

CONSOLIDATED ANNUAL REPORT

and Financial Statements for the
year ended 31 December 2025



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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) (resigned 01/05/2026)
Paula Williams (Non-Executive) (resigned 30/01/2026)

Auditor:

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

Registered office:

Envoy House
La Vrangue
St Peter Port
GUERNSEY
GY1 1AA

Company Number:

38693



CHAIR'S STATEMENT

I am pleased to present the Chair's Statement for Guernsey Post Limited for 2025, a year shaped by continued change in the postal sector and important developments within our organisation.

In my report last year, I reflected on the challenges facing Guernsey Post's business model, including the ongoing decline in traditional mail volumes, increasing competition in parcels, and the need to ensure long term financial sustainability. While these structural challenges remain, the actions we have taken during the year have been guided by our organisation's longer term strategy and by our responsibility as a Board to ensure that Guernsey Post is well positioned to respond to a changing environment.

Although the Group reports a further loss for 2025, this result includes costs associated with changes to our operating model and key commercial arrangements. We consider these actions necessary to support improved resilience, service reliability and financial sustainability over time.

STRATEGY AND LONG TERM PRIORITIES

During the year, we agreed an updated three year strategy, setting out a high level framework to guide decision making over the medium term. Our intent is to ensure that Guernsey Post remains capable of delivering a dependable universal postal service for the Bailiwick, while continuing to adapt our operating model and services to reflect ongoing structural change in the wider market.

Our strategy focuses on strengthening financial resilience, maintaining operational reliability, and evolving our services in ways that continue to meet the needs of customers and the community. In 2025, we prioritised establishing the foundations required for the sustainable delivery of these longer term aims, including appropriate governance arrangements, financial discipline and clear alignment of investment decisions.

LEADERSHIP AND GOVERNANCE

Leadership and governance have been an important area of focus during the year. In 2025, following a competitive appointment process, Steve Sheridan was appointed as Chief Executive Officer. In light of the increasing breadth and complexity of the pressures facing Guernsey Post, we also concluded that a broader range of skills and experience was required at Board level.

Accordingly, the organisation strengthened the Board by appointing senior executives to deepen its collective capability and oversight. These changes enhanced focus on key priority

areas, including financial oversight, operational excellence, and people and cultural development, and positioned it to effectively support the organisation through a period of significant change.

Alongside these changes, we have continued to support our management team in reinforcing the disciplines and capability required to deliver our plans. We strengthened governance arrangements, maintained a clear focus on financial management, and ensured that resources were deployed in support of our strategy and the reliable delivery of core services. Throughout the year, we guided our decisions with a long term perspective and a strong sense of responsibility to our customers, employees and the Shareholder.

DELIVERING FOR OUR CUSTOMERS AND COMMUNITIES

Serving customers reliably and effectively remains at the heart of everything we do. Our values place customers first, and we take pride in delivering essential services that support daily life and economic activity across the Bailiwick.

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Throughout 2025, we continued to focus on improving customer experience while adapting our services to meet changing needs. This sustained emphasis on customer outcomes was reflected early in 2026, in the independent Island Global Brand Reputation Index, in which Guernsey Post was ranked as the number one brand in Guernsey.

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Throughout 2025, we continued to focus on improving customer experience while adapting our services to meet changing needs. This sustained emphasis on customer outcomes was reflected early in 2026, in the independent Island Global Brand Reputation Index, in which Guernsey Post was ranked as the number one brand in Guernsey.

The index measures seven equally weighted dimensions, including how positively people feel about an organisation, whether its values resonate with the community, and whether people would feel proud to work for it. Achieving the highest overall ranking represents a significant endorsement of the experience we provide to our customers, the culture we foster across the organisation, and the standards we set for ourselves. We are proud of this recognition, which reflects the collective efforts of colleagues across our business and reinforces our commitment to delivering high quality service and maintaining the trust and confidence of the community we serve.

NETWORK AND TRANSPORT

In 2024, Royal Mail withdrew funding for the dedicated mail aircraft service between the UK and Guernsey, resulting in all inbound mail arriving in Guernsey via sea freight from 2025. While this change required significant operational transformation, it has ultimately led to a simpler and more robust operating model for inbound mail services.

