

UK Shared Business Services Ltd
People | Processes | Technology

Annual Report and Financial Statements 2024/25



Registered Office

UK Shared Business Services Ltd
Polaris House
North Star Avenue
SWINDON
SN2 1FF

Registered Number: 06330639 (England and Wales)

UKSBS

Shared **Business Services**

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Chairman's Statement



We are proud of all that has been achieved over the past year. The Company has continued to transform and deliver major change whilst demonstrating significant value to our partners. Our teams have been instrumental in the successful go live of the SHARP Programme, in June 2025, having ramped up ever more support to implementation and testing. This represents our first significant step forward with a modern SaaS ERP platform, Oracle Fusion. This sets a foundation for further transformation and scaling with the Matrix Programme where significant milestones have also been reached, including the announcement of Workday as the technology platform, enabling Neo Service delivery with a go-live anticipated in May 2026.

UKSBS has also continued to enable a pipeline of Machinery of Government (MoG) changes resulting from the change in government in July 2024. UKSBS has built considerable in-house skills to manage these activities, ensuring continuity to operations and solidifying our recognised expertise in managing complex change.

Against the challenging backdrop of these major change programmes, it is testament to the hard work and dedication of our service teams that we have kept on top of an ever-growing demand. Our user base grew by 5% to over 27,500 and in addition, UKSBS realised over £500k of efficiencies through increased productivity and automation, contributing to the 20% reduction in cost per user that has been realised over the past seven years.

Progression of several service improvement initiatives has also seen increases in average client satisfaction scores to 7.8 out of 10. During the year, the Machinery of Government 2023 programme was completed taking the delivery tally to five new payrolls and final new financial ledgers created alongside numerous system changes as we onboarded new users to UKSBS systems.

The Company continues to improve its resilience. We successfully upgraded our on-prem Oracle estate to the latest version of E-Business Suite, a project planned and delivered in-house, to time and under budget. In December 2024, we recertified to the latest ISO 27001 accreditation, a testament to our ongoing adherence to best practice for information security. Much to her credit, Kathryn Hollingworth, our Head of Risk, Information and Security Compliance (RISC) won the Chief Privacy Officer and overall Woman of the Year accolade at the Women in Governance, Risk and Compliance Awards, a fantastic recognition for the work she and her team undertake to keep the Company secure.

The Board has welcomed a new independent Non-Executive Director and Audit Committee Chair following the departure of a long-serving independent NED at the end of their term. We look to build upon another positive Board effectiveness review in the forthcoming year to maximise the potential and performance of the Board and the organisation for the future.

UKSBS continues to go from strength to strength as we pursue our challenging and exciting transformation journey and I am confident that we are firmly on track to attain our vision of becoming the leading shared service centre for Government.

Who we are

We're a leading public sector shared service centre owned by the Department for Science, Innovation and Technology (DSIT), the Department for Energy Security and Net Zero (DESNZ), the Department for Business and Trade (DBT) and UK Research and Innovation (UKRI).

As a public sector company providing services to the public sector, we have valuable insight and a deep understanding of how the sector operates. This means that our services are fit for purpose, right from the start.

What we do

We provide a range of efficient, scalable, and expert Finance, HR and Payroll, Procurement and Business IT services helping the advancement of the UK's economy and society. We are motivated by a desire to deliver high quality, efficient and reliable service to over 25,000 civil and public servants, employed by our clients.

We work closely with our stakeholders to harness the potential of our expertise, evolving technology and to realise the maximum benefit from shared services. We aim to be a trusted partner, recognised for delivering value and benefits for our owners and to support the work they do for the people of the UK.

Our dedicated teams take immense pride in their contributions, driving value for the UK economy and its taxpayers. At our core, we firmly believe in the power of partnership and expertise. By aligning with the values of our owners, we actively contribute to achieving optimal outcomes through shared services.

By 2029, we aim to be the leading UK public sector shared services provider, efficiently and securely managing multiple technology platforms and delivering a great user experience for our customer.



We're proud of our achievements in 2024/25

8 industry award shortlists
2 national wins

WOMAN OF THE YEAR

CHIEF PRIVACY OFFICER OF THE YEAR



WOMEN IN GOVERNANCE,
RISK AND COMPLIANCE
AWARDS



Employee satisfaction
78%

Client satisfaction
7.8 out of 10

The Machinery of Government programme successfully delivered

3 new government departments,
5 new ledgers,
5 new payrolls,
4 major client onboarding projects for 12,000 employees

£500,000 efficiencies through adoption of continuous improvement practices

Automated intervention for completed purchase orders created significant time saving efficiencies for our clients

Performance highlights



27,500
users



99.7%
Service availability



6.7 out of 10
User experience



7.8 out of 10
Client satisfaction



427,000
Customer contacts



290,000
Employee payslips
processed



75,000
Purchases processed
under 10k



148,000
Supplier invoices
processed



1,900
Procurement
exercises handled



15.9m
Procurement benefits
generated

Client testimonials



UKSBS colleagues bent over backwards to get DESNZ Ministers on July payroll!

Thank you for your flexibility and the good-humoured way everyone worked together under pressure.

Patti Gordon

Head of HR Services, Innovation & Employee Experience, Integrated Corporate Services (ICS)



This is the best corporate system introduction/ welcome pack I've seen.

Chris Everett

Head of Strategy in BDUK



Feedback to UKSBS on the excellent service that has been offered and provided, over the last 12 months particularly, in support of delivering a number of high pressure and large scale projects for the ICS Reward Team by UKSBS.

Simon Parkes

Head of Reward and Partner Organisations, Integrated Corporate Services (ICS)



It's not every day you have astronauts to recruit, and although this was a unique request, it's a credit to UKSBS that the systems were already in place for a seamless process – and made the extraordinary task, an ordinary request to complete.

Edmund Knollys

People Director at UK Space Agency



Our UKSBS contact was absolutely phenomenal, I couldn't speak highly enough of them! They were incredibly organised and prompt with email/Teams replies, and always happy to help.

Anon customer



I have always received first class service from my counterpart in UKSBS with high levels of engagement and interest in resolving STFC issues in a timely manner. They have always known exactly who to go to in the business to get answers and resolutions required and facilitate, where possible, positive outcomes for us as a customer.

Chris Gosden

Head of Research Funding, STFC

Strategic Report

The year 2024/2025 has seen significant progress in our transformation journey and progress towards becoming the leading UK public sector shared services provider. Since being confirmed as the recommended shared service provider to the Matrix Programme cluster of the refreshed Government Shared Services (GSS) Strategy in April 2024, we have identified and implemented a number of transformational activities to increase our capacity for delivery in readiness of new clients onboarding in 2026.

An extraordinary amount of work is underway to design the new services on the Workday platform ahead of testing to commence in autumn 2025, our tiered service delivery model is fully embedded at Tier 1, we have delivered process efficiencies in our operational teams and introduced a task force approach to identify further efficiencies.

Oracle Fusion

Alongside this, we successfully implemented UKRI's Shared Services for HR, Accounting, Reporting and Procurement (SHARP) programme, modernising and harmonising business processes across UKRI and UKSBS through the implementation of Oracle Fusion, which went live in June 2025. This is a new chapter for UKSBS moving to a SaaS platform, a modern, intuitive system that will transform how we work together and serve our stakeholders. Fusion positions us firmly as a forward-thinking organisation ready to meet tomorrow's challenges.

The dedication, planning and resilience of our employees to deliver this programme over the last few years was truly outstanding.



Strategic Report



Our North Star- developed July 2025

Alongside this, we've co-developed our North Star and a revised UKSBS Leadership Behaviour Framework, setting the foundation for our cultural transformation.

To support this, a six-month leadership development programme is now underway for our Executive, UKSBS Board and Senior Leadership Groups focusing on role modelling, shared values and leading through change.

Together, these activities represent a deliberate investment in our people, culture and capability ensuring UKSBS is ready to lead and thrive through transformation.

Upgrading Oracle BOE

In July 2024, we upgraded our core Oracle platform to the latest software version, thereby ensuring that it remains secure, resilient, and fully supported while we transform our services as part of the Matrix programme. In collaboration with our clients, we used our in-house technical and project management expertise to deliver this critical upgrade to Oracle's E-Business Suite platform to time and under budget, with minimal impact to our service users.

By delivering in-house, we avoided £2.5m of additional cost to the implementation budget that would have been required for an outsourced provider. Our users were able to continue using UKSBS services without interruption – a clear success measure for the implementation. This collaborative success provides confidence and an exemplar for our transformation journey.

The project was formally closed by the Project Board on 31 October 2024.

Transformation

UKSBS is progressing confidently on its transformation journey. In partnership with Deloitte, we are delivering a set of prioritised initiatives that include a new leadership structure, organisation design and a UKSBS-wide skills assessment to shape the capabilities we need for the future. We have completed high-level organisation design changes, with detailed design work on track to conclude by the end of September 2025.

UKSBS North Star

UKSBS, the trusted partner, innovatively and cost effectively delivering integrated intuitive services

“

Debbie Boothman, Head of Shared Services, ICS shared her feedback on this project:

This was a project delivered to the highest standards, bringing together experts in technical implementation and delivery, project management, communications, and change. Stakeholder engagement was excellent throughout and small number of issues identified during hyper care demonstrated the success of the project. As a client, I will look back on this project as a benchmark for future projects. Well done UKSBS!

Strategic Report

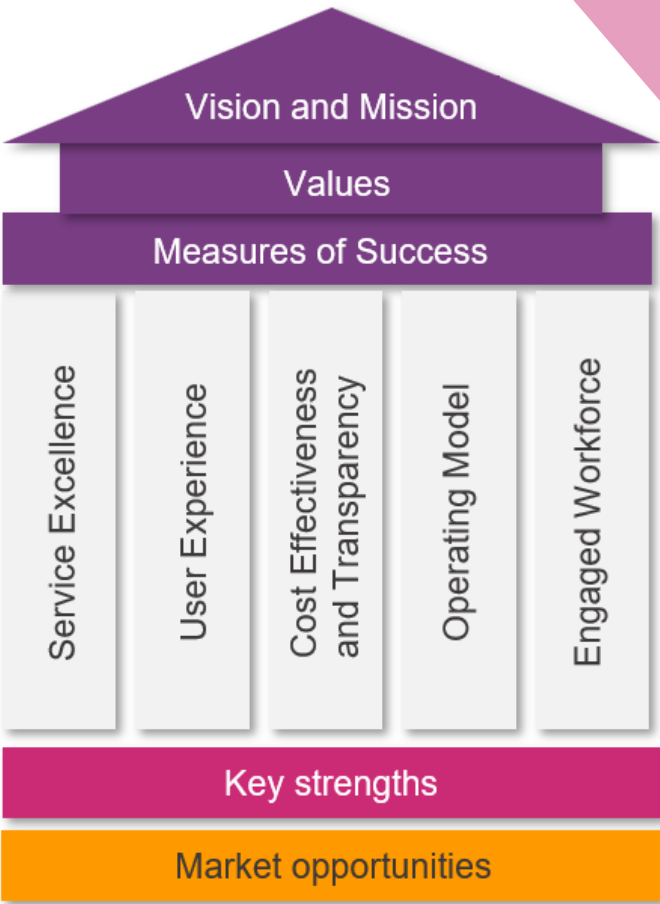
Business Plan progress

The UKSBS Business Plan was refreshed in 2024 to align with the Matrix Programme transformation strategy, conforming to a set of five transformational themes.

Each theme is supported by clear, established outputs, outcomes, key indicators and milestones, enabling clear and transparent progress reporting of our transformation journey.

The 2024-29 Business Plan included a section to show expected achievements within the first year of the plan as well as a high-level roadmap to indicate how we will achieve a transformed business by 2029. Whilst a strong alignment to Matrix has been established, the broader UKSBS transformational needs and service to UKRI were also reflected within the Plan.

Each of the themes are expanded on below with the one-year milestones set out and commentary provided as to their progress by 31 March 2025.



Service excellence

UKSBS achieved a client service satisfaction score of 7.8 (7.9 in 2023/24) with 74% of service KPIs achieved in year (78.1% in 2023/24). Our user numbers grew 5.3% in-year to 27,500, reflecting organic client growth and onboardings as a result of Machinery of Government (MoG) changes.

The implementation of Perform Plus has seen significant efficiencies by improving processes and a cross-organisational taskforce successfully delivered improvements to our Purchase-to-Pay processes. Both of these enabled the redeployment of c12 FTE resource into other areas of the business, removing the need for additional recruitment. The Enabling Technology and Data Strategies were both constrained by funding and capacity in-year but will be supported by the Transformation programme going forward.

The Agile release train and the Programme Increment planning (PI) process is now in place and maturing and the Tiered Service Delivery Model, whilst it had made good progress, is now paused to realign with Neo delivery.

By April 2025 we will have...	Was it achieved?	Commentary
A suite of updated strategies covering Customer Service, CI, Enabling Technology and Data	Partial	Artificial Intelligence (AI), Customer Service and CI strategies established. Enabling Technologies underdevelopment. Data strategy deferred to 2025/26.
A new Data and Analytics service offering	Yes	A basic service has been applied for further development, aligned to Matrix, in 2025/26.
Delivered process efficiencies in payroll, Joiners/Movers/Leavers and Purchase-to-Pay	Yes	Task force approach successfully trialled. Contacts >20%, Payslips >15%, Invoices >8%, resourcing only >4%
Improved service delivery planning by drawing on work volume forecasts and analytics	Yes	Tooling developed with full integration into business cycle in 2025/26.
Rolled out CI methodology across our service teams	Partial	Roll-out complete across priority groups and showing benefits. Further roll-out in 2025/26.
Clarified and fully embedded our Tier 1-3 services	Partial	Tier 1 in place. Full embedding across Tiers 2 & 3 will complete post SHARP Programme go-live.
Digitised our service catalogue	Oracle BOE – Yes Oracle ROE – Deferred	Oracle BOE Catalogue content uploaded. The digitalisation of the Oracle ROE service catalogue was deferred in light of SHARP implementation

User Experience

The UKSBS Net Promoter Score (NPS) increased in-year to -10.8% (up from -30.4% in 2023/24) due to targeted efforts of the teams and a fantastic achievement given no significant changes were made to our technology platforms during this time period. Incremental improvements have been made in our approach to capturing user feedback and AI is helping to analyse the free text content.

Our operational teams resolved 427,000 contacts in 2024/25, an increase of 1.1% on the previous year. Use of our Internal Partnership Engagement Tool (PIRT) has improved, helping us to share insights into our clients and relationship meetings have been reset to meet changing needs. Successful new recruitments made in-year are providing a welcome focus on planned activities and aiding capability development across the teams.

We have automated 71% of user forms for our government clients and introduced a digital forms portal to increase useability and access.

Real-time reporting, omni-channel and the Voice of the Customer have proceeded at a slower pace than intended due to programme replanning however they will be progressed in 2025/26 as part of Neo Transformation.

By April 2025 we will have...	Was it achieved?	Commentary
Implemented Oracle Fusion for UKRI users	Deferred	SHARP Programme dependency – delivered in June 2025.
Refreshed our approach to capturing and analysing user and client feedback	Partial	Approach refreshed within limitations of existing tools Voice of the Customer and real-time analytics deferred as a NEO Transformation deliverable.
Developed our expertise in CX analysis and journey mapping	Yes	Customer and UX Specialist recruited and active in sentiment analysis and employee training.
Used CX analysis and journey mapping to improve user experience in high frequency journeys	Partial	Due to training lead times and limitations of existing tools. Initiation delivery now 2025/26.
Applied a more effective triage methodology	Yes	Process reviewed and improvements introduced.
Completed a joint review of the KPI and SLA framework with our clients	Oracle BOE – Yes Oracle ROE – Deferred	Annual Review process undertaken for BOE clients. The Oracle ROE KPI and SLA frameworks will be updated following SHARP implementation

Cost Effectiveness and Transparency

A Cost Allocation and Forecasting Model was produced with our partners, PwC, and used to support the mid-year financial true-up discussions with owners in October 2024. This is where UKSBS reforecasts its costs for the year and works with its client owners to reassess the allocation of these based on an updated view of actual and forecasted transaction levels, user numbers and other relevant activity metrics. A new cost to serve model and charging model will be developed in 2025/26.

Benefits realisation tracking made significant progress in the second half of 2024/25 with a new framework, tooling and supporting material produced. It has also been aligned to financial planning and reporting and the delivery of major programmes.

By April 2025 we will have...	Was it achieved?	Commentary
Refreshed our cost model	Yes	New model in place
Extended use of our capacity modelling tool	Yes	Tooling developed with full integration into business cycle in 2025/26.
Included cost transparency in our reports to partner stakeholders	Partial	Ad-hoc reporting with integration into standard monthly reports in 2025/26.
Applied a standard benefits tracker	Yes	A benefits strategy and approach is in place; to mature in 2025/26.
Analysed charging models options	Deferred	NEO Transformation deliverable.

Operating Model

UKSBS employee FTE increased by 8.4% to 694 in 2024/25. The initial design of the Fusion service management model was completed by the end of the financial year with some key elements implemented. This model is being evolved and iterated in 2025/26 as we work collaboratively with UKRI to stabilise and optimise the Fusion service.

