprehensive Income on page 17 (28*).

DIVIDEND

The Directors recommend no dividend based upon the losses for the period ended 31 December 2024 (year ended 31 March 2024: £Nil).

FIXED ASSETS

Fixed asset movements for the year are disclosed in Note 6 to the financial statements.

DIRECTORS

The Directors of the Group, who served throughout the year and at the date of this report, were as follows:

Boley Smillie (*resigned 13/01/2025*)

Steve Sheridan

Tracey Le Cheminant (*appointed 13/01/2025*)

Niall Mc Swiggan (*appointed 13/01/2025*)

Neil Pailing (*appointed 13/01/2025*)

Richard Denton

Chris Carter

Jane St. Pier

Paula Williams

Peter Shaefer (*resigned 30/09/2024*)

Mark Dunster (*resigned 30/09/2024*)

No Director has an interest, either beneficially or non beneficially, in any shares of the Group (year ended 31 March 2024: no interest beneficially, or non beneficially).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

The Companies (Guernsey) Law, 2008 requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practise (United Kingdom Accounting Standards and applicable law). Under Company Law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Group's transactions and disclose, with reasonable accuracy at any time, the financial position of the Group and enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITORS


The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant information of which the Group's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself, or herself, aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

AUDITORS

Deloitte have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.



S Sheridan, Chief Executive



R Denton, Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GUERNSEY POST LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

In our opinion the consolidated financial statements of Guernsey Post Limited and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's affairs as at 31 December 2024 and of its loss for the period from 1 April 2024 to 31 December 2024.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practise, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the consolidated financial statements which comprise:

- the consolidated statement of comprehensive income;
- the consolidated statement of financial position;
- the consolidated statement of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practise).

BASIS FOR OPINION

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

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

INDEPENDENT AUDITOR'S REPORT

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

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies (Guernsey) Law, 2008 and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

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

As a result of performing the above, we identified the greatest potential for fraud in the revenue recognition of Bulk and Southbound customers, and our specific procedures performed to address the risk are described below:

- assessing the design and implementation of key controls identified around the Bulk revenue and Southbound revenue process;
- obtaining independent third-party confirmations from Royal Mail (with respect of Southbound revenue) and a sample of the largest Bulk customers;
- agreeing revenue to supporting evidence and bank statements where appropriate on a sample basis for the remaining Bulk revenue population; and
- obtaining a month-on-month breakdown of Southbound revenue stream and undertaking graphical analysis to analyse the trends to ensure it is in line with our expectations and understanding of the business.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Matters on which we are required to report by exception

Under the Companies (Guernsey) Law, 2008 we are required to report in respect of the following matters if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

USE OF OUR REPORT

This report is made solely to the group's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been

undertaken so that we might state to the group'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 group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.



Deloitte LLP,
St Peter Port, Guernsey
11/08/2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period of 1 April 2024 to 31 December 2024

		For the period from 1 April 2024 to 31 December 2024 Consolidated £'000	For the year from 1 April 2023 to 31 March 2024 Consolidated £'000
	Notes		
Turnover	1	29,072	38,038
Expenses	2	(29,749)	(39,174)
Operating (Loss)		(677)	(1,136)
Other (Expenses)/Income			
Investment returns		84	148
Rental income		52	78
Profit of Sale of Fixed Assets		24	154
Revaluation of Investment Property	7	-	(15)
Exceptional Item	1	-	(320)
(Loss) on ordinary activities before taxation		(517)	(1,091)
Tax (charge) on profit on ordinary activities	3	-	-
(Loss) for the financial period/year		(517)	(1,091)

All activities are derived from continuing operations.

The notes on pages 21 to 31 (*32 - 49) form an integral part of these financial statements.

