



Annual Report and  
Financial Accounts 2025

# We are Weatherbys

Since our founder’s position as Secretary to the Jockey Club, we’ve grown over seven generations to become a group of companies operating in banking and asset financing, all with the same values at heart.

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## The Weatherbys Way

We always act with integrity and do the right thing, whether that’s for our colleagues, our clients or the communities we work in.

## Our values

### Forward-looking

We know that continuous improvement is what moves us forward, so we’re always looking for ways to do things better – for our clients, each other and our business. For us, standing still isn’t an option.

### Individual

We take time to understand our clients fully, treating them as individuals rather than having a one-size-fits-all approach. Internally, we recognise that our biggest strength is each other and that every person plays a part in our success.

### Responsive

We use our independence as an advantage. It allows us to be efficient in our processes, open in our communication and flexible in our solutions. We anticipate needs and take the initiative to go above and beyond what our clients expect.

### Straightforward

We make things as easy as possible for our clients and each other. That means being open and honest in our behaviour and simple in our communication, steering clear of complication whenever we can.

### Trusted

Integrity lies at the heart of everything we do. We minimise risk and put the security of our clients’ money first. As colleagues, we trust each other and empower our teams to make informed decisions.

WHAT'S IN THIS REPORT

### Visit us online

For the most up-to-date information visit our websites:

→ [www.weatherbys.bank](http://www.weatherbys.bank)

→ [www.arklefinance.co.uk](http://www.arklefinance.co.uk)



## Contents

2025 highlights	02
Weatherbys at a glance	04
<b>Strategic Report</b>	
Chairman's foreword	08
CEO strategic review	10
Client satisfaction	12
Weatherbys Business Bank	14
New products and services	16
Arkle Finance	17
Business review	18
Our people	28
Creating the Future	34
<b>Corporate Governance</b>	
Board of Directors	38
In conversation with Rory Tapner	40
Governance overview	42
Report of the Directors	44
Report of the Chair of the Group Risk Committee	47
Report of the Chair of the Group Audit Committee	48
Independent auditor's report	49
<b>Financial Statements</b>	
Consolidated income statement	58
Consolidated statement of comprehensive income	59
Consolidated statement of financial position	60
Company statement of financial position	61
Consolidated statement of changes in equity	62
Company statement of changes in equity	63
Consolidated statement of cash flows	64
Notes forming part of the financial statements	65
Company information	94
Information	95
Sir Johnny Weatherby tribute	97

# Another strong year of growth

In 2025, our relationship-led approach continued to serve clients well, supporting steady growth, high satisfaction and a strong financial position.

Client lending balances

£1,006m

Up 16% from £869m in 2024

Client deposit balances

£1,905m

Up 11% from £1,712m in 2024

Net Promoter Score

84

Up 3 from 81 in 2024

Total assets

£2,053m

Up 11% from £1,848m in 2024

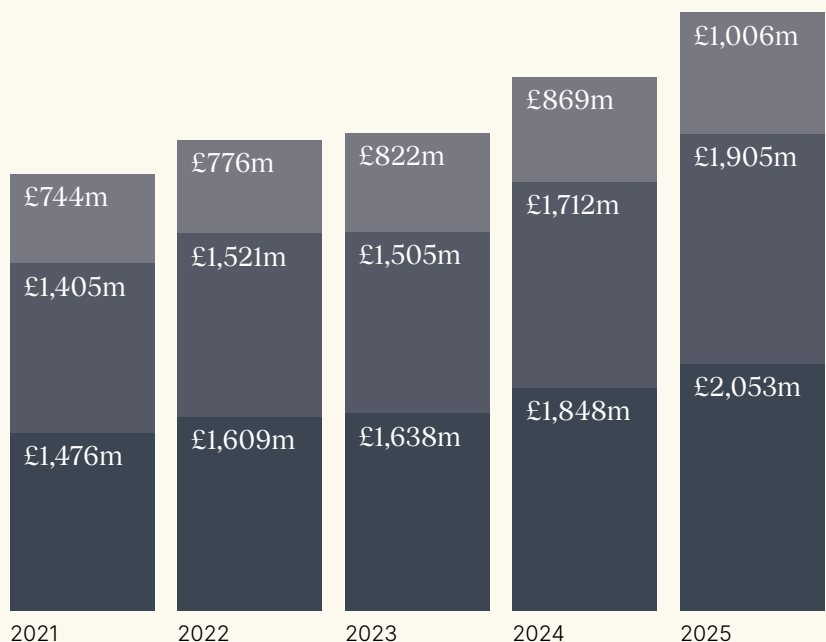
## Five-year trend

In 2025 we continued to exceed expectations with growth across our client holdings.

→ [Read more about our KPIs on page 19](#)

### Key

- Client lending balances
- Client deposit balances
- Total assets





**Clients**

The Weatherbys Way continues to evidence an improved experience for clients.

→ **Read more about our client experience on page 12**



**Services**

We launched the new Weatherbys Business Bank to offer personalised service for businesses.

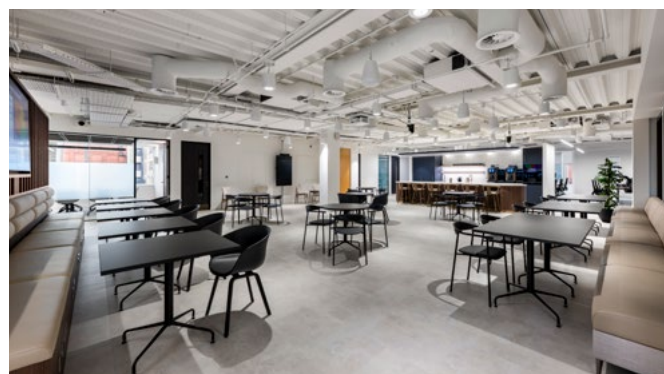
→ **Read more about Weatherbys Business Bank on page 14**



**Products**

We launched charge cards and an execution-only investment platform with Saxo.

→ **Read more about our products on page 16**



**People**

We invested in a brand new office to support our people to achieve sustainable growth.

→ **Read more about our people on page 28**



**Responsible business**

Our Creating the Future conference was the biggest one yet, with over 400 attendees.

→ **Read more about Creating the Future on page 34**



**Governance**

Two new members have joined the Board including former Coutts CEO, Rory Tapner.

→ **Read more about Rory Tapner on page 40**

# Offering exceptional client service

Weatherbys Bank Limited is a family-owned bank, shaped by long-standing values and prudent stewardship, with an approach that continues to evolve.

The Group provides banking services to a client base of predominantly high net worth individuals. In addition to private banking and wealth advisory services, it provides banking services to the horseracing industry, UK-based small to medium enterprises and asset finance to businesses.

## The Banking Group



Weatherbys Private Bank provides banking services to private individuals including current accounts, deposit accounts, lending and foreign exchange.

→ [www.weatherbys.bank/private-bank](http://www.weatherbys.bank/private-bank)



Weatherbys Racing Bank provides racehorse owners and bloodstock industry professionals with bank accounts that have all the features and flexibility required for racing transactions.

→ [www.weatherbys.bank/racing-bank](http://www.weatherbys.bank/racing-bank)



Weatherbys Business Bank provides banking services for UK-based small to medium enterprises, commercial companies or larger corporates.

→ [www.weatherbys.bank/business-bank](http://www.weatherbys.bank/business-bank)



Arkle Finance provides corporate, small business and consumer asset finance as well as specialist funding for renewable energy installations, marine finance and specialist finance for educational institutions.

→ [www.arklefinance.co.uk](http://www.arklefinance.co.uk)

## Overview

Offices throughout the UK

4

Years of the Weatherbys brand

256

Members of staff

483

2024: 437

## Our strategic sale of Weatherbys Hamilton

The sale of the insurance business reinforces the Group's strategic focus on simplifying its operating model and concentrating on its core strengths in banking, investment and wealth advice and asset finance.

After 13 years in partnership with Weatherbys Hamilton, both parties agreed that the future of Weatherbys Hamilton was best served with a partner whose sole focus is insurance.

## Our services

Private banking & lending

Asset finance

Racing banking

Business banking

→ Read more at [www.weatherbys.bank](http://www.weatherbys.bank)

## Exceptional client service

Providing exceptional personal service to our clients is a value that has underpinned our bank throughout our heritage.

Net Promoter Score

84

2025	84
2024	81

## Being sustainable

One of the Bank's core values is social responsibility, with a fundamental belief in using the success of our business as a force for good.

This is reflected in our responsible business strategy, which drives actions in three key pillars – sustainability, Creating The Future and giving back.



# We continue to focus on strong client relationships, investing in our people and developing our digital capability

We prioritise these strategies to ensure we deliver consistent, high-quality service and long-term value.

<b>Strategic Report</b>	
Chairman's foreword	08
CEO strategic review	10
Client satisfaction	12
Weatherbys Business Bank	14
New products and services	16
Arkle Finance	17
Business review	18
Our people	28
Creating the Future	34



# Staying focused while the world changes

**In times of volatility and extreme uncertainty, one must remind oneself to look long term.**

Weatherbys has been and always will be a long-term business providing banking services and finance now and into the future for families and businesses – many of which are owned by families. It is not our job to panic or to react to short-term uncertainty, either when faced with setbacks to the UK economy, its political scene or global conflict. We will analyse and advise but must, like all families, plan for the future and for the future generations: what is key is that we must evolve and embrace change. Without that, no business lasts a few decades, let alone 256 years.

## Family

I cannot look back at 2025 without mourning the death of my brother Sir Johnny Weatherby who died in December 2025 after a long battle with cancer. He was the first member of the seventh generation of Weatherbys and he joined the firm in 1982.

He was instrumental in obtaining our banking licence in 1994, was the Banking Group's chair for almost 25 years and was in the chair as we evolved from just being banker to racehorse owners, to being banker to a much wider racing sector, a very broad range of private clients and financier to an array of SME businesses. He is sorely missed by all of us, his family and friends, as well as his former colleagues at Weatherbys, the racing industry and beyond.

But families go on and I am therefore delighted that Max, one of Johnny's sons, was the first member of the eighth generation to join the business at the beginning of this year.

## Technology

I'm looking through my Chairman's foreword from last year and I'm in danger of sounding like a stuck record but, in this instance, I think that is a good thing. We have, as promised, invested significant amounts of time and resource into upgrading our technology in 2025 and will again do so in 2026. We are all looking forward to the release of our enhanced and improved systems and digital capability towards the end of this year. The pace of technological change does not let up and I can assure you we will not be resting on our laurels for one moment. We will continue to invest and improve and release enhancements not only for our clients but also for our people.

The term technology encompasses such a huge mandate, whether enhancing existing products and services to add more value, speed and proactivity to building even stronger and more robust defences against the ever-increasing threat of cyber-attack and fraud.

I have managed to write two paragraphs on technology without mentioning the word AI. It will not only bring significant changes to the future, but it is already doing so. We are using it now and will do so a lot more in the future. Our job is to use the best bits of it to enhance what we do – in other words to improve banking and finance for our clients and to give our clients even more of what they want and need but at the same time avoiding jumping on bandwagons and following every new fad.

## People

Last year we welcomed even more new people to our family; we have increased our presence in Edinburgh, now covering the whole of Scotland, and the North East of England, as well as increasing our presence in our Manchester office, covering the North West. Wellingborough continues to grow both from a banking point of view but also within Arkle, our asset finance business. London has grown to such an extent that we have moved the main body of our people from Sackville Street to a new office in Shaftesbury Avenue. These new hires will allow us to not only reach a lot of new clients but it will importantly enable us to offer even better service to existing clients. This recruitment of fantastic people, coupled with the investment and sensible use of technology, is the route to our growth and the bedrock of our strategy over the next couple of years.

However, as I said in my last foreword, it is absolutely our intention to maintain the family feel and culture of this business – a business made-up of like-minded people giving an incredible service to like-minded clients and their families. As we grow and take on new people this is not a given, we will all need to work hard to get it right.

“

**It is our intention to maintain the family feel of this business – a business made-up of like-minded people giving an incredible service to like-minded clients and their families.**

## Outlook

As I write this, I have a daughter and nephew working in the Middle East and therefore am only too aware of the uncertainty and worries that the current conflict raises. Quite apart from issues of personal safety, we have concerns around the economic impact, for example, on energy prices, inflation and the political weakness here at home. I have always been a glass half full type of person so I have every faith that the UK will thrive over the long term and as always, although there is much uncertainty, out of this comes fantastic opportunities for the UK and more particularly for Weatherbys Banking Group. The marriage of dedicated people giving expert and trusted advice, going the extra mile and acting at all times with undoubted integrity must and will prevail. We will always do the right thing.

Coupling this with an appetite to evolve and embrace the right type of change is, I believe, a winning formula.

**Roger Weatherby**  
Chairman  
21 April 2026



# Building for 2030. Delivering ahead of plan

“

It was reassuring to see consistent growth across all businesses and product lines, reinforcing the benefits of our business model.

## Performance in 2025

At the beginning of 2025, we set out a strategy to take the business to 2030. The strategy reflected the key external factors forecast to affect the business over the period: falling interest rates and net interest margin; an acceleration in the rate of technological change; and continued regulatory costs. It also drew upon the remarkable strengths of the Group and the opportunities presented to us. I am pleased to report a year on that we are ahead of schedule against the objectives we set ourselves.

Overall, across all the businesses and product lines of the Group, we grew by 15% in 2025. This metric takes into account all of the client-led deposit, lending and investing activities we undertake. Deposits rose 11% on the year, led by organic expansion in the Private Bank. Private Client lending, which had been relatively flat in 2024, rose 16%. Lending in our asset finance subsidiary Arkle rose 20%, a very strong performance. Investment assets under advice grew 30%, and 74% of this growth was attributed to new inflows. It was reassuring to see consistent growth across all businesses and product lines, reinforcing the benefits of our business model.

The return on equity across the Group was 8.9% from operating activities, which was in line with our strategy but below our long-term aspirations. The Group is significantly impacted by the level and direction of interest rates. A falling interest rate environment reduces our net interest margin and profitability. At the same time, we are investing very heavily into IT improvements and people. These will, in turn, deliver growth in the business and its profits growth despite continued expected pressure on margins.

In August 2025 we sold our interest in our insurance broking joint venture, Weatherbys Hamilton, to Brown & Brown (Europe) Limited for a gain of £10.2 million. The business was founded in 2012 and took advantage of the synergy between insurance broking and our equine and private client activities. Broking businesses are currently highly valued in the marketplace. We felt that now was the time for a new owner to take forward the business and for us to return a significant amount of the proceeds to our shareholders.

In the fourth quarter, we launched a new external offering to clients. Weatherbys Business Bank will deploy the incredibly strong service ethos in our existing three business areas into the Business market. We already bank many businesses so bringing this initiative together at the heart of our growth strategy is an exciting evolution for the Group.

Across the Group, we took on 46 net new members of staff, bringing the total to 483. Our staff engagement score rose to 72.6, a very strong level, reflecting the commitment of everybody to make Weatherbys an exceptional place to work. The new colleagues we have welcomed will help us meet our future growth aspirations by delivering for our clients, which is at the heart of everything we do.

We are lucky to have wonderful and engaged clients across the Group. Each year, we survey them to find out what we could do to improve. Kindly, many of them also tell us they are our strong supporters. Our Net Promoter Score for 2025 was 84, which reflects our industry-leading levels of service. I suspect no other bank in the UK will have a higher degree of support from their clients.

We are committed to delivering improved products and services for clients. In 2025, there were several major developments, including the launch of non-GBP cards and a charge card. In 2026, much more is planned.

In our Racing business, as elsewhere in the Group, we are committed to the highest standards of regulatory compliance, maintaining robust controls over financial crime to protect the integrity of the system. Horse ownership can take many forms, including increasingly shared ownership amongst syndicates and partnerships. Following industry feedback, we made significant changes to our onboarding processes for these multi-owner accounts, reducing the burden placed on owners enjoying their hobby and taking advantage of opportunities afforded by improved technology.

In 2025 and into 2026, the Group is undertaking record levels of investment into technology. We cannot afford to fall behind in this area: clients demand the best capabilities and the opportunities now becoming apparent from the deployment of AI will only continue. Much of our recent technology investment has been incredibly important but largely invisible externally. This year, we will see some very visible signs of change, with a completely new interface for clients, as well as much updated internal processes, allowing our people to reallocate even more time towards service provision, not administration.

The tech story is not solely one affecting our Private and Racing businesses. Arkle also is a leader in deploying digital solutions to improve efficiency and secure good client outcomes. We upgraded Alfa over the year, a core part of our architecture, as well as accelerating the time taken from making a lending proposal to paying out the loan proceeds to borrowers. Our asset finance business remains a key growth driver for the Group, with strong financial synergies with the rest of the business.

Managing risk is fundamental to any Bank. For us, it is second nature. We understand our top priority is keeping our clients' money safe. It is why we maintain a very prudent balance sheet, with very high levels of liquidity maintained at all times with the Bank of England. Risks, however, arise in many different dimensions. The Board and Executive use our risk management framework actively to manage these risks, controlling them to ensure they remain within appetite at all times. While inevitably risk levels change over time (and sometimes risk events occur), I am very pleased that in 2025 we saw the framework mature even further and a general downward trend in the direction of the controlled risks affecting the Group.

I am very excited about our prospects for 2026. The growth trajectory continues and even accelerates. Much more of our investment into technology will become more apparent and deliver better outcomes for our clients. I am acutely aware the success of our business relies on delivering for clients and this will always remain at the centre of what we do. All the time we put clients first, the commercial success of the business will follow, a simple statement too often forgotten in financial services. None of this is possible without the genuine dedication and commitment of my colleagues, to whom I pay thanks and, again, stand in awe of what they have achieved.

**Quentin Marshall**  
Chief Executive Officer  
21 April 2026



## CLIENT SATISFACTION

# Our clients are at the heart of everything we do

## Client satisfaction

Our 2025 Private Bank Client Survey positions us ahead of our peers and other banks. Our clients' voice continues to shape the services we provide and influence how they are delivered.

### Net Promoter Score

# 84

Our strong Net Promoter Score signals clients are happy to refer us to their family, friends and colleagues

## “

I am acutely aware the success of our business relies on delivering for clients and this will always remain at the centre of what we do.

**Quentin Marshall**  
CEO

## “

We have a brilliant relationship with Weatherbys and intend to remain with the bank for a long time.

## “

Excellent personalised service – has made a huge difference to the management of our finances.

## “

I am extremely happy with the service I receive. You are very responsive, helpful and professional.

## “

You do a fantastic job, make my life easier and are always a pleasure to deal with.





WEATHERBYS BUSINESS BANK

# Business banking, made personal

Weatherbys Business Bank was launched in 2025, extending the Group's long-standing reputation for trust, service and specialist financial expertise into the UK's commercial banking market. The offering was established to provide UK businesses with a relationship-led banking experience rooted in security, clarity and the personal touch.

## Weatherbys Business Bank

The launch represented a natural evolution for Weatherbys. It united the principles that have defined the Group with modern digital capability, creating an alternative to both high street banks and purely digital challengers.

The aim was not to disrupt for disruption's sake. Rather, it was to provide a more considered model of banking for businesses that value long-term relationships and financial resilience.

The Business Bank strives for this goal by working with UK-based owner-managed businesses and corporates that often operate in specialist or complex sectors where bespoke support and sound judgement matter most. These include finance, insurance, charities and high-growth companies that can be underserved by more standardised banking models.

Clients benefit from direct access to experienced bankers who take the time to understand each business rather than relying solely on automated decision making. This ethos is underpinned by our prudent, long-term approach to risk, which drives our strong balance sheet and focus on sustainable growth.

Early engagement with clients has demonstrated strong demand from both established SMEs and entrepreneurial businesses seeking a more personal and consistent banking relationship. Many are looking to move away from transactional or digital-only models in favour of greater continuity and human acumen. Initial engagement has centred on day-to-day banking, liquidity management and longer-term financial planning, with early feedback from clients highlighting the clarity of the Bank's approach, the speed of communication and the emphasis placed on understanding each client's wider business context.

The Business Bank offers core banking and treasury services, including business current accounts, term and notice deposits, client monies accounts and bespoke deposit structures tailored to sectors such as education and technology. Development continues at a measured pace, with planned enhancements including a digital uplift to increase automation and self service capabilities, improvements to payments functionality and the introduction of Open Banking connectivity. New products and services are introduced only when they meet Weatherbys' standards for quality, resilience and client experience and are then refined in response to real client feedback.

“  
We had high expectations of Weatherbys Business Bank, and they have been well and truly exceeded.

**Julian Munday**  
Arbor Land Ltd

# Enhancing our client offering



## New suite of cards

In response to client feedback, Weatherbys expanded its card offering during 2025 to enhance client service and support international banking needs. This included the introduction of multi-currency debit cards, available in US dollars (USD) and euros (EUR), together with the launch of the Weatherbys Charge Card.

The multi-currency debit cards are designed to complement clients' existing foreign currency accounts, enabling everyday spending directly from USD or EUR balances. This functionality reduces the need for foreign exchange conversion and provides additional flexibility for clients who transact internationally. Each card is linked directly to the relevant currency account, is accepted globally and is compatible with Apple Pay and other digital wallet services.