By April 2025 we will have...	Was it achieved?	Commentary
A refreshed Operating Model in place for Fusion clients	Partial	Some elements implemented, others replanned to align with SHARP June 2025 delivery.
Applied position management across the organisation	Yes	Further review post SHARP go-live aligned to NEO Transformation.
Updated our spans of control for Fusion client services	Yes	Further review post SHARP go-live aligned to NEO Transformation.

Engaged Workforce

Employee engagement remains high, with the most recent all employee survey confirming that engagement is positive at 78% (80% in 2023/24) with employee turnover and absences low at 9.7% and 3.3% respectively and well below the UK average of 34% reported by the CIPD in 2024.

UKSBS launched a functional skills matrix, an integral part of performance reviews and objectives setting and a skills database has been procured for implementation and development in 2025/26.

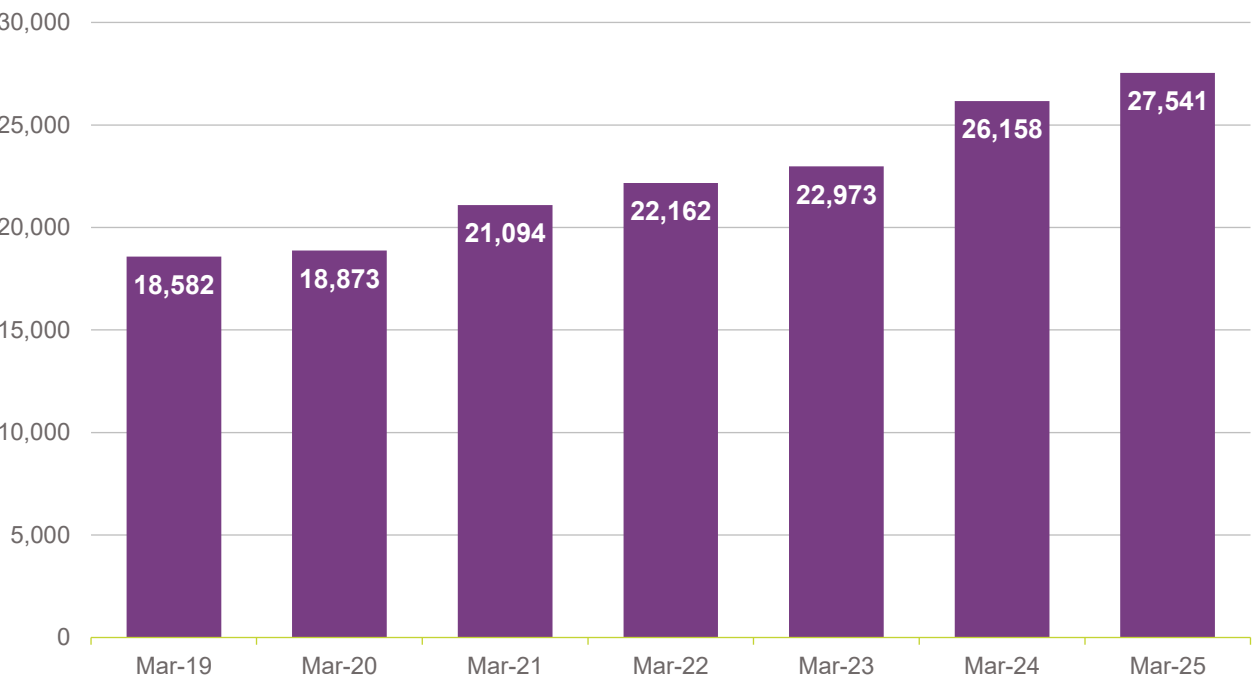
A workforce model was built in year and strengthened, with regular use including predictive cost forecasting and recruitment to be rolled out in Q1 of 2025/26, however inclusion of internal progression and success planning into the workforce model has been deferred.

By April 2025 we will have...	Was it achieved?	Commentary
Strengthened our workforce planning approach and tooling	Partial	Tooling developed with full integration into business cycle in 2025/26.
Reinvigorated our apprenticeship scheme	Partial	Tactical recruitment of apprentices continues with work on a longer-term model deferred to 2025/26.
Designed a graduate entry scheme	Deferred	Neo Transformation Leadership Development linked activity.
Delivered priority skills training in support of our new technologies	Partial	Fusion and Agile delivery skills focus with Workday training being planned. Full Neo Transformation skills mapping underway.
Undertaken a cultural audit	Deferred	Neo Transformation Leadership Development linked activity.
Implemented leadership development initiatives	Deferred	Neo Transformation Leadership Development linked activity. Initial Executive team initiative complete.
Applied a new appraisal approach	Yes	DevelopMe launched for full on-line integration at half year, post SHARP Programme go live.

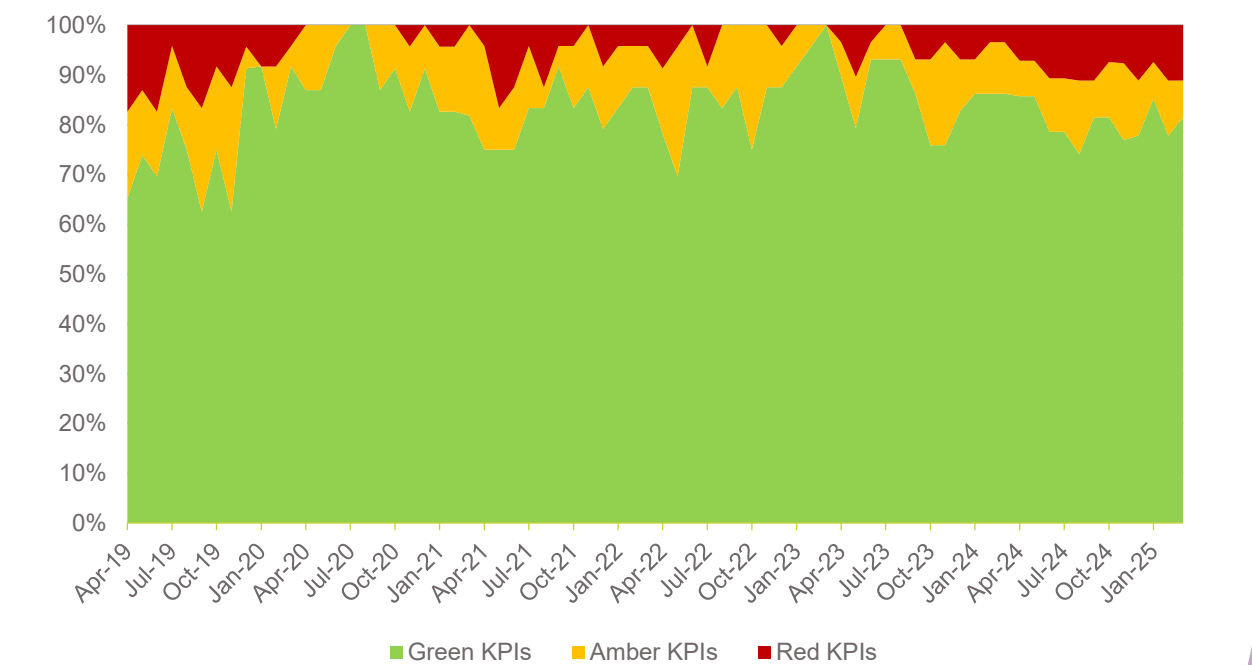
Strategic Report

Overall Service Performance

UKSBS user numbers grew 5.3% in-year to 27,541 in March 2025, up from 26,158 in March 2024, reflecting organic client growth and ongoing MoG changes.



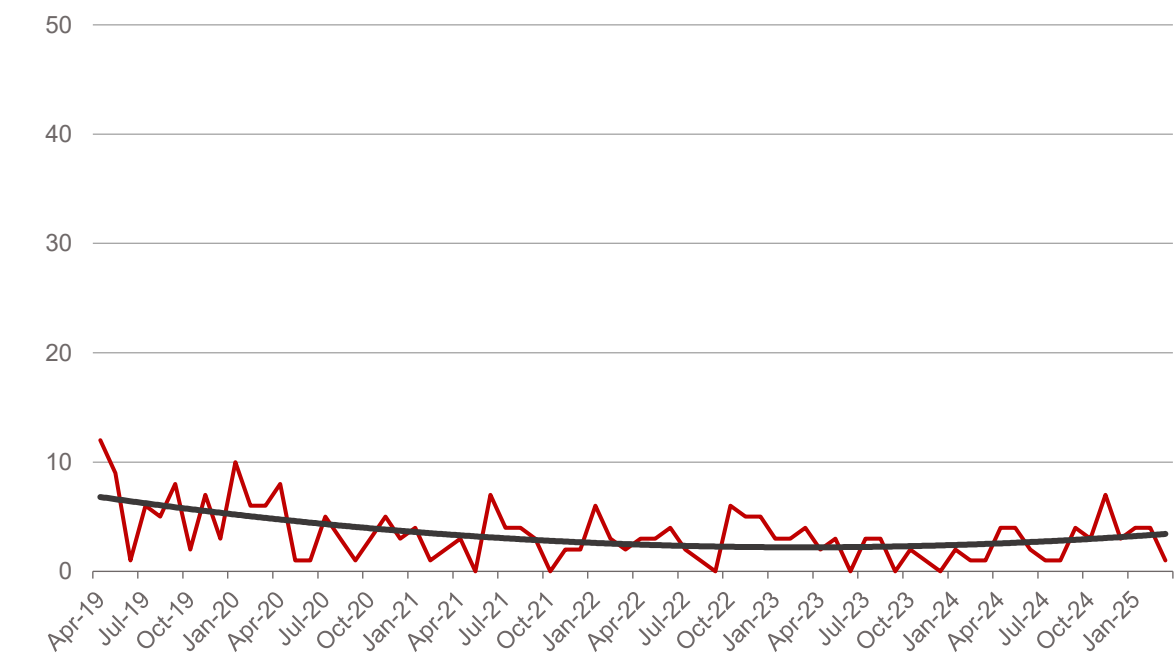
Service Key Performance Indicators (SKPIs) continue to be monitored, alongside the strategic Key Performance Indicators (KPIs), linked to the five strategic themes outlined above.



Strategic Report

Customer Complaints Received

Customer complaints continued to remain very low in 2024/25, averaging one complaint for every 25,845 key transactions handled.



Strategic Report

Financial Performance

The Company's financial results for the year are set out in the financial statements (page 60 onwards). The reported results for 2024/25 is a loss of £0.7 million (2023/24: £13,000 profit), including £4.2 million cost of depreciation and amortisation (2023/24: £2.1 million).

The Company does not operate with the intention of making a profit, but it is exposed to profits and losses in respect of the difference between actual costs for the year in respect of service deliver and the value of the purchase orders agreed with clients for these charges.

Both income and costs increased in 2024/25 over the previous year because of the costs of the SHARP and Matrix Programmes and an increase in the number of end users.

Further details are set out in the Statement of Financial Position and accompanying notes to the financial statements.

Delivery of Change Programmes and Projects

The UKSBS Partnerships and Change (P&C) team delivers highly skilled and experienced resources to drive the successful execution of a diverse portfolio of change activities. These include strategic programme and project management, specialised onboarding services and partnership management. This is securely governed by our in-house Portfolio Management Office and is supported and enabled by expertise from all business areas. These resources are meticulously aligned with both our strategic objectives and the operational priorities of our clients, ensuring sustained value and impact across all engagements.

The 2024/25 year started with the challenges of delivering four large strategic programmes – SHARP, Matrix, Oracle BOE Upgrade and the conclusion of the MoG 2023 programme in July 2024.



The net asset value at 31 March 2025 was £1.1 million (31 March 2024: £1.8 million).

The General Election held in July 2024 signalled the start of the MoG 2024 programme, announcing DSIT as the digital centre for government and resulting in significant moves from Cabinet Office into DSIT in June 2025, and the creation of new Arm's Length Bodies (ALBs).

Levels of activity within the change portfolio remained stable throughout the year, with 44 Change Requests (CRs) delivered in 2024/25, 14 internal UKSBS CRs, 11 on ROE and 19 on BOE. Both Oracle ROE and Oracle BOE platforms implemented business calming measures, successfully moderating volumes of new change emerging ahead of new system implementations, with only business critical CRs being submitted.

The evolution of the UKSBS change function and organisational agility continued in-year; a new Jira-based rolling 52-week plan is being actively used to support our quarterly Programme Increment planning sessions and implementation of the Business Plan 2024-29.

Strategic Report

Case Studies.

Machinery of Government

In February 2023, the Prime Minister announced a Machinery of Government (MoG) change, which was the most complex UKSBS has ever faced.

This led to the creation of three new Government Departments: The Department for Energy Security and Net Zero (DESNZ); The Department for Science, Innovation and Technology (DSIT); and The Department for Business and Trade (DBT) - to replace the Department for Business, Energy, and Industrial Strategy (BEIS) and the Department for International Trade (DIT). As the existing shared services provider to these Departments,

UKSBS' role was to enable the establishment of the organisations whilst ensuring continuity of service during the changes.

The programme created three new government department, five new ledgers, five new payrolls, four major client onboarding projects for 12,000 employees.

The programme officially closed in July 2024.

Purchase to Pay

UKSBS) has successfully implemented an automated Purchase to Pay (P2P) process for Central Government clients, demonstrating our ability to deliver meaningful change rapidly and efficiently.

The recently completed project—which moved from concept to implementation in just over a month—showcases our commitment to innovation and service improvement. This streamlined process now automatically emails purchase orders to suppliers once approved in Oracle, eliminating the need for manual intervention by our clients. The project pioneered a new taskforce approach to change delivery at UKSBS, bringing together colleagues from across different business areas and locations to form a dynamic team focused on rapid delivery.

“

Louisa Hiron, DBT's Head of Pensions and Payroll:

UKSBS' response to the MoG announcement has been fantastic from day one. Their expertise, knowledge and understanding of our organisations has meant that a MoG programme of work has been implemented effectively and rapidly and critical changes progressed at pace, collaboratively



The Machinery of Government programme successfully delivered

- 3 new government departments,
- 5 new ledgers,
- 5 new payrolls,
- 4 major client onboarding projects for 12,000 employees

The automation creates significant efficiencies for our clients by:

- Saving valuable time previously spent on manual processing
- Allowing staff to focus on priority activities in their day-to-day roles
- Providing confidence that purchase orders reach suppliers promptly

Strategic Report

Our People

Our employees are at the heart of all we do, with flexibility and collaboration, they work to deliver important outcomes, that make a difference for our clients and the British citizens they serve UK. UKSBS has well embedded Values and Behaviours. These, together with our public sector ethos and inclusive and supportive working environment are reflected in an outstanding employee engagement score of 78%.



This year, in meeting the requirements of our clients, UKSBS has steadily increased its headcount, beginning with 639.5 FTE (excluding contingent labour) and finishing with 693.3 FTE (excluding contingent labour).

All employees participate in an annual performance review with a focus on objectives and achievements at the beginning of the year and a focus on identifying relevant opportunities for career development at the half-year. To align with the launch of Oracle Fusion, UKSBS refreshed its personal development and objective setting framework, focusing on three elements – reflect, review and record.

In 2024/25, we introduced a functional skills matrix to support employees' development, providing more clarity around expectations to help map a clearer career pathway. A professional skills matrix that focuses on more specific skills unique to roles and expertise is now in development to support the functional skills matrix. Focusing on skills enables better learning interventions, improved internal mobility and helps everyone understand the expectations placed on them at each step in their career.

Strategic Report

Our work delivering the SHARP Programme with UKRI the Matrix programme are transforming the capacity and capability of the workforce. We have refreshed our Engaged Workforce plans to ensure we are ready for the next transformational steps to address three inter-related challenges, as below.

An effectiveness challenge – right resources, right skills, right price:

- To maintain and act upon our data-driven, strategic workforce plan to deliver the capacity and capability for tomorrow’s challenges, with employees having a good understanding of their skills with clear opportunities for personal growth
- In the longer term, to become a centre of excellence for shared service education, leveraging early career and mature entry opportunities to grow and retain talent with an enduring focus on service quality, innovation and continuous improvement
- To evolve our reward strategy to cost effectively ensure we can reward the application of acquired competencies to retain talent in the public sector.

An engagement challenge – right attitudes, right behaviours, right results:

- To ensure a diverse workforce and an inclusive flexible workplace, where employees are valued and feel involved, informed and motivated to support each other in delivering value to our clients and owners.

A leadership challenge – right people, right capabilities, right capacity:

- To build and maintain a talented and professional leadership community that looks to the future in setting an organisational vision and plans to continually evolve UKSBS capabilities and right-size capacity.

Diversity

At 31 March 2025, the numbers of men and women in the company were as follows:

	Men	Women
Board (excluding the Chief Executive)	4	4
Executive Team (including the Chief Executive)	4	3
Employees (excluding Executive Team)	291	431

Current reporting requirements stipulate that data is reported in a binary way, this does not currently take into account non-binary or other identities.

At 31 March 2024 the proportion of employees who have elected to be identified as being from an ethnic minority is currently 6.5% (2022/23: 7.3%).

