

TheCityUK

Driving growth for the future

Annual report and accounts 2023-24

About TheCityUK

TheCityUK is the industry-led body representing UK-based financial and related professional services. We champion and support the success of the ecosystem, and thereby our members, promoting policies in the UK and internationally that drive competitiveness, support job creation and enable long-term economic growth. The industry contributes 12% of the UK's total economic output and employs over 2.4 million people – with two thirds of these jobs outside London across the country's regions and nations. It pays more corporation tax than any other sector and is the largest net exporting industry. The industry plays an important role in enabling the transition to net zero and driving economic growth across the wider economy through its provision of capital, investment, professional advice and insurance. It also makes a real difference to people in their daily lives, helping them save for the future, buy a home, invest in a business and manage risk.

TheCityUK publications 2023-24



TheCityUK in numbers

“TheCityUK is knowledgeable and effective - the premier body promoting the financial services sector across the UK.”

Business editor

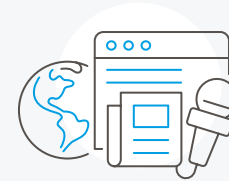


9 IN 10

members say that we are effective at advancing their interests*



Increase in website traffic of **20%***



Generated over

3,700

print, online and broadcast news pieces***



Average email open rate of

31%

compared to industry average of **23%****



304

events and meetings with nearly

5,500

attendees



Responded to over

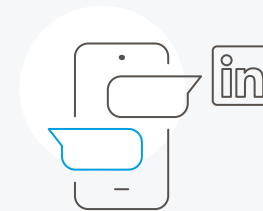
20

government, regulatory and parliamentary consultations



90%

of our members say we are effective at building and maintaining relationships with policymakers and officials*



LinkedIn engagement increased by

165%

and followers increased by **21%*****



9 IN 10

of our members say our objectives align with their interests and priorities*

*Source: TheCityUK member survey 2024, run independently by Kantar | ** Source: Campaign Monitor

***Data inclusive of the period from July 2023 – July 2024

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“ I have worked closely with TheCityUK and its members in recent years to formulate the Labour Party's policies for the financial and professional services sector, and a future Labour Government will build on this important partnership. ”

— Tulip Siddiq MP, Shadow Economic Secretary to the Treasury



Chair's foreword

The UK-based financial and related professional services industry has demonstrated remarkable resilience in the face of continued challenges across the 2023-2024 financial year. The ongoing effects of the so-called permacrisis, a neat shorthand for the ongoing uncertain geopolitical outlook, has taken determination and skill to navigate.

Throughout this period, TheCityUK has remained committed to our five strategic priorities of boosting the UK's long-term competitiveness, supporting the regions and nations of the UK, expanding our international reach, advancing green and sustainable finance, and bolstering trust and reputation in the industry for which we advocate.

We have worked hard in support of these aims over the course of the year, working with policymakers across the major parties, including through our extensive programme of events, as well as publishing specialised reports and proposals on the likes of the UK's status as an international financial centre, the strength of the UK legal sector and the industry's role and contribution across the country.

“The UK-based financial and related professional services industry has demonstrated remarkable resilience in the face of continued challenges across the 2023-2024 financial year.”

A notable achievement was the signing of a Memorandum of Understanding with the Ministry of Economy of Ukraine, supported by the Foreign, Commonwealth & Development Office (FCDO), to support the development of the Ukrainian financial and related professional services industry. This initiative showcases our commitment to strategic international development, which has generated significant response and engagement from across our industry.

As we look ahead, we remain focused on working with the new UK government to drive economic growth and to progress our recommendations to help boost trade and investment, ensure regulatory stability, deliver a coherent and predictable tax regime, and take the lead on the net zero transition. Our continued collaboration with government, as well as opposition parties, regulators, international partners and other key stakeholders, will be crucial in achieving these goals.

Underpinning these policy goals is the recognition that risk is inherent in all human activity and, indeed, that over focus on the avoidance of risk creates risks and inadvertent disadvantages of its own. As an industry, we must work closely with policymakers and regulators to ensure that risk is managed effectively and harnessed for positive public policy ends such as growth and innovation, rather it being eliminated from the system entirely. A mindset shift is necessary to recognise the downsides and hidden costs to risks not taken, particularly in terms of the growth of savings, encouraging investment, fostering economic activity, and maintaining international competitiveness.

By embracing a balanced approach to risk management, we can create an environment that nurtures innovation, supports growth, and ultimately strengthens the UK's position as a global leader in financial and related professional services.

This requires open dialogue, a deep understanding of the new government's priorities, and a shared commitment to long-term success. It

was a point I discussed with The Rt Hon Lord Sedwill GCMG, former Cabinet Secretary, during our Annual Conference in June, and it was clear that there are opportunities to assist the new government in their policy aims with this approach.

I'm pleased that our Long-Term Competitiveness Group has taken forward this work in the past year, assisting TheCityUK in advocating for the role of our services industries in the evolution of regulatory frameworks to ensure the UK remains an internationally attractive and domestically competitive place for firms to do business.

This central role has strong macroeconomic foundations. Amid a difficult operating environment, our industry continues to play a crucial role in the UK's economy, employing more than 2.4 million people across the UK and contributing around 12 percent of the UK's total economic output.

It has been a busy and full year and I want to express my gratitude to Bruce Carnegie-Brown for his outstanding work as Chair of both the TheCityUK Leadership Council and Next Generation Leadership Council. His dedication across our programme has been greatly appreciated, as have the tireless efforts of our network of National and Regional Chairs, who have been instrumental in driving our activity across the UK's financial hubs.

I also want to acknowledge the hard work and key outcomes consistently delivered by Miles and the rest of the team on behalf of our members and the industry. Their focus on addressing the most pressing reforms and issues impacting our industry has been invaluable.

Finally, I want to thank our members for their ongoing support and contributions to our agenda, work, and key outcomes. Your input and engagement are the foundation of our success.

Challenges remain on the horizon. Geopolitical tensions are elevated and there is still potential for political and economic upheavals in major global economies. But as we move forward, I am confident that we will continue to work together to confront and manage these risks, and to unlock the full potential of the financial and related professional services industry and the UK economy.

Anne Richards DBE
Chair, TheCityUK



Chief Executive Officer's review

Over the last year, the backdrop has continued to be challenging, both economically and politically, with the drive for growth remaining high on the agenda. Given our industry's activities in supporting the everyday needs of people and businesses up and down the country; its enabling role across the economy and wider society; and its significant economic contribution, this is an agenda in which we have a key role to play.

For our part, we have been very focused on making clear the vital role and contribution UK-based financial and related professional services makes, and the urgency of boosting UK competitiveness to enable our industry to do even more.

Policymaker engagement and policy impact

The well-anticipated UK General Election continued to frame our work across the year. As well as further strengthening our engagement with the Labour Party and maintaining strong relations with government, we have also established valuable relationships with prospective parliamentary candidates, raising awareness of the industry's purpose, contribution and value.



Miles Celic at our Annual Dinner 2024, in partnership with Shearman & Sterling

We have delivered strong policy impact over the year, influencing key decisions that will shape the future of our industry. The Autumn Statement and Spring Budget between them, for example, reflected our calls to boost investment in UK equities and improve returns for pensioners and savers, including announcements such as a UK ISA, British Savings Bonds and pensions funds reforms. These also echoed our calls for the creation of a 'concierge service' for international investors and included changes to the short-term business mobility regime, for which we have long campaigned.

“ We have been very focused on making clear the vital role and contribution UK-based financial and related professional services makes, and the urgency of boosting UK competitiveness to enable our industry to do even more. ”

Ensuring the UK's policy environment is more attractive to international investors has been an important part of the work we've taken forward under our international strategy. We have shaped UK thinking on outward investment screening and its approach to investment attraction. Our work with trade association partners and government on guidance around the National Security & Investment regime – not least in relation to proposed changes under the Foreign Influence Registration Scheme – has also been well received.

Enabling the net-zero transition

Green and sustainable finance continues to be a major priority for members. We have focused on promoting the industry's role in enabling the global transition to net zero, in particular at COP28. This is a theme we will continue to promote at COP29, alongside our industry's role in driving innovation. We have continued to connect members with key stakeholders to influence a breadth of related issues across this agenda, including in relation to how the UK can become a global leader in carbon markets – recommendations that were developed off the back of our report with ICE on 'Global carbon pricing mechanisms and their interaction with carbon markets'.

Through the International Regulatory Strategy Group (IRSG) – our joint venture with the City of London Corporation - and in partnership with ICMA, we have published a voluntary Code of Conduct for ESG data and ratings providers, which was welcomed by the FCA.

Delivering on our international strategy

Strengthening bilateral engagement with key markets across the world remains a priority. Following the signing of the Windsor Framework, we have acted as a conduit between industry and government, coordinating industry input into the first two EU-UK Financial Regulatory Forum meetings. We have also been a key consultation point for the Swiss Mutual Recognition Agreement, and continue to work closely with government as they negotiate a comprehensive UK-Swiss Free Trade Agreement (FTA). With the US, we've focused on issues such as data, digital and AI, as well as opportunities for the industry to leverage opportunities at state level. Through our India-UK Financial Partnership (IUKFP), we have been actively influencing policy outcomes in India, and have also focused on deepening relations with key emerging markets.