The new cards allow clients to spend directly from their USD or EUR accounts, rather than transactions being converted back into sterling. This is particularly beneficial for clients who receive income in foreign currencies, providing immediate access to funds and a more efficient experience when making purchases or withdrawing cash overseas.

Clients continue to have access to their traditional sterling debit card for domestic spending, alongside the new USD and EUR cards. All card types operate on a consistent basis, with transactions made in currencies other than the settlement currency converted by Visa prior to authorisation.

During the year, the Bank also introduced the Weatherbys Charge Card, enabling clients to make purchases on credit, with balances settled in full each month from their Weatherbys current account.

In addition to payment functionality, the charge card provides a range of ancillary benefits, including travel and purchase protection insurance and Priority Pass airport lounge access. Cardholders can manage their accounts through a dedicated mobile application, offering real time visibility of balances and transactions, supported by fraud prevention and security features.

## Execution-only investing capability

During the year, we introduced an execution-only investment service, broadening the range of ways in which clients can manage their wealth. The service enables clients to trade shares, exchange-traded funds, bonds and funds on an execution-only basis, without the need for formal investment advice.

The service is delivered through a partnership with Saxo Markets, a leading global platform for online trading and investing. Through this partnership, clients are provided with access to a wide range of international markets and asset classes, supported by institutional-level pricing and a secure, FCA-regulated trading environment. Saxo Markets is responsible for trade execution, custody and platform-related queries, while Weatherbys continues to provide personalised support to clients using the service.

The platform has been selected for its flexibility and scalability, offering varying levels of sophistication to suit different client preferences. Clients can choose from a simple, intuitive interface or more advanced functionality designed for experienced and professional investors. Real-time reporting and transparent pricing provide clients with greater visibility and control over their investments.

The introduction of execution-only capability reflects evolving client needs. While many clients continue to value discretionary and advisory investment services, there is increasing demand for the ability to manage a portion of assets directly, alongside professionally advised portfolios. This service allows clients to do so within the trusted framework of their existing banking relationship.

# Sustained growth and market recognition

In 2025, Arkle Finance continued to focus on disciplined growth, underpinned by a clear strategic emphasis on portfolio quality, operational efficiency and strong broker relationships.

The business maintained momentum across the year, growing at a faster rate than the wider market, and achieving targeted margins. This performance was reflected in external benchmarking, with Arkle ranked as the second-fastest growing provider over the last three years in the 2025 Asset Finance UK 50 report, supporting the business's longer-term strategy to double in size to £600 million of lending by 2030.

During the year, Arkle extended its presence and service provision in Scotland and Northern Ireland, strengthening support for brokers and clients in regions aligned with the business's longer-term strategic priorities. It also increased its underwriting capacity and capabilities with three new experienced hires. Alongside this expansion, careful balance sheet management remained a priority, supported by a continued focus on prudent cost control and targeted strategic investment.

Broker feedback highlighted the strength of Arkle's relationship-led approach and consistent service delivery. The 2025 broker survey delivered a Net Promoter Score of 64, reflecting strong levels of advocacy across the intermediary community. Satisfaction levels were consistently high, with 95% of respondents pleased with service levels, staff professionalism and responsiveness to enquiries, and 94% satisfied with communication. This was further reinforced through external recognition, with Arkle receiving a Highly Commended award at the industry-wide NACFB Lender Awards.

	2024	2025
Profit before tax £k	3,529	<b>5,635</b>
Profit after tax £k	2,407	<b>4,075</b>
Turnover £k	28,954	<b>35,234</b>
Total assets £m	295	<b>347</b>
Advances £m	139	<b>171</b>



“Arkle's continued growth represents another strong year for the business and reinforces the effectiveness of our long-term strategy.

**Daniel Bailey**  
Managing Director, Arkle Finance

# Sustainable, long-term growth

The directors present their Strategic Report on the Banking Group for the year ended 31 December 2025. The Banking Group (“Group”) consists of Weatherbys Bank Limited (“the Bank”), Arkle Finance Limited (“Arkle”) and Weatherbys Bank (Nominees) Limited.

Weatherbys Bank Limited is a family-owned bank founded on a heritage of traditional values and prudent stewardship but one that adopts a progressive and forward-looking approach. The Group provides banking services to a client base of predominantly high net worth individuals. In addition to private banking and wealth advisory services, it provides banking and VAT services to the horseracing industry and wider community and asset finance to SMEs.

## 1. Business review: market environment

Despite Consumer Price Inflation averaging 3.6% throughout 2025, interest rates continued their downward path finishing the year at 3.75%, down 100 basis points. GDP growth was largely stuck in neutral as businesses struggled against a backdrop of rising taxes, in particular employers’ national insurance. Overseas, the tariff policies from the United States created considerable uncertainty for business investment and exports generally, which together made it a tough year for both businesses and consumers.

Annual GDP output grew by 1.3% in 2025, following growth of 1.1% in 2024. UK house prices increased by only 0.6% in the 12 months to December 2025, with the average price of a property reaching £273,000.

The actions of the United States continue to have far-reaching ramifications; both at home and abroad. The independence of the Federal Reserve is being challenged, and the actions of Immigration & Customs Enforcement have provoked internal unrest and concerns about immigration policies. Beyond its borders wars are being fought on at least three continents.

Whilst the Banking Group and many of its clients are not directly affected, the indirect consequences of continued uncertainty in world geo-politics and the resultant market volatility do not help create the conditions for growth and investment at home.

## 2. Business review: the Group

Over the last 20 years the Group has consistently grown its assets and new client numbers. The total assets of the Group increased by 11% to £2,053 million (2024: £1,848 million).

Lending growth was strong across the Bank’s private clients and the SME customers of Arkle. Lending was up 16% and 20% respectively.

Total deposits increased by 11% to £1,905 million, in line with wider market trends.

In total, the Group’s combined assets and liabilities (CAL) grew by 15% in 2025 (versus 11.3% in 2024). The Group ended the year with a loan to deposit ratio of 53% (2024: 51%) and a strong liquidity position.

Group net interest margin decreased to 4.05% from 4.53%, as lower Base Rate impacted margins during 2025. Net interest income remained stable at £79.0 million (2024: £79.0 million).

On 1 August 2025, the Bank sold its investment in Weatherbys General Services Ltd (the holding company for the Group’s interest in an insurance broker Weatherbys Hamilton) to Brown & Brown (Europe) Ltd for cash consideration of £10.5 million, giving rise to a profit of £10.2 million.

The Board remains committed to the long-term success of the Banking Group and the investment required to maintain the range of products and service levels that our clients have come to expect. Administrative expenses increased by £10.7 million (19%), predominantly due to increased investment in people and technology. Net staff numbers increased by 46 during the year taking the total up to 483 by the year end, an increase of 11%. We also spent over £8.0 million on technology, with an extensive change programme across a range of client-facing and internal support initiatives. Our investment and change programmes are focused on enhancing our clients’ digital experience, streamlining colleague processes, reducing operational risk and improving our third-party support for our existing core banking platform. The first phase of the project involves the implementation of a new online and mobile bank for clients and a new employee platform.

Approximately 70% of the Bank’s lending is to private clients, well secured at low loan to value ratios. Within this segment there has been no discernible fall in creditworthiness and no additional specific provisions have been made, reflecting the strong credit quality of such lending.

Arkle, the Bank’s asset finance business, grew strongly in 2025, benefitting from its previous investment in both people and technology which allowed it to expand into new segments and build effectively on both new and established broker relationships. It hired a further seven staff, taking its complement up to 87 at the year end (+9%) and invested £0.7 million in its technology services. Profit before tax after provisions was £5.6 million (2024: £3.5 million).

As a UK-based banking group, primarily serving high net worth clients in the UK but with some exposure to SMEs through our asset finance subsidiary, we remain cautious on the UK credit outlook.

## Group key performance indicators

Profit before tax before exceptional items

# £12.8m

2025	£12.8m
2024	£26.7m

Net interest income

# £79.0m

2025	£79.0m
2024	£79.0m

Customer lending balances

# £1,006m

2025	£1,006m
2024	£869m

Customer deposit balances

# £1,905m

2025	£1,905m
2024	£1,712m

Total assets

# £2,053m

2025	£2,053m
2024	£1,848m

Total shareholders' funds

# £111m

2025	£111m
2024	£100m

Loan to deposit ratio\*

# 53%

2025	53%
2024	51%

Profit before tax after exceptional items

# £23.1m

2025	£23.1m
2024	£24.6m

Net interest margin\*

# 4.05%

2025	4.05%
2024	4.53%

Common Equity Tier 1 ratio\*

# 13.1%

2025	13.1%
2024	13.8%

Total capital ratio\*

# 15.3%

2025	15.3%
2024	16.3%

Liquidity coverage ratio\*

# 1,080%

2025	1,080%
2024	1,017%

Net stable funding ratio\*

# 252%

2025	252%
2024	266%

Leverage ratio\*

# 6.05%

2025	6.05%
2024	7.08%

\* Details of the calculations are reported on page 93

## 2. Business review: the Group continued

Profit before exceptional items and tax for the Group was £12.8 million (2024: £26.7 million). Total shareholders' funds increased by 11% to £111 million (2024: £100 million). The Group remains well capitalised with a Common Equity Tier 1 ratio of 13.1% (2024: 13.8%), well above the regulatory minimum level of 8%. Together with Additional Tier 1 capital and the Tier 2 subordinated notes, the Group's total capital ratio at the year end was 15.3% (2024: 16.3%).

The leverage ratio at the year end was 6.05% (2024: 7.08%), compared to a minimum level of 3.25%. At the year end the Group held surplus funds of £996 million (2024: £936 million) in gilts, other qualifying liquidity buffer assets including the Bank of England Reserve account, and treasury deposits at well-rated bank counterparties.

## 3. Financial key performance indicators

The Board and senior management continuously assess the performance of the Group. A number of key performance indicators are used to frame this assessment process. These include net interest margin, cost-to-income ratio, return on capital, capital headroom ratio, liquidity coverage ratio, net stable funding ratio, customer loan-to-deposit ratio, average loan-to-value ratio, loss ratios and net flows into wealth advisory platforms.

Where relevant, these indicators have been included in this Strategic Report or within the Directors' Report in the context of presenting the Group's performance.

## 4. Future developments

The banking industry will continue to be affected by technological advancements and regulatory changes as well as evolving client expectations. Furthermore, geo-political events can have significant knock-on impacts on economies across the world in terms of energy costs and rising prices generally. The ability of central banks and governments to address these effectively is not without cost. The Board continues to monitor these trends closely with regard to their potential to affect the Banking Group's future performance and its ability to meet its strategic targets and deliver positive client outcomes. The Group's robust capital position and strong liquidity mean that the Board can respond effectively to a changing outlook as necessary.

Enhancing banking propositions through increased usage of artificial intelligence will remain a strategic focus for the industry. Open banking will continue to facilitate greater data sharing among financial institutions, enabling innovative services and improved client experiences.

## 5. Environmental policy statement

To achieve our goals, we recognise that we need to operate in a sustainable manner and have therefore adopted certain core principles in our business operations providing a framework for both managing risk and maintaining our position as a good "corporate citizen". We are committed to helping to create a sustainable future for all.

Our commitment is to:

- Reduce consumption of resources by purchasing renewable energy and implementing energy-efficient practices;
- Measure and take actions to reduce our greenhouse gas emissions;
- Manage waste generated from our operations, incorporating the waste hierarchy of reduce, re-use, recycle;
- Comply as a minimum with all relevant environmental legislation;
- Raise awareness, encourage participation and provide the training necessary for our colleagues to adopt responsible environmental practices; and
- Convert our commitment into action.

## Streamlined Energy and Carbon Reporting (SECR)

The companies greenhouse gas emissions and energy consumption are as follows:

	Current reporting period 2025 kWh	Previous reporting period 2024 (as restated) kWh
<b>Energy consumption</b>		
Natural Gas (Scope 1)	181,625	185,318
Heating Oil (Scope 2)	8,688	14,957
Electricity (Scope 2)	807,591	793,803
Transport Fuels (company vehicles + grey fleet where fuel purchased) (Scope 1 & Scope 3.6)	203,082	297,834
<b>Total UK energy consumption (kWh)</b>	<b>1,200,986</b>	1,291,912

	Current reporting period 2025 tCO <sub>2</sub> e	Previous reporting period 2024 (as restated) tCO <sub>2</sub> e
<b>Greenhouse gas emissions</b>		
Emissions from combustion of gas tCO <sub>2</sub> e (Scope 1)	35.374	37.586
Emissions from combustion of fuel for transport purposes (Scope 1)	5.996	11.527
Emissions from purchased electricity (Scope 2, location-based)	142.943	164.356
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	43.575	60.76
<b>Total gross emissions (tCO<sub>2</sub>e)</b>	<b>227.888</b>	274.228
<b>Intensity ratio tCO<sub>2</sub>e per £m turnover</b>	<b>tCO<sub>2</sub>e 2.489</b>	tCO <sub>2</sub> e 3.033

## Emissions performance

Our energy consumption used to calculate emissions has reduced by 90,926 kWh (7.0%) compared to our previous reporting year. A major contributing factor was the reduction in our transport fuels by 94,752 kWh (31.8%).

Our emissions reduced across all reported categories in 2025 compared to our previous reporting period, with an overall emissions reduction of 46.34 tCO<sub>2</sub>e (16.9%).

## Energy efficiency actions

The following energy efficiency actions took place in reporting period 2025:

1. Reconstituting our Sustainability Committee which meets bi-monthly with representatives from each site and almost all departments.
2. Investing in carbon accounting software to accurately calculate our full Scope 1, 2 and 3 emissions.
3. 100% renewable electricity purchased for all our operated sites.
4. Installation of 100% LED lighting with PIR sensors in owned sites.
5. Project to upgrade the efficiency and capacity of our solar energy installation for increased electricity generation at our Wellingborough owned site, which will reduce the amount of electricity we need to purchase from the electricity grid.

## Methodology

All emissions have been calculated and verified by Catalyst Commercial Services Limited.

Emissions have been calculated in line with the Greenhouse Gas Protocol and the UK's Environmental Reporting Guidelines (including Streamlined Energy and Carbon Reporting (SECR) requirements).

Emissions calculated using DEFRA/BEIS 2025 conversion factors.

Operational control boundary applied for all UK operations of Weatherbys Bank Limited.

Electricity emissions reported using the location based method.

2024 numbers have been restated to include additional data that was provided for Scope 3.

## 6. Section 172(1) Statement

The Board of Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which would be most likely to promote the success of the Group for the benefit of its members as a whole, having particular regard (amongst others) to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster relationships with suppliers, clients and others.
- The impact of operations on the community and the environment.
- The desirability of maintaining a reputation for high standards of business conduct.
- The need to act fairly as between members of the Group.

As a privately-owned banking group striving to provide the highest levels of client service, we consider our clients and employees as our key stakeholders. We previously consulted with clients and employee groups to agree and define the key characteristics of our service offering in order to enshrine these into a set of corporate values. These values – christened the "Weatherbys Way" – will continue to underpin every decision at every level as we seek to protect the Group into the long-term.

In December 2025, we held our annual Brand Value Awards for our staff, recognising those who were outstanding in supporting our five brand values, namely Forward-looking, Individual, Responsive, Straightforward and Trusted.

We recognise that our people are our greatest asset. Providing unbeatable service has been at the heart of the Weatherbys Way, as is focusing on how we can serve our people best. We know that having a diverse workforce creates a more fulfilling place to work as well as better business outcomes. So, we are working on our equality and diversity programmes, promoting internal succession development, creating financial inclusion and flexible working. We are also accredited as a Living Wage Employer.

We have continued our initiatives to enhance communications to staff to update them on financial performance, strategic initiatives and charitable donations as well as to provide mental health and wellbeing support programmes to all our employees. We have continued to conduct regular staff surveys to seek feedback and opinions on a wide range of relevant issues.

From improving the lives of our employees and creating a better future through our charity work, to ensuring we do not harm our environment, we have a proven track record of taking our social responsibility seriously, both for our workers and the wider community. We are committed to achieving Net Zero and to that end calculate our carbon footprint across Scope 1, 2, and 3. This comprehensive annual assessment provides us with the necessary data to guide our Net Zero strategy and target setting for the years ahead.

## 6. Section 172(1) Statement continued

We have also created some social impact priorities: Giving Back, Our People and Caring for the Planet. The Weatherbys family of companies has a long tradition of giving back to society and the Board believes that business should be a force for good.

Profitability is important; being successful gives us the opportunity to make a bigger impact but having a positive impact on society and the environment is equally important.

We know that taking time out from our day jobs and doing something for the greater good not only enhances our world but also our people. As part of our volunteering programme, we provide our staff with paid time off to volunteer for causes close to their hearts, and actively encourage all of our colleagues to use these days by providing opportunities with our charity partners around the UK.

We want to promote a better world, supporting initiatives that stimulate long-term environmental, social and economic well-being. Aligned with the UN Sustainable Development Goals, we have three interlinked areas of focus: planet, people and prosperity. The UN SDGs are global of course, but we also need to look at how they may relate to communities closer to home. As a result, we are proud to announce partnerships with five charities spanning the UK in 2026, including national and local charities. The charities, which were chosen by our staff, include three that are close to their offices. The charities are Alzheimer's Research UK, CALM, Little Village, The Wildlife Trust BCN and Health in Mind. We also hosted our fifth Creating the Future event in October 2025 where we invited guests, clients and friends to hear eminent and eloquent experts address some of the most topical issues affecting us now and in the future.

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We are proud to announce partnerships with five charities spanning the UK in 2026: Alzheimer's Research UK, CALM, Little Village, The Wildlife Trust BCN and Health in Mind.

## 7. Principal risks and uncertainties

The Board has ultimate responsibility for the identification and management of the Banking Group's principal risks. The Group operates a three lines of defence model, with the 3rd Line being overseen by the Group Audit Committee, whilst the 2nd Line is overseen by the Group Risk Committee.

The following section sets out the principal risks and uncertainties to which the Group is exposed and explains how these risks are mitigated.

### 7.1 Business and strategic risk

Business and strategic risk is the risk that the Banking Group fails to achieve strategic goals or objectives, through poor business decisions or failing to respond effectively to internal issues or changes in the external business environment, resulting in financial loss or non-financial (e.g., reputational) impact.

The Group manages business and strategic risk through oversight of its business model, financial performance and strategic decision making, with a focus on sustainable growth, capital strength and the protection of shareholder value. The Banking Group operates a business model centred on stability and security, while seeking to deliver high-quality service to clients.

Performance against the approved business plan is monitored on an ongoing basis. Material deviations are escalated through established governance arrangements to enable timely management action and, where necessary, consideration of changes to strategy or business plans by the Board.

Business and strategic risks are assessed as part of the Group's overall risk management framework to ensure that strategic decisions are informed, forward-looking and consistent with the Group's financial resilience and long-term objectives.

As a seventh generation, family-owned bank, the Banking Group has always been managed with long-term sustainability as a primary objective. It has operated prudently within its financial limits and maintained capital and liquidity buffers in order to protect against the impact of unpredictable shocks. Whilst political and economic uncertainty persists, the near and medium-term outlook for the Banking Group remains positive.

### 7.2 Interest rate risk

Interest rate risk is the risk that a significant movement in interest rates will have a material impact on the Group's profitability, for example by reducing the net interest margin.

The Group is exposed to interest rate risk that arises from a mismatch between the repricing of assets and liabilities. The majority of the Group's lending is variable, although its lending to SMEs through its asset finance subsidiary is on fixed terms, generally between three and four years, together with a proportion of its lending to private clients. On the liability side, credit interest paid on the majority of deposits is also variable. Partly as a consequence of its low loan to deposit ratio and surplus funds, the Group's net interest margin will generally fall when Base Rate falls and correspondingly increase as rates rise.

The Banking Group regularly measures and reports to the Asset and Liability Committee (ALCO) its interest rate risk based on 200bps positive or negative shifts in the yield curve, which are then translated into a net present value. It also runs the PRA 6 Outlier Tests as part of the ICAAP assessment. The Group uses interest rate swaps to hedge exposures to interest rate risk to ensure these remain within the limits set by the Board.

Typically, clients on the private banking side of the Group are well insulated against economic downturns but we are not complacent. Within the private banking lending portfolio, which accounts for 68% of the total loan book, client loans are secured principally on residential properties at an average loan to value ratio of approximately 34%.

Our asset finance business, which accounts for 32% of the lending portfolio, continues to write new business although it always keeps a close watch on its underwriting processes and regularly adjusts them to local, sector-specific challenges. The Board believes a well-managed asset finance business can provide good returns over the economic cycle and Arkle's fixed lending to SMEs is an important part of the Group's overall strategy.

### 7.3 Climate change risk

Climate change risk is the occurrence of physical climate events (e.g., extreme weather events, changes in climate) or the transition to a lower carbon economy (e.g., policy changes, technological developments), resulting in financial or non-financial (e.g., reputational) impact on the Banking Group.

The Board is cognisant of the risk from climate change to the banking sector, for example through credit losses as a result of certain industries that become displaced. It has hosted five "Creating the Future" conferences that have included debate on climate change issues and has allocated SMF climate change responsibility to its Chief Executive.

The possible effects of climate change have been discussed at Group Risk Committee and at Board level. The initial assessment is that the Group's primary area of exposure relates to the value of domestic properties taken as security against loans to private clients.