*These page numbers refer to the original Financial Statements document approved by the auditors.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

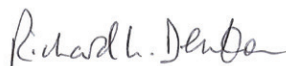
For the period of 1 April 2024 to 31 December 2024

	Notes	31 December 2024 Consolidated £'000	31 March 2024 Consolidated £'000
Non-current assets			
Tangible fixed assets	6	13,906	14,205
Goodwill	5	2,112	2,369
Investment property	7	835	83
		16,853	17,409
Current assets			
Cash at bank and in hand	1	2,927	4,469
Balances with States Treasury	10, 14	47	2,245
Debtors	8	7,261	5,044
Stock		567	550
		10,802	12,308
Creditors: Amounts falling due within one year	11	(5,198)	(6,743)
Net current assets		5,604	5,565
Total assets less current liabilities		22,457	22,974
Net assets		22,457	22,974
Capital and reserves			
Shareholders' capital	12	7,886	7,886
Retained earnings		14,571	15,088
		22,457	22,974

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 11 August 2025.
They were signed on its behalf by:



S Sheridan
Chief Executive



R Denton
Chairman

The notes on pages 21 to 31 (*32 - 49) form an integral part of these financial statements.

*These page numbers refer to the original Financial Statements document approved by the auditors.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period of 1 April 2024 to 31 December 2024

	Shareholder's Capital	Retained Earnings	Total Equity
	£,000	£'000	£'000
Balance as at 1 April 2023	7,886	16,179	24,065
Total comprehensive loss for the financial year	-	(1,091)	(1,091)
Dividends	-	-	-
Balance as at 31 March 2024	7,886	15,088	22,974
Balance as at 1 April 2024	7,886	15,088	22,974
Total comprehensive loss for the financial period	-	(517)	(517)
Dividends	-	-	-
Balance as at 31 December 2024	7,886	14,571	22,457

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from 1 April 2024 to 31 December 2024

		31 December 2024 Consolidated £'000	31 March 2024 Consolidated £'000
	Notes		
Operating activities			
(Loss) for the financial period/year		(517)	(1,091)
Adjustments for:			
Depreciation and amortisation	5&6	941	1,349
Profit on sale of tangible fixed assets		(24)	(153)
Rental income		(52)	(78)
Revaluation of investment property	7	-	15
(Increase) in stocks		(17)	(111)
(Increase)/Decrease in debtors	8	(2,217)	162
(Decrease)/Increase in creditors	11	(1,545)	835
Net cash (outflow)/inflow from operating activities		(3,431)	928
Investing activities			
Rent Received		52	78
Purchase of tangible fixed assets	6	(424)	(3,419)
Proceeds from sale of tangible fixed assets		63	318
Net cash outflow from investing activities		(309)	(3,023)
Cash flows from financing activities			
Dividend paid	4	-	-
Net cash outflow from financing activities		-	-
Net decrease in cash and cash equivalents		(3,740)	(2,095)
Decrease in cash balances		(3,740)	(2,095)
Cash and cash equivalents at 1 April		6,714	8,809
Cash at bank and investments held as at 31 March		2,974	6,714
Represented by:			
Balances with States Treasury		47	2,245
Cash		2,927	4,469
		2,974	6,714

The notes on pages 21 to 31 (*32 - 49) form an integral part of these financial statements.

*These page numbers refer to the original Financial Statements document approved by the auditors.

NOTES TO THE FINANCIAL STATEMENTS *For the period from 1 April 2024 to 31 December 2024*

1. Significant accounting policies

Reporting entity

Guernsey Post Limited (the "Company") commenced trading in 2001 and is registered in Guernsey. The Company's registered address is Envoy House, La Vrangue, St Peter Port, Guernsey, GY1 1AA. The Company is governed by the provision of the Companies (Guernsey) Law, 2008. The principal activity of the Company is the provision of Postal Services throughout the Bailiwick.

Basis of consolidation

On 19 March 2021, Guernsey Post Limited acquired 100% of the ordinary share capital of Shoal Bay Holdings Limited and its subsidiary HR Air Ltd. ("the Subsidiaries" and all together "the Group"). As at 20 October 2023 Shoal Bay Ltd was liquidated, with Guernsey Post Ltd becoming HR Air Ltd's direct parent company.

These Group financial statements consolidate the financial statements of the Company and the Subsidiaries up to 31 December 2024. The results of the Subsidiaries acquired are consolidated for the periods from, or to the date, on which control passed to Guernsey Post Limited.