Our international development work has made significant progress over the year, spearheaded by our signing of a Memorandum of Understanding (MoU) with the Ministry of Ukraine and London Stock Exchange - through the Foreign, Commonwealth & Development Officer (FCDO) – to support the development of the Ukrainian financial and related professional services industry. This work has generated substantial engagement from across the membership and we're delighted to continue our support for this important work over the coming months. We also have several other projects underway with developing markets, demonstrating the impact we are having in this area.

Boosting UK competitiveness

Closer to home, we continue to push for reforms to ensure the UK's long-term competitiveness, including actively influencing the evolving regulatory and policy landscape for everything from key technologies, AI and data through to capital markets and pensions and savings.

We have continued to maintain focus on the regulators' duty to deliver on their secondary objective for competitiveness and growth, including urging for an international benchmarking framework to more holistically measure their progress and impact on this agenda. We have also helped lead the charge to push back on regulatory proposals that appear counter to this goal, specifically the FCA's suggestion to 'name and shame' firms and/or individuals before the conclusion of enforcement investigations. We have also been driving the debate on the need to evolve the risk culture within the regulators and in society – advocating for a balanced approach to risk management, not total risk avoidance – to support the national growth agenda.

“Delivering impact for members is at the heart of what we do.”

Advocating for our industry across the UK

Given two thirds of the 2.4 million people employed in financial and related professional services are based outside London and around half of all financial services exports generated outside London, our activity across the regions and nations of the UK remains a core pillar of our work. Led by our network of Regional and National Chairs, our efforts have delivered a series of significant policy wins over the past year, including in relation to our promotion for greater devolution, the need for metro mayors to develop local growth plans, and reform of the Apprenticeship Levy. With a keen focus by the new government on driving growth across the country, we will continue to pursue these issues to ensure our industry can make an even greater contribution to the economy and society.

Connecting and convening members and key stakeholders

Our events programme is a mainstay of our activity, bringing together members with key stakeholders to discuss critical industry issues. We have continued to expand our series of conferences – all of which have attracted a fantastic range of speakers, sparked insightful conversations and generated some great media coverage. Our Annual Dinner 2024, in partnership with Shearman & Sterling, was a great success, as was our Future Leaders' Dinner, which brings together the next generation of leaders from across our industry.

This cadre of the industry is a key part of our membership, and our Next Generation Leadership Council (NGLC) continues to go from strength to strength. As well as continuing to engage members directly in our wider programme of work, we also support them to build networks across the industry and support their career development. Last year, we were delighted to introduce a Leadership Retreat with the Møller Institute at Cambridge University, exclusively for NGLC members.

Delivering for members

Delivering impact for members is at the heart of what we do, which was why I was very pleased to see another set of strong results from our 2024 member survey, overall the strongest for some years. It was encouraging to hear how highly members rate our effectiveness at representing the industry through our relationship with policymakers, regulators and officials and that our objectives are closely aligned with theirs. This feedback is hugely valuable and helps us to refine our activity over the coming year. My thanks, as ever, goes to all our members. Without their support and involvement, we wouldn't be able to deliver the impact we do on behalf of the industry.

I am also enormously grateful for the very strong support and engagement from our chairs, Anne Richards DBE of Fidelity International who chairs our board, and Bruce Carnegie-Brown of Lloyd's who chairs our Leadership Council and Next Generation Leadership Council. They have both brought invaluable perspectives and insights to our work. Our ability to attract such esteemed and well-regarded practitioners to lead our organisation underlines our impact and influence. Similarly, Alasdair Haynes of Aquis Exchange has continued to make an outstanding contribution in his role as Chair of our Business Council.

I am particularly thankful to the efforts of our board directors, members of our Leadership Council, our network of Regional and National Chairs and our various committee chairs for their continued support, guidance and engagement with our work. We also continue to focus on strengthening our collaboration with key partners across the industry, including with the City of London Corporation, the major trade associations and SFE.

And as always, my great thanks go to the team at TheCityUK who are so committed to continuing to deliver the high-quality, high impact work our members and stakeholder expect. I hope they find it as rewarding as I do.



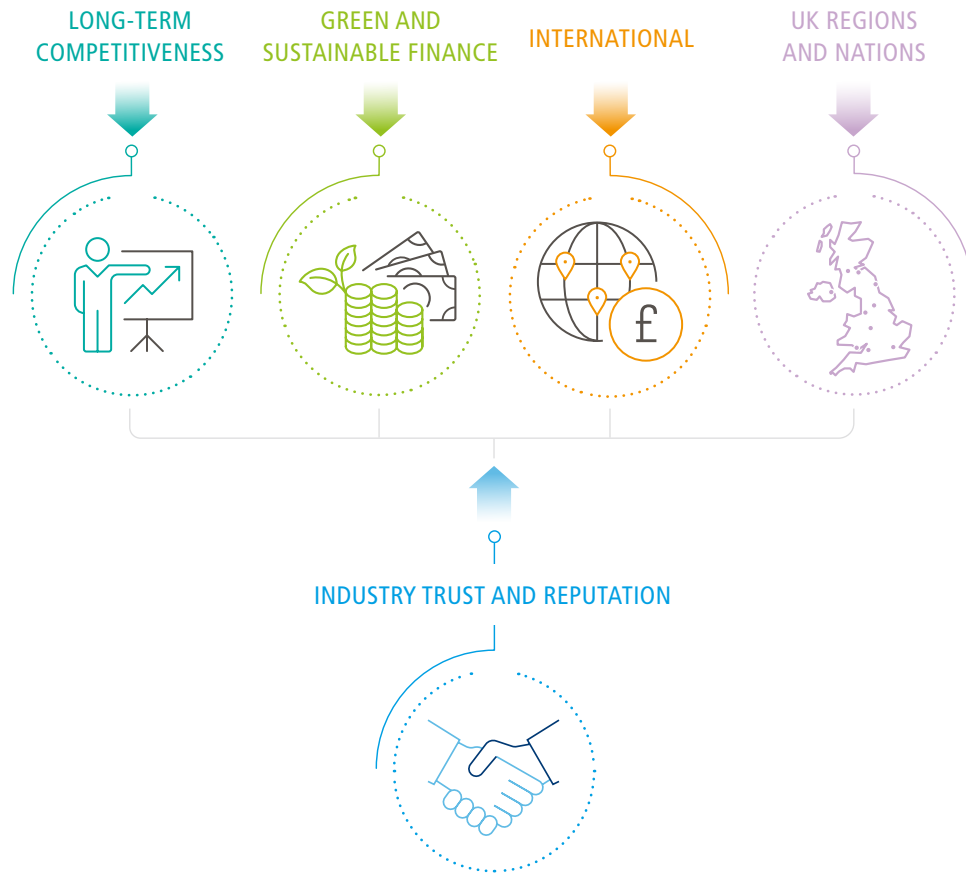
Miles Celic

Chief Executive Officer, TheCityUK



Our strategic priorities

Our work is focused on the priorities of our members and where our cross-sectoral remit can add the most value to the financial and related professional services ecosystem. Our priorities are: long-term competitiveness; international; UK regions and nations; green and sustainable finance and underpinning them all is industry trust and reputation. Through our work, we produce and publish a wide range of research, thought leadership and insights that help shape key debates and influence policy outcomes that support the industry.



INDUSTRY TRUST AND REPUTATION

Built strong relationships and connected members with key policymakers from across the major parties ahead of the UK General Election. As well as hosting the Labour Party’s launch for its plan for financial services at our office, we brought together members with the Shadow Chancellor, Shadow Economic Secretary to the Treasury (EST) and Mayor of London, for a private meeting and received great brand exposure on Channel 4 News, who exclusively filmed the launch. In the run up to the election, our Leadership Council met with the EST, Bim Afolami MP, Shadow EST, Tulip Siddiq MP and Liberal Democrat leader, Sir Ed Davey MP. We also ran a series of general election events, sponsored by Aquis Exchange, with senior representatives from the four major Westminster parties, offering members the opportunity to understand and influence their economic priorities and raise key industry priorities in the build up to the election.

Forged relationships with prospective parliamentary candidates (PPCs) across the parties to establish a good foundation for engagement post-General Election. This was delivered through a series of member events with Labour, Conservative and Liberal Democrat PPCs in London, Bournemouth and Birmingham. We will continue to develop these relationships over the course of the new Parliament.



We were delighted to host the Shadow Chancellor, Rachel Reeves MP, alongside Jon Whitehouse, Chair of our Public Affairs Group and Edward Braham, Chair, of our International Trade and Investment Group, at our office for a meeting ahead of the launch of the Labour Party’s Plan for financial services.