Possible downside risks include exposure to:

- older residential properties that might require significant investment to meet new insulation requirements;
- coastal properties at risk from land erosion; or
- properties subject to flood risk for example on flood plains or lower lying land.

As part of the standard credit approval process, consideration is now given as to whether the value of the security might be affected by some or all of the above factors.

The Banking Group does not have material exposures to corporate lending and is unlikely to incur direct credit losses through industry displacement. At this stage the Board believes that the risk that climate change will affect the long-term viability of the Group is low, but it will continue to deepen and refine its analysis of such risks in the future.

### 7.4 Financial risk

Financial risk is the risk of failing to maintain sufficient capital, liquidity and funding to support the business, which may result in regulatory scrutiny and sanction, reputational impact or financial challenges. This includes market risk arising from foreign currency and interest rate changes.

The Banking Group is managed on a prudent basis. It would not tolerate breaches of minimum regulatory requirements and is committed to maintaining sufficient financial resources at all times. This includes holding adequate capital and liquidity buffers to meet applicable regulatory expectations. The Banking Group manages its exposure to market risk and interest rate risk conservatively.

The Group's strategic objective is to ensure that funding and liquidity are sufficient to meet all obligations as they fall due, including under severe but plausible stress scenarios. The Bank also seeks to maintain capital at levels that meet, and where appropriate exceed, regulatory requirements.

#### 7.4.1 Liquidity risk

Liquidity risk is the risk that the Bank fails to maintain liquidity resources which are adequate, both as to amount and quality, such that there is a significant risk that it cannot meet its liabilities as they fall due.

This could be due to an inability to liquidate assets to obtain adequate funding ("funding liquidity risk") or that it cannot readily liquidate assets without incurring significant market losses ("market liquidity risk").

The Bank's primary means to mitigate liquidity risk are the loan-to-deposit ratio limit and the corresponding minimum liquidity buffer, both set by the Board. At the year end it held treasury assets of £996 million (2024: £936 million) of which £515 million (2024: £639 million) was held with the Bank of England and other major UK banks in instant access accounts. The Bank does not hold a significant proportion of fixed interest bonds or securities in its Treasury portfolio and consequently has a low level of market liquidity risk.

At the year end the Bank's liquidity coverage ratio and net stable funding ratio were 1080% and 252% respectively (2024: 1017% and 266%). The Bank's liquidity position is monitored daily and managed by ALCO.



## 7. Principal risks and uncertainties continued

### 7.4.2 Capital risk

Capital risk is the risk of failing to comply with capital regulations and failing to meet capital requirements needed by the Bank for its operations.

The Bank has a conservative approach to managing capital risk. In addition to the minimum regulatory capital requirements set by the PRA through its Total Capital Requirement, the Board has determined that an appropriate buffer above the regulatory minimum must be maintained at all times. At the year end the total capital ratio was 15.3% (2024: 16.3%) and total regulatory capital was £105.5 million against a Total Capital Requirement of £60.5 million.

The Bank's regulatory capital and leverage ratios are monitored on an ongoing basis to ensure compliance with regulatory requirements under ordinary and stressed forecast scenarios. Capital positions are reported monthly to ALCO, which oversees the management and allocation of capital and, where headroom falls to an internal trigger level, advises the Board on the need for corrective action and recommends an appropriate course of action.

### 7.5 Credit risk

Credit risk is the failure of a borrower or counterparty to meet their financial obligations, resulting in financial loss to the Banking Group or failure of investments managed by Weatherbys Banking Group, which do not perform as expected or in accordance with stated risk profiles resulting in financial loss, regulatory censure or reputational damage.

The Banking Group manages credit risk across its asset base in a measured and prudent manner. It adopts a cautious approach to the management of treasury assets and a conservative approach to lending. The Bank undertakes lending to SMEs, accepting a higher level of risk relative to other portfolios. This exposure is mitigated through a diversified SME lending portfolio and the application of a Value at Risk limit on total exposure to this segment.

To mitigate credit risk in the client loan book the Board has approved lending policies and procedures that are reflective of the Group's risk appetite. All loan applications are considered in accordance with these procedures, and an approval hierarchy is in place depending upon the risk characteristics and size of each application. The largest loan applications require approval by the Board. Responsibility for the ongoing management of client credit risk rests with ALCO. The average loan to value ratio for lending secured by residential property is approximately 34% (2024: 33%).

To mitigate credit risk in its treasury activities the Board has set minimum short-term and long-term credit ratings for approved counterparties where the Bank places its surplus funds, as well as individual monetary limits. These limits are reviewed on a regular basis by ALCO and are set by reference to the Bank's assessment of the risk of default for each counterparty. The Bank monitors appropriate agencies to provide credit ratings for financial institutions.

### 7.5.1 Concentration risk

Concentration risk is the risk of loss arising from a large position in a single asset class, client base, industry sector, region, industry or product.

To mitigate concentration risk the Board has:

- set limits on the maximum percentage exposure to any individual business sectors against the total lending book; and
- set limits relating to geographical concentration of advances.

The Banking Group regularly monitors concentration risk and geographical risk to ensure that the Bank is not overexposed in a particular business sector or geographical region.

### 7.6 Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events (including service suppliers and outsourcers), resulting in financial loss or non-financial (e.g. reputational) impact.

The Bank recognises that operational risk is inherent in all its products, activities, processes and systems and is particularly cognisant of all aspects of data security. Operational risk arises from the Bank's day-to-day activities, business growth and change initiatives. The Banking Group manages these risks through defined tolerances and a robust control environment, designed to protect clients, assets and its reputation. The Group maintains sufficient non-financial resources and operational resilience to support continuity of services, minimise disruption to clients, and reduce the likelihood and impact of operational and information security risk events.

The Board has an approved Operational Risk Policy and associated framework documents which are adopted by employees to ensure that risks are adequately identified, monitored and managed.

#### 7.6.1 Information security and cyber risk

The risk that the Banking Group's data is not adequately protected against unauthorised access, use, modification, disruption or accidental loss due to non-compliance with internal policies, standards and applicable regulations, or as a result of external threats. This could lead to client detriment, reputational damage, financial loss and regulatory censure or fine or reputational damage.

Significant progress has been made in strengthening the Banking Group's cyber defences. ISO 27001 certification has been achieved across key services. A Security Operations Centre (SOC) and Security Information and Event Management (SIEM) capability is in place, providing continuous monitoring of network traffic and system activity, and enabling the collection and analysis of data to identify and respond to cyber threats more effectively.

Externally, high-profile cyber incidents continue to cause widespread disruption, financial loss and reputational damage across the UK economy, including through vulnerabilities in third-party service providers. The Group's reliance on external vendors, outsourced services and technology partners increases the potential of an attack and reinforces the importance of robust cyber security controls across the supply chain. Ongoing preparation and rehearsal for cyber incidents remains critical, including scenarios involving third-party disruption.

Colleagues continue to play a key role in protecting the Banking Group, with awareness and vigilance forming an essential part of the overall control environment.

Cyber risk continues to represent a significant threat due to its potential impact on service availability, data integrity and client trust, including where services are delivered by third-party vendors. There is ongoing oversight, support and challenge to ensure that cyber risks, including those arising from third-party dependencies, are appropriately identified, managed and mitigated. This includes assessing the adequacy of controls, assurance and incident response arrangements across both internal operations and key suppliers to support continued improvement in the Group's cyber security posture.

### 7.6.2 Systems technology risk

Systems technology risk is the risk that the Group's technology services fail to effectively support business processes due to inadequate capacity, resilience or compliance with internal policies, standards and regulatory requirements, or as a result of external threats and disruptions. This could lead to operational disruption, client detriment, financial loss and reputational damage. Information Technology is a key enabler of the Banking Group's operations and an important component of its operational resilience. The Group continues to strengthen its technology infrastructure to support availability, integrity and scalability of critical systems and services. This includes ongoing investment in resilience, security and recovery capabilities, supported by scenario analysis and regular testing of disaster recovery and business continuity arrangements to validate the Banking Group's ability to respond to severe but plausible technology disruptions. The Group also relies on a range of third-party technology providers to support service delivery. These relationships are subject to risk-based due diligence, contractual standards, ongoing monitoring and oversight to manage dependencies, concentration risk and resilience across the supply chain, with a focus on ensuring continuity of important business services.

## 7.7 Reputational risk

Reputational risk is the risk of failure to protect the Group's reputation from negative public perception, as a result of behaviour, action, inaction or from uncontrollable or controllable events, by the Group's employees, its third parties, clients or those whom we are associated to, resulting in stakeholder distrust and/or financial loss, irreputable damage to the Group's reputation or long-standing social or industry memberships/affiliations.

The Group manages reputational risk through strong governance, transparent decision-making and responsible business practices, including social and environmental considerations.

The Group promotes appropriate behaviours across the organisation, supporting a risk-conscious culture at all levels. It applies due care when entering into or maintaining relationships with clients and third parties. Processes are in place to identify and respond to reputational risk events in a timely manner, with the aim of mitigating potential impacts. The Group recognises that reputational impacts may also arise from factors outside its direct control and seeks to monitor and manage these exposures where practicable.



Our new London office in Shaftesbury Avenue

## 7. Principal risks and uncertainties continued

### 7.8 Conduct and governance risk

Conduct and governance risk is the risk of failure to deliver good client outcomes and/or acts that undermine market integrity; or the risk of poor decision making, or a failure to follow governance arrangements.

The Group manages conduct and governance risk arising from failures to deliver fair and appropriate client outcomes, weak or uninformed decision making, or non-adherence to established governance arrangements as well as risk arising from inappropriate personal or professional behaviour by staff where such conduct is not related to financial transactions. The Group seeks to mitigate these risks through robust governance frameworks, clear accountability and effective oversight.

The Group promotes high standards of compliance, conduct and integrity. It maintains a strong focus on clients and the quality of service provided, supported by a culture of integrity, transparency and responsible decision making.

Consideration of conduct risk is embedded within the product and service lifecycle, to ensure that products and services are aligned to the Banking Group's values and deliver appropriate client outcomes, including compliance with the FCA Consumer Duty requirements.

The Group maintains a framework of systems and controls to support effective conduct risk management. This includes employee training, clear standards of behaviour and regular independent assurance to monitor adherence and identify areas for improvement.

### 7.9 Financial crime risk

Financial crime risk is the risk of failing to act in accordance with financial crime and anti-money laundering industry laws and regulations, internal policies or prescribed best practices, resulting in financial penalties, financial forfeiture and regulatory sanction.

The Group manages financial crime risk by maintaining strong compliance with applicable financial crime prevention legislation and regulatory requirements. It seeks to mitigate the risk of prosecution, financial loss, reputational damage and regulatory censure through robust systems of control, effective oversight and clear accountability.

The Group does not engage with individuals or organisations subject to UK sanctions and applies controls to prevent relationships with clients that have material connections to prohibited jurisdictions. Enhanced due diligence and ongoing monitoring are applied to clients with links to higher-risk jurisdictions to ensure compliance with legal and regulatory obligations.

The Group maintains controls to prevent, detect and respond to fraud risks. While internal fraud is mitigated through preventative controls, segregation of duties and monitoring, external fraud is recognised as an inherent risk to the business and is managed through a combination of preventative measures, detection capabilities, and incident response processes.

The Group promotes high standards of compliance, conduct and integrity across its activities, with a focus on clients and the services provided. Financial crime risk management is supported by policies, employee training and ongoing assurance to ensure continued effectiveness and regulatory compliance.

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The Banking Group is well capitalised, operationally robust and staffed by exceptional people. As a family business with our history dating back over 250 years we have faced and overcome many challenges together.

## 7.10 Regulatory and legal risk

Regulatory and legal risk is the risk of failing to act in accordance with industry laws and banking regulations, internal policies or prescribed best practices, resulting in financial penalties, reputational damage and regulatory sanctions. Regulatory and legal risk may also arise through the failure to act in accordance with contractual obligations and tortious duties, resulting in legal claims for damages and potential disruption to supplied services, including critical infrastructure.

The Group manages regulatory and legal risk through a robust risk management framework designed to support compliance with applicable laws, regulations and supervisory standards, and to maintain the confidence of its regulators.

Legal risk arising from contractual arrangements and duties of care to clients and third-party suppliers is actively managed. All material contracts are reviewed to identify and mitigate potential liabilities and obligations. Client terms and conditions are reviewed to ensure they remain clear, fair and appropriate, and support a client-focused service.

## 7.11 Change risk

Change risk is the risk of failure in the planning and implementation of material change projects e.g., critically or strategically important projects, resulting in disruption to business operations and the delivery of services to clients.

The Group manages change risk through a structured change management framework that supports business transformation, service enhancement and ongoing regulatory compliance. Change activity is undertaken to ensure the Group remains forward-looking and responsive to client needs, while operating within defined governance standards.

Material change initiatives, including critical or strategic projects, are assessed to ensure they are proportionate to the Group's organisational capacity and technical capability, both internally and through third-party support. Change delivery is governed to ensure projects are appropriately scoped, resourced and overseen.

## 7.12 People risk

People risk is the risk of insufficient resourcing, poor employee practices, or workplace safety, resulting in staff attrition, litigation, regulatory sanction (including non-financial misconduct), financial loss or reputational damage.

The Group recognises that its people are critical to the delivery of effective client service and positive client outcomes. A skilled, engaged and values-driven workforce supports the Group's ability to operate safely, compliantly and in line with its cultural expectations.

The Group seeks to recruit, develop and retain a workforce with the appropriate skills, experience and behaviours to support its activities and client service standards. Employees are expected to demonstrate the Group's values and contribute to a culture that promotes professionalism, accountability and client focus.

The Group places strong emphasis on appropriate working conditions, employee wellbeing and health and safety. These factors are considered integral to sustaining performance, supporting employee engagement and enabling the consistent delivery of positive client outcomes.

## 8. Outlook

The Banking Group is well capitalised, operationally robust and staffed by exceptional people. As a family business with our history dating back over 250 years, we have faced many obstacles. The conflict in the Middle East is yet another significant event in our history but we have overcome many challenges together and will continue to do so. We will be absolute in our determination to provide exceptional client service and unwavering in our focus on what we can do better. This approach has served the Group well over the centuries and the Board is confident that the Banking Group will support all its clients for many years to come.

Approved by the Board and signed on its behalf by:

**Q N J Marshall**  
Director  
21 April 2026

# A culture built on trust and teamwork

## Employee engagement

Response rate

# 93%

Of employees across Arkle Finance and the Bank shared their voice

Engagement score

# 72.6

This score shows the levels of engagement across all 52 questions and an increase of 2.8 from 2024

Belief score

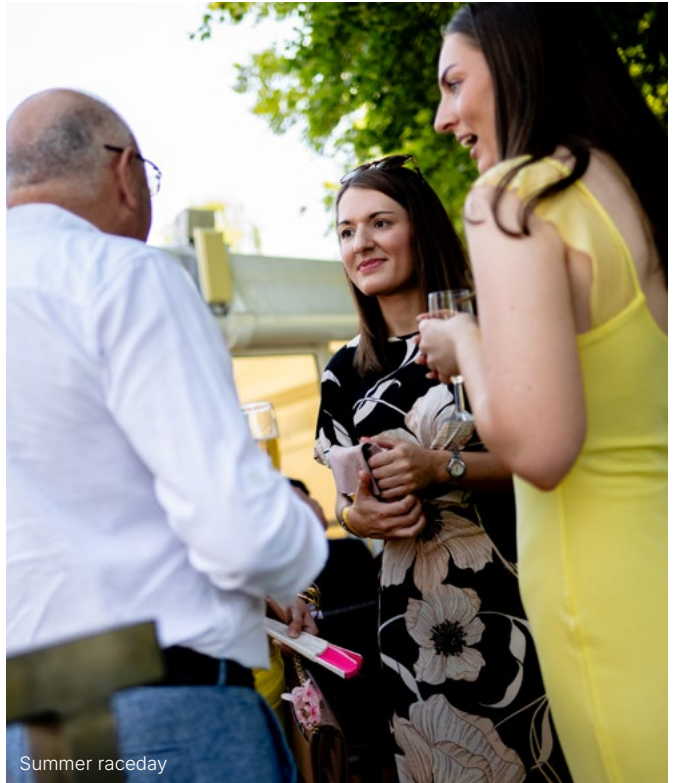
# 85.1

This score reflects how confident our people feel in action being taken, an increase of 3.1 on 2024

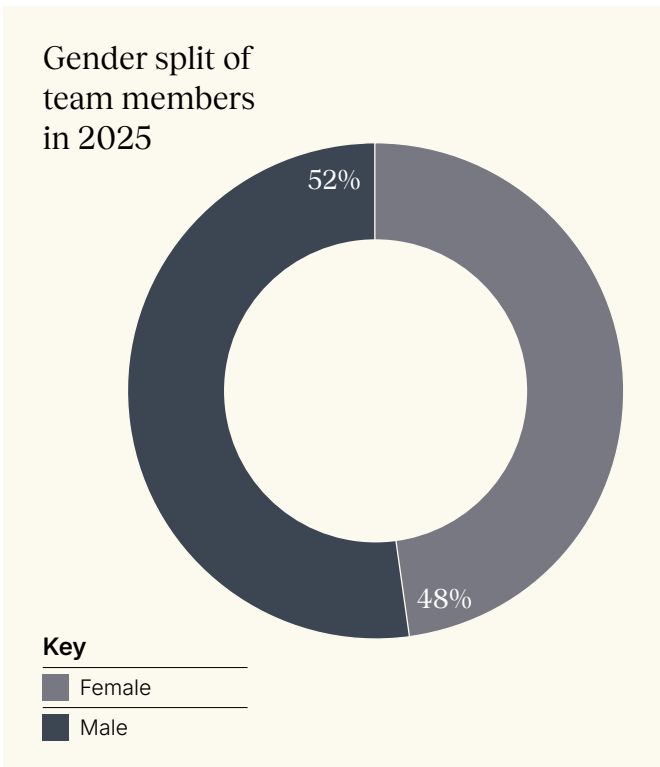
Involvement score

# 82.0

This score reflects the extent of our people involvement in action planning and feedback, an increase of 1.6 from 2024



Summer raceday



Brand Value Awards

# “

It is absolutely our intention to maintain the family feel and culture of this business.

**Roger Weatherby**

## Learning and development

We are committed to the continuous development of our colleagues and to creating an environment where people can grow, thrive and build long-term careers at Weatherbys. Our learning approach focuses on building capability, confidence and potential at every stage of a colleague's journey.

Over the year, we have continued to support professional development through recognised qualifications, bespoke training and tailored coaching, ensuring colleagues have access to learning that is relevant to their role and future aspirations.

A key focus has been strengthening leadership capability across the business. We rolled out the Foundations of Successful Leadership at Weatherbys programme to all people managers, providing a consistent, practical framework that supports effective leadership and day-to-day people management. The programme is designed to embed learning through real-world application, supported by reflection and shared learning.

We also established a company-wide mentoring scheme, connecting colleagues across the organisation to support development, knowledge sharing and career progression. The scheme has helped build stronger relationships and encouraged learning beyond functional boundaries.

Our learning experience platform, Thrive, continues to play a central role in enabling development. Building on its launch, we have designed a clear skills pathway within Thrive to help colleagues take ownership of their learning, develop professional skills and deepen their expertise in key areas.

Together, these initiatives demonstrate our ongoing commitment to developing our people and equipping them with the skills they need to succeed, now and in the future.

## Employer Value Proposition

This year we completed a full review of our Employer Value Proposition (EVP) to clearly articulate what colleagues value most about working at Weatherbys.

Through extensive research, colleague focus groups and competitor analysis, we identified our strongest foundations in heritage, purpose and reputation, alongside key opportunities to amplify people, fulfilment and work-life balance.

The resulting EVP promise and pillars blend our long-standing integrity with our ambition, human connection and investment in people.

These insights will now shape recruitment, onboarding, development and internal communications, ensuring we tell a consistent, authentic story about life at Weatherbys and continue strengthening our culture.

## Recruitment & early careers

Recruitment remained a key priority in 2025, with 145 people joining the Group to support delivery of our 2030 growth strategy. This included further strengthening our private banking teams, for example through a number of key appointments across all levels in Manchester.

Investment in early careers remained a core focus, with five new Associate Private Bankers joining the business during the year, strengthening our long-term talent pipeline.

Alongside this, our education outreach programme expanded significantly, engaging with a wide network of local schools, colleges and the University of Northampton through careers fairs, mock interviews, employer panels and skills sessions.

This work continues to build future talent pathways, raise awareness of careers at Weatherbys, and reinforce our role as a proactive, responsible and community-focused employer.

We also became a Disability Confident Committed employer, marking an important step in strengthening accessibility and inclusion across our recruitment and workplace practices.

As part of this, we introduced clearer minimum criteria, enhanced our Guaranteed Interview Scheme, updated job advert wording and received formal certification for both Weatherbys and Arkle, reinforcing our commitment to being an inclusive and supportive employer.

## Engagement

We are committed to engaging colleagues throughout the organisation as the business continues to evolve, and 2025 was no exception.

The year marked our fourth annual engagement survey, providing valuable insight into how people feel about working at the Weatherbys Group, highlighting both what we do well and importantly where further improvement is needed.

Participation across the Group was very strong at 93% (up 1% on the previous year), while our engagement score increased by 2.8 points to 72.6. This reflects a workplace in which people feel supported to thrive and play to their individual strengths.