Where necessary adjustments are made to the financial statements of the Subsidiaries to bring them in line with the policies used by Guernsey Post Limited, all intra-group transactions, balances, income and expenses are eliminated on consolidation.

Basis of accounting

The financial statements give a true and fair view, comply with the Companies (Guernsey) Law, 2008 and were prepared in compliance with the UK Accounting Standards, including FRS 102 - The Financial Reporting Standard applicable in the UK and Ireland. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000 unless otherwise stated.

Going concern

These financial statements are prepared on a going concern basis. After making enquiries and reviewing the Group's forecasts and projections, including forecasts for the next twelve months following the date of signing of these Financial Statements, taking account of reasonably possible changes in trading performance in light of current economic conditions which may have an impact on the volume of mail handled by the Group, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

The Group, therefore, continues to adopt the going concern basis in preparing its financial statements.

Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

a. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:-

- Note 1 - Business combinations - Basis for determining the value and recoverability of goodwill, amortisation period and the basis for consolidation
- Note 1 - Tangible Fixed Assets - determination of useful economic life of fixed assets
- Note 3 - Taxation - Basis for determining classification of regulated and non-regulated profits

b. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to amounts reported in the financial statements for the year ended 31 December 2024 is included in the following notes:-

- Note 6 - Goodwill - determination of future cashflows and discount rates to calculate the net present value of the subsidiary
- Note 7 - Investment Property - determination of fair value of investment property
- Note 9 - Deferred Tax - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used

Basis of measurement

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain assets.

The Group has consistently applied the following accounting policies to all periods presented in these financial statements.

Turnover

Sales of stamps are accounted for on a receipt of funds basis and no provision is made for postal services expected to be provided for stamps in circulation, as the Directors deem this to be immaterial. All other income from goods and services supplied are accounted for on an accruals basis.

Other income

Rental income is recognised on a straight line basis over the term of the lease. Interest and investment income is recognised in the Consolidated Statement of Comprehensive Income on an accruals basis.

Expenses

Postal operations expenses are charged as incurred. No provision is made for any charges which may be incurred in handling, or delivering, mail in respect of stamps sold but unused at the Balance Sheet date.

Taxation

Income tax expense computations are based on the jurisdictions in which profits were earned at the prevailing rates of tax in the respective jurisdictions. The majority of the Group's profits are reported by Guernsey Post Limited (the "Company").

The Company, as a Guernsey Utility Company regulated by the Guernsey Competition and Regulatory Authority ('GCRA'), is subject to the higher rate of income tax of 20% on its regulated income and 0% on its non-regulated income. The basis of assessment to Guernsey tax continues to be on an actual current year basis. Income from Guernsey land is also subject to the higher rate of income tax of 20%.

NOTES TO THE FINANCIAL STATEMENTS *For the period from 1 April 2024 to 31 December 2024*

1. Significant accounting policies - continued

Deferred Taxation

Provision for deferred taxation is made in full on timing differences which result in an obligation at the Balance Sheet date to pay tax at a future date, at rates expected to apply when they crystallise based on current tax rates and laws. Deferred tax assets are only recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Dividends

Dividends paid are recognised when the obligation to pay has been established and once approved by the Board.

De-recognition of assets

Non-financial assets are removed from the Balance Sheet, either on disposal, or when they are withdrawn from use and no future economic benefits are expected from their use. In this event, any carrying amount is written off to the Consolidated Statement of Comprehensive Income.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, where it is more likely than not that an outflow of resources will be required to settle the obligations and the amount has been readily estimated. Changes in the estimated timing or amount of the expenditure are recognised in the Consolidated Statement of Comprehensive Income when the changes arise.

Impairment of non-financial assets

At each reporting date, non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. In the event that there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Consolidated Statement of Comprehensive Income.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Comprehensive Income.

Stock

The cost of definitive stamps, including the non-value indicator self-stick range, is written off over the expected sales life of each type of stamp, which is unlikely to exceed three years. The costs of commemorative stamps, which are only available for one year, are fully written off in the year of issue.

Other stocks are valued at the lower of cost and net realisable value.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write

off the cost of each asset on a straight-line basis over its expected useful economic life. A full year's depreciation is charged in the year of acquisition, whilst none is charged in the year of disposal.