Delivered strong policy impact from our Autumn Statement 2023 and Spring Budget 2024 submissions with analysis from our ‘Enabling growth across the UK’ report cited in the written Autumn Statement delivered to Parliament, and our calls for more flexible business visitor rules and investment into green industries also included. Announcements in the Spring Budget on a new UK ISA, British Savings Bonds and pension funds reforms reflected our calls to boost investment in UK equities and improve returns for pensioners and savers, and the commitment to delivering further devolution to the English regions was also in line with our longstanding position.

“TheCityUK is influential with government, opposition and the media....”

Senior business journalist

Our manifesto for the next government called for a new era of collaboration with industry, generating media coverage in key outlets, including an exclusive with Sky News, a front page in City A.M. and news piece in the Daily Mail. The recommendations – which included immediate priorities and ones for across the term of the parliament – will continue to underpin conversations with government over the coming months.

Delivered our best-yet Annual Dinner, featuring an in-conversation between the Chancellor of the Exchequer and Francine Lacqua, Anchor and Editor-at-Large, Bloomberg TV. Held at Raffles Hotel in London, in partnership with Shearman & Sterling, the event welcomed over 250 industry leaders, diplomats, ministers, MPs, regulators, officials and journalists and generated a wealth of positive feedback and media coverage.

Delivered a series of high-profile events with senior policymakers across the major Party Conferences. Our sponsorship of the Conservative Party’s 1922 Committee reception saw our CEO share a platform with the Prime Minister and our sponsorship of the New Statesman welcome reception at Labour Party Conference saw him speak alongside Rt Hon Sadiq Khan, Mayor of London and Bridget Phillipson MP, Shadow Education Secretary. At both Labour and Conservative conferences we hosted fringe events discussing the role of the industry in driving economic growth. At the Liberal Democrats and SNP Conferences, our fringe events focused on green and sustainable finance and economic growth.

Brought together the industry’s future leaders at our Future Leaders’ Dinner, in partnership with Mayer Brown, including current and alumni members of our Next Generation Leadership Council (NGLC) and others from across the industry. This event is part of our ongoing engagement with the industry’s next generation of leaders, spearheaded through the NGLC. It has continued to gather good momentum over the past year, with members contributing to our ongoing work programme, joining panels at our conferences and senior meetings, participating in career development coaching, and continuing to build their networks with senior leaders. We delivered our first bespoke Leadership Retreat for NGLC members at the Møller Institute, Cambridge University and are planning our second course for later this year.

Published highly regarded, well-referenced economic research about our industry, including our annual ‘Key facts about the UK as an international financial centre’ and ‘Key facts about UK-based financial and related professional services’ reports. Both continue to be a great resource of facts and data on the industry generating widespread media coverage and producing valuable insights. These insights are regularly reflected back by policymakers, including facts such as ‘nearly 2.4 million people in the UK work in financial and related professional services, with two thirds based outside London’.



The Chancellor of the Exchequer, Rt Hon Jeremy Hunt MP, in conversation with Francine Lacqua of Bloomberg TV at our Annual Dinner 2024, in partnership with Shearman & Sterling

Successfully delivered an enhanced programme of conferences across the year focusing across our strategic priorities, all of which were supported through sponsorship by members and firms across the industry. These have proven an effective way of bringing together senior practitioners, government, regulators, media and other key stakeholders to discuss a range of important issues relevant to the industry, it's continued success and the long-term competitiveness of the UK.

“TheCityUK brings the industry and wider ecosystem together {and is} clearly well regarded by politicians and other policymakers.”

TheCityUK member



Panel session from our inaugural Future Skills Conference with the Financial Services Skills Commission



Our Board Chair, Anne Richards DBE, delivers a keynote address at our Annual Conference 2024

Our Annual Conference 2024 covered a range of issues relating to the industry's role in driving growth and bolstering UK competitiveness. Sponsored by Fidelity International, and also supported by Citadel Securities, DLA Piper, DTCC, Guernsey Finance and RepRisk, around 300 delegates heard from an excellent line-up of speakers, including The Rt Hon The Lord Mark Sedwill GCMG, our Board Chair Anne Richards DBE and a series of engaging panel discussions focused on sustainable growth, the evolution of the UK's regulatory landscape, and harnessing new technologies and innovation. Bloomberg Radio broadcast their flagship morning show, Bloomberg Daybreak Europe, live from the conference, interviewing several speakers during the morning and chiring (and broadcasting) the first panel of the day.

Tackled some of the urgent skills and talent challenges and opportunities facing our industry at our inaugural Future Skills Conference with the Financial Services Skills Commission. Sponsored by Lloyds Banking Group, Yorkshire Building Society, Capital One, and Phoenix Group, over 170 delegates heard from a diverse line-up of speakers, including keynotes from Emily Shepperd, COO and Executive Director of Authorisations at the FCA, our Leadership Council Chair, Bruce Carnegie-Brown, and Professor Baroness Alison Wolf CBE. We also shared a personal story from a Lloyds Banking Group employee who had benefited from reskilling; as well as an insightful series of panels discussing how to unlock productivity in the workforce and boost skills development across the country.

LONG-TERM COMPETITIVENESS

Led a campaign through the media and with key stakeholders to push back on the Financial Conduct Authority's (FCA) 'guilty until proven innocent' proposals to 'name and shame' firms and/or individuals before the conclusion of enforcement investigations. We set out the industry's strong opposition, including through a front-page story and other articles in the Financial Times, as well as in Reuters, City A.M., Politico and others. Our CEO was the first witness to give evidence to the House of Lords Financial Services Regulation Committee where the topic was well discussed. We also co-signed two joint letters on the issue with other trade associations and business groups, which were led by our partners at UK Finance.

“TheCityUK has laser focus on...driving economic growth in the UK.”

TheCityUK member _____

Consistently promoted the need for a clear, stable, predictable and internationally competitive tax regime, which was reflected in commitments made by the Labour Party to a top rate of corporation tax of 25% in their plan for financial services. Our priorities are to ensure the UK government's approach to taxation for financial services is internationally competitive, and to provide international investors with increased clarity and certainty of the tax implications of investment in the UK. With members of our Tax Group, we have met ministers and officials at HM Treasury (HMT) and HM Revenue & Customs (HMRC) to underline these critical issues and made submissions ahead of key fiscal events such as the Autumn Statement and Budget.

In collaboration with the City of London Corporation, we published the first-ever Total Tax Contribution study for the financial and related professional services industry, which made the front page of City A.M., among other outlets. The research, conducted by PwC, showed that the industry contributed a record £110.2bn in taxes in 2023 – a contribution of £1 in every £8 of total UK tax revenue paid, and enough to fund the government's annual education budget or half the defence budget.



The industry contributed **£1** in every **£8** of total UK tax revenue paid in 2023

Influenced important reforms to boost UK competitiveness and benefit the wider industry, setting out recommendations to the FCA ahead of its consultation on payment optionality for investment research and detailing how to best implement these reforms – proposals that were reflected in its formal consultation. As part of our ongoing focus on bolstering UK capital markets, our submissions to the Chancellor ahead of both the Mansion House speech and the Autumn Statement included recommendations focused on revitalising the UK's public equity markets, enhancing the nation's competitiveness, building on market strengths, and boosting the attractiveness of the UK's public equity markets to benefit UK businesses and citizens as investors. Several of these were reflected in the Autumn Statement, including plans to create a 'concierge service' for major international investors, expanding the ISA regime to include Long-Term Investment Funds, and extending the Enterprise Investment Scheme and Venture Capital Trusts until 2035. The government also updated the remit of the Financial Reporting Council (FRC), emphasising the role it should play in promoting growth and competitiveness. The government has also since consulted on creating a UK ISA, to incentivise more individual investing in UK companies.



The Rt Hon The Lord Sedwill GCMG in conversation with our Board Chair, Anne Richards DBE, at our Annual Conference 2024

Actively influenced the evolving regulatory and policy landscape for key technologies through targeted stakeholder engagement and responses to key consultations, for example FCA and Bank of England discussions on fiat-backed stablecoins and the Digital Securities Sandbox. We also submitted a paper to the government outlining our industry's priorities for the future AI regulatory regime, advocating for a global framework that minimises unnecessary burdens on businesses while protecting consumers and maintaining their trust. To ensure our industry's priorities were understood by a new government, we engaged with Labour on their AI Strategy ahead of the election, promoting a proportionate and pro-innovation approach to AI regulation, particularly in financial applications. Ahead of next year's operational resilience deadline, as set by the FCA and PRA, we have set out recommendations to help the industry and regulators work together to balance operational resilience and third-party risk with technology adoption.

Delivered high-impact proposals on a range of digital issues through our International Regulatory Strategy Group (IRSG) - our joint venture with the City of London Corporation - including responding to a consultation on a digital securities sandbox, a discussion paper on a regulatory regime for fiat-backed stablecoins, and contributing ideas on an international regulatory framework for AI. A roundtable between the IRSG and the Department for Science Innovation and Technology (DSIT) on the UK Data Protection and Digital Information (DPDI) Bill was a useful opportunity for members to share views and discuss the outcomes of previous workshops on the Bill.