At the time of the change, we worked closely and collaboratively with customers to ensure that appropriate export arrangements were put in place, particularly for our bulk mail customers who play an important role in our operations and financial performance.

During 2025, we continued to engage proactively with our bulk mail customers to understand their longer term requirements and to ensure that revised transport and operational arrangements remain commercially sustainable and aligned with their business needs.

As a result of these consultations, a transition to a sea freight based export model will commence in 2026, supported by targeted air solutions for time sensitive mail items where required. This balanced approach reflects our focus on long term sustainability, service reliability and financial responsibility.

RETAIL AND POST BOX NETWORK

A key development during the year was the opening of our new flagship retail premises in the Commercial Arcade, returning our Town Post Office to a prominent and well established location in the heart of St Peter Port. The new premises provide our customers with a modern, welcoming and customer focused environment, and support the continued role of retail services as an important part of our overall service offering.

In response to the continued decline in letter volumes and the need to operate an efficient and sustainable network, we also undertook a public consultation during the year on proposed changes to the island's post box network. The consultation generated significant public engagement, and we considered the feedback received carefully before final decisions were taken.

As a result, the overall number of post boxes has been reduced while retaining access in key locations across the island and

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...a transition to a sea freight based export model will commence in 2026, supported by targeted air solutions for time sensitive mail items where required. This balanced approach reflects our focus on long term sustainability, service reliability and financial responsibility.

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preserving boxes of community or heritage importance. These changes reflect our responsibility to balance operational efficiency with accessibility, public service obligations and the interests of the community we serve.

SUPPORTING CUSTOMERS AND THE ECONOMY

MYUKADDRESS

myUKaddress was launched in late 2024 to address a long standing challenge faced by islanders when purchasing from UK retailers that do not deliver to the Bailiwick. Our service enables customers to make use of our existing UK processing infrastructure and local delivery network, improving access and convenience.

Uptake during its first year of operation has been encouraging, and myUKaddress has established a growing customer base. We view the service as a measured and complementary part of the wider retail and logistics landscape, introduced directly in response to identified customer needs. Alongside this, we continue to work with local retailers to support their offerings and to provide reliable delivery services for island businesses and customers.

HR AIR LTD GUERNSEY

During the year, we made further progress in integrating HR Air Ltd Guernsey into Guernsey Post Limited's wider operations. This has supported closer alignment across logistics, transport and support functions, improved operational coherence, and strengthened oversight across the Group.

As this integration has matured, the benefits originally associated with the acquisition have become fully embedded within our operations. Accordingly, the goodwill arising on acquisition of HR Air Ltd Guernsey was written off in full during the year. This accounting treatment reflects the completion of this phase of integration rather than any change in the underlying performance or ongoing importance of the business, which we continue to regard as an integral part of our postal and logistics capability.

ENVIRONMENTAL AND COMMUNITY ENGAGEMENT

We continued to support a range of environmental and community initiatives during the year, reflecting our commitment to the Bailiwick and interests of our Shareholder. This included ongoing collaboration with EVie to support the rollout of additional shared mobility vehicle pick up locations, improving access to EVie vehicles and expanding sustainable transport options across the island.

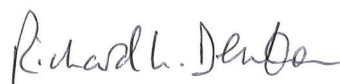
Alongside these environmental initiatives, we worked with a range of charities and community organisations to provide practical support throughout the year. We continued our involvement with the Saffery Rotary Walk and Les Bourgs Hospice, and supported initiatives such as the World Aid Walk Guernsey, the St Peter Port Christmas Lights, St James and The Welfare Service.

We also supported a broad range of local causes, including fundraising activities organised by schools, healthcare teams and charitable groups. While individually modest, these contributions helped raise vital funds for services and activities that directly benefit the community and demonstrate our continued commitment to supporting the Bailiwick.

LOOKING AHEAD

Looking ahead, we remain focused on delivering our three year strategy and ensuring that Guernsey Post continues to provide a sustainable universal postal service while adapting our operations to changing customer needs and market conditions. The actions taken during 2025 are intended to support improved resilience, service stability and financial sustainability over the medium term.