Teams across the Group were actively involved in reviewing and responding to the results, reflected in an involvement score of 82 (up 1.6). This reflects the extent to which colleagues feel engaged in action planning and feedback following the survey.

In addition, during the year we commissioned an independent assessment of culture across the Bank and Arkle, conducted by an external third party, Lagercrantz & Lombardi.

While we recognised the strength of our culture, we sought an external, "outside-in" perspective to validate our strengths and identify any areas of friction, ensuring the organisation is well positioned to support confident growth in line with our strategic plan. This work will help to ensure our values-driven heritage continues to support future agility, innovation and performance.

Around 80 people were involved in a combination of one-to-one interviews and working groups, which culminated in a detailed report. The findings were shared across the Group and, during 2026, every colleague will have the opportunity to attend a facilitated workshop. These sessions will gather views on how our culture can continue to evolve, with a particular focus on innovation and enabling the business to transform at pace.

## New London workspace

We marked an important milestone as our London team moved into a new home on Shaftesbury Avenue, right in the heart of the West End.

The move was more than just a change of address, it reflected our people-first approach and commitment to providing a modern, inspiring environment where our people can thrive.

Designed with collaboration, creativity and wellbeing in mind, the new space offers flexible working areas for teamwork, quiet zones for focus and a large town hall for lunches, meetings and office gatherings. There are showers, bike storage and all the details that make work life easier.

While we're excited about this new chapter, we are also proud of our history. Our Mayfair office, in Sackville Street, will remain our "shop window" and where we will continue to meet our clients, delivering the exceptional service they expect.

“

This move marks an important step in our growth journey as we plan to double in size over the next five years. It reinforces the values that define us – openness, honesty and collaboration and our commitment to investing in our people.

## Brand Value Awards

As in previous years, we recognised colleagues who demonstrated our values through the Forward Looking, Individual, Responsive, Straightforward and Trusted awards, alongside Team of the Year, Community and CEO awards.

In December 2025, more than 350 colleagues came together to celebrate individual and team achievements across the Group. Building on this, a new award will be introduced in 2026 to reflect our evolving culture and growing focus on innovation.

## Benefits

To support colleague wellbeing, our Wellbeing team identified key areas of focus and established six core pillars to guide activity across the business. These pillars cover mental and emotional wellbeing, physical wellbeing, achieving balance, purpose and meaning, social connection and financial wellbeing.

A range of initiatives were delivered during the year, including a Wellbeing Fair and quarterly mortgage seminars, supporting our focus on financial wellbeing. In addition, aligning with Weatherbys' sustainability ethos, we introduced an electric vehicle scheme through salary sacrifice, supporting colleagues' environmental values while also offering financial benefits.



Brand Value Awards

## Diversity, equity and inclusion

Over the past year, our approach has evolved to place greater emphasis on culture, connection and meaningful impact. We believe that creating a workplace where every colleague feels valued, respected and able to contribute fully is fundamental to our long-term success. This ethos underpins our commitment to fostering an environment rooted in fairness, belonging and holistic wellbeing.

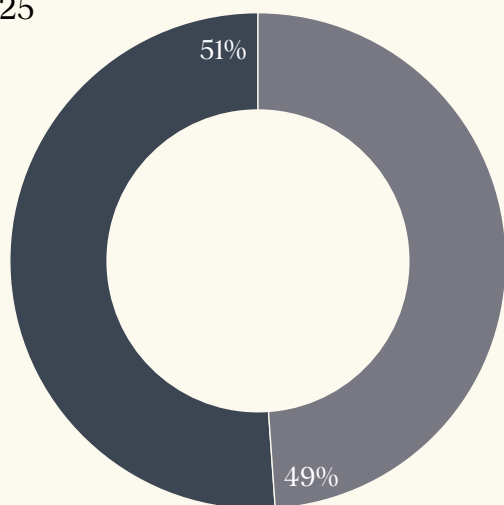
In 2025, the Inclusion Working Group moved away from a task-driven action plan that was not delivering the momentum or impact we aspired to achieve. Instead, the focus shifted towards initiatives that deepen understanding and encourage open, constructive dialogue across the organisation. This included delivering a thought-provoking session to mark International Men’s Day and sharing powerful personal stories from women across the business as part of International Women’s Day.

Looking ahead, we remain focused on strengthening a culture where inclusion is shaped not by labels or compliance activity, but by everyday behaviours and genuine connection. Building on our refreshed ethos, activity during the year will continue to support greater awareness, colleague voice and meaningful engagement across the organisation.

In terms of gender representation, 37 (of 89) of our new hires into the Banking Group during 2025 were female. Of the 31 people promoted across the Group, 14 were female. The Bank also appointed seven new Private Bankers during the year, three of whom were female.



Gender split of promotions in 2025



**Key**

- Female
- Male



# Charity, community and education

During 2025, colleagues across the organisation demonstrated strong commitment, creativity and collective action. Through fundraising, volunteering and collaboration, they contributed their time, energy and skills to support the communities we serve.

With match funding from the Creating The Future Foundation, every pound raised by colleagues was doubled, increasing the overall impact of fundraising activity. In total, £115,000 was donated during 2025.

Beyond fundraising, more than 150 members of staff volunteered over 500 hours, supporting a wide range of charitable causes across the UK.

## Our charity partnerships

We concluded a number of two-year charity partnerships, supporting organisations addressing a range of critical social challenges.

Alzheimer's Research UK received £100,250, supporting vital dementia research across the UK and helping to accelerate progress in prevention, diagnosis and treatment.

Rock Trust received £23,800, supporting young people at risk of homelessness through early intervention, education and wellbeing services.

City Harvest received £22,500, alongside more than 200 colleague volunteer hours. This support contributed to the rescue of 78 tonnes of surplus food, resulting in approximately 188,000 meals being redistributed to communities in need.

The Daylight Centre received £22,300, alongside 394 colleague volunteer hours. The partnership supported people experiencing homelessness, poverty and social exclusion in Wellingborough, helping individuals rebuild stability and independence.

## 2025 highlights

During the year, a wide range of fundraising and volunteering initiatives took place across the Group. A team completed the Tough Mudder challenge at Belvoir Castle, overcoming 23 obstacles and raising £8,322. Ben Roe ran the London Marathon, raising £3,696.

Later in the year, a group including Chairman Roger Weatherby and his wife Sam took part in an abseil from the National Lift Tower in Northampton. Standing 418 feet tall, the challenge raised £14,473 for Alzheimer's Research UK, representing a new Weatherbys Group fundraising record.

Teams from the Wellingborough and London offices, including CEO Quentin Marshall, volunteered with City Harvest, supporting the rescue and redistribution of surplus food to charities and community groups across London. In Wellingborough, 88 volunteers contributed 350 hours over eight days to maintain The Daylight Centre's community allotment, supporting people experiencing homelessness, poverty and social exclusion.

Community activities

# 150

Staff participated in volunteering activities

Charity fundraising

# £115k

Raised for charity in 2025

## Local Village Network

Our partnership with Local Village Network (LVN) forms an important part of our wider commitment to social impact and supporting opportunity for young people.

During the partnership, we supported five LVN mentoring programmes. In total, 35 mentors from across the organisation provided support to more than 80 students across two London schools.

Local Village Network is a UK registered charity focused on tackling network poverty – the lack of access to role models, professional connections and opportunities that can limit social mobility for young people from disadvantaged backgrounds.

## How the programme works

LVN's Amplify Me mentoring programme is a structured, school-based initiative combining group mentoring, skills development and real world career insight. Sessions focus on building confidence, employability skills and awareness of a broad range of career pathways.

Mentors also support speed mentoring and workplace engagement activities, providing students with exposure to professional environments, including sessions hosted at our London office.

## Outcomes

The programme has delivered clear benefits for both students and those involved in supporting them. Students report increased confidence, stronger communication skills and a clearer understanding of future opportunities.

Those taking part as mentors describe the experience as rewarding and impactful, highlighting the enthusiasm, ambition and potential of the young people supported. The partnership has also provided opportunities to develop mentoring capability and leadership skills across the business.



Ben Roe ran the London Marathon for Alzheimer's Research UK



City Harvest volunteers including CEO Quentin Marshall



Tough Mudder at Belvoir Castle for Alzheimer's Research UK



A group abseiled from the National Lift Tower to raise money for charity

# What's new, what's now, what's next

In 2025, we hosted our fifth and largest Creating the Future conference, welcoming 400 guests to the Science Museum to hear eight speakers share perspectives across the themes of planet, technology and health.

# Creating the Future

8 OCTOBER 2025



First launched in 2017, the conference was established to explore the defining challenges of our time and the innovations emerging to address them. Against a backdrop of accelerating climate-related events, rapid technological change and rising long-term health conditions, the event provided an opportunity to pause, reflect and consider how progress today can help shape a better future for current and future generations.

## Planet

In the Planet session, academic and author Mike Berners Lee, best known for *There Is No Planet B*, reflected on the growing "polycrisis" driven by human activity. He highlighted the urgency of action to mitigate long-term environmental impact, emphasising the importance of respect for the environment, for one another and for evidence-based decision making, alongside accountability from those in positions of influence.

Deep-sea scientist Dr Diva Amon then transported us to the largely unexplored world of the deep ocean, introducing us to extraordinary species such as the parasitic male anglerfish and the centuries-old Greenland shark. She also revealed the troubling human footprint she has witnessed during submersible dives, including rusting fridges and debris from the more than 10,000 shipping containers lost at sea each year. Dr Amon emphasised the deep ocean's essential role in planetary stability and our own survival.

## Technology

The Technology session opened with Dr Julia Ebner, who drew on her first-hand research infiltrating extremist groups to examine how digital platforms are used to spread ideology and influence public discourse. She explored the role of social media in accelerating radicalisation, particularly among younger audiences.

Defence technology expert Nick Sharpe followed with an overview of the evolution of warfare, from historical conflicts to the current use of cyber operations, including those deployed by Russia in the war against Ukraine. He highlighted both the potential and the risks of AI in defence, stressing the need to prevent it from enabling fully autonomous warfare.

## Health

In the Health session, Emma Whitcombe of Alzheimer's Research UK shared an update on progress towards treatments for dementia, a condition affecting around one million people in the UK. While recognising the significant personal and societal impact of the disease, she highlighted areas of emerging progress in research and the growing evidence that lifestyle factors can play a role in reducing long-term risk.

Dr Linda Mizun spoke about the power of community in improving health outcomes, inspired by her own recovery from chronic illness. Her "virtual neighbourhoods", tested in several communities, have helped reduce GP visits by 40%.

Dr Alex George then shared a personal perspective on the challenges facing young people's mental health, reflecting on his campaigning work following the loss of his younger brother. He highlighted the scale of current pressures on services, including the number of children on NHS waiting lists, and considered the impact of social media on behaviours and routines that support positive mental wellbeing.

The conference concluded with Professor Tim Spector OBE, who presented insights from his research into the gut microbiome. He emphasised the role of personalised nutrition in supporting long-term health and encouraged practical dietary changes, including increasing dietary diversity through fermented foods and a wider range of plant-based ingredients.

→ [Learn more at creatingthefuture.org.uk](https://www.creatingthefuture.org.uk)

“  
I left wiser and enlightened.  
I felt empowered by better  
knowledge. I must do  
something and I shall!

Weatherbys client

# At Weatherbys, our leadership sets the tone for excellence in governance

Our strong corporate governance underpins everything we do, to ensure transparency, accountability and integrity across all our businesses.

<b>Corporate Governance</b>	
Board of Directors	38
In conversation with Rory Tapner	40
Governance overview	42
Report of the Directors	44
Report of the Chair of the Group Risk Committee	47
Report of the Chair of the Group Audit Committee	48
Independent auditor's report	49



# Our Board

Our Board is chaired by Roger Weatherby and comprises our CEO, Group Finance Director and four Non-Executive Directors.



**Roger Weatherby**

Chairman

**Committees**

**N**

Roger Weatherby joined the Board of the Weatherbys group of companies as a Non-Executive Director in 1992. He became fully executive in 1997, was appointed Group Finance Director in 1998 and then CEO of Weatherbys Bank in 2000, a position he held until September 2023. In March 2024, Roger stepped up to the role of Chairman. He was educated at Eton College and has a Masters in Finance from London Business School. Before joining Weatherbys, Roger served in The 15th/19th King's Royal Hussars and worked at Cazenove & Co from 1985–1996.

Outside of Weatherbys, Roger held the post of Senior Steward (Chairman) of The Jockey Club from 2014–2019 and was Chairman of Racing Welfare from 2005–2010. From 2010–2013, he was the inaugural chairman of The Racing Foundation.

In 2018, Roger started our flagship initiative – “Creating The Future” – which brings together experts in diverse fields to stimulate discussion and action around the major challenges facing society and our future.



**Quentin Marshall**

Group CEO

**Committees**

**E**

Quentin joined Weatherbys in June 2015 from Coutts where he was Head of Advisory within the Investments Team and Deputy Chairman of the Investment Strategy Committee, overseeing c. £30bn of assets. Prior to Coutts, Quentin worked for UBS for 16 years, joining predecessor firm SG Warburg from university as an investment banker. During this time he spent four years advising the Republic of Indonesia during the Asian financial crisis. He also acted for some of the largest FTSE 100 companies raising capital and working on mergers and acquisitions. He subsequently specialised in advising family owned companies, moving to UBS Wealth Management to help create the UBS Family Office Group.

In addition to his role at Weatherbys, Quentin is a Councillor in the Royal Borough of Kensington and Chelsea, first elected in 2008. He currently chairs the £2.0bn pension fund, which has delivered the best performance in the LGPS, and was previously chairman of the planning committee. He is also involved in mentoring young adults in Havering, with six current mentees.



**Andrew Turberville Smith**

Group Finance Director

**Committees**

**E**

Andrew Turberville Smith ACA joined the Board in 2006. Previously he was regional finance director for Towergate Partnership and prior to that he spent 10 years in investment banking with JO Hambro Magan, NatWest Corporate Finance and latterly Hawkpoint Partners.

He was a member of the FCA's Smaller Businesses Practitioner Panel for six years until March 2015, acting as chairman for the last two years. He originally qualified as a chartered accountant in 1991 with Price Waterhouse.



**Mark Batten**

Non-Executive Director & Senior Independent Director

**Committees**

**A R N E**

Mark joined the Board in 2023 as chair of the Audit Committee and Senior Independent Director.

Mark is currently Chair of Assured Guaranty UK and sits on the Board of Assured Guaranty's NYSE listed parent company, Assured Guaranty Ltd. He is also a Senior Independent Director of Picton Property Income.

A chartered accountant and formerly a senior partner of PwC, Mark led several practices in the UK and Europe particularly in the areas of restructuring and financial services.

Mark worked with a number of financial institutions in the UK and internationally during the Global Financial Crisis, including working with the UK and Irish Treasuries on the restructuring of the UK and Irish banking systems.

Mark was also a Senior Adviser to UK Government Investments, part of HM Treasury.

The Board is committed to achieving high standards of governance, integrity and business ethics. We recognise the need to ensure an effective governance framework is in place to give confidence that the business is effectively run and to safeguard outcomes for our clients and other stakeholders.

### Committee membership

- Chairman
- Member

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- A** Audit Committee

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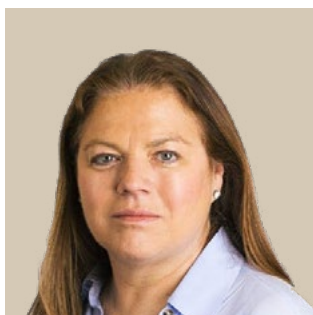
- R** Risk Committee

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- N** Remuneration and Nomination Committee

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- E** Executive Committee



Jane Millar

Non-Executive Director

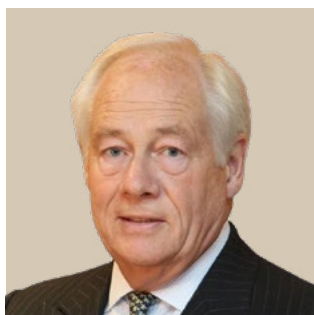
#### Committees

**A R N E**

Jane Millar joined the Board in July 2022 and chairs the Risk Committee. She has worked in financial services for over 30 years in a number of operational and strategic roles.

Jane has extensive experience in digital and operational change and was also responsible for the integration of two major investment management businesses into Investec Wealth & Investment, where she was a Board director.

More recently, as Chief Executive Officer, Jane developed and launched a digital online investment business, Investec Click & Invest.



Rory Tapner

Non-Executive Director  
Appointed: October 2025

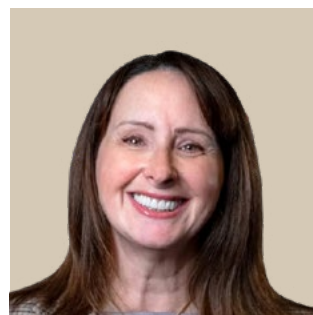
#### Committees

**A R N E**

Rory Tapner brings over 40 years of experience in financial services, spanning investment banking, capital markets, wealth management and private banking. He served as CEO of Coutts & Co. from 2010 to 2015, following five years as Chair and CEO, Asia Pacific at UBS, sitting on the Group Executive Board. His earlier career at UBS (formerly SG Warburg) included senior roles such as Global Head of Investment Banking and Global Head of Equity Capital Markets.

Alongside his executive career, Rory has built a strong non-executive portfolio, currently serving as Chair of SPS Technology since 2019. Previous roles include Chair of Quintet Private Bank (2020–2025), Chair of Brown Shipley (2019–2020) and Chair of GB Snowsport. Rory's breadth of leadership and industry insight allows us to benefit from multiple years of international Board experience.

→ Read more in the Q&A on page 40



Aileen Wallace

Non-Executive Director  
Appointed: January 2026

#### Committees

**A R N E**

Aileen Wallace brings to Weatherbys over 30 years' experience in banking and technology, domestically and in Europe, Latin America and Asia Pacific. As a prior Executive and Chair of Fintech Advisory, Aileen's career has seen her hold senior positions at Virgin Money, Cognizant and as a transformation consultant at The Co-Operative Bank.

Qualified in digital strategy from Insead, Aileen has built a strong non-executive portfolio, currently serving as Chair of Remuneration at FTSE 250 International Personal Finance PLC, Senior Independent Director and Chair of Board Risk Committee at Tandem Bank, non-executive director at Columbia Threadneedle and Chair of Board Risk Committee at Target Tech Mahindra. Aileen brings a strong appreciation of family firm strategies having been an Innovation Chair at Hodge Bank, a family specialist bank (2020–25).

# Q&A

Former Coutts CEO Rory Tapner joined the Weatherbys Board in October 2025, bringing more than 30 years of experience across global banking and private wealth. In this Q&A, he shares what attracted him to Weatherbys and how his experience as both a banker and a client shapes his priorities as a Board member.

## Q What's your professional background?

**A:** I studied law at King's College London and Lancaster Gate Law School, but I had already decided the legal profession wasn't for me. The City was undergoing dramatic change in the mid-1980s, and the Big Bang was a seminal moment for those prepared to take some career risks.

My original firm, Rowe & Pitman, was involved in a merger that created a full-service, UK-based investment bank with deep international reach. It was a truly exciting time – the learning experience was all “on the job”, with the firm at the centre of most of the major deals of the 1980s and 1990s. Further mergers, including with UBS, subsequently produced a huge organisation with capital and skills to match the best in the world.

In many respects, these mergers were my lucky break. We also had an inspiring Chairman and CEO who valued youth and energy over deep and traditional experience. I suddenly found myself travelling all around the globe. It was both exhilarating and a little terrifying. Different cultures, regulators, laws, traditions and approaches to risk-taking were all part of the melting pot that was an international investment banking giant.

In 2003 I moved to Asia-Pacific with UBS to run all of its businesses in the region, including a substantial offshoring capability in India. Later, in 2010, I took on the role of CEO of the Coutts Group, which at the time combined the UK business, a substantial international business based out of Switzerland and a large Asian presence in Hong Kong and Singapore. In 2015 I moved into various non-executive roles, some reflecting my financial services background and some reflecting my interests in higher education and elite sport.

## Q What do you see as your main role as a Board member?

**A:** Well, first of all, not to upset the apple cart! Weatherbys has established itself with a certain way of doing things which clients appreciate deeply, and there remains a substantial gap in the market for a bank that truly believes service matters. If I can bring some experience from larger organisations and some guidance to help avoid the mistakes made by others, particularly as the Bank continues to grow quickly, then I hope I can contribute.

I think it's important to challenge, question and reinforce the direction of travel in a constructive way. Supporting the Executive is an essential component of how experience can be brought to bear. I tend to be a bit pernickety about details rather than adopting the “helicopter” view!

## Q What experience do you bring that's most valuable to this role?

**A:** Actually, some of the experience isn't from having worked in a financial organisation. It comes instead from being a client of a number of private banks over the years and talking to a lot of clients about their needs.

Everyone is different, but no bank can tailor-make everything it does. There has to be some centring around a few core themes, services and products. I hope to be able to add the “client needs” view to some of our discussions.

## Q What drew you to Weatherbys?

**A:** It was flattering to be asked, and it seems to me the opportunity in the UK is wide-open for a bank that offers the level of personal service provided by Weatherbys. That, combined with a strong executive team and plans to expand our technology capability, suggests to me that the future is bright.