Took steps to protect our industry's access to necessary data, providing evidence to the House of Lords European Affairs Committee on EU-UK data adequacy and addressing the FCA's concerns on data asymmetry between Big Tech firms and our industry. We were pleased to see that the FCA's approach aligned with our recommendations.

Continued to influence critical legal services issues, including in relation to improving the effectiveness of sanctions on Russia, diversity and inclusion and regulatory enforcement actions, through substantial engagement with key political and regulatory stakeholders, such as the Ministry of Justice (MoJ) and HMT. We also launched the 2023 edition of our highly regarded annual legal services report, which provided a useful platform to connect members with the Lord Chancellor to discuss the key findings and wider sectoral issues.

Published a series of reports, papers and consultation responses on critical regulatory issues through the IRSG. This included the third report on financial services priorities for the G7 and G20 Presidencies; anti-money laundering coordination, including a recommendation for an international beneficial ownership register; and a response to the PRA's consultation on its new approach to policymaking, calling for strong implementation of the new secondary competitiveness and growth objective. The IRSG has also supported HMT with expert industry advice to implement its Smarter Regulatory Framework programme, which is transferring retained EU law into the UK's regulatory rulebook.

GREEN AND SUSTAINABLE FINANCE

Promoted the industry's role in enabling the global transition to net zero at COP28. As well as joining a series of high-profile industry-focused events, including the UN Global Compact Network and the Global Ethical Finance Initiative Climate Finance Summit, we hosted a productive roundtable in collaboration with BNP Paribas on transition finance. Building on the momentum generated at COP28, we have been intensifying efforts to ensure the UK remains at the forefront of the net-zero transition.

Proposed recommendations to government on how the UK can become a global leader in carbon markets, building on the key findings of our 'Global carbon pricing mechanisms and their interaction with carbon markets' report, produced in partnership with ICE. Our engagement with key MPs interested in the climate change debate to highlight our recommendations and the strategic steps the government could take to scale up carbon markets and position the UK to become a global leader has been well received. We also responded to IOSCO's work on voluntary carbon markets.

Set out recommendations to create a more supportive ecosystem for transition finance in the UK in our response to the Transition Finance Market Review call for evidence on how the UK can establish itself as a global hub for transition finance. Our response also highlighted the key barriers to accessing and deploying transition finance.

“TheCityUK is very focused and results driven.”

— TheCityUK member

Connected members with key stakeholders to discuss a breadth of issues across the green and sustainable finance agenda. This included a UK-Singapore industry roundtable with senior leaders to discuss how their firms are supporting nature-based solutions as part of their green and sustainable finance strategies. This was an important opportunity to enhance international cooperation to halt nature and biodiversity loss and mobilise public and private funding to support industries and technologies essential to the net-zero transition.

Published the voluntary Code of Conduct for ESG data and ratings providers through the IRSG, and in partnership with the International Capital Markets Association (ICMA).

Officially launched at London Stock Exchange in January, the code was created to increase transparency and trust in the market. It is focused on promoting transparency, good governance, management of conflicts of interest, and robust systems and controls. The initiative was welcomed by the FCA, who said, “With its strong focus on international consistency, this industry-owned code will play a key role in increasing transparency and trust in the ESG data and ratings market”.



As of April 2022, there were
36
implemented carbon tax
programmes around the world



Between 1991 and 2021, estimated
global carbon tax revenues
grew by an annual average of
10.8%



INTERNATIONAL

Successfully campaigned for a globally competitive short-term business mobility regime, culminating in changes to UK business visitor rules set out by the Chancellor in the Autumn Statement – amendments we had long been advocating for. These measures provide greater flexibility and agility for firms with a multinational workforce, simplifying and streamlining processes and reducing costs, marking a significant step in maintaining the UK’s competitive edge.

Made the case for ambitious global rules on digital trade and data transfers, working in close cooperation with peers in the Global Services Coalition. We made the case at the World Trade Organization (WTO) in support of commercially meaningful rules on cross-border data transfers and digital trade and successfully campaigned for the retention of the WTO Moratorium on customs duties on electronic transmissions. We informed the UK’s approach to securing high-quality digital agreements in the Australia Free Trade Agreement (FTA) and the recent US data bridge.

Made the UK more attractive to international investors by securing improvements to policies impacting international investors in the UK market, working with trade association partners and government on guidance to the National Security & Investment (NSI) regime and taking our members out of the scope of the primary tier of the proposed Foreign Influence Registration Scheme (FIRS). We have shaped UK thinking on outward investment screening, and its approach to investment attraction (Lord Harrington’s Review).

Acted as the key private sector consultation point for negotiations around the Swiss Mutual Recognition Agreement (MRA), which was announced in December 2023 – a process in which we have been closely involved with from the outset. Our CEO and Chair of our Swiss Market Advisory Group (MAG) joined the Chancellor in Switzerland in December to celebrate the signing of the Berne Financial Services Agreement. Our advocacy also helped secure a rollover of the Swiss Mobility Agreement. We continue to work closely with the government as they negotiate a comprehensive UK-Swiss Free Trade Agreement, which will complement and maximise the benefits of the Berne Agreement.

“The international Market Advisory Groups open up development opportunities for our business, by presenting a unified UK financial and related professional services proposition.”

TheCityUK member

International Conference 2024



The Rt Hon Kemi Badenoch MP, Secretary of State for Business and Trade addresses the audience at our International Conference 2024

Ran a successful 2024 International Conference, in partnership with Freshfields Bruckhaus Deringer, bringing together over 250 delegates to discuss critical issues relating to the UK's status as a world-leading international financial centre. Alongside a keynote speech from The Rt Hon Kemi Badenoch MP, Secretary of State for Business and Trade, delegates also heard in-conversations with both Catherine West MP, Shadow Foreign Minister (Asia and the Pacific) and General Sir Richard Barrons KCB CBE, Co-Chairman, Universal Defence and Security Solutions, as well as a series of lively panel sessions covering topics ranging from the geopolitical risks and opportunities facing the industry, to the challenges and opportunities created by the fragmented technological landscape.

“TheCityUK represents the wider financial and professional services industry, and is able to take a view beyond the individual sectors and take on issues that apply to all, e.g. staff mobility.”

— TheCityUK member

Urged government and regulators to work with our industry to develop an holistic international benchmarking framework to assess and monitor over time the UK's international regulatory competitiveness, as well as the regulators' progress and impacts in implementing their secondary competitiveness and growth objective. This international research, in partnership with Freshfields Bruckhaus Deringer, made clear that while the UK financial regulators' metrics to track progress against this objective provided world-leading accountability and transparency, a wider view of how their activities impact competitiveness and growth would inform where greater progress is needed. The EST and FCA responded positively to the report, committing to actively engage with our us and members to progress the next phase of this work.

Delivered strong and sustained US engagement ahead of the Presidential elections.

We led a senior delegation to Washington D.C. and New York, meeting members of Congress, senior officials from the British Embassy, US Treasury, USTR, the US Coalition of Service Industries, SEC and New York Department for Financial Services to discuss the evolving



Miles Celic, CEO, TheCityUK on one of our delegations to the US to meet with senior stakeholders and members, including Superintendent Harris from the New York State Department of Financial Services and Richard Kaye, Head of International Public Affairs, JP Morgan

geostrategic environment, data, digital assets and AI. In May, we visited Miami and Houston to understand how recent Memoranda of Understandings (MoUs) between the UK and the states of Florida and Texas could be best leverage by members. Through a revitalised British American Finance Alliance (BAFA), on which TheCityUK serves as UK Secretariat, we have made significant progress in shaping the agendas of the UK-US Financial Regulatory Working Group, including on data/digital assets and AI.

“TheCityUK makes the case for the importance of the industry and explains its role in supporting jobs and growth to policymakers.”

TheCityUK member

Strengthened the EU-UK business relationship and coordinated industry input to the EU-UK Financial Regulatory Forum, which came in force following the signing of the Windsor Framework, with our priorities well reflected in its first two meetings. This work is coordinated through our Europe MAG and in collaboration with the IRSG EU Regulation Committee. Our active membership of the UK Domestic Advisory Group (DAG) and the Civil Society Forum (CSF), created under the UK-EU Trade and Cooperation Agreement (TCA), has seen us successfully advocate for the creation of a UK DAG Trade in Services sub-group to ensure trade in services issues are appropriately prioritised going forward on the DAG and CSF agendas.

“TheCityUK has strongly encouraged international development by building fruitful and durable relationships with emerging and frontier markets globally, sharing best practices in developing IFCs across continents.”