We will continue to focus on improving financial performance and progressing the organisation towards sustainable profitability, while maintaining appropriate service standards for islanders and businesses. I would like to thank our employees for their professionalism and commitment throughout the year, and our customers for their continued support. I also thank my fellow Board members and the Executive team for their dedication and contribution during the period.



R Denton, *Chair*

28 May 2026

Business Review for the Year

OUR RESULTS

Guernsey Post Limited reported a net loss of £2.6m (of which £1.8m relates to one-off impairment of goodwill) for the year ended 31 December 2025 ("the Year"), which compares to a prior period net loss of £0.5m in the nine month period ended 31 December 2024 ("Prior Period").

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Turnover for the year was £40.3m, compared to £29.1m for the prior period.

Expenditure for the year was £41.1m, compared to £29.7m for the prior period.

Direct costs associated with servicing revenues were £19.4m for the year, compared to £13.7m for the prior period.

Total staff related expenditure for the year was £16.7m, compared to £12.3m for the prior period. The number of reported full-time equivalent employees as at 31 December 2025 was 230.

Depreciation costs of £1.1m and amortisation of goodwill (related to the subsidiary HR Air Ltd) of £0.3m were recognised in the year.

Loss on ordinary activities before Taxation / Loss for the financial year was £2.6m, compared to £0.5m for the prior period.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The Group continues to operate with a strong Balance Sheet and a healthy liquidity position. Shareholders' funds were £19.8m, a decrease of £2.6m in the year.

At the year end, the Group reported a cash balance of £3.5m (31 December 2024: £3.0m), alongside separate short-term investment balances held with States Treasury of £0.05m (31 December 2024: £0.05m) and £9.1m (31 December 2024: £7.8m) of other current assets, supported by a £14.7m (31 December 2024: £16.9m) non-current asset base.

Reported current liabilities and provisions were £6.2m (31 December 2024: £5.2m), the primary balance being the amount owed to Royal Mail of £2.1m (31 December 2024: £1.0m).

CONSOLIDATED STATEMENT OF CASH FLOWS

The Group had net inward cash movements of £0.5m during the year (prior period cash outflow of £3.7m), with net cash inflows from operations contributing £0.9m in the year (prior period cash outflow; £3.4m).

Capital spend in the year was £0.4m (prior period: £0.4m).

OPERATIONAL SUMMARY

The total number of mail items handled during the year was approximately 31.7m representing a decline of 4% on the same period in the prior year. The primary driver for the decline was due to a decrease in outward bulk mail volumes.

BOARD PROFILE



Richard Denton
CHAIR

Richard, known as Rick, has more than 30 years' experience of leading UK and international business subsidiaries of four major banking groups. Subsequently, he became CEO of a specialist family office business, managing property developments and acquiring a portfolio of companies. Rick 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.

Rick 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 qualified Member of the Society of Trust and Estate Practitioners. He holds the Henley Certificate in Executive Coaching and is a Fellow and Chartered Director of the Institute of Directors.

Rick joined the Board of Directors of Guernsey Post in 2021 and was appointed as Chair in 2023.



Steve Sheridan
CHIEF EXECUTIVE
OFFICER

Steve Sheridan was appointed Chief Executive Officer of Guernsey Post Limited in January 2025, following over a decade of service on the Board and a successful tenure as Chief Financial Officer. He brings more than 25 years of senior financial and commercial leadership experience across regulated and competitive sectors.

As CEO, Steve is leading Guernsey Post through a period of significant structural change within the postal and logistics industry. He is responsible for setting and delivering the company's long-term strategy, with a clear focus on operational resilience, digital modernisation, and sustainable growth, while maintaining a strong customer and community focus.

Steve's previous experience spans the insurance, fiduciary, banking, and commercial sectors. A qualified

accountant, he has deep expertise in financial stewardship, organisational transformation, and strategic execution. At Guernsey Post, he has overseen a number of major transformation initiatives, including pension reform, fleet electrification, the acquisition of HR Air Ltd, and the introduction of automated parcel sortation technology.

Steve is a Director of HR Air Ltd and a member of the Institute of Directors, holding a Diploma in Company Direction. He brings a strong governance mindset to his role and is committed to leading Guernsey Post with integrity, transparency, and a long-term focus on value for customers, employees, and the wider Bailiwick.