UKSBS publishes its Gender Pay Gap report annually on the UKSBS website. The gender pay gap is the difference in the average pay between men and women in an organisation over a period of time no matter what the role is. In March 2024, when comparing mean (average) hourly pay, women’s mean hourly pay is 14.5% lower than men’s (17.6% in March 2023). In addition to internal promotions, the government’s April 2023 minimum wage increase, combined with 38% of new employees falling into the Lower Pay Quartile whilst 29% of new higher-grade roles joined in the Upper Quartile, has shifted the boundaries across all Quartiles.

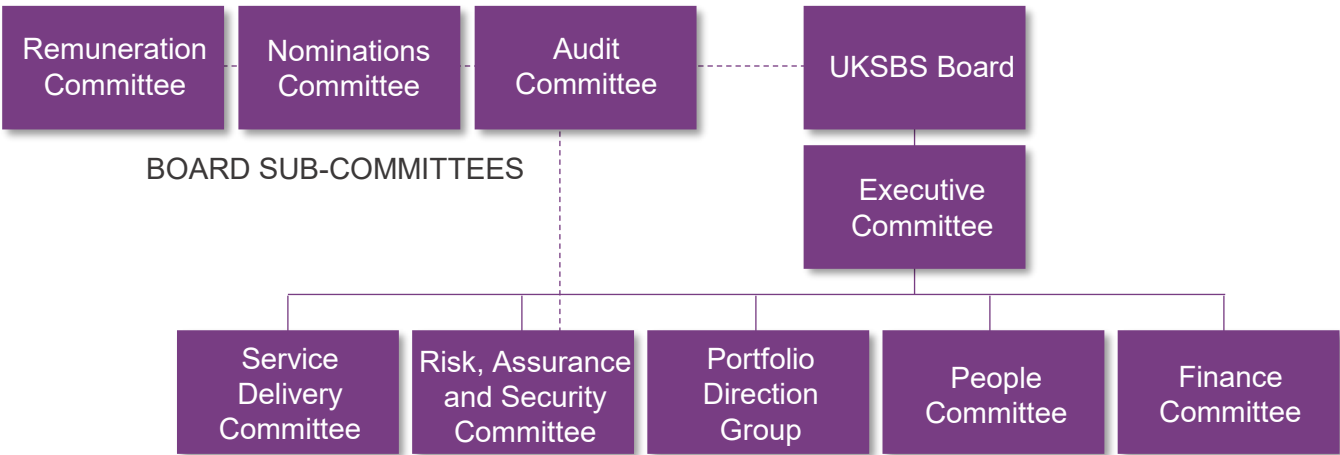
Employee Health

During 2024/25 the percentage of employee capacity lost through recorded sickness absence was 3.3% (2023-24: 3.5%). This is below the UK average of 3.62%, reported by the CIPD.

Strategic Report

Internal Governance

The internal committee governance structure is comprised of the Executive Committee and five sub-committees: Risk, Assurance and Security Committee (RASC), Service Delivery Committee (SDC), People Committee, Finance Committee and Portfolio Direction Group (PDG). All of the committees have clear terms of reference that are reviewed annually. In 2024/25 all of the terms of reference were updated to reflect transformational activities and our agile planning approach.



The Strategic Leadership Group meets regularly with the Executive, to ensure two-way engagement on priorities and future planning for the organisation.

Further information on the Executive structure and Committees can be found in the Annual Governance Statement on pages 37-47.

Data Protection Act 2017 and Information Security

UKSBS remains committed to safeguarding the integrity, security, and effective management of data across all organisational activities. This commitment is guided by the Data Growth Remediation Plan, which ensures that robust retention policies are applied and systematically review legacy data.

The organisation has successfully retained its ISO 27001:2002 certification, reaffirming its alignment with the international standards for information security. UKSBS submitted a return under the UK Government’s GovAssure Framework for our BOE Platform, which evaluates cyber security and resilience. Identified improvements are tracked by the Government Cyber Security Group (GSEC).

In 2024/25, UKSBS recorded 345 reported incidents, up from 282 in the previous year. Of these, 111 were classified as data breaches, with 23 attributed to client errors. Despite the increase in incidents, all breaches were assessed as low risk, and none required reporting to the Information Commissioner’s Office (ICO). The rise in reporting is attributed to improved staff awareness and vigilance.

UKSBS continues to balance compliance with legislative requirements against existing technical constraints. Regular reporting to the Audit Committee ensures transparency and accountability, with clear visibility of potential risks and the actions taken to mitigate them.

Strategic Report

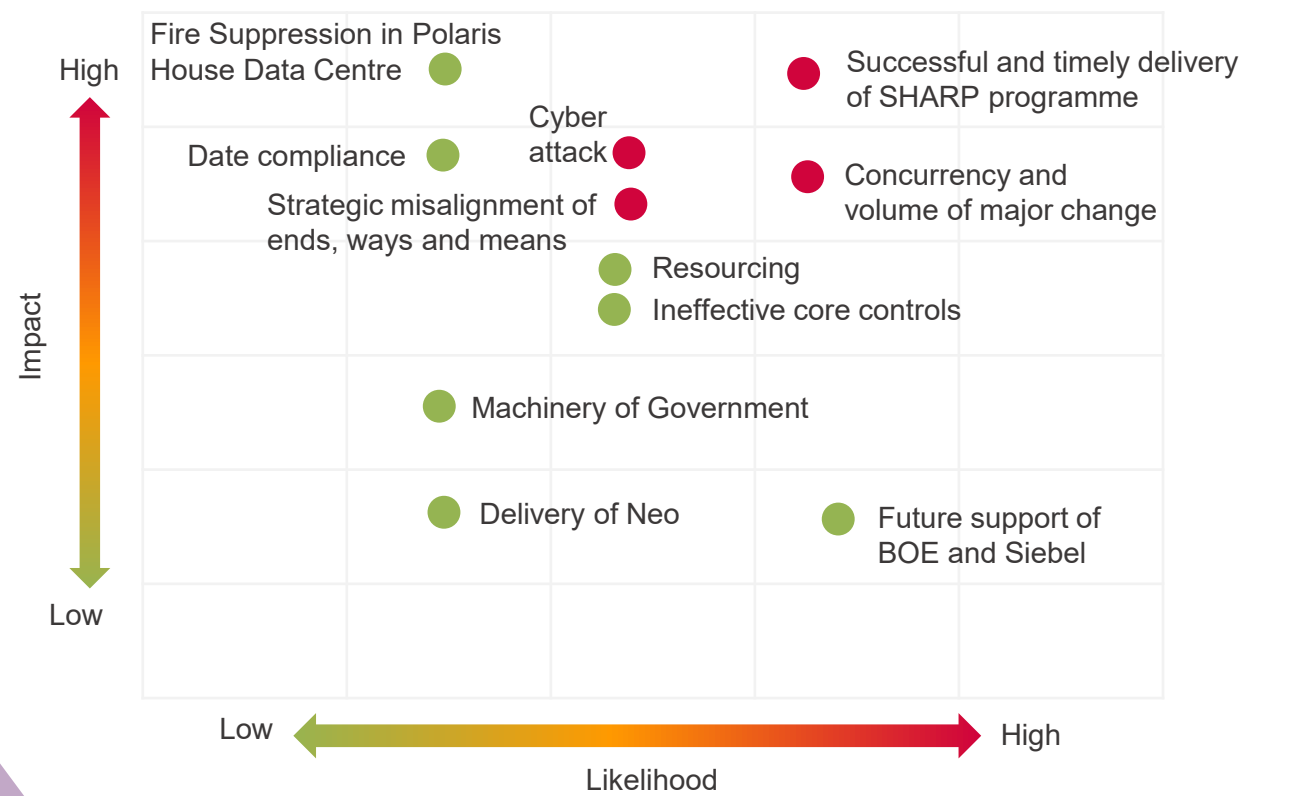
Managing Risk and Controls

The Government Internal Audit Agency (GIAA) continues to provide the Company’s internal audit function and in 2024/25 undertook nine audits. An overall assurance opinion of ‘Moderate’ was issued by the GIAA Head of Internal Audit, reflecting the results of audits which have consistently demonstrated continued effective operation of the Company’s governance and risk management processes.

The GIAA Head of Internal Audit’s annual report is summarised in the Annual Governance Statement.

UKSBS’ risk management framework is aligned with the UK Government’s Orange Book. The Corporate Risk Register (CRR) is reviewed at each Board and Audit Committee meeting. Individual teams maintain their own risk registers to capture risks specific to their activities and objectives, supported by a procedural Risk and Control framework. A formal escalation process ensures that significant risks are elevated from team registers to the CRR when appropriate.

Risk profile end of Mar 2025 – key risks only



Strategic Report

The main differences seen in our active risk profile between April 2024 and March 2025 are as follows:

Closed issues:

2024/25 saw the closure of two issues:

- Successful and Timely Delivery of SHARP programme moved from an issue to a risk as planning and timeframes were finalised.
- In Year Overspend was also resolved with improved financial forecasting and oversight from the new Finance Committee.

Closed risks:

Due to the announcement that UKSBS has been selected as the provider of shared business services to the Matrix cluster, the risk around an Unfavourable Matrix Outcome was closed.

New risks:

Two new risks were added to the Corporate Risk Register:

- The Future Support for Oracle BOE (and Siebel) if the Neo Workday implementation is delayed further than May 2027.
- Limitations to the Fire Suppression in the Polaris House Data Centre.

Risks out of tolerance:

We continue to closely monitor the risk of a cyber attack. The current threat assessment has been evaluated as 'moderate' and we continue to improve the Security Incident Event Monitoring (SIEM) tool. This continuous improvement is supported by our recertification under ISO 27001:2022 Standard in November 2024.

The risks of Strategic Misalignment of Ends, Ways and Means, and the Concurrency and Volume of Major Change look at our funding and capability to support the major change initiatives required.

Whilst the planning of the SHARP programme provided more certainty of delivery dates, concerns around data migration and archiving solutions remained, keeping this risk outside of tolerance as at 31 March 2025..



Risks in tolerance:

Resourcing is focused on retention of key skills and single points of failure, in addition to the labour market tightness for some technical skills.

Improvements have been made to SharePoint, moving to an online solution for data management across the business, adding mitigations to our Personal Data Compliance risk.

In preparation for the transition to Oracle Fusion, a proactive risk management strategy was implemented in collaboration with UKRI. This ensured that changes to key controls were thoroughly assessed, clearly understood, and comprehensively documented. Ineffective Core Controls, Delivery of Neo, and Machinery of Government risks remain in tolerance and are reviewed monthly.

Risk response plans for red risks have been developed and actions will continue throughout the year to continue to mitigate these evolving and continuing risks.

Further information on UKSBS risks and internal control management can be found within the Annual Governance Statement on pages 37-47.

Strategic Report

Sustainability Report

UKSBS operates over three sites: Polaris House, Swindon (Head Office), Concept House, Newport and Queensway House, Billingham. All sites are owned or managed by third parties, all within the public sector. The Company complies with energy, water and waste management measures in operation at each site. The breakdown of energy consumption and waste generated at each site, based on percentage footprint occupied by UKSBS within the respective buildings, is outlined in the tables below, by site. Our carbon footprint is generated primarily from heating and lighting UKSBS accommodation, powering our IT infrastructure and from business travel.

Both Polaris House and Concept House are shared premises occupied by other public sector organisations. These buildings have been awarded ISO14001 accreditation. ISO14001 is a set of standards to clarify best practice for reducing environmental footprint by adopting an effective environmental management system.

Since September 2024, UKSBS has been the only tenant in Queensway House. Facilities management changed hands during 2024-25 and it has not been possible to obtain data for this site; we have replicated the figures for 2023-24 as a best estimate.

Carbon emissions from our offices

Electricity

In 2024-25 our attributed total electricity usage was 285,494 kWh across our three sites, equating to 59,112 kg CO₂e. This shows a 36% reduction against the previous year. The reduction is driven by usage in Polaris House where UKSBS is now using a proportionally smaller area within the building, and the electricity usage overall has reduced. Electricity is supplied through a renewables tariff at Polaris House (68% overall electricity use).

Gas

Over the same period our attributed total gas usage was 288,742 kWh across our three sites, equating to 52,811 kg CO₂e. There has been a significant decrease in usage at Concept House. Long-standing challenges with the metering equipment at this site have been resolved and new boilers and calorifiers installed in the previous financial year have resulted in a positive impact in 2024-25. The reduction at Polaris House is as a result of our reduced footprint.

			2024-25	2023-24	2023-22	2021-22
Attributed energy usage (kwh)	Electricity	Total	285,494	447,244	460,990	426,957
		Swindon	193,184	354,291	340,146	336,198
		Newport	42,948	43,591	74,132	75,349
		Billingham	49,362 (est)	49,362	46,712	15,410
	Gas	Total	288,742	357,553	307,385	302,696
		Swindon	132,898	181,891	202,945	229,795
		Newport	60,696	80,514	4,219	4,348
		Billingham	95,148 (est)	95,148	100,221	68,553
			2024-25	2023-24	2023-22	2021-22
Carbon footprint (kg CO ₂ e)	Electricity	Total	59,112	92,612	89,147	90,656
	Gas	Total	52,811	64,362	55,329	55,442

Strategic Report

Waste minimisation and finite resource consumption

Water

Mains water usage has been consistent at Concept House. This building benefits from water harvesting, and there are few further water saving measures available.

There is a recorded fall in water use at Polaris House of 30%. Problems with the water metering system during the year has meant that usage is recorded as a combination of actuals and estimates.

Water usage (M³)	2024-25	2023-24	2022-23	2021-22
Total	1,388	2,426	1,992	1,312
Polaris House, Swindon	686	1,722	1,327	694
Concept House, Newport	110	112	140	272
Queensway House, Billingham	592	592	525	346

Office Waste

The amount of office waste attributed to UKSBS has fallen since 2023-24. For Polaris House, this is largely due to the reduced floorplate, despite an increased headcount. A review of waste processes was undertaken at Concept House, resulting in a rationalisation of waste contracts. Furthermore, the use of single-use coffee cups in the catering outlets has been discontinued at this site.

Overall, the recycling rate is 53%. This is below the 70% target set out in the Greening Government Commitments but shows a marginal improvement on previous years.

Waste	2024-25	2023-24	2022-23	2021-22
Total (tonnes)	18.30	25.62	25.02	22.54
Polaris House, Swindon	10.76	16.84	14.63	10.36
Concept House, Newport	2.89	4.15	5.76	5.00
Queensway House, Billingham	4.63	4.63	4.63	7.18
Recycled	53%	48%	40%	46%

Paper

The Company uses paper that is at least 75% recycled (made from post-consumer waste using low CO₂ production methods) and all our printer cartridges are returned to the supplier for reuse or recycling.

In 2024-25, there were 80,214 pages printed, which represents a 7% reduction from the previous year. 72% of the printing used the duplex setting.

e-Waste

During 2024-25 UKSBS disposed of around 1,260 IT assets including both consumables and infrastructure. Items that are broken or “end-of-life” are disposed of securely and in an environmentally friendly way in line with the WEEE Directive. Any consumable devices (laptops, PCs, mobile phones, etc) that are of sufficiently good quality are donated to local charities and schools.

UKSBS employees can purchase recycled laptops and peripherals at a discounted price from a recognised refurbishment business. This arrangement, managed by UKRI, helps enhance environmental sustainability.

Strategic Report

Travel

UKSBS has embedded hybrid working since April 2022, making use of effective video conferencing and collaborative technology to allow our people to work from home and avoid unnecessary travel between office buildings. We also make full use of appropriate communication tools to ensure that we are able to engage with stakeholders through relevant channels.

In 2024-25, our people travelled approximately 280,000km on company business. Business travel has been on an upward trend since the COVID pandemic, although total distance travelled remains significantly below the levels seen in the last full year prior to the pandemic (657,000km). 68% of our business travel in 2024-25 was by public transport. Rail and car travel make up the bulk of the distance travelled with domestic flights accounting for 12,000km travelled. This includes four international flights for conference attendance.

The CO₂e emission for travel is 22,360 kg.

Carbon Impacts of ICT and Digital Technology

UKSBS fully embraces the concept and government policy of 'cloud first' through the way we operate and manage our systems and services.

Our architectural principles are that potential public cloud services will be evaluated before considering alternatives.

CO₂e calculated using data from our travel companies (rail, air and car hire) and the DESNZ average car conversion factor for private car usage.

As with many other companies, we are conscious that the move to greater use of digital and AI technology will have an impact on our carbon footprint and this will be a consideration as we develop our Enabling Technology and AI Strategies.

Biodiversity

UKSBS is not responsible for any outside space and therefore does not have its own biodiversity plan. However, we were pleased to take part in a Polaris House Bioblitz event, which was an opportunity to do a census of the biodiversity around the site. The newly formed UKSBS Green Group was instrumental in setting two large bug hotels on site.

TCFD Compliance Statement

The Company has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. UKSBS does not consider climate change to be a principal risk and has therefore complied with the TCFD recommendations and disclosures around governance, risk management and metrics and targets.

Governance – Board and management responsibilities for climate-related risks

The Board has ultimate responsibility for the consideration of, and response to, climate change and other environmental issues. The Audit Committee has delegated responsibility from the Board for reviewing the management of risks. The Executive team is responsible for managing risks and their mitigations on a day-to-day basis. Further information on our governance arrangements is set out in the Annual Governance Statement (from page 37).