TheCityUK member

Worked to support regulatory and commercial diplomacy with priority growth markets, including India, China and Hong Kong and the ASEAN markets. We led a senior business delegation to India, where members met with the Indian Finance Minister and UK Chancellor to present industry recommendations for strengthening regulatory cooperation and enhancing bilateral trade and investment. We were pleased to see a positive response on overseas listings and FinTech regulation, and to receive a mandate to take forward India-UK Financial Partnership (IUKFP) workstreams – for which we provide the UK secretariat – on data, AI and machine learning, and sustainable finance. In Hong Kong and Shanghai for the Asia Financial Forum (AFF), we held several bilateral meetings with regulators and businesses, with particular focus on the Greater Bay Area development and green finance. We coordinated input

to inform the UK-Singapore Financial Dialogue, identifying key challenges and opportunities in Energy Transition Financing and Generative Artificial Intelligence culminating in a series of practical recommendations for government to consider. We also supported the Indonesia Investment Forum in London, joining discussions on Indonesia's payments landscape and ambitions to attract more foreign direct investment with the Governor of Bank Indonesia.

Developed greater synergies between our Islamic Finance and ASEAN work,

facilitating a closed-door workshop with industry leaders active in the UK-Malaysia Islamic finance corridors, with an objective to establish Islamic finance as a priority under the first ministerial-led UK-Malaysia JETCO. We met with stakeholders and members in Dubai and Riyadh and Saudi to better understand industry opportunities in the Middle East and specific issues to be addressed.

Signed an MoU with the Ministry of Economy of Ukraine and the London Stock Exchange Group to support the development of the Ukrainian financial and related professional services industry through 'The City-Ukraine Hub'. Reflecting the industry's strong commitment to Ukraine, we have been working with the Foreign, Commonwealth & Development Office (FCDO) and our members to establish a robust framework, and supporting financial market infrastructure, to underpin a private-sector led recovery.

Supported the development of an International Financial and Business Centre in Vietnam. This work has been recognised as a flagship initiative for the 50 years of diplomatic relations by the Government of Vietnam and was formalised by a signing of an MoU between TheCityUK and the Foreign Investment Agency under the Ministry of Planning and Investment in Hanoi. We have been working with our members, FCDO and the Government of Oman to assess the feasibility for developing an International Financial Centre in Oman to accelerate its Vision 2040 and 2050 net zero agenda and attract private sector investment.

Reviewed and refreshed where required our international strategy, which underpins our broader international work, identifying four key areas of priority to progress the strategy: understand the changing patterns of trade and investment and how the UK can act as a neutral partner to service new growth corridors, such as the Middle East to Asia; explore the full range of trade policy tools, such as MRAs, MoUs and Digital Economy Agreements to increase market access at a time of growing economic protectionism where FTAs may be harder to secure; strengthen our relationship with Europe to deliver mutual benefits to industry and customers; and propose a new approach to trade and investment for the new government which addresses the changing global landscape and positions the UK as the world's leading international financial centre.



Panel session at our International Conference 2024

UK REGIONS AND NATIONS

Continued to promote the vital role and contribution of the industry across the regions and nations of the UK to constituency MPs and key stakeholders. This activity is underpinned by two key research reports: 'Enabling growth across the UK' and 'Exporting from across Britain'. Both reports set out policy recommendations, with the former focusing on how the industry can support national growth and the latter looking at ways to support greater trade and investment flows. Several of those policy recommendations have been reflected in the various statements and actions taken forward by government, including on reform of the apprenticeship levy and English devolution. The data on industry jobs and regional exports data from these reports were showcased to MPs at our Parliamentary Reception in Westminster and in personalised communications to underline the contribution and impact the industry has in their constituencies. The data from the 'Enabling growth' report also shaped our party conference programme and underpinned a range of related discussions with policymakers and senior stakeholders.

Set out how the industry could further enable growth ahead of the Metro Mayor elections, preparing and sharing localised manifestos with each mayoral candidate and relevant stakeholders. The policy recommendations within these manifestos have formed the basis of our discussions with the Metro Mayors since the elections.

Successfully advocated for greater devolution through our policy recommendations, research reports and engagement with regional policymakers and stakeholders. Our asks were reflected in the Conservative government's announcement around new devolution deals and powers for several parts of the country, and have been reflected in the Labour Party's latest policy document 'Power and Partnership: Labour's Plan to Power Up Britain' and in the Prime Minister's recent ask for all Metro Mayors to develop local growth plans, something we called for in our 'Enabling growth across the UK' report.

“TheCityUK raises awareness of the importance, breadth and geographical diversity of the UK's financial and related professional services sector.”

TheCityUK member

Influenced important reforms to the Apprenticeship Levy announced by the Prime Minister in March and reflected in the Labour Party's manifesto. Following the publication of our Apprenticeship Levy position paper, we were pleased to see an increase in the amount of funding that employers who pay the levy can pass onto other businesses and that large employers who pay the Apprenticeship Levy can now transfer up to 50% of their unused funds to support other businesses to take on apprentices, up from 25%. The new government has also committed to transforming the Apprenticeship Levy into a Skills and Growth Levy in line with our asks.



Bim Afolami MP, Economic Secretary to the Treasury, addresses our National Conference 2023 in Manchester

Hosted a successful 2023 National Conference in Manchester to discuss the industry's contribution and enabling role across the country's regions and nations. Sponsored by PwC as well as interactive investor, Guernsey Finance and Vanguard, over 150 delegates from across the UK heard from the EST, Bim Afolami MP, who delivered his first speech in post (just one week after his appointment) as well as Dame Angela Eagle DBE MP, Member of the Treasury Select Committee. We also held in-conversations with Lou Cordwell OBE, Chair of the Greater Manchester Business Board, about the opportunities for business growth in Manchester, and Dr Carol McNaughton Nicholls, Managing Partner of Thinks Insight & Strategy, who discussed their latest policymaker and public perception research on our industry. Two lively panel sessions covered themes such as innovation, regional development and the industry's role in driving economic growth.

Continued to convene members with policymakers and leaders from across the UK through our series of regional events to discuss a range of industry priorities. Chi Onwurah MP, Shadow Minister for Science, Research and Digital, spoke at our roundtable in Newcastle; Alex Sobel MP, Chair of the Net Zero APPG, discussed the importance of sustainable finance at our roundtable in Leeds; Antony Higginbotham MP, Member of the Business and Trade Select Committee, joined a virtual roundtable for businesses in the North West. We have also held events with Cambridgeshire & Peterborough Mayor, Dr Nik Johnson and Bristol Mayor, Marvin Rees.

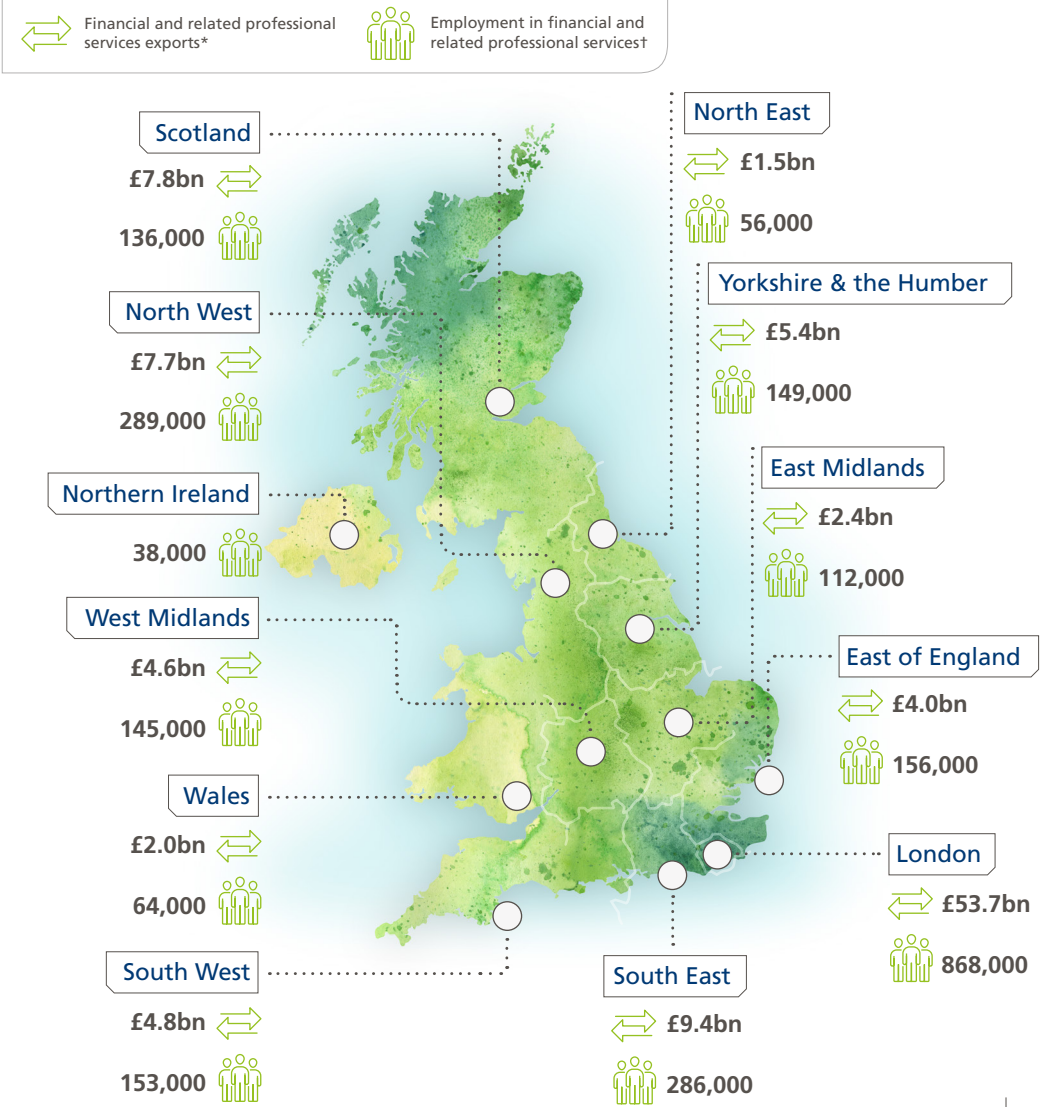
“TheCityUK has a focus on, and impressive support for, the regions and nations.”