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 practices.

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 organisation 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 currently leads the Brand and Business Growth agenda for Newmedica, a Specsavers Group company, providing ophthalmology services across the UK.



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. Jane 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.

Jane resigned from Guernsey Post on 01/05/2026.



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 previously served as a Non-Executive Director for six years for the Channel Islands Co-operative Society and was 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.

Paula resigned from Guernsey Post on 30/01/2026.

Corporate Governance Report

COMPLIANCE

Guernsey Post Limited's corporate governance arrangements are based on the proportionate application of good practice 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 practice 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 six board meetings held during the year. 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 & 9, 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 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 year, 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 two 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 1-6 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.

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
Steve Sheridan	6/6			
Richard Denton	6/6		6/6	6/6
Chris Carter	6/6	5/6		
Jane St Pier (resigned 01/05/2026)	5/6	6/6		
Paula Williams (resigned 30/01/2026)	6/6		6/6	6/6
Tracey Le Cheminant (appointed 13/01/2025)	5/6			
Niall Mc Swiggan (appointed 13/01/2025)	6/6			
Neil Pailing (appointed 13/01/2025)	5/6			

(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 year, or was appointed during the year, 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.

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 was chaired by Paula Williams, 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 year ended 31 December 2025 is set out below and in Note 2:

R Denton, Chair	£19,587
P Williams	£15,208
C Carter	£15,208
J St. Pier	£15,208
	£65,211

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

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.

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. At the time at each AGM of the Company, at least one third of the Non-Executive Directors shall retire from office by rotation but shall be eligible for reappointment.

In accordance with the Articles of Association, Paula Williams retired by rotation in 2025 and was re-appointed. Richard Denton and Chris Carter are due to retire in 2026 and are eligible for reappointment. Both Non-Executive Directors, being eligible, have offered themselves up for re-election at the forthcoming AGM.

REMUNERATION

The Board recognises the importance of Executive Directors' remuneration in recruiting, retaining, and motivating the individuals concerned. Executive Directors' remuneration consists of basic salary, benefits in kind, retirement benefits and bonus subject to the Company first

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 year, monthly management accounts 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 complemented 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 supports the Board in evaluating the business risks on a rolling basis throughout the year, meeting with the Chief Executive before each board meeting. The committee also meets at least annually with the external auditor, with the Board Chair, Chief Executive and Chief Financial Officer 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, served as the Chair of the Audit & Risk Management Committee, and the Board remained satisfied that Jane held 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 year ended 31 December 2025, 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 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).

Paula Williams was the Chair of the Nominations Committee, supported by Richard Denton. 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 six times in the year.

Paula Williams was also the Chair of the Remuneration Committee, supported by Richard Denton. 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 six times in the year.

Following Paula Williams' resignation on 30 January 2026, Chris Carter has assumed the position of Chair for both the Nominations and Remuneration Committees.

DIRECTORS' REPORT

The Year from 1 January 2025 to 31 December 2025 represents the first 12 month reporting period following the change made to align the Company's financial year end with that of its parent undertaking, the States of Guernsey. Consequently, the comparative information for the prior period, covering a nine-month period, is not directly comparable with the results for the current twelve-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

During the year, HR Air Ltd's Guernsey operations were fully integrated into Guernsey Post Limited.

As a result of this integration, the benefits originally attributed to the goodwill are now considered to be fully embedded within the Group's broader operational and strategic framework and are no longer separately identifiable.

Accordingly, the goodwill attributable to the acquisition of HR Air Ltd has been written off in full in the current financial year, with the write off recognised in the statement of comprehensive income.

RESULTS

The results for the year are shown in the Consolidated Statement of Comprehensive Income on page 16.

DIVIDEND

The Directors recommend no dividend based upon the losses for the year ended 31 December 2025 (period ended 31 December 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 during 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 (*resigned 01/05/2026*)

Paula Williams (*resigned 30/01/2026*)

No Director has an interest, either beneficially or non beneficially, in any shares of the Group (period ended 31 December 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 Practice (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 year. 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, Chair

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 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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 Practice).

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.