Risk Management

UKSBS has a robust risk management framework in place. All risks are managed and reported at the lowest appropriate operational level with an established escalation process in line with TCFD reporting requirements. UKSBS does not currently have any principal climate related risks. Further information on risk management within UKSBS can be found on page 23.

Metrics and Measurements

UKSBS' emission statistics are disclosed within the sustainability report from page 25 together with energy consumption and waste figures.

Strategic Report

Section 172 Reporting

The Directors are bound by their duties under the Companies Act 2006 (the Act) and the manner in which these have been discharged, particularly their duty to promote the success of the Company for the benefit of its members as a whole. Whilst UKSBS is not required to report under the UK Corporate Governance Code 2024, it is considered to be a large private company under the Act and this section reflects some of the key themes of the governance and reporting regulations.

The Company has four shareholders who are all either government departments or ALBs. The objectives of the shareholders are therefore central to the decision-making of the Company.

UKSBS clients are exempt from undertaking a procurement exercise to receive services from the Company due to the vertical arrangements in place, outlined within the Procurement Act 2023, Schedule 2 Para 2. As a result, there is a unique relationship between the Board and Shareholders, with owner-nominated representatives appointed to the Board alongside independent Directors. The Board recognises the importance of a continuing effective dialogue with Shareholders and the sharing of relevant information to ensure that the strategy and objectives of the Company are clearly articulated and understood by all by way of owners group meetings. This also allows for the opportunity for feedback and to address any questions or issues raised and for all members to be treated fairly.

The Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to the CEO, Executive Team and other employees of the Company. The wider impacts of any decisions taken are considered and underpinned by the culture, values, behaviours and standards exhibited within the organisation.

Risk Management, Governance and Decision-Making

UKSBS provides a range of critical services to our clients, in particular the payment of suppliers, people and grants. It is vital that the Company continually identifies, evaluates, manages and mitigates risks. Further information on the risks faced by the Company and how they are managed can be found within the Directors' Report and the Annual Governance Statement.

Each year, the Board undertakes a review of the UKSBS Business Plan. Once agreed by the Board and Shareholders, this sets the strategic direction for the Company and provides the basis for resourcing plans and financial budgets. In the development of the Business Plan, the Board has regard to a variety of matters including the interests of various stakeholders and the long-term reputational effects of decisions taken. The CEO is responsible for delivering the agreed strategic Business Plan, with authority delegated to the Executive team as appropriate to make decisions subject to the values of the Company.

The Board receives regular reports from across the business on performance, financing and the implementation of strategy, as well as updates on external factors, including the general election this year. These factors feed into discussions on strategy and setting priorities to ensure that the potential impact of decisions, particularly in the long-term, are understood and considered.

Strategic Report

Our People

The employees of UKSBS are its most valuable asset and are central to the long-term success of the Company. The culture, values, behaviours and standards underpin the way in which UKSBS delivers service and are the key elements to maintaining a high standard of business conduct and quality services. The Board supports the CEO in embedding the right culture to deliver long-term success and sets the Company values; these were refreshed in 2019, driven by our employees' voices and views through workshops and facilitated sessions.

An annual employee engagement survey, supported by 'pulse' surveys throughout the year, regularly elicits employees' views on the direction of the Company, how it is being led and the overall working environment, providing valuable insights for improvement activity. The Board receives summary results of these surveys and reviews and agrees the UKSBS Code of Conduct policy on an annual basis. The surveys are supported by open forums such as Town Halls, team meetings and regular one-to-one sessions.

UKSBS has a well resourced and active intranet designed to enable two-way communication with our employees and an effective wellbeing offering. Training and development is critical to the success of the company and we continue to invest and support professional training.

The Board endorsed an ambitious People Strategy that seeks to leverage our public sector values and to build on our flexible, caring and creative environment so that we recruit and retain people who feel empowered to make a difference for our clients in support of the UK society and economy.

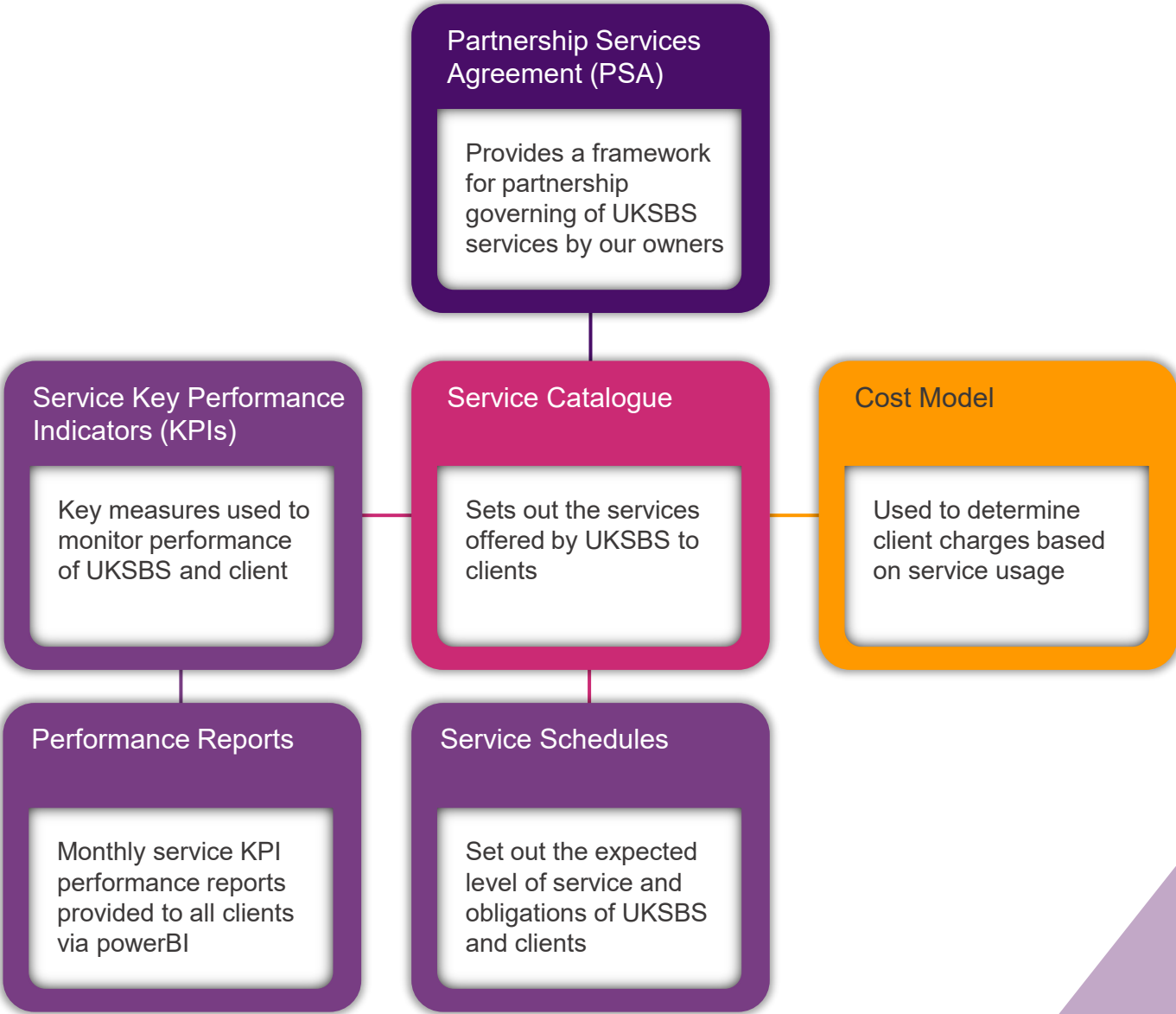
Further information on our people, diversity, values, culture and engagement with the Trade Unions can be found on pages 20-21 and within the Directors' Report.



Strategic Report

Our Clients

Our biggest clients are our owners and we work collaboratively with owner partners to drive effectiveness and efficiency for the benefit of UK Government. The UKSBS Partnership Framework provides the structure, principles and protocols for our owners to govern UKSBS services Owners exercise their ownership rights and set strategic direction through the UKSBS Board. A tiered partnership governance model enables partners to review service and change delivery end-to-end considering both UKSBS and client performance. Developing truly collaborative partnerships provides us with greater insight into client needs and enables us to optimise service performance



Further information on client relationships and interactions can be found within the Annual Governance Statement.

Strategic Report

Communities and the Environment

Given the priority placed by our owners and clients on achieving net zero and the wider sustainability agenda, UKSBS continues to develop its approach to this important issue through designing and implementing a CSR action plan that will be woven into the organisation's activities.

Details on further environmental considerations can be found on pages 25-27.

Focusing on the Future

UKSBS' transformation is well underway and the implementation of Oracle Fusion has changed the way we work and provide shared services to our users and clients. Our move to a SaaS platform means our users are more in control than they've ever been. Using shared services should be as unintrusive as possible, enabling the work of our clients to continue to serve the British people and UKSBS services are integral to this. We are committed to remaining agile, responsive to ensure we can meet our obligations.

Our partnership approach remains a crucial element of our business and we value these relationships at all levels of the Company. Partner and user feedback is critical to our ongoing success to assist with our transformation journey.

Finally, our progress would not be possible without our exceptional people – thank you.

For and on behalf of the Board



Richard Semple, Chief Executive Officer
UK Shared Business Services Ltd
Date: 13 October 2025



Directors' Report



UK Shared Business Services Ltd is a company limited by shares providing a range of services to its Shareholders, all of which are public bodies. Whilst supporting our owners to implement their major change programmes and undergoing our own transformation agenda, our prime objectives remain the same – to deliver efficient, effective and value for money services.

The Board of Directors

The majority of Board members are appointed from owner organisations to comply with the Procurement Act 2023, Schedule 2 para 2, which allows owners to benefit from the exemption and directly award the contract to UKSBS.

The following table identifies all the Company Directors that held office during the accounting period, and later to the date of the report.

	Date Appointed	In post/date resigned
Chair		
John Clarke	16 June 2021	In post
Executive Directors		
Richard Semple	1 May 2018	In post
Non-Executive Directors		
Graham McAlister	1 April 2018	Term ended 31 March 2025
Katrina Nevin-Ridley	29 September 2022	Term ended 30 September 2024
Helen Mills	27 July 2023	In post
Bidesh Sarkar	27 July 2023	Resigned 1 July 2025
David Thomas	27 July 2023	In post
Sarah Finigan	20 March 2024	In post
Michele Hughes	30 November 2023	Resigned 25 June 2025
Claire Pearce	1 October 2024	Resigned 31 July 2025
Carolyn Isaacs	1 April 2025	In post

In 2024, the Board completed a skills matrix table to understand the range of skills and knowledge on the Board and identify any gaps to be filled when considering future recruitment / nominations.

Directors' Report

Meetings of the Board and its Committees

The Company's governance structure and composition and operation of the Board are described within the Annual Governance Statement from page 37, which forms part of this Directors' Report.

The Board meets formally every other month. Meeting frequency, membership and focus of each of the Board Committees is set out below:

Audit Committee

The Audit Committee meets five times a year. In 2024/25, the Committee was attended by Graham McAlister (Chair), Tim Sparrow (co-opted member, appointed 29 September 2022) and Michele Hughes (since November 2023). Carolyn Isaacs also attended as an observer from September 2024 as part of her induction process. Carolyn was appointed as Audit Committee Chair when Graham's appointment term ended on 31 March 2025. The Audit Committee meetings are also attended by external (National Audit Office (NAO)) and internal (GIAA) audit. Throughout the year, the Committee's work included, inter alia, approving the internal audit plan and receiving all completed audit reports, reviewing Corporate and Departmental risk registers, monitoring the implementation of audit recommendations, providing assurance to the Board on UKSBS transformation, the effectiveness of risk managements controls and systems and reviewing reports of fraud and whistleblowing policies.

Remuneration and/or Nominations Committee

The Board meets as the Remuneration and/or Nominations Committee as and when required to consider and advise the Board on remuneration and terms of conditions for Executive and Non-Executive Directors. The Board met as the Remuneration Committee in September 2024 to approve the annual pay settlement proposal.

Independent Directors

In accordance with the Company's constitutional documents that were agreed by Shareholders in August 2018 and revised in July 2023, all independent Non-Executive Directors and Executive Directors are appointed by unanimous decision of the Shareholders. Owner-nominated Non-Executive Directors are appointed by unanimous decision of the Board.

For the period 1 April 2024 – 31 March 2025, those Non-Executive Directors considered by the Board to be independent were John Clarke, Graham McAlister and Michele Hughes. Graham McAlister's term ended on 31 March 2025; Carolyn Isaacs was recruited to replace Graham following an open recruitment process and was appointed from 1 April 2025.

Directors' Report

Performance Evaluation of the Board

The Board Performance evaluation took place in the winter of 2024/25, the key outcomes of which can be found within the Annual Governance Statement on page 40. The Audit Committee also undertook an annual review of its effectiveness and individual Committee members' performance.

The Board last underwent an external performance evaluation in 2022/23 in alignment with good practice guidelines, with the next one due to take place in the 2025/26 financial year.

Dividends

No dividends were paid on ordinary shares during the period and the Directors do not recommend a payment of a final ordinary dividend.

Political and Charitable Contributions

The Company made no political donations or incurred any political expenditure during the period. The Company made no charitable donations during the period.

Employment of Disabled People

UKSBS is an accredited Disability Confident employer. The company is committed to fostering an inclusive environment, representative of a diverse workforce and the communities we operate in. The contributions of all employees are recognised and valued and everyone has an equal chance to succeed.

The Company's Inclusiveness Policy applies to all aspects of employment, including recruitment, terms and conditions of work, training and development, promotion, performance management, grievance, discipline and treatment of workers when their contract of employment ends.

In 2023, UKSBS partnered with Inclusive Employers, experts in workplace inclusion to further evolve our strategy and approach to inclusion in the workplace.



Directors' Report



Employee Communications and Engagement

UKSBS has a number of established communication channels in place to ensure that any information on matters of concern to our employees is communicated clearly, effectively and timely. Internal channels focused on employees include face-to-face engagement, Town Hall events, emails, instant messaging, videoconferencing, TV screens, a UKSBS intranet, posters and printed materials. The Communications Team is responsible for maintaining the Communications Policy and guidance and dissemination of information via the appropriate channels.

The Trade Union (TU) is consulted when considering any policy changes or decisions that may affect UKSBS employees. Regular meetings take place between Corporate People Team, the CEO and the TU to share updates on the strategic direction of the Company, operational / business-as-usual information and to ensure the views of the employees are considered when making decisions that may affect their interests.

Slavery and Human Trafficking Statement

In accordance with Section 54 of the Modern Slavery Act 2015, the UKSBS statement on slavery and human trafficking as agreed by the Board has been published on the UKSBS website.

Directors' Report

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' report, the strategic 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 UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements comply with UK-adopted international accounting standards in conformity with the requirements of the CA 2006, subject to any material departures disclosed and explained in the financial statements;
- 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 accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for preventing and detecting fraud and other irregularities.

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

Statement as to Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The Comptroller and Auditor General (National Audit Office) was re-appointed as auditor during the period, under Section 487 of the Companies Act 2006.

For and on behalf of the Board



Richard Semple, Chief Executive Officer
UK Shared Business Services Ltd
Date: 13 October 2025

Annual Governance Statement 2024-2025

The Board of UK Shared Business Services Limited (UKSBS) is accountable to shareholders for the corporate governance arrangements and internal control framework deployed to ensure that the Company complies with relevant legislation. UKSBS is a private company limited by shares, but it is also a public body, and as such is required to comply with applicable Government and Departmental policies, instructions, guidance and compliance with Managing Public Money to ensure that public money is safeguarded, properly accounted for and used economically and effectively.

The Board has delegated responsibility for the preparation of this Annual Governance Statement to the UKSBS Chief Executive, who is also a director of the Company and the UKSBS Accounting Officer. The Chief Executive has signed the Statement on behalf of the Board following their review and with their agreement.

The Purpose of the Annual Governance Statement

The Annual Governance Statement forms part of the Company's Annual Report and Accounts, as a record of the stewardship of the Company by the Board and Executive. It outlines the Company's governance, business and control structures, and highlights changes implemented, and challenges addressed during the year.

Corporate Governance Framework

UKSBS is a private company, limited by shares, and wholly owned by the Secretary of State for each of the Department for Science, Innovation and Technology (DSIT), the Department for Energy Security and Net Zero (DESNZ), the Department for Business and Trade (DBT), and by United Kingdom Research and Innovation (UKRI). It is classified as within the public sector and benefits from the provisions set out in Schedule 2 of the Procurement Act 2023 relating the 'vertical arrangements'.

UKSBS continues to be classified as a Non-Departmental Public Body (NDPB). The Cabinet Office confirmed they were comfortable with this classification within the period of the previous Statement, having considered some areas of partial compliance, and the Company has received no notification of a change in this position.

The corporate governance framework, in conjunction with the constitutional documents, is central to the governance of the Company in practice, and includes Board and Audit Committee terms of reference, a corporate scheme of delegation, corporate policies, the Partnership Services Agreement (PSA) and the Sponsorship Framework document which was updated in November 2024 to reflect DSIT as the new sponsor department.