There are periodic reviews of fixed assets and any adjustments required will be recognised in the Consolidated Statement of Comprehensive Income, as and when identified.

	Estimated useful life in years	Depreciation %per annum
Freehold land	N/A	Nil
Buildings	18 - 50	2 - 12.5
Plant and equipment	15	6.67
Furniture & Fittings	3 - 13	7.7 - 33.3
Postal Machinery	8 - 15	6.67 - 12.5
Motor Vehicles	5 - 15	6.67 - 20

Goodwill

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Company's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its expected useful life. Where the Company is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding 10 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is recognised in impairment of intangible fixed assets in the Consolidated Statement of Comprehensive Income.

Amortisation

Goodwill was acquired as part of the acquisition of Shoal Bay Holdings Limited on the 19 March 2021 (see Note 1 - Business Combinations for more information). Amortisation is being applied on a straight line basis of 10 years.

Basic Financial Instruments

Cash at banks and investment comprises of cash balances, call deposits and short term investments held with the States of Guernsey Treasury.

Debtors are initially recognised at transaction price less attributable transaction costs. Doubtful debts are recognised when collection of the full amount is no longer probable, with the amount of the expected loss recognised in the Consolidated Statement of Comprehensive Income. These are monitored on an ongoing basis.

Creditors are initially recognised at transaction price. Debtors and creditors due within one year continue to be measured after their initial recognition at the undiscounted amount of cash or other consideration expected to be paid or received.

Foreign currency

Foreign currency held in any bank account is translated at the exchange rate prevailing at the Balance Sheet date. In the event of any gains or losses arising, these are taken to the Consolidated Statement of Comprehensive Income at the time of translation. All foreign trading transactions are translated into sterling using the prevailing rate on the date of the transaction.

NOTES TO THE FINANCIAL STATEMENTS *For the period from 1 April 2024 to 31 December 2024*

1. Significant accounting policies - continued

Pension costs

Guernsey Post Limited has an established defined contribution pension scheme, for which all eligible staff are required to join. Both Guernsey Post Limited and its employees pay contributions into this independently administered fund. The cost of providing these benefits is recognised within the Consolidated Statement of Comprehensive Income, and comprise both the amount of contributions payable to the scheme and associated scheme administration costs for the year.

Investment properties

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in the Consolidated Statement of Comprehensive Income.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination, the excess is recognised separately on the face of the consolidated statement of comprehensive income.

On 19 March 2021, Guernsey Post Limited acquired 100% of the ordinary share capital of Shoal Bay Holdings Limited for a total consideration of £4.9m paid in cash. Shoal Bay Holdings Limited (Incorporated in Jersey) acts as a holding Company to HR Air Ltd (incorporated in Jersey), owning 100% of the ordinary share capital of HR Air Ltd. As at 20 October 2023 Shoal Bay Ltd was closed, with Guernsey Post Ltd becoming HR Air Ltd's direct parent company.

The principal activity of HR Air Ltd is to provide courier, freight, warehousing and distribution services from sites in Guernsey, Jersey and the UK.

HR Air Ltd. provides complimentary services to Guernsey Post Limited and is a well established business with strong customer relations, an experienced workforce and the acquisition provides the opportunity to establish synergies and economies of scale through the business combination.

Termination Benefits

Termination benefits are recognised in the Consolidated Statement of Comprehensive Income when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Group is demonstrably committed to a termination only when there is a detailed formal plan from which there is no realistic possibility of withdrawal. Termination benefits are measured at the best estimate that would be required to settle the obligation at the reporting date.

Change In Reporting Period

During the current reporting period, the company changed its financial year-end from 31 March to 31 December. As a result, the current financial statements cover a period of 9 months, from 1 April 2024 to 31 December 2024, compared to the previous period of 12 months, from 1 April 2023 to 31 March 2024.

This change was made to align the reporting period with that of the parent company, the States of Guernsey.

As a result of the change in the reporting period, the amounts presented in the financial statements are not entirely comparable with those of the previous 12-month period.

Extraordinary Expense

The Group classifies certain one-off expenses that have a material impact on the Group's financial results as 'Extraordinary items'. These are disclosed separately to provide further understanding of the financial performance of the group.