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
28 May 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

		For the year ended 31 December 2025 Consolidated £'000	For the period from 1 April 2024 to 31 December 2024 Consolidated £'000
	Notes		
Turnover	1	40,299	29,072
Expenses	2	(41,136)	(29,749)
Operating Loss		(837)	(677)
Other (Expenses)/Income			
Investment returns		54	84
Rental income		92	52
(Loss)/Profit on the sale of fixed assets		(10)	24
Fair value adjustment on asset held for sale	7	(90)	-
Impairment of Goodwill	1, 5	(1,769)	-
Finance Costs	13	(72)	-
Loss on ordinary activities before taxation		(2,632)	(517)
Tax (charge) on loss on ordinary activities	3	-	-
Loss for the financial year/period		(2,632)	(517)

All activities are derived from continuing operations.

The notes on pages 20 to 30 (*30 - 46) 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

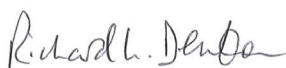
For the year ended 31 December 2025

	Notes	31 December 2025 Consolidated £'000	31 December 2024 Consolidated £'000
Non-current assets			
Tangible fixed assets	6	13,283	13,906
Right-of-Use Assets	13	1,398	-
Goodwill	5	-	2,112
Investment Property	7	-	835
		14,681	16,853
Current assets			
Cash at bank and in hand	1	3,453	2,927
Balances with States Treasury	10, 14	49	47
Debtors	8	7,832	7,261
Stock		566	567
Assets held for sale	7	745	-
		12,645	10,802
Creditors: Amounts falling due within one year	11	(6,177)	(5,198)
Net current assets		6,468	5,604
Total assets less current liabilities		21,149	22,457
Creditors: Amounts falling due after more than one year	11	(1,324)	-
Net assets		19,825	22,457
Capital and reserves			
Shareholders' capital	12	7,886	7,886
Retained earnings		11,939	14,571
		19,825	22,457

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 28 May 2026.
They were signed on its behalf by:



S Sheridan
Chief Executive



R Denton
Chairman

The notes on pages 20 to 30 (*30 - 46) 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 year ended 31 December 2025

	Shareholder's Capital	Retained Earnings	Total Equity
	£'000	£'000	£'000
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
Balance as at 01 January 2025	7,886	14,571	22,457
Total comprehensive loss for the financial year	-	(2,632)	(2,632)
Dividends	-	-	-
Balance as at 31 December 2025	7,886	11,939	19,825

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

		For the year ended 31 December 2025	For the period from 1 April 2024 to 31 December 2024
	Notes	Consolidated £'000	Consolidated £'000
Operating activities			
Loss for the financial year/period		(2,632)	(517)
<i>Adjustments for:</i>			
Depreciation and amortisation	5&6	1,398	941
Impairment of Goodwill	5	1,769	-
Interest on Lease Liabilities		72	-
Loss/(Profit) on sale of tangible fixed assets		10	(24)
Rental income		(92)	(52)
Fair value adjustment on asset held for sale	7	90	-
Decrease/(Increase) in stocks		1	(17)
Increase in debtors	8	(571)	(2,217)
Decrease/(Increase) in creditors	11	979	(1,545)
Increase in current lease liability	11	(102)	-
Net cash inflow/(outflow) from operating activities		922	(3,431)
Investing activities			
Rent Received		92	52
Purchase of tangible fixed assets	6	(392)	(424)
Proceeds from sale of tangible fixed assets		75	63
Net cash outflow from investing activities		(225)	(309)
Cash flows from financing activities			
Interest paid on lease liabilities	13	(72)	-
Repayment of lease liabilities		(97)	-
Dividend paid	4	-	-
Net cash outflow from financing activities		(169)	-
Net Increase/(decrease) in cash and cash equivalents		528	(3,740)
Increase/(decrease) in cash balances		528	(3,740)
Cash and cash equivalents opening balance		2,974	6,714
Cash at bank and investments held as at 31 December		3,502	2,974
Represented by:			
Balances with States Treasury		49	47
Cash		3,453	2,927
		3,502	2,974

The notes on pages 20 to 30 (*30 - 46) 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 year ended 31 December 2025*

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 Limited 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 2025. 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

These consolidated financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and in compliance with the Companies (Guernsey) Law, 2008. The Group has early-adopted the Periodic Review 2024 amendments to FRS 102, including Section 20 (Leases) and Section 23 (Revenue from Contracts with Customers), with effect from 1 January 2025. The adoption of the revised revenue requirements did not result in any change to the timing or measurement of revenue recognised.