Annual Governance Statement 2024-2025

Change Programmes

UKSBS has been managing a significant volume of change across the business, and in partnership with client-led Programmes. An update on major change programmes is provided at each Board meeting.

UKSBS was confirmed as the shared service centre (SSC) for the Matrix Programme, in April 2024, following successful approval of Programme Business Case 2 (PBC2). The Matrix Steering Group agreed the Programme's Service Transformation Strategy on 18 December 2023. Following confirmation of UKSBS as the Matrix Programme SSC, it has mobilised resource across the business geared to the successful implementation of the Strategy and engaged extensively in all aspects of Programme planning and implementation. The Executive team welcomed a new Chief Transformation Officer to provide the focus, expertise and leadership in guiding the Company through this transformational journey. The Executive Committee has also been split in two parts, to provide specific governance oversight of transformation.

The go-live date for UKRI's Services for HR, Accounting, Reporting and Procurement (SHARP) Programme has been delayed throughout the past year and was planned and delivered in June 2025.

UKSBS supported the SHARP Programme in replanning with considerable effort, continuing to devote significant effort to programme delivery, well beyond that originally envisaged. The delay heightened the risk around concurrency and volume of major change, and strategic misalignment of ends, ways and means. These risks have been referred to frequently in Board and Audit Committee discussions of major change programme matters.

The upgrade of the BEIS Oracle Estate (Oracle BOE) was successfully delivered in-house, on time and under budget in July 2024, and the programme formally closed in October 2024.

The UKSBS Machinery of Government (MoG) 2024 programme was launched to deliver changes resulting from the UK General Election in July 2024. UKSBS continues to work with Departments to scope the MoG 24 programme with a clearer set of requirements evolving. MoG 2024 is likely to be as complex as MoG 2023, with a greater focus on establishing new Arms' Length Bodies (ALBs) rather than creation of new Departments.

UKSBS will continue to provide high-quality business as usual (BAU) services to our existing clients, with a strong focus on driving continuous improvement. Operational teams have embraced 'Perform Plus' ways of working, and the organisation is pursuing the implementation of rapid learning initiatives, which, together with the application of automation, are realising benefits in effectiveness and efficiency. We continue to work closely with UKRI, DSIT, DESNZ and DBT to ensure the successful delivery of our transformation.

The Business Plan 2024-29 was agreed by the Board in May 2024 with a five-year time horizon to incorporate Matrix Programme. Its strategic themes align with both the Matrix Programme's Service Transformation Strategy and the Government's Shared Service Strategy.



Annual Governance Statement 2024-2025

Internal Governance

The internal governance structure of the Company continued to reflect previous arrangements in the period 2024-25, with the Executive Committee, now split into two parts to provide dedicated governance over transformation, supported by the Service Delivery Committee, the People Committee, the Risk, Assurance and Security Committee (RASC) and the Portfolio Direction Group (PDG). A Finance Committee was created in May 2024 to sit alongside the other management committees, reporting to the Executive Committee.

Data management is overseen by the Infrastructure, Data and Analytics, Information Management and Information Security Teams, focussed on the Knowledge and Information Management (KIM) Strategy, disposal of data held beyond retention schedules and joiners, movers and leavers improvements.

UKSBS' Information Security Management System (ISMS) has been ISO 27001 re-certified by the British Standards Institution, the UK Accreditation Service's certification body for international standards, against the new 2022 standard. UKSBS adopts the three lines of defence model which internally assesses the business compliance with the controls and ISO 27001 requirements throughout the financial year.



Annual Governance Statement 2024-2025

UKSBS Board Structure and Operations

The UKSBS corporate governance structure consists of a Board and an Audit Committee. To ensure compliance with Schedule 2 of the Procurement Act 2023, which provides the framework under which UKSBS delivers services to its owners, the majority of the Board is comprised of shareholder-nominated Non-Executive Directors (NEDs).

The Board meets as a Remuneration and/or Nomination Committee when circumstances require, rather than maintaining separate committees.

The roles and responsibilities of the Board and the Audit Committee are defined within the Company's Articles of Association. The Board last agreed their terms of reference in September 2024.

The composition of the Board is as follows:

- Three independent NEDs, one of whom is appointed by the shareholders as the Board Chair.
- Five NEDs nominated by shareholders; and
- One Executive Director (the UKSBS Chief Executive).

The Directors acknowledge and understand the responsibilities inherent in their appointment.

In September 2024, as part of its Annual Governance Review (AGR), the Board reviewed corporate policies, committee structure, membership and terms of reference to ensure alignment with the Company's constitutional documents. The terms of reference for both the Board and Audit Committee were updated in 2024 to reflect transformational activities and associated responsibilities.

A Board Performance Evaluation is carried out annually to support the AGR, and the 2024-25 evaluation was conducted internally.

The key outcomes from the 2024-25 evaluation are outlined below:

- There was a general consensus that the Company's overall strategy was well understood by all parties; however, there was a need to understand how the Board could be bolder in providing input to the shared service programmes and the mechanisms for achieving this, with further clarification on the Board's responsibilities in relation to the programmes sought.
- The level of support and challenge between the Board NEDs and Executive team was broadly balanced; however, it was felt that Board members could do more to actively champion and enhance wider stakeholder engagement.
- Whilst the current mix of skills and experience on the Board felt correct, there was a need to review the future composition of the Board, particularly in light of the Matrix programme/transformation and the proposals to increase the ownership.
- Given the amount of transformation and major change underway, the Board recognised the need for additional communications in between Board meetings to be kept up to date on developments.

The Board discussed the findings of the 2024-25 evaluation at its meeting in March 2025. Consideration was given to matters highlighted for the Board to consider, principally around scheduling strategy and risk as regular agenda items throughout the year (in addition to discussion as a standing agenda item at Audit Committee). The Board also noted that the Executive were making updates to the presentation of client feedback and performance indicators considering comments received at meetings earlier in the year.

Annual Governance Statement 2024-2025

As a private limited company, UKSBS is not obliged to comply with the UK Corporate Governance Code; however, the Board has agreed that it will consider and apply the guidance where practicable within the context of the Company's operating environment. The Code was updated in 2024 to apply to financial years beginning on or after 1 January 2025, other than Provision 29, which will apply to financial years beginning on or after 1 January 2026. The Board and Audit Committee have considered the changes and will continue to apply the guidance where practicable.

Tabled below is a record of Board membership and Board and Audit Committee attendance for the period 1 April 2024 to 31 March 2025.

2024/25	Attendance/Meetings eligible to attend	
Name of Board Member	Board	Audit Committee
John Clarke (independent NED)	6/6	
Graham McAlister (independent NED)	5/6	5/5
Sarah Finigan (UKRI nominated NED)	6/6	
Michele Hughes (independent NED)	6/6	5/5
Helen Mills (DSIT nominated NED)	5/6	
Katrina Nevin-Ridley (UKRI nominated NED)	1/3	
Claire Pearce (UKRI nominated NED)	3/3	
Bidesh Sarkar (DBT nominated NED)	3/6	
Richard Semple (CEO, Executive Director)	6/6	
David Thomas (DESNZ nominated NED)	6/6	
Tim Sparrow (DSIT co-opted Audit Committee member)		5/5

The shareholder representatives and the Chair met twice in the period 2024-25 to discuss the strategic priorities and performance of UKSBS and ensure strategic alignment.

The Board met as the Remuneration Committee in September 2024 to approve the annual pay mandate proposal.

The Audit Committee is independent of management and comprises two independent NEDs, one of whom is appointed as the Chair, and one external co-opted member. Representatives from the Company's external auditors (National Audit Office, NAO) and internal auditors (Government Internal Audit Agency, GIAA) are invited to attend every meeting. The Chief Executive (as SIRO) and the Data Protection Officer are invited to attend and report to the Audit Committee. The Committee met five times in 2024/25, and at each meeting considered inter alia the UKSBS Corporate Risk Register, audit reports and recommendations, and received detailed reports on the Company's financial performance, data protection and health and safety.

The current Audit Committee Chair's appointment terminated on 31 March 2025. Carolyn Isaacs was appointed as an independent NED to join the UKSBS Board and chair the Audit Committee from 1 April 2025. Induction activities have been underway since November 2024 to ensure a full and robust handover is achieved.

The Committee takes a risk-based approach when considering matters brought forward for discussion and provides feedback to Board meetings on all relevant audit, risk and control issues.

Annual Governance Statement 2024-2025

Client Governance

UKSBS works in partnership with all clients to review service and change delivery performance and identify opportunities for improvements and efficiencies. This is through a governance structure organised around client groups serviced by the two separate service platforms: BEIS Oracle Estate (Oracle BOE) and Research Oracle Estate (Oracle ROE) / SHARP.

The Client governance structure is as follows:

- Oracle BOE and Oracle ROE/SHARP Client Partnership Boards
- Oracle BOE and Oracle ROE/SHARP Functional Senior Client Meetings
- Functional Client Partnership Meetings

Service management reviews operate on an individual client basis with the day-to-day, end-to-end service relationship maintained between service delivery teams and the clients' corporate functions.

To support these engagements, UKSBS holds periodic review meetings with client organisations on a mutually agreed frequency – anything between monthly and annually. These meetings provide an opportunity for customers to engage with UKSBS about issues or queries relating to any aspect of service taken by the client.

The performance management pack created using PowerBI is updated annually to reflect the current business plan measures and strategic themes. It allows users to drill down into specific areas of concern or interest, enabling more dynamic visualisation of performance measures.

Client and customer feedback mechanisms exist, with individual customers having the ability to rate the service that they have received and provide any comments on the completion of each Service Request in Oracle or an Incident or Service Request in ServiceNow.

On a monthly basis, UKSBS works with the respective clients to identify key client issues for inclusion within the regular client reporting. Quarterly, UKSBS works with respective senior client contacts through a client feedback survey to collect feedback at a service level.

In 2022-23, as part of the Government's Shared Services Strategy, UKSBS introduced the Net Promotor Score (NPS) to help us better understand customers' experiences of interacting with our services. It enables UKSBS to measure customer satisfaction, identify areas for improvement, and benchmark the services we provide against other Government Shared Services providers. NPS also complements the feedback already provided via the Service Request / Incident User Experience surveys and forms part of our quarterly performance reporting to each client organisation.

To further strengthen the partnered relationship with UKRI, executive-level meetings have been established and are held quarterly to ensure strategic alignment, improve governance, and oversee major programme updates.



Annual Governance Statement 2024-2025



The Executive

The Executive Team comprises of Richard Semple (Chief Executive Officer), John Arnott (Chief Strategy and People Officer), Victoria McMyn (Chief Change Officer), David Walder (Chief Digital & Information Officer), Liz Creedy (Chief Operations Officer), Crispin Dawe (Chief Finance Officer), until December 2024 and Claire Hargreaves from December 2024 – June 2025, Akos Csernus (Chief Transformation Officer) from October 2024 and Caroline Jenkins (Company Secretary).

The Executive Team meets monthly, supplemented by weekly operational meetings and at least two strategy offsite meetings a year.

Leadership Groups

UKSBS currently has two levels of leadership engagement:

- All 'Heads of' at Level 2 form the Strategic Leadership Group (SLG) with the Executive
- All managers at Level 3 form the 'Leadership Group' (LG)

The SLG meets monthly, with an offsite meeting held quarterly. The meetings provide an opportunity for SLG members from across the business to report to colleagues on specific items of work or general updates from within their areas. The Executive Team share progress on strategic matters and in-depth discussions are held around development of the operational and business plans.

Annual Governance Statement 2024-2025

Risk and Internal Control Management

UKSBS uses the 'three lines of defence' risk management approach and operates in accordance with Cabinet Office guidelines:

- First line - Operational management;
- Second line - Central compliance oversight;
- Third line - Internal Audit programme.

Risk and control activities are set out in the Risk Management Strategy, Policy and Guidance. These were reviewed and endorsed by the Board and Audit Committee in September 2024. The Audit Committee reviews the Corporate Risk Register at each meeting and holds a deep-dive review of each departmental risk register during the year to ensure the approach to risk management is consistent with the Company's risk appetite. Internal Audit carry out an annual review of risk management and internal controls.

The Board is responsible for identifying the Company's strategic risks and setting the Company's risk appetite, which was last agreed in September 2023 and is reflected in business planning.

A review of the Company's risk appetite against the 2025-30 Business Plan will be conducted in May 2025. The Board considers the Corporate Risk Register and mitigating actions at every meeting, with scrutiny of risk management and internal controls carried out by the Audit Committee.

The Chief Executive ensures active management of risk and internal controls through monthly Risk, Assurance and Security Committee (RASC) meetings, scrutiny of the Risk Register, quarterly self-assessments completed by service areas (first line of defence), dip sampling of controls and risk response plans by the Risk, Information and Security Compliance team (second line of defence) and an annual audit of the internal controls framework completed by GIAA (third line of defence).

This model of three lines of defence provides the Chief Executive and Board with the required confidence that business processes are operating effectively as designed and satisfy control objectives, highlighting process steps or controls that require change and the action to be taken.

The Risk and Control Framework, launched internally in 2022, and embodying control-based assessment and control testing under ISO 27001, continues in operation.

The Chief Executive provides an assurance report to client Accounting Officers twice a year based on internal self-assessment and second line of defence assessment of controls together with the results of internal audit reports, audit actions, performance indicators and client feedback on key issues identified within the relevant time period.



Annual Governance Statement 2024-2025

Risks

As part of the overall Risk Management process, key risks facing the Company are captured in the Corporate Risk Register, each owned by a member of the Executive Team for management, and detailed risk response plans are put in place for those risks with a current risk score that is over-appetite. Risks are actively managed and monitored by the Executive, RASC, the Audit Committee and the Board.

During 2024-25 the Company identified and managed several corporate risks, including those relating to the delivery of major change programmes. The risk associated with Successful and Timely Delivery of the SHARP Programme escalated into an issue during 2024 due to another delay in implementation and the associated re-planning activity that had yet to conclude. UKSBS contributed to the SHARP replanning exercise to expedite the revised go live date of June 2025. A second issue that was effectively managed back down to a risk in-year was related to the Strategic Misalignment of Ends, Ways and Means risk, with budgets for 2024/25 not being finalised until the successful 'true up' exercise concluded in October 2024.

At the end of the financial year and looking ahead to 2025-26, the key out of tolerance risks are as follows:

- Cyber attack (Technology) – UKSBS implemented a SIEM monitoring tool, however, the continuing threat and determination of cyber-crime means this risk cannot be downgraded even as we enhance our defences.
- Concurrency and Volume of Major Change – delays to the implementation of the SHARP programme and uncertainty remaining around the timings of major change programmes could impact on the successful delivery of other major programmes, UKSBS transformation and MoG 2024 delivery. Appropriate UKSBS resourcing is in place to ensure sufficient capacity on each of the programmes.

- Successful and Timely Delivery of SHARP – the UKRI led programme continues with implementation due for June 2025. Transition, contingency and cutover planning underway and risk reviews undertaken to understand the profile. A Go / No Go decision date scheduled for May 2025.
- Strategic Misalignment of Ends, Ways and Means – funding for some major programmes remains uncertain, 2025-26 funding is not yet confirmed and the Spending Review exercise for the next three years is underway.

Data Security

The Company experienced one significant information security breach, involving an employee sending personal data, company information and client data to their personal email address. The affected clients were notified, and investigations were carried out to ascertain why this information had been sent to their personal email account. It was determined that minimal personal data had been sent outside of the UKSBS network; therefore, this breach did not meet the threshold for reporting to the ICO. The individual was dismissed from UKSBS because of this incident.

UKSBS has not been made aware of any other significant information security breaches during the period; however, there have been minor breaches which have been managed and reported in line with established procedures. The Company takes practical steps to minimise such breaches, including mandatory annual KIM training, and when trends in breaches are identified, mitigation measures are put in place. Disciplinary action may be taken depending on the seriousness of any human error identified.

Security policies, including incident management and reporting, are subject to regular review to ensure they remain up to date.

Annual Governance Statement 2024-2025

Government Functional Standards

Government functional standards are system-wide reference documents designed to:

- Support coherent, efficient and mutually understood ways of working across government;
- Provide a stable basis for continuous improvement and professional development;
- Provide a stable basis for proportionate and tailored assurance activities to monitor adherence, allow risk-based control and compare performance; and
- Clarify accountabilities by defining the roles needed, what role-holders are accountable for, and to whom.

UKSBS has integrated these disciplines appropriately into our control framework.

Whistleblowing Arrangements

The Company maintains a Whistleblowing policy which is reviewed annually by the Audit Committee and Board. The policy was last updated and approved by the Board in September 2024. The policy is accessible to employees via the Company intranet. No incidents were raised in 2024-25.

Assurance on Tax Compliance

The Alexander Review published in May 2012 made several recommendations to ensure that the highest standards of integrity could be demonstrated in the tax arrangements of senior public appointees. All UKSBS senior employees and those Board members who are paid are done so through the payroll. In 2024-25 the Company identified 32 contractors who were within the scope of the Alexander Review criteria. Assurance that appropriate tax arrangements are in place for all 32 contractors was sought and confirmation received.