An expense of £0.3m have been recognised relating to the costs associated with the early termination of the HR Air Heathrow site lease which was agreed on 28 March 2024. As of May 2024, HR Air have relocated their UK operation from Heathrow to Portsmouth.

NOTES TO THE FINANCIAL STATEMENTS continued

For the period from 1 April 2024 to 31 December 2024

2. Expenses

	For the period from 1 April 2024 to 31 December 2024 £'000	For the year from 1 April 2023 to 31 March 2024 £'000
Direct costs	13,692	18,798
Staff costs	11,447	14,543
Directors' remuneration	376	494
Other staff expenditure	472	632
Support costs	2,659	3,143
Operating Lease payments	162	215
Depreciation	684	1,007
Amortisation of goodwill	257	342
Total	29,749	39,174

Pension scheme payments made into the defined contribution scheme, included within the staff costs heading, were £1,288k (31 March 2024: £1,390k).

Average full time equivalent employee numbers for the period were as follows:

	For the period from 1 April 2024 to 31 December 2024	For the year from 1 April 2023 to 31 March 2024
Operational staff, including postal workers, post office counter staff and philatelic production staff	187	186
All other staff	77	78
Total	264	264

NOTES TO THE FINANCIAL STATEMENTS continued

For the period from 1 April 2024 to 31 December 2024

3. Taxation

		For the period from 1 April 2024 to 31 December 2024	For the year from 1 April 2023 to 31 March 2024
	Note	£'000	£'000
Current period tax		-	-
Prior year tax		-	-
Deferred tax credit in relation to capital allowances	9	-	-
De-recognised deferred tax assets	9	-	-
		-	-

Guernsey Post Limited, as a Guernsey Utility Company regulated by the Guernsey Competition and Regulatory Authority ('GCRA'), is subject to the higher rate of income tax of 20% on its regulated income and 0% on its non-regulated income. The basis of assessment to Guernsey tax continues to be on an actual current year basis.

Income from Guernsey land is also subject to the higher rate of income tax of 20%.

The actual tax credit differs from the expected tax charge computed by applying the higher rate of Guernsey income tax of 20% as follows:

	For the period from 1 April 2024 to 31 December 2024	For the year from 1 April 2023 to 31 March 2024
	£'000	£'000
(Loss) on ordinary activities before taxation	(517)	(1,091)
Tax at 20%	(103)	(218)
Effects of adjusting items:		
Timing differences	137	(27)
Disallowed items	47	41
Rate differences on current tax	(444)	(935)
Non-utilised losses	364	1,139
Current tax credit	-	-
Deferred tax - timing adjustments	-	-
Profit and loss taxation adjustments	-	-

4. Dividends on equity shares

Amounts recognised as distribution to equity holders in the period.

	31 December 2024	31 March 2024
	£'000	£'000
Final dividend of 0p (2023: 0p per share) per share paid in this financial year in respect of the year ended 31 March 2024	-	-

The Board is proposing no dividend in respect of the period ended 31 December 2024 (31 March 2024: £0.0m).

NOTES TO THE FINANCIAL STATEMENTS continued*For the period from 1 April 2024 to 31 December 2024***5. Goodwill**

	£'000	Total Goodwill
Cost		
As at 1 April 2024		3,425
Acquisitions through business combinations		-
As at 31 December 2024		3,425
Accumulated amortisation and impairment		
As at 1 April 2024		(1,056)
Amortisation charge for the year		(257)
As at 31 December 2024		(1,313)
Carrying amount		
As at 31 March 2024		2,369
As at 31 December 2024		2,112

The goodwill was recognized as part of the acquisition of Shoal Bay Holdings Limited, the holding company of HR Air Ltd, on 19 March 2021. As at 20 October 2023 Shoal Bay Ltd was closed, with Guernsey Post Ltd becoming HR Air Ltd's direct parent company.

On at least an annual basis and when indications of impairment are present, a review of impairment of goodwill is performed. This requires estimation of the future cashflows and also selection of appropriate discount rates in order to calculate the net present value of those cashflows. As at 31 December 2024, no impairment of goodwill has been recognised.