TheCityUK member



Panel session at our National Conference 2024

Financial and related professional services exports and employment by region and nation



*Latest available data for 2021 | †Latest available data for 2021

CORPORATE ACTIVITY

Continued to achieve strong media exposure across national, international and regional outlets through proactive and reactive media engagement. Our press releases, commentaries and reports generated over 3,700 articles in 20 countries, including five front-page features in key industry publications including the Financial Times and City A.M.. Our coverage throughout the year was particularly prominent in outlets such as The Times, Daily Mail, Financial Times, Bloomberg, and City A.M.. - all key targets for our key stakeholders.

Strengthened engagement across our digital channels, resulting in an increase in website traffic of 20%. Our email campaigns, where personalisation and automation are now standard, averaged an open rate of 31%, well above the industry average of 23%. We significantly grew our social media engagement with a particular focus on LinkedIn (by far our most effective channel). Through proactive and regular content updates, we showcased our events, international activities, policy engagements and interactions with

OVER **3,700** NEWS PIECES GENERATED



Miles Celic, CEO, TheCityUK, speaking on Bloomberg Radio

government, political and other key stakeholders. We've also continued to use LinkedIn to promote our publications, consultation responses, reactions to government announcements and other relevant news, using both organic and targeted promotion on the platform. As a result, our followers grew by over 20%, with impressions up 9% and engagement increasing significantly by 165% compared to the previous reporting period.

Delivered a comprehensive and wide-ranging programme of events, bringing members together with ministers, regulators, ambassadors, policymakers and other senior stakeholders. Overall, we delivered 304 events and meetings, a 15% increase from the previous reporting period, including four conferences, two large member and stakeholder dinners, a series of roundtables aligned to our strategic priorities and various networking opportunities, which cumulatively attracted nearly 5,500 attendees, a 7% uplift on last year.

Continued to connect members with senior editors from key media outlets through our media dinner series, which is conducted under the Chatham House Rule. Over the past year, journalist guests have included Jim Armitage, Business Editor at The Sunday Times; Richard Fletcher, Business Editor at The Times; Francine Lacqua, Anchor and Editor-at-Large

at Bloomberg TV; Simon Jack, Business Editor at the BBC; and Chris Williams, Business Editor at The Telegraph. These events provide valuable opportunities for senior journalists to source industry perspectives on topics that can shape future content. For example, The Telegraph ran a series of articles on the UK's risk culture in policymaking following a media dinner where discussion focused on that topic.

Significantly increased media attendance and engagement at our conferences across the year. We were also delighted to partner with Bloomberg Radio at our Annual Conference for the second consecutive year. They broadcast their flagship morning show live from the event, pre-recording an interview with our CEO in advance to run on the morning of the event, trailing the event in the lead-up to the day, and running interviews with speakers in the days following. This also drove coverage across other Bloomberg platforms, including Bloomberg TV and online.

“The events series, which regularly feature politicians, and the engagement it offers members is great.”

TheCityUK member

Continued to grow our membership and total commercial income, welcoming several new members to the organisation across the year. Revenue from membership fees increased 4% with growth across all six of our membership levels – Platinum, Gold, Silver, Bronze, SME and Industry Partner. Growth was fairly distributed across our membership tiers with revenue increasing by 5% or more at the Platinum, Gold, SME and Industry Partner levels. Overall, our total commercial revenue from membership fees and sponsorship totalled just over £6.7m, up from £6.5m for the previous reporting period and an increase of over £200k.

Our partners and pledges



Maintained high levels of member satisfaction, meeting our target member retention rate of 95% and receiving overall positive feedback in our 2024 member survey, conducted independently by Kantar. Nine in 10 members said that we are effective at advancing the interests of members and stakeholders and just 93% had a favourable opinion of us - both figures at the highest levels since 2020. Members highly rate our effectiveness at representing the industry through our relationships with policymakers, regulators and key stakeholders (90%) and were in agreement that our objectives and priorities were in alignment with theirs (88%). Our ability to convene all parts of the industry and represent their collective views to government was consistently cited as a key strength.

“TheCityUK makes a compelling case about the value of the financial services industry across the UK, thereby supporting members.”

TheCityUK member

Focused on our commitments to the Women in Finance Charter and Race at Work Charter. In our last submission to the Women in Finance Charter (September 2023), we once again exceeded our target of a 40%:60% female:male ratio across our senior management team, with 67% being female. That is a year-on-year increase of 12% in senior representation across our senior management team. We are also very pleased to have continued to exceed our target and will report in our 2024 submission a female:male ratio of 67%:34%. As part of our signatory to the Race at Work Charter, we continue to monitor and report ethnicity data from our colleagues. Of the 49 employees included in our data capture, the majority are from a 'White' background (70%), 16% are from a 'Black or 'Asian' background (up 8% year on year), 6% identify as coming from a 'mixed' background and 8% preferred not to say. These statistics are used as an ongoing baseline and to inform our HR strategy. We are proud to be a Disability Confident Committed employer, a signatory of the Menopause Workplace Pledge and a Social Mobility Pledge accredited employer.

Continued to share best practice on diversity, equity and inclusion issues across the membership, in particular through our DE&I Exchange, bringing members together with leading practitioners in areas such as social mobility and disability to discuss ways of addressing barriers and enabling businesses to benefit from greater diversity at all levels of the organisation. We have continued to deepen our relationship with our charity partner Urban Synergy, including offering three one-week intern placements across the year, with students joining our Public Affairs, International and Policy teams and engaging colleagues in their e-mentoring programme. We have also continued our beneficial partnership with the Taylor Bennett Foundation, offering a rolling one-year placement through their Summer Stars Internship Programme.

Corporate governance report

Principles of Corporate Governance

TheCityUK, (the Company), is committed to high standards of corporate governance. The Board is accountable to the Company's members for good governance in its management of the affairs of the Company. The Directors acknowledge the importance of the principles of corporate governance. As a non-quoted company limited by guarantee, the Company is not obliged to comply with the requirements of the Combined Code, however the Board intends to comply with its main provisions as far as reasonably practicable having regard to the size of the organisation.

The Board recognises the importance to members of corporate governance disclosure. To this end the Company has developed a set of disclosures that it feels are consistent with the Company's size and the constitution of the Board and intends to continue to develop these disclosures as it grows.

The Board

The Board currently comprises the following members who are also members of the following committees of the Board:

TheCityUK Board of Directors as of August 2024		
Directors	Finance, Audit and Risk Committee	Nominations Committee
Omar Ali		✓
Susan Allen OBE	✓	
Farmida Bi CBE		
Edward Braham		✓
Miles Celic	✓	✓
Georgia Dawson		
Galina Dimitrova		
Adam Farkas		
Hannah Gurga		
Christopher Hayward		✓
Sarah Melvin		
Julie Page		
David Postings	✓	
Christopher Rhodes		
Anne Richards DBE		✓
Sir William Russell	✓	
Ian Stuart		
Jonathan Whitehouse		

Matters reserved for the Board's attention

The Board has a formal schedule of matters reserved for its decision covering the following areas:

- objectives and strategy
- membership
- financial reporting, internal controls, risk and capital management
- corporate governance
- board and other board committee appointments
- policies
- structure
- management
- transactions
- remuneration and pensions
- delegation of authority
- material contracts.

Committees

The Board operates through clearly identified Board committees to which it delegates certain powers. These are the Finance, Audit and Risk Committee and the Nominations Committee. They are properly authorised under the constitution of the Company to take decisions and act on behalf of the Board, within the guidelines and delegations laid down by the Board in the Board Charter. The Board is kept fully informed of the work of these committees and each committee has access to and support from the Company Secretary. Any issues requiring resolution are referred to the full Board. A summary of the operations of these committees is set out below.

The Finance, Audit and Risk Committee's role is to review, and challenge where necessary, the annual operating budget and management accounts of the Company. Its role is also to monitor the quality of internal control, ensuring that the financial performance of the Company is properly measured and reported on, and to review reports from the Company's auditors relating to its accounting and internal controls, in all cases having due regard to the interests of the members. Finally, this committee reviews the key operational risks facing the Company and management plan to mitigate these risks.