Annual Governance Statement 2024-2025

Review of Effectiveness

The UKSBS Board is responsible for conducting an annual review of the effectiveness of the Company's governance, risk management and internal controls, the outcome of which is the Annual Governance Statement.

The review is informed by the work of the Board and the Audit Committee during the period, the outcomes of the internal assurance process, the oversight and review work of the Executive in relation to corporate and departmental risk mitigation and implementation of audit recommendations, and the work of the internal and external auditors.

GIAA was re-appointed as the Company's Internal Auditors for the financial year 2024-25 in November 2023. In their Annual Report and Opinion dated May 2025, the Head of Internal Audit (HIA) provided a combined Moderate assurance opinion across internal and customer operations, maintaining the previous year's rating; however, there was a positive direction of travel with a higher proportion of 'Substantial' assurance ratings in 2024-25 than previous years.

The key risks to UKSBS included the successful delivery of two major programmes, SHARP and Matrix. Whilst the SHARP programme had been delayed, causing some internal audits to be adjusted, good progress was reported in relation to risk reporting and further clarity was received on the decision-making for go-live. The Matrix review had identified further work to be done to assess the reliance to be taken on the service transformation assurance framework, which will be carried into 2025-26.

UKSBS's assurance framework was found to be operating well with a good culture of risk management acknowledged throughout the organisation.

There were no specific themes to highlight from audits conducted on business units, with a positive approach to customer service and delivery noted throughout. Good cross-organisational collaboration, which supports a culture of customer service and internal control, was also identified.

The results of in-year audits have continued to demonstrate effective operation of the Company's governance and risk management processes, with three Substantial and three Moderate assurance opinions provided.

Conclusion

The Board has considered the Annual Governance Statement and the evidence underlying its production.

UKSBS will continue to work in partnership with our clients to realise our vision of becoming the leading public sector shared services provider in the United Kingdom.

The Board is satisfied that the Company's governance arrangements and internal controls are correct for a business undergoing transformational change, are being applied properly and are subject to appropriate scrutiny by the Executive, Internal Audit, the Audit Committee and the Board.



Richard Semple
UKSBS Chief Executive
On behalf of the Board

Date: 13 October 2025

Remuneration Report for the year ended 31 March 2025

The Remuneration Report is prepared using the Government Financial Reporting Manual (FReM).

The Board determined in December 2015 that they would meet as a Remuneration and/or Nominations Committee in line with need rather than maintaining a standing committee. Meeting as the Remuneration and/or Nominations Committee the Board is responsible for:

- Considering and agreeing policy for the remuneration of the Company's Executive, being the Chief Executive Officer (CEO) and any other Executives reporting directly to the CEO.
- The process for the recruitment, selection, remuneration and terms and conditions for the CEO and recommending appointment to the Shareholders for unanimous agreement. This includes ensuring compliance with government policies and processes where they apply.
- The appropriateness of the remuneration policy for all employees and proposals for any annual pay award in accordance with government guidelines are also considered. Remuneration in this context covers salaries, bonus schemes and any other benefits.

The Board met twice as the Remuneration and Nominations Committee in 2024/25 to agree the annual pay award and strategy and to consider and approve future pay and reward proposals.

Service Contracts

Non-Executive Directors and any external members of Committees are appointed for a fixed term of office, renewable by agreement. Independent Director appointments, including the Chairman, and the CEO, require unanimous agreement of the Shareholders. Owner- nominated Board members require unanimous agreement of the Board. The Non-Executive Directors are appointed for either a two- or three-year term of office. The notice period set out in terms of appointment is no less than three months.

The services of the majority of Non-Executive Directors are provided on a pro bono basis by their employing organisations. As at 31 March 2025, these Directors were Sarah Finigan, Helen Mills, Claire Pearce, Bidesh Sarkar and David Thomas. All three of the Independent Non-Executive Directors, John Clarke, Graham McAlister and Michele Hughes, are remunerated. There is also one external non-remunerated member co-opted to the Audit Committee.

Remuneration Report for the year ended 31 March 2025

Information regarding Directors’, External Committee members’ and Executives’ service contracts is set out below.

Directors and Committee Members (excluding the Chief Executive Officer) (subject to audit)

	Appointment		Remuneration £000	
	From	To	2024/25	2023/24
John Clarke (Chairman)	16 June 2021	31 July 2027	20-25	20-25
Graham McAlister	01 April 2018	31 March 2025	0-5	5-10
Michele Hughes	30 November 2023	30 November 2026	5-10	0-5
Carolyn Isaacs	1 April 2025	31 March 2028	0-5	n/a
Louise Mackin	1 March 2023	Resigned from the Board on 19 January 2024	n/a	n/a
Katrina Nevin-Ridley	29 September 2022	30 September 2024	n/a	n/a
Helen Mills	27 July 2023	31 July 2026	n/a	n/a
Bidesh Sarkar	27 July 2023	31 July 2026	n/a	n/a
David Thomas	27 July 2023	31 July 2026	n/a	n/a
Sarah Finigan	20 March 2024	31 March 2027	n/a	n/a
Claire Pearce	1 October 2024	30 September 2027	n/a	n/a
Tim Sparrow (co-opted member of the Audit Committee)	29 September 2022	30 September 2025	n/a	n/a

UKSBS Executive Team (including the Chief Executive Officer)

Name	Appointment Date	Expired Term	Notice Period
Richard Semple	01 May 2018	Open Ended	3 months
John Arnott	01 January 2016	Open Ended	3 months
Liz Creedy	01 August 2022	Open Ended	3 months
Victoria McMyn	04 July 2022	Open Ended	3 months
David Walder	1 January 2022	Open Ended	3 months
Crispin Dawe	01 March 2018	31 December 2024	3 months
Akos Csernus	09 September 2024	2 Year FTC	3 months
Claire Hargreaves	18 November 2024	Open Ended	3 months

The only Director within the Executive Team is R Semple (CEO).

Remuneration Report for the year ended 31 March 2025

Salary

Salary covers pensionable and non-pensionable amounts and includes: gross salaries; performance related pay; overtime; allowances and any ex-gratia payments. It does not include any amounts for the reimbursement of expenses directly incurred in the performance of an individual's duties in accordance with the UKSBS travel and subsistence policy.

Benefits In Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HMRC as a taxable emolument. Benefits in kind were not provided to any member of senior management during the financial year.

Bonuses

UKSBS did not budget or plan for any bonus payments for any staff in 2024/25 and none were paid (2023/24: none).

Remuneration of senior employees (subject to audit)

Single total figure of remuneration								
Employee Name	Salary (£'000)		Bonus Payments (£'000)		Pension Benefits (£'000)		Total (£'000)	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
J Arnott	110-115	105-110	0	0	17	17	125-130	120-125
L Creedy	110-115	105-110	0	0	39	48	155-160	155-160
A Csernus	90-95	N/A	0	N/A	12	N/A	100-105	N/A
C Dawe	70-75	90-95	0	0	(7)	31	65-70	120-125
C Hargreaves	40-45	N/A	0	N/A	17	N/A	55-60	N/A
V McMyn	115-120	110-115	0	0	71	47	190-195	160-165
R Semple	160-165	155-160	0	0	0	0	160-165	155-160
D Walder	120-125	115-120	0	0	34	42	155-160	155-160

Akos Csernus became a member of the Executive Team on 09 Sept 24; the table above reflects salary from that date. The full year equivalent salary he received in 2024/25 was £165-170k.

Claire Hargreaves became a member of the Executive Team on 18 Nov 24; the table above reflects salary from that date. Her full year equivalent salary for 2024/25 was £110-115k.

Crispin Dawe left the Company on 31 Dec 2024 and his full year equivalent salary was £90-95k. As the employee left within the year this generated a negative result on their pension benefits.

No Executive bonuses were awarded in the years 2024/25 or 2023/24.

Remuneration Report for the year ended 31 March 2025

Pay Multiples (subject to audit)

Reporting bodies are required to disclose the relationship between the total remuneration of the highest-paid director in their organisation and the median remuneration of the organisation’s workforce.

Total remuneration for these purposes includes salary (as defined above), non-consolidated performance-related pay, benefits in kind and severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The highest paid director of UKSBS percentage change from the previous financial year of salary and allowances is 3.99% on salary and allowances.

For the employees of UKSBS taken as a whole (excluding the highest paid director), the average percentage changes from the previous financial year of salary and allowances is 7.8% on an average salary of £39,451 (2023/24 £36,592).

The increase in salary was driven by an overall 5% increase in overall pay-bill which is a straightforward pay increase (pro-rata for part time) though the percentage increase will be specific to individuals, relating to their position in the pay band. So, those in the more junior pay bands and nearer the band minimum will receive a higher percentage than those in the higher pay bands and nearer the band maximum. UKSBS did not budget or plan for any bonus payments for any staff in 2024/25 and none were paid (2023/24: none).

In 2024-25 1 employee received remuneration in excess of the highest-paid director. Remuneration ranged from £15-20k to £160-165k (£10-15k to £155-160k 23/24).

Total Remuneration**	2024/25				
	Highest paid Director*	Minimum	Lower Quartile (25%)	Median (50%)	Upper Quartile (75%)
Remuneration	£162,500.00	£16,677.32	£26,985.96	£33,884.04	£47,220.00
Ratio		9.9	6.1	5.9	3.5
	2023/24				
	Highest paid Director*	Minimum	Lower Quartile (25%)	Median (50%)	Upper Quartile (75%)
Remuneration	£157,500.00	£14,645.33	£25,686.00	£31,833.00	£44,723.04
Ratio		10.8	6.1	5.0	3.5

*mid-point of banded remuneration (to nearest £5,000 banding applied to salary and allowance component).

**total remuneration is equivalent to salary costs only in the table above, as there are no other pay benefits applicable.

Remuneration Report for the year ended 31 March 2025

The Pension Scheme

The main pension scheme used by employees of UKSBS is the Research Councils' Pension Scheme (RCPS), which is a defined benefit government pension scheme. The Company also offers a Partnership stakeholder pension. Further details of these schemes are given in the notes to the financial statements.

The remuneration and pension tables shown below include members of the Executive Team.

Pension Benefits of senior employees (subject to audit)

Employee Name	Accrued pension and lump sum at pension age as at 31/03/2025 (£5,000 bands)	Real increase in pension and lump sum at pension age as at 31/03/2025 (£2,500 bands)	Cash equivalent transfer value as at 31/03/2025 (£'000)	Employer Contributions Partnership Pension 31/03/2025 nearest £100	Cash equivalent transfer value as at 31/03/2024 (£'000)	Real increase in cash equivalent transfer value as at 31/03/2025 (£'000)
J Arnott	N/A	N/A	N/A	16,700	N/A	N/A
L Creedy	5-10	0-2.5	169	N/A	116	35
A Csernus	N/A	N/A	N/A	11,600	N/A	N/A
C Dawe	30-35	0-2.5	640	N/A	608	(7)
C Hargreaves	0-5	0-2.5	17	N/A	0	14
V McMyn	30-35	2.5-5	594	N/A	510	59
D Walder	15-20	0-2.5	254	N/A	205	23

Richard Semple has opted out of pension arrangements throughout the periods shown, so no figures are shown.

Details of Pension Scheme

Employees of UKSBS are members of the Research Councils' Pension Schemes (RCPS) which are defined benefit schemes funded from annual grant-in-aid on a pay-as-you-go basis. The benefits are by analogy to the Principal Civil Service Pension Scheme, except that while the schemes provide retirement and related benefits based on final or average emoluments, redundancy and injury benefits are administered and funded by UKSBS. The scheme is administered by the Research Councils' Joint Superannuation Service.

Remuneration Report for the year ended 31 March 2025

From 30 July 2007, employees may be in one of four defined schemes; either a ‘final salary’ scheme (classic, classic plus or premium); or a career average scheme (nuvos). Pensions payable are increased annually in line with changes in the Consumer Prices Index (CPI). Employees’ contributions vary between 4.6% and 8.05% depending on scheme. The employer’s contribution is agreed by the RCPS Board of Management on the recommendation of the Government Actuary’s Department (GAD) and is currently set at 26.0% of pensionable pay.

The Research Councils’ Pension Scheme (RCPS) is a ‘by-analogy’ scheme to the Principal Civil Service Pension Scheme (PCSPS) and as a result any changes made to the PCSPS, including member contribution rates, are automatically applied to the RCPS.

On 1 April 2015 PCSPS launched a new pension scheme called Alpha. This scheme is similar to the Nuvos career average scheme, but with the retirement age aligned to the state pension age. RCPS cannot at present create a by-analogy Alpha scheme as the legislation does not currently permit this. Reform options are currently being discussed with HM Treasury and DSIT who have given permission for RCPS to continue ‘as is’ for the time being.

A table of the employee contributions by pay band and scheme is provided below.

Annual Pensionable Earnings (full-time equivalent basis)	Classic	Premium, Classic Plus & Nuvos
	2024/25 contributions	2024/25 contributions
£0 - £34,199	4.60	4.60
£34,200 - £56,000	5.45	5.45
£56,001 - £150,000	7.35	7.35
£150,001+	8.05	8.05

A Partnership Pension Account was made available to new staff from 1 October 2002, based on the portable Stakeholder Pension introduced by the Government in 2001. This is a defined contribution scheme. The employers pay the RCPS 0.8% of pensionable pay to cover death in service and ill health benefits. The employers pay the balance to the employee’s private pension provider.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age or immediately on ceasing to be an active member of the scheme if they are already at or over pensionable age. Pensionable age is 60 for members of classic, classic plus and premium and 65 for members of nuvos.

The Civil Service Pension arrangements comprise the PCSPS and alpha, a new scheme set up in April 2015. Generally, all new employees joining on UKRI Terms and Conditions are enrolled in the alpha pension scheme.

Alpha provides benefits on a career-average basis with a normal pension age equal to the members State Pension Age (or 65 if higher).

Remuneration Report for the year ended 31 March 2025

These statutory arrangements are unfunded, with the costs of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Employee contributions are salary-related and range between 4.60 to 8.05%.

Annual Pensionable Earnings (full-time equivalent basis)	Normal member contribution rate
£0 - £34,199	4.60
£34,200 - £56,000	5.45
£56,001 - £150,000	7.35
£150,001+	8.05

The accrued pension quoted is the pension that the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for the members of nuvos, and the higher of 65 or State Pension Age for members of alpha.

The pension figures quoted for officials show pension earned in PCSPS or alpha, as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages. The scheme actuary valued the PCSPS as at 31 March 2020. Further details about the Civil Service pension scheme can be found at www.civilservicepensionscheme.org.uk.

Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in the former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Research Councils' pension arrangement and for which the RCPS has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

Real Increase in the Value of the CETV

The real increase in the value of the CETV reflects the increase effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (excluding the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

For and on behalf of the Board



Richard Semple, Chief Executive Officer
UK Shared Business Services Ltd
Date: 13 October 2025

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Opinion on financial statements

I have audited the financial statements of UK Shared Business Services Limited for the year ended 31 March 2025.

The financial statements comprise the UK Shared Business Services Limited's:

- Statements of Financial Position as at 31 March 2025;
- Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the UK adopted International Accounting Standards.

In my opinion the financial statements:

- give a true and fair view of the state of UK Shared Business Services Limited's affairs as at 31 March 2025 and its loss for the year then ended; and
- have been properly prepared in accordance with the UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of UK Shared Business Services Limited in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Conclusions relating to going concern

In auditing the financial statements, I have concluded that UK Shared Business Services Limited's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the Annual Report, but does not include the financial statements and my auditor's report thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion the part of the Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of UK Shared Business Services Limited and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report or the Directors' Report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit.

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within UK Shared Business Services Limited from whom the auditor determines it necessary to obtain audit evidence.
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006;
- preparing the Annual Report, which includes the Remuneration Report, in accordance with the Companies Act 2006; and
- assessing UK Shared Business Services Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the applicable law and International Standards on Auditing (UK) (ISAs (UK)).

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

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of UK Shared Business Services Limited's accounting policies and performance indicators;
- inquired of management, UK Shared Business Services Limited's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to UK Shared Business Services Limited's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including UK Shared Business Services Limited's controls relating to UK Shared Business Services Limited's compliance with the Companies Act 2006 and Managing Public Money;
- inquired of management, UK Shared Business Services Limited's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within UK Shared Business Services Limited for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and completeness of accrued expenditure. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of UK Shared Business Services Limited's framework of authority and other legal and regulatory frameworks in which UK Shared Business Services Limited operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of UK Shared Business Services Limited. The key laws and regulations I considered in this context included Companies Act 2006, Managing Public Money, employment and tax law.

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I addressed the risk over completeness of accrued expenditure by extending the testing period of invoiced expenditure occurring post year end to identify expenditure relating to the year under audit that may have gone unrecorded.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.