“

Clients do need technology as well, though – personal service alone isn't enough. As generational change occurs, so the Bank will evolve.

**Rory Tapner**  
Non-Executive Director

**Q** What do you think clients need most from the Bank?

**A:** Consistency, together with truthful and suitable advice based on a proper assessment of a client's needs. Pushing products won't work for the type of clients Weatherbys seeks to attract.

Clients do need technology as well, though – personal service alone isn't enough. As generational change occurs, so the Bank will evolve. This is a young bank in many respects – one that can build on heritage rather than long-held traditions, allowing for swift and timely decision making.

**Q** What do you see as the biggest opportunities for the Bank over the next few years?

**A:** The UK remains a fragmented marketplace, despite private equity firms pushing ahead with some consolidation. This will inevitably lead to more commoditisation of the financial service offering, reduced costs and reduced commitment to personal delivery of well-thought-through advice.

The most important decisions most of our clients make in their lifetimes will touch the Bank and their families, and they should expect us to be there to bring years and years of experience to help them navigate their futures. The Weatherby family itself is a great starting point for demonstrating to clients that we know what it takes.

**Q** What's your proudest professional achievement?

**A:** There's really no standout moment, but nice letters from clients who were advised not to do something that might otherwise have earned a substantial fee remain in the top drawer of my desk at home.

# Committed to the highest standards of governance

## Introduction from the Chairman

The Banking Group is fully committed to developing the strategy of the business and providing effective governance and leadership. The Banking Group is supported by appropriate governance arrangements and committee structures which create a solid base for effective governance, well-informed decision making, accountability and strategy setting.

The Board sets the appropriate tone and culture from the top and ensures that this is cascaded and embedded throughout the Group. It will articulate, embed and maintain a culture of openness, risk awareness and ethical behaviour for the entire Group to follow in pursuit of its business goals and to ensure compliance with our regulators. The Board ensures that the strategy and culture are aligned and act by example to promote that culture.

The Banking Group governance framework continues to evolve as the business and its operations and ambitions develop.

### 1. Board structure

The Board of Directors of Weatherbys Bank Limited manage the affairs of the Group and is the senior decision-making forum that sets the Group's strategy for achieving long-term success.

The Board in 2025 comprised four Non-Executive Directors and two Executive Directors until 1 October 2025, then five Non-Executive Directors and two Executive Directors until 7 November 2025 then four Non-Executive Directors and two Executive Directors until January 5th 2026. From that date the Board has comprised five Non-Executive Directors and two Executive Directors.

The composition of the Board ensures there is appropriate knowledge, diversity and experience to deliver the appropriate oversight and independent challenge of the executive and senior management.

### 2. The remit of the Board Committees

The Board Terms of Reference provide that the Board will delegate its authority to certain committees appointed by the Board. These are the Group Audit Committee, the Group Risk Committee, the Group Remuneration and Nomination Committee and the Group Executive Committee.

Each of these Committees has its own Terms of Reference setting out in detail its scope, duties and responsibilities in accordance with good governance and regulatory practice.

A forward-looking agenda programme is planned in advance including deep dives from key parts of the business, regular strategy reviews and updates on significant projects. Meeting agendas focus on matters of key strategic importance and also ensure that Directors are provided with opportunities to understand and provide comment on areas of risk, conflicts and controls.

### 3. Group Audit Committee Chair: Mark Batten

The Group Audit Committee is chaired by the Senior Independent Director and comprises three other Non-Executive Directors and meets quarterly. Also in attendance are the Chairman, two Executive Directors, the Chief Risk Officer and the internal and external auditors. The Arkle Finance Limited (AFL) Chairman and AFL Chair of Risk Committee also attend.

The Group Audit Committee has primary responsibility for monitoring the integrity of financial statements and regulatory disclosures of the Group. The Group Audit Committee reviews the quality of internal financial control systems, reviews regular reports from the MLRO and reviews, monitors and approves the role of internal and external audit.

### 4. Group Risk Committee Chair: Jane Millar

The Group Risk Committee is chaired by a Non-Executive Director and comprises three other Non-Executive Directors. Also in attendance are the Chairman, the two Executive Directors, the Chief Risk Officer and the COO. The Arkle Finance Limited (AFL) Chairman and AFL Chair of Risk Committee also attend.

The Group Risk Committee meets to review all aspects of the Group's risk exposure as well as its systems, controls and regulatory environment.

The role of the Group Risk Committee is to provide advice to the Board on risk strategy and oversee the development, implementation and maintenance of the overall risk management governance framework.

### 5. Group Remuneration and Nomination Committee Chair: Roger Weatherby

The Group Remuneration and Nomination Committee is chaired by the Weatherbys Banking Group Chairman and comprises four other Non-Executive Directors.

The Group Remuneration and Nomination Committee ensures that there is a formal and transparent procedure for developing remuneration and nomination policies which promote the long-term sustainable success of the Banking Group.

The Remuneration and Nomination Committee agrees the remuneration of the Executive Directors and senior management and approves the Group Remuneration Policy. The Committee also regularly reviews the composition of the Board and those in a senior management role.

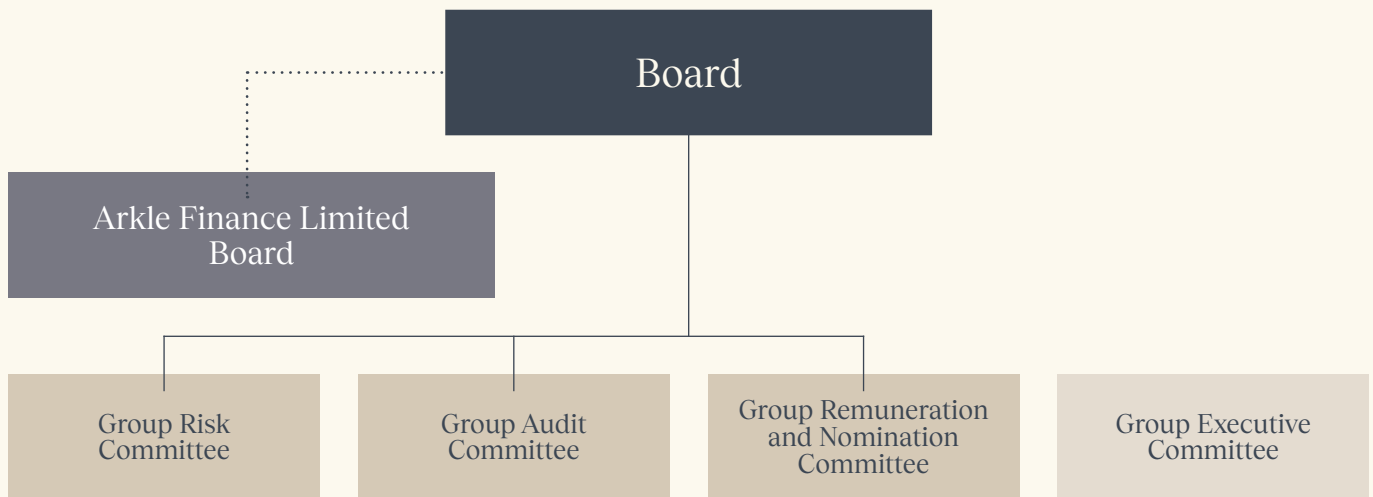
### 6. Group Executive Committee Chair: Quentin Marshall

The Group Executive Committee (EXCO), manages all aspects of the Banking Group's operations in accordance with the Board's strategic objectives and agreed risk appetite, making recommendations as appropriate to the Board. EXCO develops and implements business plans, policies and procedures that have been recommended to and approved by the Board and identifies and implements any changes required.

EXCO is chaired by the Chief Executive and comprises the other Executive Director and key members of the senior management team which meet monthly to review and discuss all financial and operational issues.

**Roger Weatherby**  
Chairman  
21 April 2026

## The structure of the Board and its Committees



Weatherbys Bank Limited and its subsidiaries (together the Banking Group) is authorised and subject to prudential regulation and supervision by the Prudential Regulation Authority (PRA) and subject to conduct regulation and supervision by the Financial Conduct Authority (FCA). The Banking Group is subject to the Senior Managers and Certification Regime (SMCR) which imposes a regulatory approval, individual accountability and fitness and propriety framework in respect of senior and key individuals within the Banking Group. The Banking Group maintains a Management Responsibilities Map which describes its management and governance arrangements in line with the requirements and expectations of the SMCR.

# Report of the Directors

## for the year ended 31 December 2025

### The directors present their report together with the audited financial statements of the Banking Group and Bank for the year ended 31 December 2025.

## 1. Principal activities

The Banking Group ("Group") consists of Weatherbys Bank Limited ("the Bank" or "the Company"), Arkle Finance Limited ("Arkle") and Weatherbys Bank (Nominees) Limited. It provides banking, wealth management, asset finance and VAT services. Weatherbys Bank Limited is authorised under the Financial Services and Markets Act 2000 to accept deposits in the United Kingdom. Arkle Finance Limited is authorised by the Financial Conduct Authority to provide consumer credit as defined by the Consumer Credit and Financial Services and Markets Acts.

The Bank is a family-owned bank that provides traditional retail banking services to a client base of predominantly high net worth individuals. Together with private banking and wealth advisory services, it provides banking services as well as VAT services to the horseracing industry and wider community; through its wholly owned subsidiary Arkle Finance Limited, it provides asset finance to SMEs.

The fair treatment of clients is central to the Group's culture and remains at the heart of its business model. The Bank's brand vision is to be universally admired for delivering and inspiring new standards in customer service.

## 2. Results and dividends

The financial results for the year are set out in the consolidated income statement on page 58.

Retained consolidated profits for the year amounted to £19.1 million (2024: £18.2 million). The Board recommended interim ordinary share dividends in the year totalling £8.0 million (2024: £nil) and a final dividend of £nil (2024: £3.1 million).

The Bank has made no donations to a registered political party, other political organisation in the UK or any independent candidate.

## 3. Risk management and governance

The roots of the Group can be traced back to the original Weatherby family business that was started in 1770. The heritage, reputation and longevity of the business remain as a core pillar for the family shareholders and as such a conservative approach to risk is adopted in all areas.

The Banking Group's primary risk management governing body is the Board of Directors. The Board is responsible for:

- Approving the overall level of risk to which the Group is exposed;
- Approving the framework for reporting and managing risk; and
- Ensuring that risk management infrastructure is appropriate and functioning effectively.

The Board discharges these responsibilities by delegating day-to-day management of all aspects of the Banking Group to the Chief Executive and other senior managers. The key committees that assist in the activities of the Banking Group are:

- Group Executive Committee (EXCO) – chaired by the Chief Executive and comprising the Group Finance Director and key members of senior management which meets monthly to review and discuss all financial and operational issues.
- Asset and Liability Committee (ALCO) – chaired by the Group Finance Director and comprising the CEO, Chief Risk Officer and Head of Finance, as well as other senior management, it meets monthly to review:
  - Capital allocation and efficiency;
  - Liquidity position and profile;
  - Credit risk;
  - Capital allocation and risk-adjusted returns; and
  - Pricing of assets and liabilities.
- Group Risk Committee – membership comprises the chairperson and a minimum of two Non-Executive Directors of the Banking Group together with the Chair of the Arkle Finance Risk Committee. The attendees are the Chairman of the Banking Group, Chief Executive Officer, Group Finance Director, Chair of Arkle Finance, Chief Risk Officer and the internal audit function. The Committee meets bi-monthly to review all aspects of the Bank's risk exposure as well as its systems, control and regulatory environment.
- Group Audit Committee – membership comprises the chairperson and a minimum of two Non-Executive Directors of the Banking Group. The attendees are the Chairman of the Banking Group, Chief Executive Officer, Group Finance Director, Chair of Arkle Finance, Chair of the Arkle Finance Risk Committee, Chief Risk Officer and the internal and external audit function. It meets quarterly. Its primary role is the consideration of financial reporting, internal controls, the relationship with external and internal auditors and reviewing internal audit plans and reports.

## 4. Capital management

The Bank is subject to the European Union Capital Requirements Directive and Capital Requirements Regulation, collectively known as “CRD IV”, which came into effect from 1 January 2014, and have subsequently been retained in UK law from January 2021.

Under CRD IV, banks must hold sufficient capital to protect against two main categories, or “pillars”, of risk:

- Pillar 1 – covering those risks common to all organisations – credit, market and operational risk; and
- Pillar 2 – covering those risks specific to an individual organisation.

The Bank’s capital is reported in two tiers:

- Tier 1 – comprised of share capital, retained earnings and reserves, known as “Common Equity Tier 1”;
- Tier 2 – principally comprised of subordinated loan notes and the Bank’s collective impairment provisions.

The Bank uses the Standardised Approach to assess credit risk and the Basic Indicator Approach to assess operational risk. The Bank does not have a trading book and therefore exposure to market risk is minimal.

In accordance with regulatory requirements, the Bank performs an annual internal review of its capital adequacy against both Pillar 1 and Pillar 2 risks known as an Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP is approved by the Board and reviewed periodically by the Prudential Regulation Authority (PRA).

Where it is assessed that additional Pillar 2 capital is required, this is notified in the form of a firm-specific Total Capital Requirement (TCR) from the PRA.

Consistent with the Bank’s conservative risk appetite, the Board has determined that capital headroom must be maintained over and above the TCR set by the PRA. If the capital headroom falls to an internal trigger level, ALCO is required to explain to the Board whether corrective action is required and to recommend a suitable course of action.

The Bank is a wholly owned subsidiary of Weatherbys Bank Holdings Limited (WBHL). For regulatory reporting purposes, the Bank’s regulatory capital is reported to the PRA on both a consolidated and individual basis.

### 4.1 Capital and leverage ratios

On a consolidated basis total regulatory capital and the total capital ratio were £105.5 million and 15.3% respectively (2024: £99.8 million and 16.3%). The Total Capital Requirement set by the PRA was £60.5 million (2024: £59.5 million). The Total Capital Requirement encapsulates Pillar 1, Pillar 2A and the pension risk requirements. The Overall Capital Requirement was £91.5 million (2024: £87.1 million), which is the Total Capital Requirement plus the capital conservation and countercyclical buffers.

Under CRD IV, firms are required to calculate a leverage ratio as an additional non-risk-based monitoring tool. This is intended to provide an alternative measure to assess core capital against total assets.

The consolidated leverage ratio was 6.05% (2024: 7.08%) against a minimum requirement of 3.25%.

Annual Report and Financial Accounts 2025

## 5. The Board of Directors

The directors of the Company during the period and to the date of this report were:

R N Weatherby	(Non-executive chairman)
Q N J Marshall	
A Turberville Smith	
P D Vail	Resigned 7 November 2025 (Non-executive)*
N J Millar	(Non-executive)*
M C Batten	(Non-executive)*
N R Tapner	Appointed 1 October 2025 (Non-executive)*
A Wallace	Appointed 5 January 2026 (Non-executive)*

\* members of the Audit Committee

No director had any interest in the share capital of the Bank or of any other Group company, and none of the directors, or members of their immediate families, were awarded or exercised any right to subscribe for any shares or debentures during the year.

### 5.1 Directors’ interest in contracts

R N Weatherby had interests as a director of Weatherbys Limited (a company under common control) and in the service contracts between that company and Weatherbys Bank Limited.

No other director had a material interest at any time during the year in any contract with the Bank of significance, other than a service contract. Further details concerning related party transactions are provided in note 30 to the financial statements.

### 5.2 Insurance of officers

The directors have the benefit of the indemnity provisions contained in the Company’s Articles of Association, and the Company has maintained cover for directors and officers under directors’ and officers’ liability insurance policies. The Company has entered into qualifying third-party indemnity arrangements for the benefit of all its directors within the Banking Group, in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

## 6. Employees

At 31 December 2025, the Banking Group had 483 employees (2024: 437) and the Bank itself had 396 employees (2024: 357).

The Group gives due consideration to the employment of disabled persons and is an equal opportunities employer. It also regularly provides employees with information on matters of concern to them, consults on decisions likely to affect their interests and encourages their involvement in the performance of the Group through regular communications and in other ways.

The Group has a policy in place to ensure that it applies the Equality Act 2010 which makes it unlawful to discriminate on the grounds of disability and other protected characteristics. At the recruitment stage, reasonable adjustments are made to ensure that no candidate is disadvantaged because of their disability. Should existing employees become disabled, every effort is made to retain them within the workforce wherever reasonable and practicable. The Group also endeavours to provide equal opportunities in the training, promotion and general career development of disabled employees.

# Report of the Directors continued

## 7. Future developments

These are discussed within the Strategic Report.

## 8. Information presented in other sections

Certain information required to be included in the Directors' Report can be found in other sections, as stated below. This information is incorporated by reference into this Directors' Report and is deemed to form part of this report.

1. Details of internally generated development are included in note 13.
2. A description of the Group's financial risk management objectives and policies are set out in note 29 to these financial statements.
3. Use of financial instruments is set out in note 33 to these financial statements.
4. Post balance sheet events are disclosed in note 34.

## 9. Going concern

In accordance with their responsibilities, the directors have considered carefully the going concern statement made in note 1 to the financial statements. The Banking Group's traditional relationship-based banking model, together with its conservative approach to credit risk, including counterparty risk, and its overall risk management procedures mean that it is built on solid foundations. The Board has assessed future profitability, capital, liquidity and funding, as well as operational factors, conducting a range of stress scenarios for a period of no less than 12 months from the date of signing the financial statements. This included an assessment of arrears levels and loan loss provisioning for the Bank itself and its asset finance subsidiary. The Board is satisfied that the business has adequate financial resources to continue as a going concern for the foreseeable future and accordingly the directors have continued to adopt the going concern basis in preparing the financial statements.

## 10. Directors' responsibilities

The directors are responsible for preparing the Annual 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. The directors have accordingly elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland") and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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.

## 11. Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

MHA will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:

**Q N J Marshall**  
Director  
21 April 2026

# Report of the Chair of the Group Risk Committee

To the members of Weatherbys Bank Limited

## Jane Millar, Non-Executive Director, chaired the Group Audit Committee throughout 2025.

The purpose of the Group Risk Committee is to provide oversight on all matters of risk governance and aspects of managing key business and strategic risks. It is responsible for reviewing Group risk appetite across all risk categories as well as the effectiveness of the Group's risk management framework. The Committee considers all principal risk categories as set out in section 7 of the Strategic Report. During the past 12 months its focus has included:

- Development of risk appetite statements, risk taxonomy and risk strategy across the Group and the ongoing embedding of the Group enterprise-wide risk management framework. Risk assessments and strategy should not be static, and the Committee regularly challenges previous assumptions, mindful that the business of the Group and the framework within which it operates continues to evolve.
- Oversight and challenge of the annual Internal Capital Adequacy Assessment Process and Internal Liquidity Adequacy Assessment Process reports to meet the requirements of the Board and the regulator. It has focused on risks inherent in the strategy, the overall capital and liquidity need assessment and the adequacy of stress and scenario testing.
- Oversight and challenge of the Group Recovery Plan and Solvent Exit Analysis.
- Oversight and challenge of the Bank's IT change programme including the upgrade to the Bank's core operating platform as well as the current programme to enhance its digital offering to clients. It provided expert advice and counsel to ensure robust processes are in place that have due regard to operational resilience obligations and good client outcomes.
- Oversight and challenge of the programme of continuous improvement to protect Bank systems from cyber threats and progress towards ISO 27001 accreditation. This included a report by an independent expert on the subject.
- Regular scrutiny of second line reports from compliance across a range of subjects including credit risk and mortgage arrears, treatment of vulnerable clients, client suitability assessments, recruitment and on-boarding, anti-money laundering and financial crime, conflicts of interest and whistleblowing.
- Oversight of the Bank's on-boarding processes for both private and racing clients, supported by a report from a subject matter independent expert.
- Regular review and challenge of data and metrics that support the Group to meet its Consumer Duty obligations including as they relate to vulnerable clients.
- Review and challenge of operational risk, operational resilience and supplier outsourcing.

- Oversight of the Group's ongoing programme of work to manage the financial risks arising from climate change.
- Oversight and challenge to the Group's assessment and ongoing management of people risk including succession planning.
- Review and assessment of the Group's exposure after the Supreme Court ruling on motor finance commissions.
- Debate and review of reputational risk factors and the management of the brand and reputation more generally from a risk perspective.

**Jane Millar**  
Chair of the Group Risk Committee

# Report of the Chair of the Group Audit Committee

To the members of Weatherbys Bank Limited

## Mark Batten, Non-Executive Director, chaired the Group Audit Committee throughout 2025.

The Committee's Terms of Reference include consideration of the following matters:

- financial reporting including significant accounting judgements and accounting policies and disclosures within the financial statements;
- internal controls and controls testing;
- the Group's relationship with MHA, its external auditor, including its effectiveness and independence;
- oversight of the annual audit including review of the external audit plan, audit report and executive response to any findings and recommendations of the external auditor;
- the Group's relationship with PwC, its internal auditor, including its effectiveness and independence;
- reviewing and approving the annual plan of internal audit reviews to ensure it is aligned to the key risks of the business; and
- reviewing PwC's findings from its internal audit reviews and maintaining oversight over the remediation of any findings arising from such reviews.