The Nominations Committee leads the process for Board appointments. It vets and presents to the Board potential new Directors. All new appointees undergo a nomination process before the Board considers their appointment. In addition, it shall review and make recommendations to the Board about the Company's remuneration policy and specifically about the remuneration package of the Chief Executive Officer.

A copy of the Terms of Reference for these committees can be obtained by contacting the Company Secretary at the Company's Offices.

In addition, the Board receives reports and recommendations from time to time on matters which it considers significant.

Board meetings

The Board scheduled five meetings during the year ended 31 March 2024. The table below shows the attendance of Directors at regular Board meetings and at meetings of the Board committees during the year.

The Board is supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties.

Board Meetings 1 April 2023 - 31 March 2024

Directors	Date Appointed (A) or Resigned (R)	Regular Board meetings	Finance, Audit and Risk Committee meetings	Nominations Committee meetings
Meetings Held:		5	2	2
Susan Allen OBE	(A) 19 March 2024	1	-	-
Omar Ali	-	4	-	2
Farmida Bi CBE	(A) 20 September 2023	2	-	-
Edward Braham	-	5	-	2
Miles Celic	-	5	2	2
Georgia Dawson	(A) 20 September 2023	2	-	-
Galina Dimitrova	-	4	-	-
Adam Farkas	-	4	-	-
Hannah Gurga	-	4	-	-
Christopher Hayward	-	3	-	2
John Heaps	(R) 15 October 2023	1	2	-
Sarah Melvin	-	3	-	-
Julie Page	(A) 13 December 2023	1	-	-
David Postings	-	5	2	-
Christopher Rhodes	(A) 13 December 2023	1	-	-
Anne Richards DBE	-	5	-	2
Sir William Russell	-	2	-	-
Ian Stuart	(A) 19 March 2024	1	-	-
Dr Kay Swinburne	(R) 6 June 2023	-	0	-
Jonathan Whitehouse	-	5	-	-

Board performance appraisal

With the full support of the Board, the Chair leads an evaluation of the performance of the Board and its committees on a regular basis. The last review concluded that the Board and its committees are currently effective and each Director continues to demonstrate commitment to their role.

Re-election of Directors

New Directors are subject to election at the first Annual General Meeting (AGM) of the Company following their appointment. In addition, up to a third of the Directors (excluding the Nominated Directors of the City of London Corporation and the Greater London Authority) are required to submit themselves for re-election at the AGM of the Company. Each Director shall be entitled to be reappointed but shall not serve as a Director for more than two three-year periods, save that a director may, by a decision of the directors, be eligible for re-appointment beyond their second term if it is considered to be in the best interests of the Company by virtue of any particular executive office with the Company or project or undertaking or trade association with which that Director is involved and where, in the opinion of the directors, disruption would otherwise be caused as a result of their retirement from office.

Board independence

The Board considers all the Non-Executive Directors to be independent in character and judgement. The Non-Executive Directors have provided robust independent advice and challenge throughout the year. In concluding that all its Non-Executive Directors are independent, the Company considered, inter-alia, the fact that all of the Non-Executive Directors are Directors of other corporations and are unpaid.

Company information

Directors

O Ali

E C Braham

M Celic

G R Dimitrova

A Farkas

H Gurga

C M Hayward

S L Melvin

D J Postings

A H Richards

Sir W A B Russell

J P Whitehouse

F Bi (appointed 20 September 2023)

G K Dawson (appointed 20 September 2023)

J A Page (appointed 13 December 2023)

C J Rhodes (appointed 13 December 2023)

I Stuart (appointed 19 March 2024)

S M Allen (appointed 19 March 2024)

Company secretary

J S Holland

Registered number

07088009

Registered office

Sixth Floor Fitzwilliam House,
10 St. Mary Axe,
London.
EC3A 8BF

Independent auditor

CLA Evelyn Partners Limited,
Chartered Accountants & Statutory Auditor,
45 Gresham Street,
London.
EC2V 7BG

Directors' report

for the year ended 31 March 2024

The directors present their report and the financial statements for the year ended 31 March 2024.

Principal activity

The principal activity of the Company is to promote a globally competitive UK Financial and related Professional Services sector.

The Company does this in two principal ways; firstly, by building evidence to demonstrate the sector's contribution to society and sustainable economic growth, and secondly, by bringing together the highest levels of Government and the sector, both domestically and internationally, to influence better policy decisions. These decisions open markets and create business opportunities for our members, their customers and clients.

Results and dividends

The profit for the year, after taxation, amounted to £326,598 (2023 - loss £65,631).

No dividends were paid or proposed during the year (2023 - £Nil).

Retained earnings policy

The Company has a policy agreed by the board to ensure that the Company holds in Retained Earnings a minimum of three months fixed expenditure. Fixed expenditure includes staff and redundancy costs, ongoing contracts including leases and outstanding purchase invoices.

Directors

The directors who served during the year were:

O Ali	E C Braham
M Celic	G R Dimitrova
A Farkas	H Gurga
C M Hayward	J R Heaps (resigned 15 October 2023)
S L Melvin	D J Postings
A H Richards	Sir W A B Russell

J P Whitehouse

F Bi (appointed 20 September 2023)

J A Page (appointed 13 December 2023)

I Stuart (appointed 16 March 2024)

S M Allen (appointed 19 March 2024)

G K Dawson (appointed 20 September 2023)

C J Rhodes (appointed 13 December 2023)

Dr J K Swinburne (resigned 6 June 2023)

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, CLA Evelyn Partners Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies' note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M Celic

Director

Directors' responsibilities statement

for the year ended 31 March 2024

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements

Statement of comprehensive income for the year ended 31 March 2024

	Note	2024 £	2023 £
Turnover		7,894,696	6,673,671
Cost of sales		(1,213,390)	(742,004)
Gross profit		6,681,306	5,931,667
Administrative expenses		(6,621,743)	(5,979,575)
Operating profit/(loss)	5	59,563	(47,908)
Interest receivable and similar income	8	46,580	4,002
Gain/(loss) on current asset investments	13	220,455	(21,725)
Profit/(loss) before tax		326,598	(65,631)
Tax on profit/(loss)	9	-	-
Profit/(loss) for the financial year		326,598	(65,631)

There was no other comprehensive income for 2024 (2023 - £Nil).

The notes on pages 27-33 form part of these financial statements.

Statement of financial position as at 31 March 2024

	Note	2024	2023
		£	£
Fixed assets			
Tangible assets	10	305,795	368,543
Investments	11	220	220
		<u>306,015</u>	<u>368,763</u>
Current assets			
Debtors: amounts falling due within one year	12	4,054,023	2,826,616
Current asset investments	13	1,852,160	1,553,848
Cash at bank and in hand		2,793,963	3,379,850
		<u>8,700,146</u>	<u>7,760,314</u>
Creditors: amounts falling due within one year	15	(6,369,409)	(5,836,923)
Net current assets		<u>2,330,737</u>	<u>1,923,391</u>
Total assets less current liabilities		<u>2,636,752</u>	<u>2,292,154</u>
Provisions for liabilities			
Provisions	16	(79,500)	(61,500)
Net assets		<u>2,557,252</u>	<u>2,230,654</u>
Capital and reserves			
Retained earnings	17	2,557,252	2,230,654
Total capital and reserves		<u>2,557,252</u>	<u>2,230,654</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M Celic

Director

The notes on pages 27-33 form part of these financial statements.

Statement of changes in equity for the year ended 31 March 2024

	Retained earnings £	Total equity £
At 1 April 2022	2,296,285	2,296,285
Comprehensive income for the year		
Loss for the year	(65,631)	(65,631)
At 1 April 2023	2,230,654	2,230,654
Comprehensive loss for the year		
Profit for the year	326,598	326,598
At 31 March 2024	2,557,252	2,557,252

Statement of cash flows for the year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Profit/(loss) for the financial year	326,598	(65,631)
Adjustments for:		
Depreciation of tangible assets	110,534	151,915
Interest received	(46,580)	(4,002)
Increase in debtors	(1,227,407)	(270,761)
Increase in creditors	532,486	369,136
Net fair value (gains)/losses on current asset investments	(298,312)	43,003
Increase in provisions	18,000	18,000
Net cash (used in)/generated from operating activities	(584,681)	241,660
Cash flows from investing activities		
Purchase of tangible fixed assets	(47,786)	(44,922)
Interest received	46,580	4,002
Net cash from investing activities	(1,206)	(40,920)
Net (decrease)/increase in cash and cash equivalents	(585,887)	200,740
Cash and cash equivalents at the beginning of year	3,379,850	3,179,110
Cash and cash equivalents at the end of year	2,793,963	3,379,850
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,793,963	3,379,850
	2,793,963	3,379,850

Notes to the financial statements for the year ended 31 March 2024

1. General information

TheCityUK is a company limited by guarantee, domiciled and incorporated in England and Wales (registered number: 07088009). The registered office address is Sixth Floor, Fitzwilliam House, 10 St. Mary Axe, London, EC3A 8BF.