NOTES TO THE FINANCIAL STATEMENTS continued

For the period from 1 April 2024 to 31 December 2024

6. Tangible fixed assets

	Motor Vehicles	Land & Buildings	Plant & Equipment	Postal Machinery	Furniture & Fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Opening cost as at 1 April 2024	3,093	14,351	2,662	4,248	3,221	27,575
Opening accumulated depreciation as at 1 April 2024	(1,820)	(4,028)	(2,662)	(2,424)	(2,436)	(13,370)
Opening Carrying amount as at 1 April 2024	1,273	10,323	-	1,824	785	14,205
Additions	180	78	-	17	149	424
Depreciation	(242)	(211)	-	(105)	(125)	(683)
Disposals - Cost	(440)	-	-	-	-	(440)
Disposals - Accumulated Depreciation	400	-	-	-	-	400
Closing carrying amount as at 31 December 2024	1,171	10,190	-	1,736	809	13,906
<i>Represented by:</i>						
Closing cost as at 31 December 2024	2,833	14,429	2,662	4,265	3,370	27,559
Closing accumulated depreciation as at 31 December 2024	(1,662)	(4,239)	(2,662)	(2,529)	(2,561)	(13,653)
	1,171	10,190	-	1,736	809	13,906

Freehold land with a cost of £2,505,000 (2024: £2,505,000) is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS continued

For the period from 1 April 2024 to 31 December 2024

7. Investment property

	Market Value 31 December 2024 £'000	Market Value 31 March 2024 £'000
Reconciliation of carrying amount		
Balance at 1 April 2024	835	850
Change in fair value	-	(15)
Balance at 31 December 2024	835	835

Investment property comprises a single property, which is leased to tenants, comprising part residential and part commercial occupancy. Leases for the residential tenants are reviewed annually, whereas the commercial tenant is subject to a 20 year lease with triennial reviews.

Changes in fair value are recognised as either a gain or a loss in the Consolidated Statement of Comprehensive Income within 'Other (Expenses) / Income'. All gains or losses are unrealised.

The Group uses external professional valuers with recognised professional qualifications and recent experience in the location and category of the property being valued to determine the fair market value of its investment property.

The market value was determined by Wing Lai, MRICS, and Joanna Watts, MRICS, from Watts Property Consultants Limited in accordance with the Market Value methodology as defined by the Royal Institution of Chartered Surveyors Valuation – Professional Standards (Global and UK Edition), in compliance with UK Accounting Standards, including FRS 102 - The Financial Reporting Standard applicable in the UK and Ireland as at 31 March 2024.

Given the nine month period since the previous valuation the Group have reviewed general market trends to assess the macro environment to ensure the valuation price remains appropriate.

The primary source of evidence for the property valuation is recent, comparable market transactions on an arm's length basis as well as other factors such as the tenure of the property and tenancy details. However, the valuation of property is inherently subjective, as it is also based upon valuer assumptions and estimations that form part of the key unobservable inputs of the valuation, which may prove to be inaccurate, including market observations and ground and structural conditions of the property.

8. Debtors

	31 December 2024 £'000	31 March 2024 £'000
Trade debtors	6,437	4,473
Less: Provision for bad debt	-	-
Other debtors	278	47
Prepayment and accrued income	410	388
Tax debtors	136	136
Total	7,261	5,044

NOTES TO THE FINANCIAL STATEMENTS continued

For the period from 1 April 2024 to 31 December 2024

9. Deferred Tax

	Deferred taxation - Accelerated Capital Allowances	Total
	£'000	£'000
At 1 April 2024	-	-
Deferred tax credit in relation to capital allowances	-	-
De-recognised deferred tax assets	-	-
At 31 December 2024	-	-

Deferred tax in the financial statements is measured at the actual tax rates that are expected to apply to the income in the periods in which the timing differences are expected to reverse. As a Guernsey Utility Company regulated by GCRA, Guernsey Post Limited is subject to tax at 20% on its regulated income and 0% on its non-regulated income. Income from Guernsey land is also subject to the higher rate of income tax of 20%.