During the year the Committee met on five occasions and considered the following matters:

1. In relation to the external audit, report and accounts:
  - external audit strategy and plan
  - significant audit and accounting issues
  - the Annual Report of the Group
  - the effectiveness of the audit process and independence of MHA

In addition, the Committee had oversight of quarterly profit verifications of the Group's financial results undertaken by MHA for the purpose of timely regulatory reporting.

2. In relation to the internal audit function outsourced to PwC:

- internal audit plan of reviews
- the following internal audit reports
  - Contracting and procurement
  - Underwriting
  - Client on-boarding
  - Cyber security
  - General Data Protection Regulations
  - External fraud
  - IT resilience and disaster recovery
  - Business continuity
  - Consumer Duty

Any material findings were discussed with the Committee which has also maintained oversight over the remediation of its findings.

In addition, the Committee commissioned a separate review into the Group culture, undertaken by consultants with specific expertise on this subject.

Overall, the audit committee is satisfied that the Annual Report and Accounts is fair, balanced and understandable and recommends this report to the shareholders and asks that they support the resolutions concerning the reappointment of MHA as the Group's statutory auditors.

**Mark Batten**  
Chair of the Group Audit Committee

# Independent auditor's report

## To the members of Weatherbys Bank Limited

For the purpose of this report, the terms "we" and "our" denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of Weatherbys Bank Limited. For the purposes of the table on pages 50 to 52 that sets out the key audit matter and how our audit addressed the key audit matter, the terms "we" and "our" refer to MHA. The Group financial statements, as defined below, consolidate the accounts of Weatherbys Bank Limited and its subsidiaries (the "Group"). The "Parent Company" or the "Bank" is defined as Weatherbys Bank Limited, as an individual entity. The relevant legislation governing the Bank is the United Kingdom Companies Act 2006 ("Companies Act 2006").

### Opinion

We have audited the financial statements of the Group for the year ended 31 December 2025.

The financial statements that we have audited comprise:

- the Consolidated Income Statement
- the Consolidated Statement of Comprehensive Income
- the Consolidated Statement of Financial Position
- the Company Statement of Financial Position
- the Consolidated Statement of Changes in Equity
- the Company Statement of Changes in Equity
- the Consolidated Statement of Cash Flows
- Notes 1 to 36 to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group's and Parent Company's financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Our opinion is consistent with our reporting to the Group Audit Committee.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the

FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- The consideration of inherent risks to the Group's and the Parent Company's operations and specifically their business models including the evaluation of how those risks might impact on the available financial resources for the Group and the Parent Company.
- Making enquiries of the Directors to understand the basis for the period of assessment, the assumptions they considered and their implication on the Group's and Parent Company's future financial performance, liquidity, and capital adequacy.
- Liquidity considerations including examination of the Group's and Parent Company's cash flow projections and liquidity risk management in view of its regulatory requirements.
- Understanding and evaluating the current and forecast financial position, regulatory capital adequacy and liquidity, including internal stress tests performed on these.
- Evaluation of the strategic plans of the Group and Parent Company, and the supporting financial forecasts.
- Reading regulatory correspondence, minutes of meetings of the Audit Committee and the Board of Directors and performing post balance sheet events' review to identify events of conditions that may impact the Group's and Parent Company's ability to continue as a going concern.
- Reading and evaluating the adequacy of the disclosures made in the financial statements in relation to going concern.

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

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

# Independent auditor’s report continued

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## Overview of our audit approach

### Scope

Our audit was scoped by obtaining an understanding of the Group, including the Parent Company, and its environment, including the Group’s system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.

We identified significant components based on their significance to the Group balance sheet and operations. We performed full scope audit work on the Parent Company and 1 significant component.

There were no other entities deemed to be significant components, and we did not identify in the context of individual primary statements significant account balances that required individual testing from those entities deemed not to be significant components.

Overall materiality	2025	2024	
Group	£1,146,000	£1,096,000	1.03% (2024: 1.1%) of Group net assets
Parent Company	£937,000	£879,000	1.02% (2024: 1.06%) of net assets

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## Key audit matters

### Recurring

Valuation of loan loss provision

### Key Audit Matters

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

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## Valuation of loan loss provision

### Key audit matter description

At 31 December 2025, the Group reported a gross carrying amount of loan and advances to customers of £1.0bn (2024: £872.9m) and a provision for bad and doubtful debts of £5.3m (2024: £4.3m).

Determination of the provision for bad and doubtful debts is a judgement-based area and is subject to management override risk. This could lead to the impairment provision being materially misstated in the financial statements.

The key areas of judgement in determining the provision for bad and doubtful debts for the Group are:

- Loans and advances to customers made by the Parent Company

The Parent Company has limited loss history therefore there is significant management judgement and estimation involved in determining the collective provision in the loan assets held by the Parent Company. The provision for bad and doubtful debts is determined based on past loss history.

- Receivables held under finance lease and hire purchase agreements

The provisioning model for receivables held under finance lease and hire purchase agreements, attributes a recoverability rating based on the type of asset financed, credit profile of the borrower and other credit enhancements integral to the lending agreement to assess the level of impairment of the loan in distress. Recoverability ratings are a key input in the model used to calculate provisions for receivables under finance lease and hire purchase agreements. Determination of such ratings is subject to high degree of management judgement and estimation.

In addition, a collective provision is calculated for performing loans to take into account emerging but not yet observed impairment scenarios. The collective provision is based on portfolio historical loss rates.

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**Valuation of loan loss provision**

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**How the scope of our audit responded to the key audit matter**

Our audit procedures included, but were not limited to:

**Group level audit procedures**

**Model governance and methodology validation**

- We obtained and read management’s judgement papers in respect of the Group’s provision calculation and methodologies and assessed the appropriateness of the provision methodologies for compliance with FRS 102. We also considered the appropriateness of the models in view of the operating model of Group, specifically the underwriting of new loans and loan recovery methods for non-performing loans.
- We performed walkthrough procedures of the provision calculation as of 31 December 2025 to confirm that the models are applied as currently designed. In performing this test, we focused on the end-to-end process covering data input into the models, reperforming the provision calculation and testing the recording of the output from the models in the general ledger, validating the mathematical accuracy of the model and the governance and segregation of duties that apply in the process of determining the provision for bad and doubtful debts.
- We evaluated the entities’ model governance process focusing on model development and change control, independent validation and review, ongoing monitoring and back-testing; and roles and segregation of duties.

**Internal controls and IT environment**

- We performed walkthroughs of the loan origination and underwriting process to understand data capture points, key controls, and interfaces with the loan systems used in the provisioning models.
- We assessed the design and implementation (and, where appropriate, operating effectiveness) of key controls over loan origination, credit grading, recovery for non-performing loans, arrears monitoring, and approval of provisions.
- On a sample basis, we verified that key contractual terms (loan amount, rate, term, repayment schedule) are accurately recorded in the loan system data feeding the provisioning models.
- Using our IT specialists, we tested IT general controls (ITGCs) and key application controls within loan administration systems, focusing on automated interest calculation, repayment allocation, arrears identification, and data extraction integrity.

**Data integrity and disclosures**

- Reconciled data used in the models (loan balances, arrears, recoveries) to core systems and audited trial balance.
- We tested the data flows to the financial statements and ensured disclosure information is complete and consistent with underlying records.
- Assessed the adequacy of disclosures on credit risk, impairment methodology, and provision movements for compliance with FRS 102

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**Determination of provision for bad and doubtful debts in respect of loan assets of the Parent Company**

- Reviewed the design and operation of the Bank’s loan grading framework that underpins the general provision and confirmed that borrower and security ratings are applied consistently.
  - On a sample basis, tested loan grading accuracy by reviewing client financial information and credit papers.
  - Recalculated the collective (general) provision for a sample of loans to verify mathematical accuracy and confirm that the appropriate loss rates are applied.
  - Assessed the reasonableness of loss rates applied given limited default history and challenged management’s justification for continuing reliance on historical averages.
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# Independent auditor’s report continued

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## Valuation of loan loss provision

**How the scope of our audit responded to the key audit matter** continued

### **Determination of provision for bad and doubtful debts in respect of receivables held under finance lease and hire purchase agreements**

#### Model design and classification

- Tested a sample of exposures to confirm appropriate classification (performing, arrears, terminated) and correct application of corresponding loss rates.
- Challenge management’s key assumptions, including:
  - Accuracy of credit risk classification;
  - Reasonableness of recoverability assumptions (including comparing modelled to actual recoveries and post-default experience);
  - judgement applied in respect of provision rates; and
  - Basis for determining and applying loss rates and completeness of underlying data.

#### Test of details

- Performed a reconciliation of key data inputs (loan balances, arrears, recoveries) between source systems and the model.
- For a sample of loans in arrears but not terminated we challenged management on their basis of not including these in the list of terminated loans to assess the consistency of termination assessment.
- Tested the data used to determine loss rates and recovery rates applied in the model.
- Tested the closure and write-off process for loan accounts, verifying authorisation, evidence of recovery actions, and supporting documentation.
- Tested management overlays and manual adjustments for appropriateness and evidence of override.
- Performed recalculation of the provision on sampled exposures to test mathematical accuracy of the model.
- Reviewed management’s back testing of the impairment model and assessed the adequacy of management’s back testing in respect of the current design and ongoing operation of the model.

**Key observations communicated to the Audit Committee**

We concluded that the overall provision for bad debts is appropriately stated, and the related disclosures are reasonable in accordance with United Kingdom Generally Accepted Accounting Practice.

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## Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

Materiality in respect of the Group was set at £1,146,000 (2024: £1,096,000) which was determined on the basis of 1.03% (2024: 1.1%) of the Group's net assets. Materiality in respect of the Parent Company was set at £937,000 (2024: £879,000), determined on the basis of 1.02% (2024: 1.06%) of the Parent Company's net assets. Net assets were deemed to be the appropriate benchmark for the calculation of materiality as this is a key area of the financial statements because this is the key metric for key users of the financial statements being the owners of the Group and the regulatory authorities.

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Performance materiality for the Group was set at £802,000 (2024: £767,000) and at £656,000 (2023: £615,000) for the Parent Company which represents 70% (2024: 70%) of the above materiality levels.

The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.

We agreed to report any corrected or uncorrected adjustments exceeding £57,000 and £47,000 in respect of the Group and Parent Company respectively to the Group Audit Committee as well as differences below this threshold that in our view warranted reporting on qualitative grounds.

## Overview of the scope of the Group and Parent Company audits

Our assessment of audit risk, evaluation of materiality and our determination of performance materiality sets our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. This assessment takes into account the size, risk profile, organisation / distribution and effectiveness of Group-wide controls, changes in the business environment and other factors such as recent internal audit results when assessing the level of work to be performed at each component.

In assessing the risk of material misstatement to the consolidated financial statements, and to ensure we had adequate quantitative and qualitative coverage of significant accounts in the consolidated financial statements, we identified Weatherbys Bank Limited (the "Parent Company") and Arkle Finance Limited

("Arkle") as the entities which represent the principal business units within the Group. A full scope audit was performed on the Parent Company and Arkle.

There were no other entities deemed to be significant components, and we did not identify in the context of individual primary statements significant account balances that required individual testing from those entities deemed not to be significant components.

## The control environment

We evaluated the design and implementation of those internal controls of the Group, including the Parent Company, which are relevant to our audit, such as those relating to the financial reporting cycle. We also tested operating effectiveness and placed reliance on certain controls over lending, customer deposits, bank and cash reconciliations, interest and interest expense.

We deployed our internal IT audit specialists to obtain an understanding of the general IT environment.

## Climate-related risks

In planning our audit and gaining an understanding of the Group and Parent Company, we considered the potential impact of climate-related risks on the business and its financial statements. We obtained management's climate-related risk assessment, along with relevant documentation relating to management's assessment and held discussions with management to understand their process for identifying and assessing those risks.

We then engaged internal specialists to assess, amongst other factors, the benchmarks used by management, the nature of the Company's business activities, its processes and the geographic distribution of its activities. Our climate risk audit specialists have agreed with management's assessment that climate-related risks are not material to these financial statements.

## Reporting on other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# Independent auditor's report continued

## Strategic report and directors' report

In our 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.

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of directors

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

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

## Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

## Identifying and assessing potential risks arising from irregularities, including fraud

The extent of the procedures undertaken to identify and assess the risks of material misstatement in respect of irregularities, including fraud, included the following:

- We considered the nature of the industry and sector, the control environment, business performance including remuneration policies and the Group's and Parent Company's own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussion with the Directors, we obtained an understanding of the legal and regulatory frameworks applicable to the Company focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, UK tax legislation or those that had a fundamental effect on the operations of the Company including the regulatory and supervisory requirements of the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA).
- We enquired of the directors and management including compliance, risk, internal audit and audit committee concerning the Group's and Parent Company's policies and procedures relating to:

- identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the Group's and Parent Company's financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce costs, creating fictitious transactions to hide losses or to improve financial performance, and management bias in accounting estimates particularly in determining provision for bad and doubtful debts.

## Audit response to risks identified

In respect of the above procedures:

- we corroborated the results of our enquiries through our review of the minutes of the Group's and Parent Company's board meetings, audit committee meetings, inspection of the complaints register and inspection of regulatory correspondence and correspondences from HMRC and the regulators PRA and the FCA;
- audit procedures performed by the engagement team in connection with the risks identified included:
  - evaluation of the design and implementation of controls that management has put in place to prevent and detect fraud;
  - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements;
  - testing journal entries and other adjustments for appropriateness including those processed late for financial statements preparation, those posted by infrequent or unexpected users, those posted to unusual account combinations;
  - evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
  - enquiry of management around actual and potential litigation and claims;
  - challenging the assumptions and judgements made by management in its significant accounting estimates in particular those relating to the determination of the provision for bad and doubtful debts as reported in the key audit matter section of our report; and
  - obtaining confirmations from third parties to confirm existence of a sample of transactions and balances where relevant.

- the Parent Company operates in a highly regulated banking industry. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities; and
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members, including experts, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

## Other requirements

We were first appointed by the directors on 22 September 2021 to audit the financial statements of the Group for the year ended 31 December 2021. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 5 years, initially under the legal entity MacIntyre Hudson LLP and subsequently under MHA Audit Services LLP. We did not provide any non-audit services which are prohibited by the FRC's Ethical Standard to the Bank, and we remain independent of the Bank in conducting our audit.

## Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Mikhail Osotov**  
 (Senior Statutory Auditor)  
 for and on behalf of MHA, Statutory Auditor  
 London, United Kingdom

21 April 2026

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

# Weatherbys has a disciplined and resilient approach to financial management

The following statements highlight our robust financial position and continued focus on sustainable performance.

<b>Financial Statements</b>	
Consolidated income statement	58
Consolidated statement of comprehensive income	59
Consolidated statement of financial position	60
Company statement of financial position	61
Consolidated statement of changes in equity	62
Company statement of changes in equity	63
Consolidated statement of cash flows	64
Notes forming part of the financial statements	65
Company information	94
Information	95
Sir Johnny Weatherby tribute	97



# Consolidated income statement

For the year ended 31 December 2025

	Note	2025 £000	2025 £000	2024 £000	2024 £000
<b>Interest receivable</b>					
– interest receivable arising from debt securities		<b>12,442</b>		12,235	
– other interest receivable and similar income	4	<b>102,751</b>		104,058	
Interest payable	5	<b>(36,240)</b>		(37,279)	
<b>Net interest income</b>			<b>78,953</b>		79,014
Fees and commissions receivable		<b>8,973</b>		7,852	
Fees and commissions payable		<b>(1,130)</b>		(942)	
Other operating income		<b>4,299</b>		4,502	
			<b>12,142</b>		11,412
<b>Operating income</b>			<b>91,095</b>		90,426
(Loss)/gain on value of derivatives		<b>(673)</b>		117	
Administrative expenses	7	<b>(65,873)</b>		(55,163)	
Depreciation and amortisation	6	<b>(7,065)</b>		(4,505)	
Impairment charge on loans and advances	16	<b>(4,648)</b>		(4,571)	
Share of operating profit in joint venture	19	<b>–</b>		400	
			<b>(78,259)</b>		(63,722)
<b>Operating profit, being profit before exceptional items and taxation</b>			<b>12,836</b>		26,704
Exceptional item	35		<b>10,238</b>		(2,128)
<b>Operating profit, being profit before taxation</b>			<b>23,074</b>		24,576
Taxation on profit	9		<b>(3,830)</b>		(6,306)
<b>Profit for the financial year</b>			<b>19,244</b>		18,270

All amounts relate to continuing activities.

All of the profit for the period and other comprehensive income are attributable to the owners of the Parent Company.

The notes on pages 65 to 93 form part of these financial statements.

# Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Note	2025 £000	2024 £000
Profit for the financial year		<b>19,244</b>	18,270
Revaluation of tangible fixed assets		<b>(173)</b>	(118)
Total comprehensive income for the year		<b>19,071</b>	18,152

The notes on pages 65 to 93 form part of these financial statements.

# Consolidated statement of financial position

As at 31 December 2025

Company number 02943300	Note	2025 £000	2025 £000	2024 £000	2024 £000
<b>ASSETS</b>					
Cash at banks	12		575,367		687,343
Derivative financial assets	29		1,394		5,018
Loans and advances to customers	15		1,006,160		868,611
Debt securities	17		420,989		248,749
Investment in joint venture	19		–		670
Investments	20		364		384
Intangible fixed assets	13		24,676		16,194
Tangible fixed assets	14		10,936		9,397
Other assets	21		2,753		1,875
Prepayments and accrued income	22		10,808		9,313
<b>Total assets</b>			<b>2,053,447</b>		<b>1,847,554</b>
<b>LIABILITIES</b>					
Derivative financial liabilities	29		4,075		1,269
Customer accounts	23		1,905,431		1,712,310
Other liabilities	25		12,734		13,773
Accruals and deferred income			10,093		10,159
Subordinated loan	24		10,000		10,000
<b>Total liabilities</b>			<b>1,942,333</b>		<b>1,747,511</b>
<b>SHAREHOLDERS' FUNDS</b>					
Called up share capital	26		7,000		7,000
Contingent convertible securities	27		3,000		3,000
Revaluation reserve			231		404
Profit and loss account			100,883		89,639
			<b>111,114</b>		<b>100,043</b>
<b>Total liabilities and equity</b>			<b>2,053,447</b>		<b>1,847,554</b>

The financial statements were approved by the Board of Directors and authorised for issue on 21 April 2026.

**Q N J Marshall**  
Director

The notes on pages 65 to 93 form part of these financial statements.

# Company statement of financial position

As at 31 December 2025

Company number 02943300	Note	2025 £000	2025 £000	2024 £000	2024 £000
<b>ASSETS</b>					
Cash at banks	12		<b>572,633</b>		684,033
Derivative financial assets	29		<b>1,394</b>		5,018
Loans and advances to customers	15		<b>991,650</b>		857,928
Debt securities	17		<b>420,989</b>		248,749
Investment in subsidiaries	18		<b>10</b>		10
Investments	20		<b>33</b>		53
Intangible fixed assets	13		<b>24,167</b>		15,843
Tangible fixed assets	14		<b>7,845</b>		7,822
Other assets	21		<b>3,411</b>		1,943
Prepayments and accrued income	22		<b>8,609</b>		7,897
<b>Total assets</b>			<b>2,030,741</b>		1,829,296
<b>LIABILITIES</b>					
Derivative financial liabilities	29		<b>4,075</b>		1,269
Customer accounts	23		<b>1,905,434</b>		1,713,112
Other liabilities	25		<b>11,684</b>		12,866
Accruals and deferred income			<b>7,838</b>		8,756
Subordinated loan	24		<b>10,000</b>		10,000
<b>Total liabilities</b>			<b>1,939,031</b>		1,746,003
<b>SHAREHOLDERS' FUNDS</b>					
Called up share capital	26	<b>7,000</b>		7,000	
Contingent convertible securities	27	<b>3,000</b>		3,000	
Revaluation reserve		-		112	
Profit and loss account		<b>81,710</b>		73,181	
			<b>91,710</b>		83,293
<b>Total liabilities and equity</b>			<b>2,030,741</b>		1,829,296

The Bank has elected to take exemption under section 408 of the Companies Act 2006 not to present the Company profit and loss account. The profit for the Company for the year was £16,528,104 (2024: £15,623,288).

The financial statements were approved by the Board of Directors and authorised for issue on 21 April 2026.

**Q N J Marshall**  
Director

The notes on pages 65 to 93 form part of these financial statements.