Going concern

These financial statements are prepared on a going concern basis. After making enquiries and reviewing the Group's forecasts and proposed strategies to improve the Group's financial performance in light of prior year losses, 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.
- Note 5 - Goodwill - Judgement is required in assessing whether indicators of impairment existed during the year, including evaluating the loss of major customers, expected future cash flow deterioration, and structural changes to the business. Management also exercised judgement in identifying the appropriate cash-generating unit (CGU) to which goodwill is allocated for impairment testing.
- Note 7 - Investment Property - determination of fair value of investment property.
- Note 13 - Leases - recognition and measurement of right-of-use assets and lease liabilities.

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 period ended 31 December 2025 is included in the following notes:-

- Note 5 - Goodwill - The impairment assessment of goodwill involves significant judgement in estimating future cash flows and determining an appropriate discount rate.
- 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

Turnover represents the fair value of consideration receivable for goods and services supplied in the ordinary course of business and is recognised when, or as, the Group satisfies its performance obligations.

Revenue from postal and logistics services, including bulk and southbound mail services, is recognised as the related services are provided.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. Significant accounting policies - continued

Revenue from the sale of postage stamps is recognised at the point of sale. Stamps provide customers with a prepaid right to access the Group's postal delivery network, but are not linked to a specific mail item, service date or individually identifiable delivery obligation. The Group has considered whether stamps in circulation give rise to a contract liability. However, because stamps may remain in circulation indefinitely and may be used for postage, retained for philatelic purposes, lost, destroyed or otherwise not redeemed, the Directors consider that the extent of any outstanding obligation and related breakage cannot be reliably measured. Accordingly, no contract liability is recognised in respect of stamps in circulation.

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.

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%.

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 Consolidated Statement of Financial Position, 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.

NOTES TO THE FINANCIAL STATEMENTS *For the year ended 31 December 2025*

1. Significant accounting policies - continued

Amortisation

Goodwill was recognised as part of the acquisition of Shoal Bay Holdings Limited on the 19 March 2021 (see Note 1 - Business Combinations for more information). Amortisation was previously 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 year end 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.

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 property

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 complementary 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 previous reporting period, the company changed its financial year-end from 31 March to 31 December. As a result, the prior year comparatives in these financial statements cover a period of nine months, from 1 April 2024 to 31 December 2024, compared to the current period of 12 months, from 1 January 2025 to 31 December 2025.

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 nine month period

Leases

Under the revised requirements of Section 20 of FRS 102, the Group recognises a right-of-use (ROU) asset and a corresponding lease liability at the commencement date of each lease, except for leases with a term of 12 months or less and leases of low-value assets, for which the Group applies the recognition exemption.

Lease liabilities are initially measured at the present value of future lease payments, discounted using the Group's incremental borrowing rate. Lease liabilities are subsequently measured at amortised cost using the effective interest method.

ROU assets are initially measured at cost, comprising the amount of the initial lease liability, adjusted for any lease payments made at or before commencement, initial direct costs, and restoration obligations. ROU assets are depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term.

Interest on lease liabilities is recognised within finance costs. Lease payments are allocated between principal and interest components.

Right-of-use assets are presented separately from owned tangible fixed assets and are disclosed in Note 13.

The revised Section 20 was adopted from 1 January 2025 using a modified retrospective approach. On transition, right-of-use assets and corresponding lease liabilities of £1,523k were recognised in respect of existing leases. There was no impact on net assets or retained earnings at 1 January 2025.

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 2025

2. Expenses

	For the year ended 31 December 2025	For the period from 1 April 2024 to 31 december 2024
	£'000	£'000
Direct costs	19,432	13,692
Staff costs	15,146	11,447
Directors' remuneration	795	376
Other staff expenditure	776	472
Support costs	3,547	2,659
Operating Lease payments	42	162
Depreciation	1,055	684
Amortisation of goodwill	343	257
Total	41,136	29,749

Pension scheme payments made into the defined contribution scheme, included within the staff costs heading, were £1,310k (31 December 2024: £1,288k). Depreciation includes £125k of depreciation on right of use assets (2024: £0k).