[signature provided for use subject to explicit approval by Matt following final checks after the accounts are signed by Richard on behalf of the Board]

Matt Kay (Senior Statutory Auditor)
03/10/2025

For and on behalf of the

Comptroller and Auditor General (Statutory Auditor)
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial Statements

Statement of Comprehensive Income for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
CONTINUING OPERATIONS			
Revenue	2.1	70,762	64,447
Cost of sales	2.2	(65,911)	(58,788)
GROSS PROFIT		4,851	5,659
Administrative expenses	2.3	(5,551)	(5,644)
OPERATING LOSS		(700)	15
Lease Interest		0	0
Finance income		1	0
LOSS BEFORE TAX		(699)	15
Taxation	5	0	(2)
LOSS FOR THE YEAR		(699)	13
OTHER COMPREHENSIVE INCOME		0	0
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(699)	13

All revenue and costs relate to continuing activities.

Included within the loss is additional amortisation of £697k following a review of the useful economic life of assets in line with accounting policy.

Financial Statements

Statement of Financial Position as at 31 March 2025

	Notes	2025 £000	2024 £000
ASSETS			
NON-CURRENT ASSETS			
Intangible Assets	6	5,598	7,104
Property, plant and equipment	6	1,593	2,479
Right of use assets	10	228	292
		7,419	9,875
CURRENT ASSETS			
Trade and other receivables	7	6,110	9,899
Cash and cash equivalents	8	5,187	1,863
		11,297	11,762
TOTAL ASSETS		18,716	21,637
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	14,150	14,225
Leases	10	66	64
		14,216	14,289
NET CURRENT ASSETS		(2,919)	(2,527)
NON CURRENT LIABILITIES			
Other Payables	9	3,212	5,292
Leases	10	164	233
TOTAL LIABILITIES		17,592	19,814
NET ASSETS		1,124	1,823
SHAREHOLDERS' EQUITY			
Called up share capital	12	62,016	62,016
Retained earnings		(60,892)	(60,193)
TOTAL EQUITY		1,124	1,823

The financial statements were approved by the Board of Directors on 2 October 2025 and were signed on its behalf by:



Richard Semple, Chief Executive Officer
UK Shared Business Services Ltd
Date: 13 October 2025

Financial Statements

Statement of Cash Flows for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Cash flows from/(used in) operating activities			
Operating (loss)/profit		(700)	15
Depreciation charges tangible assets	6	884	893
Depreciation charge right-of-use assets	10	64	73
Amortisation charge intangible assets	6	3,301	1,139
Decrease/(Increase) in prepayments	7	251	(652)
Decrease/(Increase) in receivables	7	3,537	(3,507)
(Decrease)/Increase in payables	9	(2,155)	3,098
Net Cash Inflow from Operating Activities		5,182	1,059
Cash flows from/(used in) investing activities			
Purchases of tangible fixed assets	6	0	(361)
Purchases of intangible fixed assets	6	(1,795)	(3,449)
Loss on disposal of fixed asset		2	
Interest received		1	0
Taxation		0	(2)
Net cash from/(used in) investing activities		(1,792)	(3,812)
Net cash from/(used in) Financing Activities			
Lease repayments		(66)	(58)
Net cash from/(used in) Financing activities		(66)	(58)
Increase/(decrease) in cash and cash equivalents		3,324	(2,811)
Cash and cash equivalents at beginning of year	8	1,863	4,674
Cash and cash equivalents at end of year	8	5,187	1,863

Statement of Changes in Equity

	Called up share capital £000	Retained earnings £000	Total equity £000
Balance as at 1 April 2023	62,016	(60,206)	1,810
Retained profit/(loss) for 2023/24	-	13	13
Balance as at 1 March 2024	62,016	(60,193)	1,823
Retained profit/(loss) for 2024/25	-	(699)	(699)
Balance as at 31 March 2025	62,016	(60,892)	1,124

Financial Statements

Notes to the Financial Statements for the year ended 31 March 2025

1.1 Basis of preparation

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards and meet the accounting and disclosure requirements of the Companies Act 2006 and the accounting and financial reporting standards issued or adopted by the International Accounting Standards Board as interpreted for public sector use by the Financial Reporting Manual (FReM) in so far as these requirements are appropriate and do not conflict with the Companies Act.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts. Estimates are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances. There are no judgements or key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements other than as disclosed in the financial statements.

1.2 Going concern basis

The Directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future. The financial statements are therefore prepared on the basis of going concern. This opinion is based on commitments made by the Shareholders that they will continue to take service from the Company.

The UKSBS Board and Directors have reasonable expectation that the Company will continue in operational existence for the foreseeable future. This assessment is supported by letters of support received from our Owners DSIT, UKRI, DBT and DESNZ for UKSBS as a going concern. Our owners have provided confirmation for their on-going funding and support to UKSBS as their shared services provider. DSIT is also the lead Department for the Matrix Programme, and the programme has selected UKSBS to provide shared services from 2026, providing further investment and extension of shared services to departments as part of the Shared Services Strategy for Government. The letters of support provide the Board and its Directors with the assurances they seek and allow the Company to prepare its Annual Report and Financial Statements.

1.3 New accounting standards and interpretations

The Company has considered the newly-issued accounting standards, interpretations and amendments to published standards that are not yet effective and concluded that they are either not relevant to the Company or would not have a significant impact on the Company's financial statements. IFRS17 insurance contracts & social benefits is as a standard not yet effective and IFRS18 will replace IAS 1 Presentation of Financial Statements. It was issued in April 2024 and is mandatorily effective for annual reporting periods beginning on or after 1 January 2027, subject to UK endorsement. IFRS 18 sets out significant new requirements for financial statement presentation. It aims to improve comparability and transparency of organisations' performance reporting. UKSBS does not plan to adopt IFRS 18 early, and we are still assessing the impact of this standard upon its adoption. We are also reviewing the impact of IFRS 19 but don't think this will be applicable to UKSBS.

Financial Statements

Notes to the Financial Statements for the year ended 31 March 2025

1.4 Revenue recognition for services provided to customers

IFRS 15 is applied to the funding streams for standard service charges, recoverables and other service charges which are described in Note 2. These streams represent UKSBS' charging to customers for specific services. In all cases, revenue is recognised in the accounts as performance obligations are met through the delivery of services.

As per the Partnership Services Agreement the charges for the Services are calculated by UKSBS and shared with DBT, DESNZ, DSIT and UKRI for review and agreement on an annual basis, and thereafter invoiced by UKSBS monthly in arrears. The Charges are formulated on a full cost-recovery basis, excluding depreciation. The outputs from the UKSBS annual costing model is shared and agreed with Clients' Finance functions, providing cost transparency. Charges for ALBs are managed separately in direct liaison with them once UKSBS knows the funding status of its Partners (Clients). Where the Client has changed requirements that would or may require UKSBS to commit more (or less) than nominal resources to fulfilling those requirements then additional (or reduced) charges will be agreed with the partner organisation in advance of being incurred and then invoiced by UKSBS. The UKSBS budget will be set at the outset of the year, with a 6-month true-up conducted and agreed with Partners in October to ensure the budget reflects changes in activity levels, user numbers, licence requirements, savings and efficiency targets. The provisions of the Shareholders' Agreement will apply in relation to VAT. This means the Company shall remain a member of the VAT group led by UKRI.

The costs of other sundry activities representing a service to customers ('recoverables' and 'other service charges') are charged in arrears on a cost recovery basis at a point in time, specifically when the project or task has been completed or a milestone reached.

Revenue is stated net of VAT where VAT is applicable.

1.5 Revenue recognition in relation to government funding for programmes and projects

From time-to-time the Company may be funded to undertake programmes and projects, principally for the enhancement of the systems it uses to offer services to customers.

The Company accounts for these funding streams using the income approach i.e. recognising them in profit and loss (as revenue) over the periods in which the Company incurs the related expenditure that the income is intended to cover. Where this expenditure is capital in nature, grants will become receivable (billable) in advance of this expenditure being recognised, because it will be released to the Income Statement over future periods as depreciation or amortisation, however, if IT licences or capitalised development costs have an expected useful economic life that is shorter than 5 years, the costs are depreciated/amortised over that shorter period. In IAS 20 cases, the income is deferred and released as income in the period in which the relevant costs, such as depreciation and amortisation, are recognised. Capital income is shown within liabilities in the statement of financial position.

Custom and practice between UKSBS and its funders is for capital grants to be claimed on an 'actuals' basis – the Company therefore does not recognise revenue in excess of its actuals even if the purchase order agreed with the funder allows for a higher amount.

The net result of these policies and practices is, in general, for the revenue and related costs to be equal in any given year, leading to break-even for this income stream.

Financial Statements

Notes to the Financial Statements for the year ended 31 March 2025

1.6 Non-current assets and depreciation

The value of the Company's non-current assets is stated at cost less accumulated depreciation and impairment losses. Only those assets costing more than £3,000 and having an economic value to the Company beyond the year in which they were bought are capitalised. Where parts of an item have different useful lives, they are accounted for as separate assets.

Depreciation is applied on a straight-line basis over the estimated useful economic lives of assets. Assets under construction are not depreciated. Depreciation methods, useful lives and residual values of non-current assets are reviewed at least at each balance sheet date.

1.6.1 Intangible non-current assets

Intangible assets relate to purchased software, software licences and certain system and resource development costs. UKSBS accounts for intangible assets under IAS 38 and the assessment against three critical attributes of an intangible asset: identifiability, control and future economic benefits.

UKSBS assessment of cloud-based (SaaS - Software as a Service) products are that they do not give rise to an intangible non-current asset, unless the arrangement can be shown to allow "control" as defined in IAS 38. Cloud computing arrangements are ones in which a customer does not have possession of the underlying infrastructure. Rather, the customer accesses and uses the software on an as-needed basis. Cloud computing arrangements usually do not give rise to an intangible asset under IAS 38. This is because a right to receive future access to the supplier's software does not in itself give the entity the control to obtain future economic benefits, flowing from the software, and to restrict others' access to those benefits. It is very unlikely to be able to claim control over cloud-based / SaaS software. It is the supplier (not the customer) that controls the cloud application software, to which the customer has access only.

For UKSBS projects that have a cloud-based (SaaS) software product, all costs including implementation have been accounted for against RDEL (Resource Departmental Expenditure Limit) as they do not meet the critical attributes of an intangible asset under IAS 38.

1.6.2 Tangible non-current assets

Tangible assets include items such as IT hardware and fixtures and fittings.

Financial Statements

Notes to the Financial Statements for the year ended 31 March 2025

1.6.3 Estimated useful economic lives of non-current assets

The following estimated useful economic lives are used in the calculation of depreciation.

Tangible assets	
Fixtures and fittings:	5 years
IT hardware:	5 years
Intangible assets	
IT software:	1 to 5 years
IT development costs:	1 to 5 years

Note that if IT licences or capitalised development costs have an expected useful economic life that is shorter than 5 years, the costs are depreciated over that shorter period.

Capitalised right-of-use assets are depreciated over the life of the lease.

Estimated useful economic lives and residual values of non-current assets are reviewed at least at each balance sheet date.

1.6.4 Impairment review

Depreciation methods, any impairment charges are charged to the Statement of Comprehensive Income and the carrying value of the relevant non-current asset is reduced to the recoverable amount. The recoverable amount of an asset is the amount to be recovered through use or sale.

1.7 Financial instruments

The nature of the Company’s activities and the method of its funding mean that the Company is not exposed to the degree of financial risk faced by non-public sector entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of companies engaged in investment, lending or borrowing. The Company has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Company in undertaking its activities.

Receivables are initially recognised when services are delivered. Financial liabilities comprise trade and other payables, and other financial liabilities.

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred taxation. Current corporation tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to the tax payable in respect of previous years. The Company is not subject to corporation tax on the services provided but is subject to corporation tax on any other income received such as interest income or capital gains.

Financial Statements

Notes to the Financial Statements for the year ended 31 March 2025

1.9 Deferred Tax

Deferred tax is currently not relevant to the Company.

1.10 Employee benefit costs

The main pension scheme used by employees of the Company is the Research Councils Pension Scheme (RCPS) (see note 14). The RCPS is a multi-employer defined benefit scheme. As instructed by IAS 19, since UKSBS is unable to reliably estimate its share of the underlying asset and liability of this and other schemes noted below, they are accounted for on the basis of employer contributions in the periods they fall due, as for defined contribution schemes.

1.11 VAT

UKSBS is part of a VAT group and therefore unable to recover all input VAT. Expenditure and fixed asset purchases are shown at gross value where applicable. Any partial recovery of input tax is treated as a rebate against expenditure.

1.12 Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the obligation, and where the amount of the obligation can be reliably estimated.

1.13 Leases

Leases are classified in accordance with IFRS 16 as leases when the risks and rewards of ownership are transferred substantially to the lessee; other leases are classified as operating leases.

UKSBS has made use of the exemptions to exclude short-term leases (1 year or less), and those where the underlying asset is classified as of “low value”, this is deemed to be £3,000 which is the capitalisation threshold for UKSBS.

1.14 Judgements, estimates and assumptions

A number of judgements have been made around non-current assets, particularly regarding useful economic lives and amortisation rates used. These are reviewed annually and where appropriate the useful economic life of assets are adjusted to better reflect their value and usage over time. This includes adjustments to reflect the planned timing of system replacements. The impact of revisions to useful economic lives of assets in 2024/25 was additional amortisation of £697k within Cost of Sales. These judgements have been more fully explained in Note 1.6 above.

UKSBS will carry out an exercise to revisit the economic usefulness of the ROE system whilst accepting the requirement for a ‘Reach Back’ solution for future periods. The reach back solution is intended to be a solution to allow users of the old ROE system to have read only access to allow evidence to be gathered from that system for the purposes of audit, payroll enquiries etc. It is not known when the solution will be placed as it is currently part of an ongoing project.

Financial Statements

2. Revenue, Cost of Sales, Administrative Expenses and Auditor’s Remuneration

2.1 Revenue

Revenue	2024/25	2023/24
Rendering of services	£000	£000
Department for Science, Innovation and Technology	11,736	8,426
Department for Business and Trade	4,623	4,996
Department for Energy Security and Net Zero	6,068	4,596
UK Research and Innovation	47,347	45,516
Revenue from shareholders.	69,774	63,534
Other Non-Departmental Public Bodies	103	13
Other Central Government Bodies	836	899
Other Income	49	1
Total revenue	70,762	64,447

Revenue includes two principal elements.

Service charges are recognised under IFRS 15 (note 1.4), comprising the following.

Standard Charges – fees for the provision of continuing services agreed with customers at the start of each financial year to cover the anticipated costs of service provision, with a true-up mechanism mid-year to adjust fees based on anticipated costs if necessary and agreed with UKSBS’ customers. Revenue is recognised in line with the annual period of service, which aligns with the financial year, and the charges recovered in 12 equal parts monthly. The intent is to try to break even.

Recoverables – charges raised to recover the cost of items purchased for re-sale to clients such as training and immigration charges. Costs are fully recoverable, and revenue is recognised on successful completion of the service.

Other charges – sources of income for providing other services e.g., recovery of secondment charges for staff on loan to client organisations. Revenue is recognised following provision of the service.

Programmes and Projects reimbursements are recognised under IAS 20 (note 1.5). This revenue represents government grants funding specific projects and programmes UKSBS has been requested to undertake on a cost recovery basis. Client purchase orders are received to provide budget cover for project costs incurred and recharge invoices are raised on a monthly and quarterly basis in arrears. Revenue is accounted for monthly for the projects and programme costs incurred for the same period during the financial year.

Financial Statements

2. Revenue, Cost of Sales, Administrative Expenses and Auditor’s Remuneration

In line with IAS 20’s instruction to recognise grants in profit or loss on a systematic basis over the periods in which the entity recognises the related costs as expenses, UKSBS recognises:

Revenue relating to non-capital projects spend matching the related expense for the year (including the recognition of accrued income for any elements unbilled at the year end); and

Revenue relating to spend which is capitalised (note 6). Any funds received in respect of this spend are deferred at the point of the asset’s creation, then released to income in line with the depreciation/amortisation of the asset.

Income analysis by client and type

2024/25 £000	Standard charges IFRS 15 £000	Recoverables IFRS 15 £000	Other charges IFRS 15 £000	Non capitalised elements IAS 20 £000	Capital elements – release of deferred income IAS 20 £000	Total £000
DSIT	4,661	0	0	4,963	2,112	11,736
DESNZ	4,462	0	0	161	0	4,623
DBT	5,675	0	0	393	0	6,068
UKRI	26,327	0	0	19,587	1,433	47,347
ONDPB	103	0	0	0	0	103
OCGB	832	0	0	4	0	836
Other income	0	0	49	0	0	49
Total	42,060	0	49	25,108	3,545	70,762

Service charges				Programmes and projects		
2023/24 £000	Standard charges IFRS 15 £000	Recoverables IFRS 15 £000	Other charges IFRS 15 £000	Non capitalised elements IAS 20 £000	Capital elements – release of deferred income IAS 20 £000	Total £000
DSIT	6,529	0	190	264	1,443	8,426
DESNZ	2,694	0	0	1,902	0	4,596
DBT	4,518	0	0	478	0	4,996
UKRI	26,578	283	159	17,508	988	45,516
ONDPB	13	0	0	0	0	13
OCGB	887	0	0	12	0	899
Other income	0	0	1	0	0	1
Total	41,219	283	350	20,164	2,431	64,447

- Key**
- DSIT - Department for Science, Innovation and Technology
 - DBT - Department for Business and Trade
 - DESNZ - Department for Energy Security and Net Zero
 - UKRI - UK Research and Innovation
 - ONDPB - Other Non-Departmental Public Bodies
 - OCGB - Other Central Government Bodies

Financial Statements

2. Revenue, Cost of Sales, Administrative Expenses and Auditor’s Remuneration

2.2 Cost of sales

The cost of sales is the direct cost of providing service to our customers relating to the above revenue and is as follows.