# Consolidated statement of changes in equity

For the year ended 31 December 2025 and 31 December 2024

	Share capital £000	Contingent Convertible Securities £000	Revaluation reserve £000	Profit & loss account £000	Total equity £000
<b>1 January 2025</b>	<b>7,000</b>	<b>3,000</b>	<b>404</b>	<b>89,639</b>	<b>100,043</b>
<b>Profit for the year</b>	-	-	-	19,244	19,244
<b>Other comprehensive expense</b>					
Revaluation of tangible fixed assets	-	-	(173)	-	(173)
<b>Other comprehensive expense for the year</b>	-	-	(173)	-	(173)
<b>Total comprehensive income for the year</b>	-	-	<b>(173)</b>	<b>19,244</b>	<b>19,071</b>
<b>Contributions by and distributions to owners</b>					
Dividends (note 11)	-	-	-	(8,000)	(8,000)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(8,000)</b>	<b>(8,000)</b>
<b>31 December 2025</b>	<b>7,000</b>	<b>3,000</b>	<b>231</b>	<b>100,883</b>	<b>111,114</b>

	Share capital £000	Contingent Convertible Securities £000	Revaluation reserve £000	Profit & loss account £000	Total equity £000
<b>1 January 2024</b>	<b>7,000</b>	<b>3,000</b>	<b>522</b>	<b>74,469</b>	<b>84,991</b>
<b>Profit for the year</b>	-	-	-	18,270	18,270
<b>Other comprehensive expense</b>					
Revaluation of tangible fixed assets	-	-	(118)	-	(118)
<b>Other comprehensive expense for the year</b>	-	-	(118)	-	(118)
<b>Total comprehensive income for the year</b>	-	-	<b>(118)</b>	<b>18,270</b>	<b>18,152</b>
<b>Contributions by and distributions to owners</b>					
Dividends (note 11)	-	-	-	(3,100)	(3,100)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(3,100)</b>	<b>(3,100)</b>
<b>31 December 2024</b>	<b>7,000</b>	<b>3,000</b>	<b>404</b>	<b>89,639</b>	<b>100,043</b>

The notes on pages 65 to 93 form part of these financial statements.

# Company statement of changes in equity

For the year ended 31 December 2025 and 31 December 2024

	Share capital £000	Contingent Convertible Securities £000	Revaluation reserve £000	Profit & loss account £000	Total equity £000
<b>1 January 2025</b>	<b>7,000</b>	<b>3,000</b>	<b>112</b>	<b>73,181</b>	<b>83,293</b>
<b>Profit for the year</b>	-	-	-	16,529	16,529
<b>Other comprehensive expense</b>					
Revaluation of tangible fixed assets	-	-	(112)	-	(112)
<b>Other comprehensive expense for the year</b>	-	-	(112)	-	(112)
<b>Total comprehensive income for the year</b>	-	-	<b>(112)</b>	<b>16,529</b>	<b>16,417</b>
<b>Contributions by and distributions to owners</b>					
Dividends (note 11)	-	-	-	(8,000)	(8,000)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(8,000)</b>	<b>(8,000)</b>
<b>31 December 2025</b>	<b>7,000</b>	<b>3,000</b>	<b>-</b>	<b>81,710</b>	<b>91,710</b>

	Share capital £000	Contingent Convertible Securities £000	Revaluation reserve £000	Profit & loss account £000	Total equity £000
<b>1 January 2024</b>	<b>7,000</b>	<b>3,000</b>	<b>286</b>	<b>60,658</b>	<b>70,944</b>
<b>Profit for the year</b>	-	-	-	15,623	15,623
<b>Other comprehensive expense</b>					
Revaluation of tangible fixed assets	-	-	(174)	-	(174)
<b>Other comprehensive expense for the year</b>	-	-	(174)	-	(174)
<b>Total comprehensive income for the year</b>	-	-	<b>(174)</b>	<b>15,623</b>	<b>15,449</b>
<b>Contributions by and distributions to owners</b>					
Dividends (note 11)	-	-	-	(3,100)	(3,100)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(3,100)</b>	<b>(3,100)</b>
<b>31 December 2024</b>	<b>7,000</b>	<b>3,000</b>	<b>112</b>	<b>73,181</b>	<b>83,293</b>

The notes on pages 65 to 93 form part of these financial statements.

# Consolidated statement of cash flows

For the year ended 31 December 2025

	2025 £000	2024 £000
<b>Cash flows from operating activities</b>		
<b>Profit for the financial year</b>	<b>19,244</b>	18,270
<b>Adjustments for:</b>		
Depreciation and amortisation of fixed assets	7,065	4,505
Amortisation of debt securities	(1,870)	(1,138)
Taxation expense	3,830	6,306
Increase in prepayments and accrued income	(1,508)	(4,032)
Decrease/(Increase) in trade and other debtors	(678)	39
Change in fair value of financial instruments	6,430	(1,624)
Movement in margin call	(6,550)	–
Loss/(Gain) on investments	20	71
(Increase)/Decrease in trade and other creditors	2,299	(2,982)
Net decrease in accruals and deferred income	(64)	(1,366)
Increase in provision for bad and doubtful debts	1,074	46
Net increase/(decrease) in deposits from customers	193,121	203,231
Net increase in loans and advances to customers	(138,623)	(38,018)
Loss on disposal of tangible fixed assets	3	–
Gain on sale of subsidiary	(10,238)	–
<b>Cash from operations</b>	<b>73,555</b>	183,308
Taxation paid	(4,301)	(5,721)
<b>Net cash generated/(used) from operating activities</b>	<b>69,254</b>	177,587
<b>Cash flows from investing activities</b>		
Sale of subsidiary undertaking	10,552	–
Income from joint venture	400	–
Purchase of investment securities	(361,092)	(173,844)
Sale and maturities of investment securities	190,722	72,330
Purchase of tangible fixed assets	(4,139)	(2,103)
Purchase of intangible fixed assets	(13,123)	(6,502)
<b>Net cash (used)/generated from investing activities</b>	<b>(176,680)</b>	(110,119)
<b>Cash flows from financing activities</b>		
Equity dividends paid	(11,100)	(5,000)
<b>Net cash (used)/generated from financing activities</b>	<b>(11,100)</b>	(5,000)
<b>Net increase in cash and cash equivalents</b>	<b>(118,526)</b>	62,468
Cash and cash equivalents at beginning of year	687,343	624,875
<b>Cash and cash equivalents at end of year</b>	<b>568,817</b>	687,343

The notes on pages 65 to 93 form part of these financial statements.

# Notes forming part of the financial statements

For the year ended 31 December 2025

## 1. Significant accounting policies

Weatherbys Bank Limited is a private company, limited by shares, registered in England and Wales. The Company's registered office address is Sanders Road, Wellingborough, Northamptonshire, NN8 4BX.

### Basis of preparation

The financial statements of the Banking Group and Bank have been prepared under the historical cost convention, modified to include Derivative Financial assets and Convertible preferred stock at fair value, and in accordance with Financial Reporting Standard 102 (FRS102) applicable in the United Kingdom and the Republic of Ireland as issued by the Financial Reporting Council, and in accordance with applicable elements of the Companies Act 2006.

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

The Bank is applying the provisions of FRS 102 sections 11 and 12 and has not elected to apply IAS 39.

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

These financial statements are presented in Pounds Sterling ("£") because that is the currency of the primary economic environment in which the Group operates. All financial information presented in sterling has been rounded to the nearest thousand pounds, except where otherwise indicated.

### Parent Company disclosure exemptions

In preparing the separate financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and the Parent Company would be identical.
- No cash flow statement has been presented for the Parent Company; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the totals for the Group as a whole.

### Going concern

In accordance with their responsibilities the directors have considered carefully the going concern basis and, for the reasons outlined in the Strategic Report, continue to believe that the Bank's relationship-based traditional banking model, together with its conservative approach to credit risk, including counterparty risk, and its overall risk management procedures mean that it is a well-capitalised, viable entity. After making enquiries, including review of forecast profit and loss, balance sheet, cash flow, regulatory capital and liquidity requirements for a period of no less than 12 months from the date of signing the financial statements, the Board is satisfied that the business has adequate financial resources to continue as a going concern for the foreseeable future and accordingly the directors have continued to adopt the going concern basis in preparing the financial statements.

### Basis of consolidation

The financial statements of Weatherbys Bank Limited and its subsidiary undertakings are made up to 31 December each year. Subsidiaries are all investees controlled by the Group. Control is defined as where the Bank has power, directly or indirectly, to govern the financial and operating policies of such entities. Intra-group transactions and balances are eliminated on consolidation. Profits and losses of companies entering or leaving the Group are included from the date of acquisition or up to the date of disposal.

Details of the subsidiary undertakings are given in note 18.

### Income recognition

Interest income and interest expense for all interest-bearing financial instruments is recognised in "Interest receivable and similar income" and "Interest payable and similar charges" respectively, using the effective interest rates of the financial assets or financial liabilities to which it relates. The effective interest rate is the rate that discounts the expected future cash flows, over the expected life of the financial instruments, to the net carrying amount.

Fees and commissions receivable or payable that are in the nature of interest and an integral element of the effective rate of the financial instrument are recognised as an adjustment to the effective interest rate and recorded within "Interest receivable and similar income" and "Interest payable and similar charges". Any other fees and commissions receivable are recognised on an accrual's basis, when all the contractual obligations have been fulfilled and the underlying services provided.

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 1. Significant accounting policies continued

### Leasing and instalment credit agreements

Hire purchase agreements which are of a financing nature, and assets leased to customers under agreements which transfer substantially all the risks and rewards associated with ownership, other than legal title, are classified as finance leases. All other assets leased to customers are classified as operating lease assets.

Leasing and instalment credit agreements receivable balances are secured by the asset subject to the funding arrangement terms. The Company is not permitted to sell the collateral in the absence of default by the customer.

The net investment in finance leases represents the total minimum lease payments less gross earnings allocated to future periods and is reported in loans and advances to customers. Income from finance leases is credited to the profit and loss account using the effective interest rate method to give a constant periodic rate of return on the net investment in the finance lease.

Operating lease assets are reported at cost less depreciation. In the profit and loss account, income in respect of operating lease assets is reported within fees and commissions receivable, and depreciation on operating lease assets is reported within depreciation and amortisation. Provision is made for any impairment in value, any such amount being included in administrative expenses.

Rentals payable and receivable under operating leases are accounted for on the straight-line basis over the periods of the leases. Unguaranteed residual values in respect of operating lease assets are reviewed regularly and any impairment identified and charged to the profit and loss account.

Income from instalment credit transactions is calculated using the effective interest rate method.

### Exceptional items

Exceptional items are those items of income or expense that arise from the Group's ordinary activities but are of such size or nature that their separate disclosure is considered necessary to explain the Group's financial performance for the period. Exceptional items are included within profit or loss and are disclosed separately on the face of the profit and loss account or in the notes to the financial statements. The comparative treatment of exceptional items is consistent from period to period.

### Dividends

Dividends payable to the Company's shareholders are recognised as a liability in the period in which they are appropriately authorised and no longer at the discretion of the Company. Dividends declared after the reporting date are not recognised as a liability at the reporting date and are disclosed in the notes to the financial statements.

### Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates at the balance sheet date.

Translation differences are recognised in the profit and loss account for the period.

### Tangible fixed assets

Freehold land and buildings are owned by the Bank and comprise offices and buildings leased to its subsidiaries and other associated companies ("Investment Property") and offices and buildings occupied by the Bank ("Property").

The Bank uses the revaluation method to determine the fair value of land and buildings, which is based on the latest professional market valuation.

Subsequent changes in the fair value of properties are recognised in other comprehensive income and accumulated in equity.

An increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. The decrease of an asset's carrying amount as a result of a revaluation shall be recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. If a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Property valuation reviews are performed with sufficient regularity and granularity to ensure that the recorded fair value reflects or does not appear materially different from the current market value at the end of the reporting period.

Freehold land is not depreciated. Other fixed assets are carried at cost less depreciation. They are depreciated by annual instalments commencing with the month of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives which are as follows:

Freehold buildings	–	50 years straight line
Property improvements	–	5–50 years straight line
Plant and equipment	–	2–20 years straight line
Motor vehicles	–	3 years straight line

## 1. Significant accounting policies continued

### Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged so as to allocate the cost of intangibles over their estimated useful lives, using the straight-line method. It is recognised within depreciation and amortisation in the consolidated statement of comprehensive income.

Expenditure on development activities is capitalised as an intangible asset only when all of the following criteria are met:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Where these criteria are not met, development expenditure is recognised as an expense as incurred.

Capitalised development costs are amortised from the date the asset is available for use, over their estimated useful economic lives.

The intangible assets are amortised over the following useful economic lives:

Software	–	3–10 years straight line
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### Investment properties

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

### Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Banking Group's taxable profits and its results as stated in the financial statements.

A net deferred tax asset is regarded as recoverable, and therefore recognised, only when, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### Debt securities

Securities intended for use on a continuing basis in the Bank's activities are classified as debt securities and initially recorded at cost.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method. The amortisation of premiums or discounts is included in interest income:

- a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 1. Significant accounting policies continued

### Debt securities continued

f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

### Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprises cash on hand and demand deposits, and cash equivalents are deemed highly liquid investments that are convertible into cash with an insignificant risk of changes in value with a maturity of three months or less at the date of acquisition.

### Segmental information

The Bank's segment reporting is based on the two operating segments, that of providing banking and financial services and that of providing asset finance. This business arose wholly within the UK.

### Joint ventures

The Group's share of the results of its joint venture is included in the Group income statement using the equity method of accounting. Investments in joint ventures are carried in the Group balance sheet at cost plus post-acquisition changes in the Group's share of the net assets of the entity, less any impairment in value. If the Group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture, the Group does not recognise further losses, unless it has incurred obligations to do so or made payments on behalf of the joint venture.

### Investments in unlisted equity

Investments in unlisted equity are recognised at cost less impairment. At the balance sheet date the Company assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that an investment has become impaired. This evidence varies and may include indications of financial difficulty or changes in debt structure.

### Pension costs

For the defined contribution scheme the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The Bank settled its share of the liabilities of the Weatherbys Pension and Assurance Scheme in December 2024 and withdrew as a participating employer.

### Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial instruments, as defined in FRS 102 Section 11, will initially be recognised at the transaction price (including transaction costs). Subsequent measurement will be at the amortised cost of the financial instrument using the effective interest rate method.

Other financial instruments (complex financial instruments) as defined in FRS 102 section 12 will initially be recognised at fair value (including transaction costs). Subsequent measurement will be at the fair value of the financial instruments, recognising changes in fair value as profit or loss.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## 1. Significant accounting policies continued

### Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

#### (a) Fair value through profit or loss

This category comprises only listed equity investments and in-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated income statement. Other than listed equity investments and derivative financial instruments which are not designated as hedging instruments, the Group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

#### (b) Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the loans and advances to customers but also incorporate other types of contractual monetary assets. They are initially recognised at the transaction price adjusted for transaction costs and are subsequently carried at amortised cost using the effective interest rate method, less any repayments of the principal and impairment.

### Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### Impairment of financial assets

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For loans and advances to customers, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within provisions for bad and doubtful debts in the consolidated statement of comprehensive income. On confirmation that the receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

From time to time, the Group elects to renegotiate the terms of loans and advances to customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the consolidated statement of comprehensive income (operating profit).

The Group first assesses whether objective evidence of impairment exists individually for financial assets or collectively for a group of financial assets.

#### (a) Individual assessment

For individually assessed assets, the Group measures the amount of the impairment loss as the difference between the carrying amount of the asset and the present value of the estimated future cash flows from the asset discounted at the asset's original effective interest rate.

#### (b) Collective assessment

The Group's loans and advances to customers, other receivables and cash and cash equivalents in the consolidated balance sheet are assessed as to whether there is evidence to suggest that any portfolio is likely to be impaired.

For those financial assets that have not been individually assessed, an impairment is calculated on a collective basis by grouping them according to similar credit risk characteristics. The impairment loss is calculated based on historical loss experience for each group, adjusted for current observable data to reflect the effects of current conditions.

### Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

#### (a) Fair value through profit or loss

This category comprises only out-of-the-money derivatives. They are carried in the consolidated statement of financial position at fair value with changes in fair value recognised in the consolidated income statement.

#### (b) Other financial liabilities

Other financial liabilities include the following items:

- Payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

# Notes forming part of the financial statements continued

## For the year ended 31 December 2025

### 1. Significant accounting policies continued

#### Hedge accounting

The Group uses interest rate swaps as part of its risk management strategy to manage exposure to interest rate fluctuations. Specifically, the Group enters into interest rate swap agreements to hedge the risk of changes in the fair value of fixed-rate financial assets arising from movements in market interest rates. These swaps involve exchanging fixed interest payments for floating rate payments over the life of the contracts and are designated and accounted for as fair value hedges in accordance with FRS 102. The Group accounts for these hedges as follows:

- (a) Gains or losses on the hedging instrument are recognised in profit or loss; and
- (b) The corresponding gain or loss on the hedged item, attributable to the hedged risk, adjusts the carrying amount of the hedged item and is also recognised in profit or loss.

Hedge effectiveness is assessed by comparing the change in fair value of the hedging instrument with the change in fair value of the hedged item attributable to the hedged risk. A hedge is considered highly effective when the results fall within the range of 80% to 125%.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively. However, if the derivative is novated to a central counterparty by both parties as a consequence of laws or regulations without changes in its terms except for those that are necessary for the novation, then the derivative is not considered expired or terminated.

Any adjustment up to the point of discontinuation to a hedged item for which the effective interest method is used is amortised to profit and loss as an adjustment to the recalculated effective interest rate of the item over its remaining life. On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument for which the effective interest method is used is amortised to profit and loss by adjusting the effective interest rate of the hedge item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in profit and loss when the item is derecognised.

#### Reserves

The Group's reserves are as follows:

- Called up share capital reserve represents the nominal values of shares issued.
- Profit and loss account represent cumulative profit and losses net of dividends paid and other adjustments.
- Other reserves represent revaluation adjustments of the property.
- Contingent convertible securities represent financial instruments issued by the Bank that convert into equity if certain predefined conditions are met.

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

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical judgements in applying the Group's accounting policies

In the course of preparing the financial statements, no judgments have been made in the process of applying the Group's accounting policies, other than those involving estimations outlined below, that have had a significant effect on the amounts recognised in the financial statements.

#### Sources of estimation uncertainty

##### – Amortised cost accounting – expected life

Amortised cost accounting requires judgements regarding the expected life of the underlying assets. The expected life of assets is derived using a combination of historical data and management judgement and is reviewed periodically and reassessed against actual performance. Any changes to the expected life would alter the timing of the recognition of interest receivable and amend the carrying value of loans and advances to customers as stated in the statement of financial position.

##### – Impairment losses on loans and advances to customers

The Bank reviews its loans and advances continually to assess whether an individual impairment loss should be recorded in the income statement. In particular, management's judgement is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Loans and advances that have been assessed and found not to be impaired are assessed within groups of assets with similar risk characteristics. This is to determine whether provision should be made due to incurred loss events for which there is objective evidence, but the effects of which are not yet evident. The collective assessment takes account of data from the loan portfolio and is calculated using credit risk characteristics, expected cash flows and historical experience. Estimates are made on default rates and time taken to recover debts.

### 3. Segmental analysis

Analysis by operating segment of operating income and profit before tax is stated below.

	Operating income		Profit before tax	
	2025 £000	2024 £000	2025 £000	2024 £000
Banking and financial services	<b>69,412</b>	72,742	<b>17,439</b>	21,047
Asset finance	<b>21,683</b>	17,684	<b>5,635</b>	3,529
	<b>91,095</b>	90,426	<b>23,074</b>	24,576

Analysis by operating segment of assets and liabilities is stated below.

	Assets		Liabilities	
	2025 £000	2024 £000	2025 £000	2024 £000
Banking and financial services	<b>1,706,388</b>	1,552,168	<b>1,614,684</b>	1,467,461
Asset finance	<b>347,059</b>	295,386	<b>327,649</b>	280,050
	<b>2,053,447</b>	1,847,554	<b>1,942,333</b>	1,747,511

No geographical analysis is presented as all operations are situated in the United Kingdom.

### 4. Other interest receivable and similar income

	2025 £000	2024 £000
In respect of:		
Loans and advances to customers	<b>76,667</b>	74,790
Cash and balances at central banks	<b>26,084</b>	29,268
	<b>102,751</b>	104,058

### 5. Interest payable

	2025 £000	2024 £000
Client deposits	<b>36,240</b>	37,279
Other loans and overdrafts	-	-
	<b>36,240</b>	37,279

# Notes forming part of the financial statements continued

## For the year ended 31 December 2025

### 6. Operating profit

	2025 £000	2024 £000
This is arrived at after (crediting) /charging:		
<b>Income</b>		
Rentals receivable under operating leases (plant and equipment)	<b>(826)</b>	(471)
<b>Charges</b>		
Depreciation on tangible fixed assets:		
– owned assets (note 14)	<b>2,424</b>	1,870
Amortisation of intangible assets (note 13)	<b>4,641</b>	2,635
Auditor's remuneration:		
– fees payable to the Company's auditor in respect of the Company's annual financial statements	<b>161</b>	154
– fees payable in respect of the audit of subsidiary companies, pursuant to legislation	<b>76</b>	76
Total audit fees	<b>237</b>	230
– Other services	<b>29</b>	26
Total fees	<b>266</b>	256

### 7. Administrative expenses

	2025 £000	2024 £000
<b>Staff costs (including directors) consist of:</b>		
Wages and salaries	<b>32,149</b>	27,691
Social security costs	<b>3,588</b>	2,756
Pension costs	<b>2,843</b>	2,952
Total staff costs	<b>38,580</b>	33,399
IT operations	<b>8,046</b>	6,495
Other administrative expenses	<b>19,247</b>	15,269
	<b>65,873</b>	55,163
<b>Average number of employees:</b>		
Banking	<b>168</b>	157
Central functions	<b>215</b>	191
Bank total	<b>383</b>	348
Asset finance	<b>83</b>	78
Group total	<b>466</b>	426

#### Pension costs

An amount of £2,843,361 was recognised as an expense for the defined contribution plans in 2025 (2024: £2,951,684).