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

	For the year ended 31 December 2025	For the period from 1 April 2024 to 31 December 2024
Operational staff, including postal workers, post office counter staff and philatelic production staff	165	187
All other staff	65	77
Total	230	264

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 2025

3. Taxation

		For the year from 1 January 2025 to 31 December 2025	For the period from 1 April 2024 to 31 December 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%.

4. Dividends on equity shares

Amounts recognised as distributions to equity holders in the period.

	31 December 2025	31 December 2024
	£'000	£'000
Final dividend of 0p (2024: 0p per share) per share paid in this financial year in respect of the year ended 31 December 2025	-	-

The Board is proposing no dividend in respect of the year ended 31 December 2025 (31 December 2024: £0.0m).

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 2025

5. Goodwill

**Total
Goodwill**
£'000

Cost

As at 1 January 2025	3,425
Acquisitions through business combinations	-
As at 31 December 2025	3,425

Accumulated amortisation and impairment

As at 1 January 2025	(1,313)
Amortisation charge for the period	(343)
Impairment of Goodwill	(1,769)
As at 31 December 2025	(3,425)

Carrying amount

As at 31 December 2024	2,112
As at 31 December 2025	-

The goodwill was recognised 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.

During the year, HR Air Ltd's Guernsey operations were fully integrated into Guernsey Post Limited. As a result of this integration, the benefits originally attributed to the goodwill are now considered to be fully embedded within the Group's broader operational and strategic framework and are no longer separately identifiable.

The recoverable amount was assessed using a value-in-use calculation based on discounted future cash flows, which required significant judgement in estimating projected cash flows and selecting an appropriate discount rate. The recoverable amount was assessed to be insufficient to support the carrying value based on updated forecasts and the Directors concluded that, following the integration of HR Air Ltd and the fundamental changes in the way the business operates, the economic benefits originally attributed to goodwill were no longer separately identifiable. As a result, the Group recognised a full impairment of goodwill of £1,769,000, reducing the carrying amount of goodwill to £nil at 31 December 2025. In accordance with FRS 102, the impairment loss has been recognised immediately in the profit and loss account and cannot be reversed in future periods.

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 2025

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 January 2025	2,833	14,429	2,662	4,265	3,370	27,559
Opening accumulated depreciation as at 1 January 2025	(1,662)	(4,239)	(2,662)	(2,529)	(2,561)	(13,653)
Opening carrying amount as at 1 January 2025	1,171	10,190	-	1,736	809	13,906
Additions	170	47	-	21	154	392
Depreciation	(291)	(310)	-	(140)	(196)	(937)
Disposals - Cost	(547)	-	-	-	(15)	(562)
Disposals - Accumulated Depreciation	473	-	-	-	4	477
Closing carrying amount as at 31 December 2025	976	9,927	-	1,617	756	13,276
<i>Represented by:</i>						
Closing cost as at 31 December 2025	2,455	14,476	2,662	4,286	3,509	27,388
Closing accumulated depreciation as at 31 December 2025	(1,479)	(4,542)	(2,662)	(2,669)	(2,753)	(14,105)
	976	9,934	-	1,617	756	13,283

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

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 2025

7. Assets held for sale

	Market Value 31 December 2025 £'000	Market Value 31 December 2024 £'000
Reconciliation of carrying amount		
Balance at 1 January 2025	-	-
Reclassification from investment property	835	-
Fair value adjustment on reclassification to asset held for sale	(90)	-
Balance at 31 December 2025	745	-

Assets held for sale comprise a single mixed-use (residential and commercial) property, which was reclassified from non-current assets following a decision to dispose of the asset during the year.

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.

In accordance with FRS 102, assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Fair value in this instance has been determined by reference to an arm's-length offer received for the property, which the Directors consider to represent the best evidence of fair value at the reporting date.

Accordingly, the property has been measured based on the agreed offer price, net of estimated costs to sell.

While external professional valuers were engaged during the year to provide market advice, the Directors concluded that the offer price received provided more reliable and directly observable evidence of fair value than a market-based valuation, given the property was actively marketed and the sale was considered highly probable.