	2024/25 £000	2023/24 £000
Payroll costs	31,022	27,976
IT equipment, maintenance and software	24,245	21,772
Consultancy	5,907	4,986
Cost of Goods Sold	27	297
Telecommunications	46	192
Travel and subsistence	128	107
Other	287	1,353
Sub Total	61,662	56,683
Depreciation	884	893
Amortisation	3,301	1,139
Depreciation of right-of-use assets	64	73
Sub Total	4,249	2,105
Cost of sales of continuing activities	65,911	58,788

The amortisation charge in 2024/25 includes additional amortisation arising from the revision of useful economic assets of existing assets of £697k as explained in Note 1.14.

2.3 Administrative expenses

Administrative expenses, the costs of corporate support as opposed to the costs of delivering service, are as follows.

	2024/25 £000	2023/24 £000
Payroll costs	4,034	3,812
Administrative costs	1,517	1,832
Total administrative expenses	5,551	5,644

Payroll costs include social security costs and employer’s pension contributions and are included in note 3.

The external audit fee was £86.5k excluding VAT.

No fees were paid to the Company’s auditors other than for the audit of the Company’s annual accounts as above.

Financial Statements

3. Employees and Directors

	2024/25 £000	2023/24 £000
Wages and salaries	26,144	23,748
Social security costs	2,662	2,420
Other pension costs	6,249	5,620
	35,055	31,788

The employees’ and directors’ payroll costs are included with the cost of sales and administrative expenses disclosed in note 2.

Included in the employment costs above are amounts in relation to directors of the company as shown in the directors’ report. There is no performance related pay in respect of directors and there has been no compensation for loss of office during the period. The remuneration of the directors was £194,257 (2023/24, £184,604) and nil pension contributions are paid. The average monthly number of employees during the year was as follows.

	2024/25	2023/24
Average number of employees	711	677
Average number of employees (full time equivalent)	696	667
Average number of contractors	66	72

Included in the average number of employees are 39 employees on fixed term contracts with a combined salary of £1,353k (2023/24, 24 employees on fixed term contracts with a combined salary of £930k).

Off payroll engagements (more than £245 per day and longer than six months)

All payroll workers at UKRI are on arrangements in which supplier agencies process their payments through PAYE to ensure full tax compliance. The only exception to this is in the rare cases where the HMRC tool has shown that an off-payroll workers engagement arrangements fall outside of the scope of the intermediaries legislation IR35. Seven workers were identified as being subject to this circumstance in 2024-25 all of which were paid more than £245 per day and were still retained on 31st March 2025. All workers identified were subject to off-payroll legislation.

Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater:

	2024/25	2023/24
No. of existing engagements as of 31 March	24	11
Of which		
Less than 1 year	2	1
between 1 and 2 years	9	8
between 2 and 3 years	9	2
between 3 and 4 years	3	0
4 or more years	1	0

Financial Statements

3. Employees and Directors

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater:

	2024/25	2023/24
No. of existing engagements as of 31 March	24	23
Of which		
Not subject to off-payroll legislation	0	0
Subject to off-payroll legislation and determined as in-scope of IR35	3	9
Subject to off-payroll legislation and determined as out-of-scope of IR35	21	14

4. Reporting of Civil Service and other Compensation Schemes – Exit Packages

Exit Packages by cost band	Compulsory Redundancies		Other departures agreed		Total number of exit packages by cost band	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
<£10,000	0	0	0	0	0	0
£10,000 - £25,000	0	0	0	1	0	1
£25,000 - £50,000	0	0	0	0	0	0
£50,000 - £100,000	0	0	0	0	0	0
£100,000 - £150,000	0	0	0	0	0	0
£150,000 - £200,000	0	0	0	0	0	0
Total number of exit packages by type	0	0	0	1	0	1
Total resource cost (£'000)	0	0	0	18	0	18

5. Tax

The tax charge in the Statement of Comprehensive Income comprises Corporation Tax charged at 25% (2023/24 25%) on bank interest receivable plus any adjustments arising from prior years. Corporation Tax of £0k is recognised for 2024/25 (2023/24 £2k).

There is no deferred tax in these financial statements relating to 2024/25 or 2023/24. No deferred tax asset has been recognised as the Company is not likely to incur profits in the near future against which such assets may be offset. Assets are realised through use rather than sale and therefore no capital gains are made.

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6. Non-current Assets

	Software and Intangibles £000	Assets Under construction £000	Total £000		Property, Plant and Equipment £000	Assets Under construction £000	Total £000
Cost				Cost			
At 1st April 2024	60,564	4,306	64,870	At 1st April 2024	5,795	724	6,519
Additions	788	1,007	1,795	Additions	0	0	0
Transfers	5,313	(5,313)	0	Transfers	692	(692)	0
Disposals	0	0	0	Disposals	0	(2)	(2)
At 31st March 2025	66,665	0	66,665	At 31st March 2025	6,487	30	6,517
Accumulated amortisation				Accumulated depreciation			
At 1st April 2024	57,766	0	57,766	At 1st April 2024	4,040	0	4,040
Charge for the year	3,301	0	3,301	Charge for the year	884	0	884
Disposals	0	0	0	Disposals	0	0	0
At 31st March 2025	61,067	0	61,067	At 31st March 2025	4,924	0	4,924
Net Book Value 31st March 2025	5,598	0	5,598	Net Book Value 31st March 2025	1,563	30	1,593

	Software and Intangibles £000	Assets Under construction £000	Total £000		Property, Plant and Equipment £000	Assets Under construction £000	Total £000
Cost				Cost			
At 1st April 2023	63,977	2,695	66,672	At 1st April 2023	4,887	1,272	6,159
Additions	111	3,338	3,449	Additions	19	341	360
Transfers	1,727	(1,727)	0	Transfers	889	(889)	0
Disposals	(5,251)	0	(5,251)	Disposals	0	0	0
Total At 31st March 2024	60,564	4,306	64,870	Total At 31st March 2024	5,795	724	6,519
Accumulated amortisation				Accumulated depreciation			
At 1st April 2023	61,878	0	61,878	At 1st April 2023	3,147	0	3,147
Charge for the year	1,139	0	1,139	Charge for the year	893	0	893
Disposals	(5,251)	0	(5,251)	Disposals	0	0	0
At 31st March 2024	57,766	0	57,766	At 31st March 2024	4,040	0	4,040
Net Book Value 31st March 2024	2,798	4,306	7,104	Net Book Value 31st March 2024	1,755	724	2,479

Assets under construction are not depreciated. Included within software and intangibles is one asset for the BEIS Oracle Estate (BOE) upgrade valued at £1,589k to ensure that the Oracle operating system is maintained to ensure we can continue to provide a high-quality service to our customers.

All of the intangibles mentioned above have been internally generated.
Depreciation methods, useful lives and residual values of the non-current assets were reviewed by the Company as at 31 March 2025.

7. Trade and Other Receivables

	2024/25 £000	2023/24 £000
Current:		
Trade receivables	831	3,300
Other receivables	2	4
Accrued Income IFRS 15	114	1,063
Accrued Income IAS 20	2,976	3,094
Prepayments	2,187	2,438
	6,110	9,899

Income classified as IFRS 15 is income that is recognised when the goods or services are transferred to the customer. Income classified as IAS 20 is income UKSBS has received from its customers to be utilised on the completion of specific requirements for projects undertaken on behalf of the customer.

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8. Cash and Cash Equivalents held at Government Banking Services

	2024/25 £000	2023/24 £000
Current cash and equivalents	5,187	1,863

9. Trade and Other Payables

	2024/25 £000	2023/24 £000
Current:		
Trade payables	2,547	1,678
Other payables	2,374	1,769
Accruals IFRS 15	5,071	6,141
Accruals IAS 20	241	1,050
Capital Income received from related parties IAS 20	3,916	3,587
	14,149	14,225

	2024/25	2023/24
Non-Current:		
Capital Income received IAS 20	3,212	5,292
	3,212	5,292

Capital Income is recognised under IAS 20. Also shown under IAS 20 is income UKSBS has received from its customers to be drawn down against on the completion of specific requirements for the building of non-current assets.

10. Right-of-Use Assets

	2024/25 £000	2023/24 £000
Capitalised asset balance at start of period	292	13
Additions	0	352
Depreciation charge for year	(64)	(73)
Net asset balance at end of period	228	292

Minimum lease liabilities under non-cancellable operating leases fall due as follows:

	2024/25 £000	2023/24 £000
Within one year	66	64
Between two and five years	164	233
Over five years	0	0
Total lease liability	230	297

Financial Statements

10. Right-of-Use Assets

The leased assets are depreciated on a straight-line basis over 5 years or over the life of the lease.

UKSBS also pays a variable element with regards to the Multi-Functional Devices lease, dependent on the number of copies made (click cost). Part of this cost is absorbed by UKRI, according to usage.

The discount rate used for Right of Use Assets is based on the values given in the Public Expenditure System paper produced by HM Treasury which lays down the rates to be used when accounting for new leases using the effective interest rate method. The very long- term discount rate increased from 4.4% to 4.55%, the long-term rate increased from 4.72% to 4.81%, medium term rate increased from 4.03% to 4.07% and the short-term rate decreased from 4.26% to 4.03% .

11. Financial Instruments and Capital Risk Management

Risk management is carried out by the Executive Team under the direction of the Board. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide benefits for shareholders and other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure the Company may return capital to shareholders or issue new shares.

Credit risk

The Company has credit risk in the form of receivables from its customer companies. These companies are all in the public sector, have an appropriate credit history and have undertaken to pay on agreed terms.

Liquidity risk

The Company evaluates and follows continuously the amount of liquid funds needed for business operations in order to secure that funding.

Cash flows and fair value interest rate risk

As the Company has no significant interest-bearing assets, the operating income and operating cash flows are substantially independent of changes in market interest rates.

Fair value

Assets and liabilities have been accounted for at historic cost, which due to their nature is not materially different from Fair Value.

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12. Called Up Share Capital

Ownership of the Company as at 31 March 2025

As at 31 March 2025, the shareholders of the Company were as below.

- The Department for Science, Innovation and Technology (DSIT) held one Sponsor Share carrying 51% of the votes controlling the company.
- UK Research and Innovation (UKRI) held nine Non-Government Department (NGD) Shares carrying 35% of the votes controlling the company.
- The Department for Energy Security and Net Zero (DESNZ) held one Government Department (GD) carrying 7% of the votes controlling the company.
- The Department for Business and Trade (DBT) held one Government Department (GD) carrying 7% of the votes controlling the company.

Allotted, issued and fully paid Share Capital at the date of approval of the Financial Statements

Share class	Held by	Number of shares (all with a nominal value of £1 each)	Ownership %
Sponsor	DSIT	1	51%
Government Department (GD)	DESNZ	1	7%
	DBT	1	7%
Non-Government Department (NGD)	UKRI	9	35%
Deferred	DSIT	4	n/a
Non-Voting	DSIT	62,016,358	n/a
TOTAL		62,016,374	

There have been no changes to the value of the shares for this year.

13. Employee Benefit Obligations

Pension plans

The Research Councils' Pension Scheme (RCPS) is in all respects 'by-analogy' with the Principal Civil Service Pension Scheme, except that the employer's contribution is determined separately on the recommendation of the Government Actuary's Department (GAD). It is a notionally funded, contributory, defined benefit scheme, and is administered by the Research Councils' Joint Superannuation Services. The Scheme's accounts are prepared by UK Research and Innovation (UKRI) on behalf of the Chief Executive UKRI as Accounting Officer for RCPS.

The employer's contribution for those Company employees who participate in RCPS is agreed by RCPS Board of Management on the recommendation of the GAD and the employer's most recent pension rate (until further notice) will be 26.0%.

Financial Statements

13. Employee Benefit Obligations

The RCPS is a multi-employer defined benefit scheme. As instructed by IAS 19, since UKSBS is unable to reliably estimate its share of the underlying asset and liability of this and other schemes noted below, they are accounted for on the basis of employer contributions in the periods they fall due, as for defined contribution schemes. The RCPS prepares separates accounts and the Company contributions for 2024/25 were £5.965m (2023/24 £5.382m).

23 employees have retained alternative pension arrangements that originated with the organisations from which they transferred. For 2024/25 the employer's contribution for these employees was 28.97% for the Civil Service Alpha pension scheme. The Company contributions for 2024/25 were £0.01m (2023/24 £0.01m). 15% for the Medical Research Council Pension scheme. The Company contributions for 2024/25 were £0.12m (2023/24 £0.13m). UKSBS also offers a stakeholder pension which attracts age-related employer contributions between 3% and 12.5%. The Company contributions for 2024/25 were £0.153m (2023/24 £0.1m). Additionally, any level of optional employee contributions is matched by a further employer contribution up to maximum of 3% of pensionable salary.

In order that the defined benefit obligations recognised in the RCPS financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the HM Treasury Financial Reporting Manual requires that “the period between formal actuarial valuations shall be four years, with approximate assessments in intervening years”. The last formal actuarial valuation undertaken for RCPS as at 31 March 2018 was completed in February 2021.

14. Other Capital and Financial Commitments

There are no capital commitments to be disclosed in these financial statements. However, the Company has the following financial commitments in respect of IT contracts.

	2024/25 £000	2023/24 £000 Restated
Within one year	7,632	11,294
Between two and five years	1,471	4,993
Over five years	0	0
Total financial commitment	9,103	16,287

Included with the above are commitments for Replan 3 (D2L) which is an extension to contract milestone timescales and costs resulting from the SHARP Programme £1m, Oracle BPS licences £1.6m and Oracle (Fusion Licences) £4.8m.

Additional contracts were identified in the 2024/25 financial year which revealed material prior year committed financial spend not previously disclosed. This has led to a restatement of an additional £6,803k of financial commitment above the £9,484k previously disclosed for 2023/24.

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15. Related Parties

Revenue with related parties during the year was as follows

	2024/25 £000	2023/24 £000
Department for Science, Innovation and Technology	11,736	8,426
UK Research and Innovation	47,347	45,516
	59,083	53,942

A more detailed breakdown of revenue is provided in note 2

Expenditure with related parties during the year was as follows

	2024/25 £000	2023/24 £000
Department for Science, Innovation and Technology	0	0
UK Research and Innovation	923	817
	923	817

Expenditure with related parties is for various items, the biggest being rent and building services, printing services and staff secondments.

Trade receivables and accrued income balances with related parties

	2024/25 £000	2023/24 £000
Due within 1 year:		
Department for Science, Innovation and Technology	1,592	1,565
UK Research and Innovation	2,480	5,271
	4,072	6,836

Trade payables and accruals balances with related parties

	2024/25 £000	2023/24 £000
Due within 1 year:		
Department for Science, Innovation and Technology	30	30
UK Research and Innovation	901	565
	931	595

Financial Statements

Related Party Disclosures

The Company is a separate legal entity, wholly-owned by clients, providing services to multiple clients. Transactions with related parties take place on a cost-recovery basis. The Company seeks to set service charges such that it breaks even.

The Company is deemed to be a state-controlled entity because all of the shareholders are publicly-owned entities. The Company has been classified by the Cabinet Office as a Non-Departmental Public Body (NDPB).

The shareholders as at 31 March 2025 were the Department for Science, Innovation and Technology (DSIT), UK Research and Innovation (UKRI), the Department for Energy Security and Net Zero (DESNZ) and the Department for Business and Trade (DBT), Note 13 explains the ownership.

As at 31 March 2025 only the Department for Science, Innovation and Technology (DSIT) and UK Research and Innovation (UKRI) are classed as related parties.

The accounts provide disclosure of all material transactions with those who are recognised as key management personnel as per IAS 24 'Related Parties'. This is taken to be those members of staff who are included under Executive Directors' remuneration in the Remuneration Report and all UKSBS Board members. Currently there are no additional disclosures due to related parties.

The Department for Science, Innovation and Technology (DSIT) is the ultimate controlling party of the Company. Their address is:

Department for Science, Innovation and Technology
100 Parliament Street
London
SW1A 2BQ

UKSBS is a non-departmental public body sponsored by DSIT. For the purposes of International Accounting Standard 24, DSIT is regarded as a related party. During the year UKSBS had various material transactions with DSIT and UKRI, as disclosed above. In addition, UKSBS has had various material transactions with other government departments. Most of these transactions have been with DESNZ and DBT and are of a similar nature as those disclosed above. A detailed breakdown of revenue is provided in note 2.

16. Losses and Special Payments

There were no losses, gifts or special severance payments that exceed £300,000 in total or individually as of 31 March 2025 (31 March 2024: Nil).

17. Events after the Reporting Period

In accordance with the requirements of IAS 10 Events after the Reporting Period, events after the Statement of Financial Position are considered up to the date on which the Accounts are authorised for issue. This is interpreted as the same date as the date of the Certificate and Report of the Comptroller and Auditor General.



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