The principal activity of the Company is to promote a globally competitive UK Financial and related Professional Services sector.

The Company's functional and presentational currency is GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the small companies exemptions provided by section 415A of the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company is exempt from the requirement to prepare consolidated financial statements as all of its subsidiaries are not required to be consolidated by section 402 of the Companies Act 2006.

2.3 Going concern

The financial statements have been prepared on a going concern basis.

The directors have carefully reviewed the future prospects of the Company and its future cash flows and have concluded that they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The foreseeable future being at least the next 12 months from signing of these financial statements based upon revenue projections and the level of cash reserves and current asset investments held by the Company.

For this reason, the directors continue to adopt the going concern basis for the preparation of the financial

statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Company was unable to continue as a going concern.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Subscriptions

Subscriptions invoiced by the Company are recognised over the period that the related services are provided to the members, with income relating to future periods being deferred accordingly and held in the Statement of Financial Position as deferred income.

Grant income

Grant income from the City of London Corporation is paid to the Company quarterly in advance and is recognised in the quarter to which it relates.

Grant income from government grants is paid to the Company quarterly in arrears and is recognised in the period in which it is earned.

Other income

Other income is derived principally from events held and publications released and is recognised once the service to which it relates has been provided.

All income relates to the United Kingdom

2.5 Cost of sales

Direct activity costs incurred by the Company are matched to the period in which the service was provided, and accruals made where invoices have not been received at the period end.

2. Accounting policies (continued)

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	10%
Fixtures and fittings	33%
Office equipment	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Current asset investments are investments in investment funds which are remeasured to fair value at each statement of financial position date. Fair value is determined using publicly listed prices provided by the investment manager. Gains and losses on remeasurement are recognised in profit or loss for the period.

Where fair value cannot be reliably determined, such investments are stated at historic cost less impairment. Fund management fees payable to the manager of the investment funds are recognised as an expense in profit or loss for the period.

2.10 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2. Accounting policies (continued)

2.13 Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Investments in unlisted shares are classified as basic financial instruments. They are initially measured at transaction price less impairment. Investments in investment funds are measured at fair value with gains and losses on remeasurement recognised in profit or loss.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.14 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Since the Company acts as a not-for-profit mutual organisation with the intention of benefiting its members, profits from trading with members are outside the scope of corporation tax. The Company therefore does not provide for corporation tax on any surplus generated from these membership activities, except in relation to corporation tax on investment gains (less any corporation tax losses brought forward).

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Management do not consider there to be any judgements that have a significant effect on amounts recognised in the financial statements.

Management considers that the key sources of estimation uncertainty in preparing the financial statements are:

Current asset investments

Current asset investments are measured at fair value using publicly available valuations of the fund investments provided by the investment manager. As at 31 March 2024, investments were valued at £1,852,090 (2023 - £1,553,848), of which £220,455 was recognised as a gain during the year (2023 - £21,725 loss).

3. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

Trade debtor recoverability

The trade debtors balances of £3,417,958 (2023 - £2,227,790) recorded in the Statement of Financial Position. A full line by line review of trade debtors is carried out by management at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

Dilapidation provision

A dilapidations provision is recognised in these financial statements to reflect the clause included within the Company's lease agreement which requires the property to be returned to its original state when the Company departs the premises. The dilapidation provision of £79,500 (2023 - £61,500) is based upon the best estimate of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. However, there remains a risk that the provision does not match the level of cost ultimately required.

4. Grant income

There are no unfulfilled conditions attached to the grant income recognised. Grant income has been received in relation to projects undertaken as well as rental and services undertaken under a service level agreement; further information on the funding from the City of London Corporation is described within note 21.

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2024	2023
	£	£
Operating lease rentals	366,487	327,256
Pension costs	210,381	188,275

6. Auditor's remuneration

	2024	2023
	£	£
Fees payable to the Company's auditor for the audit of the Company's financial statements	25,850	23,500
Fees payable to the Company's auditor in respect of:		
Taxation compliance services	3,610	5,100
Other services relating to taxation	615	560
All other services	1,870	1,700

7. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Average number of employees	42	42

The average number of directors who served during the year was 15 (2023 - 17), 1 of which received remuneration during the year (2023 - 1).

8. Interest receivable

	2024	2023
	£	£
Other interest receivable	46,580	4,002

9. Taxation

	2024 £	2023 £
Total current tax	-	-
Taxation on profit on ordinary activities	-	-

The Company has an unrecognised deferred tax asset of £7,054 (2023 - £89,371).

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 25% (2023 - 19%).

Factors that may affect future tax charges

There were no factors that may affect future deferred tax charges.

10. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 April 2023	431,199	160,364	459,587	1,051,150
Additions	-	3,671	44,115	47,786
At 31 March 2024	431,199	164,035	503,702	1,098,936
Depreciation				
At 1 April 2023	146,581	155,925	380,101	682,607
Charge for the year	43,233	3,936	63,365	110,534
At 31 March 2024	189,814	159,861	443,466	793,141

Net book value

At 31 March 2024	241,385	4,174	60,236	305,795
At 31 March 2023	284,618	4,439	79,486	368,543

11. Fixed asset investments

Investments in subsidiary companies

	£
Cost	
At 1 April 2023	220
At 31 March 2024	220

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
TCUK Trading Limited	Sixth Floor, Fitzwilliam House, 10 St. Mary Axe, London, EC3A 8BF	Inactive	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2024 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
TCUK Trading Limited	(880)	-

12. Debtors

	2024 £	2023 £
Trade debtors	3,417,958	2,227,790
Amounts owed by group undertakings	2,788	2,788
Prepayments and accrued income	633,277	596,038
	4,054,023	2,826,616

13. Current asset investments

	2024 £	2023 £
Current asset investments	1,852,160	1,553,848

Current asset investments consist of investments made in a diversified portfolio of assets which includes bonds, equities, commodities and real estate. The original cost of investments was £1,380,558 (2023 - £1,280,558). Additions of £100,000 was made during the year (2023 - £Nil). Fair value gain during the year was £220,455 (2023 - £21,725 loss) and have been recognised in profit or loss as part of (losses)/gains on current asset investments.

14. Analysis of net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Net funds	3,379,850	(585,887)	2,793,963

15. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	489,410	306,205
Other taxation and social security	106,029	38,309
Deferred income	4,998,171	4,929,042
Accruals and other creditors	775,799	563,367
	6,369,409	5,836,923

16. Provisions

	Dilapidation provision £
At 1 April 2023	61,500
Charged to profit or loss	18,000
At 31 March 2024	79,500

Dilapidation provision

A dilapidation provision is recognised to accrue the cost of returning the Company's office premises to its original condition at the end of the lease.

17. Reserves

Retained earnings

This reserve relates to the cumulative retained earnings less amounts distributed to members.

18. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £210,381 (2023 - £188,275). Contributions totalling £29,138 (2023 - £28,072) were payable to the fund at the reporting date and are included in creditors.

20. Commitments under operating leases

At 31 March 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024 £	2023 £
Not later than 1 year	64,289	420,031
Later than 1 year and not later than 5 years	1,629,299	111,217
Later than 5 years	48,151	-
	1,741,739	531,248

21. Related party transactions

The Company received funding of £400,000 (2023 - £400,000) from the City of London Corporation for services provided in accordance with the Service Level Agreement dated July 2019. At the year end, an amount of £Nil (2023 - £Nil) was outstanding. The City of London Corporation is a related party of the Company due to the Corporation's level of financial support and associated rights, including the ability to appoint two board members.

In addition, the Company received £100,000 (2023 - £100,000) from the City of London Corporation in relation to a contribution for rental expenses incurred by the Company. At the year end, an amount of £Nil (2023 - £Nil) was outstanding.

During the year, the Company was invoiced £157,680 (2023 - £147,420) by the City of London Corporation for rates. At the year end, the Company owed £157,680 (2023 - £147,420) which is included within creditors.

During the year, TheCityUK settled costs on behalf of the Financial Services Skills Commission (the "Commission") of £11,147 (2023 - £13,394) which were recharged at cost. At the year end, £13,376 (2023 - £16,073) was owed to the Company, which is included in debtors. The Commission is a related party as the Company was a founding member, with the Company also signing a Service Level Agreement to support the growth of the Commission by providing services to them at a nominal fee in lieu of paying a yearly subscription fee.

Key management personnel

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the Company. In the opinion of the board of directors, the Company's key management are the Executive Team of TheCityUK. Total compensation to key management personnel during the year was £1,221,197 (2023 - £1,177,126).

22. Controlling party

The directors consider there to be no ultimate controlling party.

23. Auditor information

The auditor's report on the financial statements prepared for the members was unqualified. The auditor's report was signed by Daniel Quilter of CLA Evelyn Partners as senior statutory auditor.

TheCityUK

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MEMBERSHIP

To find out more about TheCityUK and the benefits of membership visit www.thecityuk.com or email us at membership@thecityuk.com

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