Deferred tax assets have not been recognised as it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

10. Balances with States Treasury

The Treasury Department of the States of Guernsey is engaged to invest the Group's liquid funds in excess of its daily requirements and uses a broad range of investments in which to do so. The investment fund retains a proportion of liquid assets which are made available on call to meet the Group's short term commitments. Variable returns are allocated to the fund dependent upon investment performance.

11. Creditors

	31 December 2024	31 March 2024
	£'000	£'000
Amounts falling due within one year		
Trade creditors	3,119	4,532
Other creditors	738	626
Accruals and deferred income	981	1,289
Tax and Social Security creditors	346	282
Rental income paid in advance	14	14
Total	5,198	6,743

Of the £3.1m of Trade Creditors, £1.0m is owed to Royal Mail as part of our ongoing contractual arrangements with them (31 March 2024: £1.3m).

NOTES TO THE FINANCIAL STATEMENTS continued

For the period from 1 April 2024 to 31 December 2024

12. Shareholder's capital

	31 December 2024 £'000	31 March 2024 £'000
Authorised		
40,000,000 ordinary shares of £1 each	40,000	40,000
	No of shares	£'000
Allotted and fully-paid	7,886,258	7,886
Opening share capital at 01 April 2024	7,886,258	7,886
As at 31 December 2024	7,886,258	7,886

100% of the shares of the Company are owned beneficially by the States of Guernsey.

Shareholder's capital - represents the nominal value of shares that have been issued.

13. Operating Leases

Non-cancellable operating lease rentals are payable as follows:

	Land and buildings	Land and buildings
	31 December 2024 £'000	31 March 2024 £'000
Less than one year	143	131
Between one and five years	469	463
More than five years	1,624	1,326
	2,236	1,920

Leases of land and buildings are subject to rent reviews at specified intervals, typically annually, and provide for the lessee to pay all insurance, maintenance and repair costs.

The Group leases one property in St Peter Port. In addition, the Group leases property to fulfil its postal operation in Alderney and warehouse spaces in Jersey, Guernsey and Portsmouth for the use of HR Air Ltd.

NOTES TO THE FINANCIAL STATEMENTS continued

For the period from 1 April 2024 to 31 December 2024

14. Related party transactions

The Group is wholly owned and ultimately controlled by the States of Guernsey.

Through the normal course of its business activity, the Group makes both purchases from and provides services to its Shareholder, or entities, under the controlling influence of the Shareholder body. These entities include States Trading Companies, companies whose equity is wholly owned by the States, States Departments and Committees operated by the States. All such transactions have been on an arm's length basis. The total value of the sales for the period ended 31 December 2024 amount to £497,962, or 1.7% of total turnover (31 March 2024: £857,153, or 2.3%). The total value of purchases for the period amounted to £1,511,797, or 5.1% of total expenses (31 March 2024: £3,444,555, or 8.8%).

The States also provides, through its Policy & Resources Department, management of the Group's liquid funds to meet the Group's short term commitments. At 31 December 2024, the balance held was £47,485 (31 March 2024: £2,244,825). The investment return for the financial period ending 31 December 2024 was £22,731 (£147,577 in 31 March 2024). Director's remuneration is shown in note 2.

15. Contingent obligations - Financial Guarantee Contracts

Guernsey Post Limited has a financial guarantee contract in place with the States of Guernsey Customs for £20,000. In addition, HR Air Ltd has financial guarantee contracts in place with HM Revenue and Customs for £30,000 and Customs and Immigration Services for £1,000. These contingent obligations are in place to provide security in the event that import and export duties paid to Guernsey Post Limited and HR Air Ltd from their customers are not subsequently paid on to the respective authorities. The Group does not carry any liability to either the States of Guernsey Customs and Excise, HM Revenue and Customs or Customs and Immigration, in the event that customers directly withhold payment of import and export duties to Guernsey Post Limited.

16. Subsequent events

There have been no significant events between the year-end and the date of approval of these financial statements, which would require a change to, or disclosure in, the financial statements.



Guernsey Post Limited

Envoy House, La Vrangue, St Peter Port, Guernsey GY1 1AA

Telephone: 726241 Facsimile: 712082