The valuation remains subject to estimation uncertainty, particularly in respect of selling costs and the timing of completion; however, management considers these estimates to be reasonable based on the information available at the reporting date.

The property was sold in February 2026 for gross proceeds of £745,000. This transaction occurred after the reporting date and represents a non-adjusting post-balance-sheet event.

8. Debtors

	31 December 2025 £'000	31 December 2024 £'000
Trade debtors	6,760	6,437
Less: Provision for bad debt	-	-
Other debtors	214	278
Prepayments and accrued income	722	410
Tax debtors	136	136
Total	7,832	7,261

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 2025

9. Deferred Tax

	Deferred taxation - Accelerated Capital Allowances	Total
	£'000	£'000
At 1 January 2025	-	-
Deferred tax credit in relation to capital allowances	-	-
De-recognised deferred tax assets	-	-
At 31 December 2025	-	-

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 sufficient future taxable profits will be available against which the Group can utilise the underlying deductible timing differences and tax losses. This assessment is based on current forecasts of regulated and non-regulated taxable income.

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 2025	31 December 2024
	£'000	£'000
Amounts falling due within one year		
Trade creditors	3,408	3,119
Other creditors	957	738
Lease Liabilities	102	-
Accruals and deferred income	1,369	981
Tax and Social Security creditors	341	346
Rental income paid in advance	-	14
Total	6,177	5,198
Amounts falling due after more than one year		
Lease Liabilities	1,324	-
Total	1,324	-

Of the £3.4m of Trade Creditors, £2.1m is owed to Royal Mail as part of our ongoing contractual arrangements with them (31 December 2024: £1.0m).

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 2025

12. Shareholders' capital

	31 December 2025 £'000	31 December 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 January 2025	7,886,258	7,886
As at 31 December 2025	7,886,258	7,886

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

Shareholders' capital represents the nominal value of shares that have been issued.

13. Leases

The Group's leases relate to land and buildings used for operational purposes and are discounted using the Group's incremental borrowing rate, as the interest rate implicit in the leases is not readily determinable.

	Land and buildings £'000
Right-of-use assets	
At 1 January 2025	-
Additions on initial recognition	1,523
Depreciation Charge	(125)
At 31 December 2025	1,398
Lease Liabilities	
At 1 January 2025	-
Additions on initial recognition	1,523
Interest Expense	72
Lease payments made	(169)
At 31 December 2025	1,426

Leases of land and buildings are split between current (£102k) and non-current (£1,324k) liabilities.

Amounts recognised in the Statement of Comprehensive Income

	2025 £'000
Depreciation of ROU assets	125
Interest on lease liabilities	72
	197

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 2025

13. Leases - continued**Maturity analysis of lease liabilities**

	Undiscounted cashflows £'000
Less than 1 year	169
Less than 5 years and greater than 1 year	504
Greater than 5 years	1,507
Total future payments	2,180

These amounts differ from the discounted lease liability of £1,426k because FRS 102, Section 20 requires undiscounted cashflows for liquidity-risk disclosure.

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 year ended 31 December 2025 amount to £695,587, or 1.7% of total turnover (31 December 2024: £497,962, or 1.7%). The total value of purchases for the year amounted to £2,108,286, or 5.1% of total expenses (31 December 2024: £1,511,797, or 5.1%).

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 2025, the balance held was £49,433 (31 December 2024: £47,485). The investment return for the financial period ending 31 December 2025 was £1,948 (£22,731 for the period ending 31 December 2024). Director's remuneration is shown in note 2 and in the Corporate Governance Report.

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, due to expire on 31 October 2026. 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.

Guarantees received and security - The Group has a £1.0m overdraft facility with The Royal Bank of Scotland International Limited (trading as NatWest International). Any borrowing is repayable on demand. The facility is supported by a States of Guernsey Guarantee and Indemnity (Policy & Resources Committee) and was undrawn throughout the year and at 31 December 2025.

16. Subsequent events

In February 2026, the Group completed the sale of the mixed-use property that was reclassified as an asset held for sale at 31 December 2025 (Note 7). Gross proceeds were £745,000. This is a non-adjusting event after the reporting date. There were no other significant events between the reporting date and the date of approval of these financial statements.



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