### 8. Directors' remuneration

	2025 £000	2024 £000
Emoluments	<b>3,736</b>	3,804
Pension contributions	<b>39</b>	79
	<b>3,775</b>	3,883

The emoluments of the highest paid director were £1,058,479 (2024: £972,703) and defined pension contributions of £16,375 (2024: £45,930) were paid on their behalf.

Three of the directors of the Group have retirement benefits accruing under a money purchase pension scheme (2024: three).

## 9. Taxation on profit on ordinary activities

	2025 £000	2024 £000
Analysis of taxation charge		
<b>Current tax</b>		
UK corporation tax on profits of the period	1,424	5,428
UK corporation tax bank surcharge	–	–
Adjustments in respect of previous period	265	432
<b>Total current tax</b>	<b>1,689</b>	5,860
<b>Deferred tax</b>		
Origination and reversal of timing differences	2,419	1,178
Adjustment in respect of prior years	(278)	(732)
Effect of tax rate change on operating balance	–	–
<b>Total deferred tax</b>	<b>2,141</b>	446
<b>Taxation on profit on ordinary activities</b>	<b>3,830</b>	6,306

### Reconciliation of tax charge

The tax charge for the year is lower (2024: higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2025 of 25% (2024: 25%). The differences are explained below:

	2025 £000	2024 £000
Profit on ordinary activities before tax	23,073	24,576
Profit on ordinary activities multiplied by the standard rate of corporation tax of 25% (2024: 25%)	5,768	6,144
Effects of:		
Fixed asset differences	1	1
Expenses not deductible for tax purposes	1,022	475
Income not taxable for tax purposes	(310)	(16)
Disposal of subsidiary	(2,638)	–
Adjustments to tax charge and deferred tax in respect of previous periods	(13)	(287)
Exempt ABGH distributions	–	(11)
<b>Total tax charge for the year</b>	<b>3,830</b>	6,306

	2025 £000	2024 £000
<b>Deferred tax</b>		
<b>Analysis of deferred tax balances</b>		
Fixed asset timing differences	6,162	4,040
Movement in short-term timing differences	(1,161)	(1,180)
	<b>5,001</b>	2,860
Deferred tax liability at 1 January	(2,860)	(2,413)
Current year movement	(2,141)	(447)
<b>Deferred tax liability at 31 December</b>	<b>(5,001)</b>	(2,860)

For the financial year ended 31 December 2025, the UK corporation tax rate was 25%. The deferred tax balances have been recognised at 25%.

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 10. Profit attributable to the Company

	2025 £000	2024 £000
Profit on ordinary activities after taxation attributable to the shareholders of Weatherbys Bank Limited	<b>16,529</b>	15,623

The Bank has taken advantage of Section 408 of the Companies Act 2006 and consequently a profit and loss account for the Company is not presented.

## 11. Dividends

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Equity:				
Interim paid	<b>8,000</b>	<b>8,000</b>	–	–
Final payable	–	–	3,100	3,100
	<b>8,000</b>	<b>8,000</b>	3,100	3,100

## 12. Cash and balances at banks

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Repayable on demand	<b>568,817</b>	<b>566,083</b>	687,113	683,803
Remaining maturity:				
3 months or less excluding on demand	–	–	–	–
More than 3 months but less than 1 year	–	–	–	–
Over 1 year but less than 5 years	–	–	–	–
Over 5 years	<b>6,550</b>	<b>6,550</b>	230	230
	<b>575,367</b>	<b>572,633</b>	687,343	684,033
	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Central banks	<b>515,417</b>	<b>515,417</b>	638,785	638,785
Other banks	<b>59,950</b>	<b>57,216</b>	48,558	45,248
	<b>575,367</b>	<b>572,633</b>	687,343	684,033

Included within cash and balances at banks is an amount of £6.5 million (2024: £0.2 million) relating to margin account held in respect of derivative positions. This account is used to post and receive variation and initial margin in accordance with the counterparty requirements and the terms of the derivative agreements. The balance is subject to restrictions and are held as collateral against derivative positions.

### 13. Intangible assets

	Banking Group software £000	Banking Group total £000	Bank software £000	Bank total £000
<b>Cost or valuation</b>				
At 1 January 2025	21,977	21,977	21,073	21,073
Additions	13,123	13,123	12,757	12,757
<b>At 31 December 2025</b>	<b>35,100</b>	<b>35,100</b>	<b>33,830</b>	<b>33,830</b>
<b>Amortisation</b>				
At 1 January 2025	5,783	5,783	5,230	5,230
Charge for the year	4,641	4,641	4,433	4,433
<b>At 31 December 2025</b>	<b>10,424</b>	<b>10,424</b>	<b>9,663</b>	<b>9,663</b>
<b>Net book value</b>				
<b>At 31 December 2025</b>	<b>24,676</b>	<b>24,676</b>	<b>24,167</b>	<b>24,167</b>
At 31 December 2024	16,194	16,194	15,843	15,843

Intangible assets primarily comprise capitalised costs relating to the cost of core systems. Our investment and change programmes are focused on enhancing our clients' digital experience, streamlining colleague processes, reducing operational risk and improving our third-party support for our existing core banking platform. The first phase of the project involves the implementation of a new online and mobile bank for clients and a new employee platform.

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 14. Tangible assets

Banking Group	Investment properties £000	Freehold land and buildings £000	Leasehold property improvements £000	Motor vehicles £000	Plant and equipment £000	Total £000
<b>Cost or valuation</b>						
At 1 January 2025	1,730	2,090	2,247	28	14,660	20,755
Additions	–	280	1,332	–	2,527	4,139
Disposals	–	–	–	–	(412)	(412)
Revaluation	–	(280)	–	–	–	(280)
<b>At 31 December 2025</b>	<b>1,730</b>	<b>2,090</b>	<b>3,579</b>	<b>28</b>	<b>16,775</b>	<b>24,202</b>
<b>Depreciation</b>						
At 1 January 2025	–	–	1,263	4	10,091	11,358
Charge for the year	–	107	465	9	1,843	2,424
Disposals	–	–	–	–	(409)	(409)
Revaluation	–	(107)	–	–	–	(107)
<b>At 31 December 2025</b>	<b>–</b>	<b>–</b>	<b>1,728</b>	<b>13</b>	<b>11,525</b>	<b>13,266</b>
<b>Net book value</b>						
<b>At 31 December 2025</b>	<b>1,730</b>	<b>2,090</b>	<b>1,851</b>	<b>15</b>	<b>5,250</b>	<b>10,936</b>
At 31 December 2024	1,730	2,090	984	24	4,569	9,397

The cost of assets acquired during the year for the purpose of letting under finance leases and hire purchase agreements was £174,372,000 (2024: £141,547,000). The amounts are included in loans and advances to customers.

Bank	Investment properties £000	Freehold land and buildings £000	Leasehold property improvements £000	Motor vehicles £000	Plant and equipment £000	Total £000
<b>Cost or valuation</b>						
At 1 January 2025	2,070	1,750	2,247	28	11,882	17,977
Additions	–	280	1,332	–	259	1,871
Revaluation	–	(280)	–	–	–	(280)
<b>At 31 December 2025</b>	<b>2,070</b>	<b>1,750</b>	<b>3,579</b>	<b>28</b>	<b>12,141</b>	<b>19,568</b>
<b>Depreciation</b>						
At 1 January 2025	–	–	1,263	4	8,888	10,155
Charge for the year	–	80	465	9	1,094	1,648
Revaluation	–	(80)	–	–	–	(80)
<b>At 31 December 2025</b>	<b>–</b>	<b>–</b>	<b>1,728</b>	<b>13</b>	<b>9,982</b>	<b>11,723</b>
<b>Net book value</b>						
<b>At 31 December 2025</b>	<b>2,070</b>	<b>1,750</b>	<b>1,851</b>	<b>15</b>	<b>2,159</b>	<b>7,845</b>
At 31 December 2024	2,070	1,750	984	24	2,994	7,822

## 14. Tangible assets continued

### Investment properties

Investment properties, which are all freehold, were revalued to fair value at 31 December 2025, based on a valuation undertaken by Savills (UK) Limited, an independent valuer with recent experience in the location and class of the investment property being valued. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. Changes in fair value are recognised in profit or loss.

### Freehold land and buildings

Freehold land and buildings were valued by Savills (UK) Limited to fair value at 31 December 2025 with subsequent additions at cost.

As set out in note 6, property rental income earned during the year was £nil (2024: £nil). No contingent rents have been recognised as income in the current or prior year.

On 1 January 2024, a new contract was signed which included a 24-month rent-free period until 1 January 2026. At the balance sheet date, the Group had contracted with tenants for the following future minimum lease receipts:

	2025 £000	2024 £000
Within one year	126	–
In the second to fifth years inclusive	502	502
After five years	126	377

If investment property had been accounted for under the historic cost accounting rules, the property would have been measured as follows:

	2025 £000	2024 £000
<b>Historical cost information</b>		
Historical cost of revalued land and buildings	4,117	3,837
Depreciation based on historical cost	(2,524)	(2,468)
Historical cost net book value	1,593	1,369

### Leased assets – Banking Group

Investment properties with a total cost of £1,730,000 (2024: £1,730,000) and related accumulated depreciation of £nil (2024: £nil) were held for the purpose of operating leases.

Assets with a cost of £4,337,000 (2024: £2,494,000) and related accumulated depreciation of £1,281,000 (2024: £981,000) were held for use in operating leases.

The future minimum lease payments under non-cancellable operating leases and the residual value exposures in respect of leased assets, all of which are expected to be disposed of at the end of the lease term, are as follows

	Future minimum lease payments		Residual values expected to be recovered	
	2025 £000	2024 £000	2025 £000	2024 £000
Within one year	1,116	560	63	4
In the second to fifth years inclusive	1,659	972	500	183
Later than five years	42	–	119	40
	2,817	1,532	682	227

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 15. Loans and advances to customers

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Repayable on demand	7,847	7,847	9,873	4,277
Remaining maturity:				
3 months or less excluding on demand	177,933	429,396	112,316	391,404
1 year or less but over 3 months	219,529	109,265	186,309	93,357
5 years or less but over 1 year	528,397	370,692	518,976	327,862
Over 5 years	77,787	75,704	45,401	42,248
Loan loss provision	(5,333)	(1,254)	(4,264)	(1,220)
	<b>1,006,160</b>	<b>991,650</b>	868,611	857,928
	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Amounts included within the above:				
Due from subsidiary undertakings				
– unsubordinated debt	–	322,364	–	276,286
Amounts receivable under finance leases	107,325	–	81,608	–
Amounts receivable under hire purchase agreements	192,871	–	166,829	–

### Carrying amount and future minimum lease payments of finance leases and hire purchase agreements at 31 December

	Gross investment in the lease		Present value of minimum lease payments	
	2025 £000	2024 £000	2025 £000	2024 £000
Less than one year	131,806	108,422	99,008	81,266
Later than one year but less than five years	233,432	193,480	199,105	164,018
Later than five years	2,237	3,375	2,083	3,153
	<b>367,475</b>	305,277	<b>300,196</b>	248,437
Less				
Unearned finance income	(64,142)	(54,090)		
Provision for uncollectible minimum lease payments	(3,137)	(2,750)		
<b>Net investment in leases</b>	<b>300,196</b>	248,437		

Maturity analysis is based on current contractual terms and may not reflect actual experience, i.e. loans may be repaid early in certain instances.

## 15. Loans and advances to customers continued

### Analysis of individually impaired and non-performing loans and advances

Non-performing loans are those on which interest is being accrued but placed in suspense or on which interest is not being accrued.

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Gross amount of loans individually determined to be impaired				
– loans and advances before provisions	14,871	106	10,529	77
– loans and advances after provisions	11,739	–	8,120	–
Non-performing loans and advances to customers				
– loans and advances before provisions	11,193	–	10,452	–
– loans and advances after provisions	8,664	–	8,120	–

## 16. Provisions for bad and doubtful debts

	Banking Group			Bank		
	Specific £000	Collective £000	Total £000	Specific £000	Collective £000	Total £000
At 1 January 2025	2,409	1,855	4,264	77	1,143	1,220
New provisions less releases	3,885	763	4,648	49	57	106
Write-offs less recoveries	(3,161)	(413)	(3,574)	(20)	(46)	(66)
<b>Cumulative provisions as at 31 December 2025</b>	<b>3,133</b>	<b>2,205</b>	<b>5,338</b>	<b>106</b>	<b>1,154</b>	<b>1,260</b>
New and additional provisions	4,094	396	4,490	110	56	166
Releases and recoveries	(209)	367	158	(61)	–	(61)
Net charge to profit and loss account	3,885	763	4,648	49	56	105

Included within the “Banking Group” and “Bank” provisions for bad and doubtful debts is £6,099 (2024: £7,413) that relates to trade debtors. The remaining provisions relate to loans and advances to customers.

	Banking Group			Bank		
	Specific £000	Collective £000	Total £000	Specific £000	Collective £000	Total £000
At 1 January 2024	2,602	1,623	4,225	73	1,187	1,260
New provisions less releases	2,697	1,874	4,571	23	(12)	11
Write-offs less recoveries	(2,890)	(1,642)	(4,532)	(19)	(32)	(51)
Cumulative provisions as at 31 December 2024	2,409	1,855	4,264	77	1,143	1,220
New and additional provisions	4,051	275	4,326	–	–	–
Releases and recoveries	(1,354)	1,599	245	23	(12)	11
Net charge to profit and loss account	2,697	1,874	4,571	23	(12)	11

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 17. Debt securities

	2025			2024		
	Cost £000	Premiums and discounts £000	Book value £000	Cost £000	Premiums and discounts £000	Book value £000
Investment securities						
At 1 January	250,466	(1,717)	248,749	147,704	(1,607)	146,097
Acquisitions	366,436	(5,344)	361,092	175,092	(1,248)	173,844
Maturities/disposals	(190,722)	1,118	(189,604)	(72,330)	954	(71,376)
Amortisation of discounts and premiums	-	752	752	-	184	184
As at 31 December	426,180	(5,191)	420,989	250,466	(1,717)	248,749
Market value			424,282			252,507
Unamortised premiums on investment securities			1,803			871
Unamortised discounts on investment securities			(4,898)			(2,005)

## 18. Investment in subsidiaries

	2025 £000	2024 £000
<b>Bank</b>		
Subsidiary undertakings (non-banking)		
<b>Shares</b>		
- Arkle Finance Limited	10	10
- Weatherbys Bank (Nominees) Limited (Unaudited)	-	-
- Weatherbys General Services Limited (sold on 1 August 2025)	-	-
Total unlisted	10	10

### Bank

On 1 August 2025, the Bank sold its investment in Weatherbys General Services Ltd to Brown & Brown (Europe) Ltd.

Details of shares in Group undertakings, all of which are included in the consolidation, are as follows:

Name	Country of incorporation	Class of share	Proportion of shares and voting rights held	Nature of business
Arkle Finance Limited Company no. 03398034	England and Wales	Ordinary	100%	Provision of leasing and instalment credit finance
Weatherbys Bank (Nominees) Limited Company no. 04375682	England and Wales	Ordinary	100%	Trust company (Dormant)

The registered office of all subsidiaries is 52-60 Sanders Road, Wellingborough, Northamptonshire, NN8 4BX.

## 19. Investment in joint venture

	2025 £000	2024 £000
<b>Banking Group</b>		
Investment in equity	–	270
Share of profits	–	400
	–	670

Name	Country of incorporation	Proportion of share	Nature of business
Weatherbys Hamilton LLP	England and Wales	50%	Provision of insurance broker services

The registered office of the joint venture is 52–60 Sanders Road, Wellingborough, Northamptonshire, NN8 4BX.

On 1 August 2025, the Bank sold its investment in Weatherbys General Services Ltd to Brown & Brown (Europe) Ltd.

## 20. Investments

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Convertible preferred stock	33	33	53	53
Investment in unlisted equity	331	–	331	–
	364	33	384	53

In 2016, Visa Inc purchased Visa Europe. In part payment for the Bank's membership in Visa Europe it received series B convertible preferred stock from Visa Inc. The earliest this stock will convert to Visa Inc class A common stock is during 2020 and the latest during 2028. These are revalued on an annual basis.

The Group holds a 10% investment in Practical Finance DAC Ltd, a company registered in Ireland that provides asset finance.

## 21. Other assets

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
<b>Amounts falling due within one year:</b>				
Trade debtors	732	277	614	101
Corporation tax	200	893	–	–
Due from subsidiary undertakings	–	1,069	–	940
VAT recoverable	1,734	1,085	1,140	781
Other debtors	87	87	121	121
	2,753	3,411	1,875	1,943

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 22. Prepayments and accrued income

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Prepayments	4,967	2,768	4,861	3,445
Interest receivable	5,432	5,432	4,047	4,047
Accrued income	409	409	405	405
	<b>10,808</b>	<b>8,609</b>	9,313	7,897

## 23. Customer accounts

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Repayable on demand	1,089,972	1,089,975	908,189	908,991
With agreed maturity dates or periods of notice, by remaining maturity:				
3 months or less but not repayable on demand	521,508	521,508	449,509	449,509
3 months to 1 year	276,475	276,475	335,793	335,793
1 year to 5 years	17,476	17,476	18,819	18,819
	<b>1,905,431</b>	<b>1,905,434</b>	1,712,310	1,713,112
Amounts include:				
Due to other companies under common control	3,606	3,861	5,975	8,124
Due to immediate Parent Company	-	-	-	-

## 24. Subordinated loan

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Loan issuance	10,000	10,000	10,000	10,000
	<b>10,000</b>	<b>10,000</b>	10,000	10,000

During 2018, £10,000,000 of subordinated loan notes were issued to support the Company's future growth. The loans are repayable on 1 October 2028 and the annual interest payable was initially set at 7.5%.

On 1 October 2023, the loans were extended by a further five years and are repayable on 1 October 2033. The annual interest payable is now 10%.

## 25. Other liabilities

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Trade creditors	6,764	5,645	4,604	3,982
Corporation tax	–	–	2,412	1,686
Deferred tax liability	5,001	5,218	2,860	3,422
Amounts due to other companies under common control	19	19	11	11
Dividend payable	–	–	3,100	3,100
Other taxation and social security	950	802	786	665
	<b>12,734</b>	<b>11,684</b>	13,773	12,866

## 26. Authorised share capital

	Allotted, called up and fully paid			
	2025 Number	2024 Number	2025 £000	2024 £000
Ordinary shares of £1 each	7,000,000	7,000,000	7,000	7,000

The ordinary shares each carry one voting right and dividend entitlement.

## 27. Contingent convertible securities

	Banking Group 2025 £000	Bank 2025 £000	Banking Group 2024 £000	Bank 2024 £000
Contingent convertible securities	3,000	3,000	3,000	3,000
	<b>3,000</b>	<b>3,000</b>	3,000	3,000

The AT1 Securities bear interest at an annual rate of 11.56% per annum until 30 June 2028 and thereafter reset annually at a fixed margin over the five-year swap rate as provided by the Securities Certificate.

The AT1 Securities are convertible into ordinary shares of the Company in the event of the CET1 ratio of the Bank falling below 7%.

## 28. Commitments

The Group had total commitments of £96,234,500 (2024: £95,578,123). Commitments comprise amounts yet to be drawn under lending facilities issued to customers.

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 29. Risk management policies and objectives

The Board is responsible for determining the long-term strategy of the business and the level of risk acceptable to the Group in each area of its business.

The Risk Committee is responsible to the Banking Group Board for the assessment and control of the high-level risks assumed by the Banking Group and for ensuring that the requisite culture, practices and systems are in place to meet both internal and external obligations.

The Asset and Liability Committee reviews the allocation and deployment of capital at risk and liquidity risk, taking into account the Group's risk appetite.

The main financial risks arising from the Group's activities are summarised below.

### Credit risk

Credit risk arises from extending credit in all forms in the Group's banking activities where there is a possibility that a counterparty may default. The maximum credit risk approximates to the carrying value of cash and balances at central banks (note 12), loans and advances to customers (note 15) and debt securities (note 17). Undrawn loan commitments are disclosed in note 28.

The table below shows the credit quality of the Group's treasury assets.

	2025 £000	2024 £000
Cash and balances at central banks	575,367	687,343
Debt securities	420,989	248,749
Derivative financial assets	1,394	5,018
<b>Treasury assets at 31 December</b>	<b>997,750</b>	941,110
By credit grading		
AAA	940,570	895,862
AA	-	-
A	57,180	45,248
<b>Treasury assets at 31 December</b>	<b>997,750</b>	941,110

All loans and overdraft applications are assessed with reference to the Group's lending policy. The approval of all loans and overdraft applications is controlled by a Credit Committee within set limits of authority. Transactions above such limits and any changes to policy and procedures require Board approval. The Board is responsible for endorsing treasury counterparties.

The table below shows information on the Group's loans and advances to customers by payment due status.

	2025 £000	2024 £000
Neither past due nor impaired	985,468	849,341
Up to three months overdue but not impaired	6,438	4,073
Over three months overdue but not impaired	4,764	8,955
	<b>996,670</b>	862,369
Individually assessed as impaired	14,823	10,506
Loan loss provision	(5,333)	(4,264)
<b>Loans and advances to customers at 31 December</b>	<b>1,006,160</b>	868,611

## 29. Risk management policies and objectives continued

### Interest rate sensitivity

The Group is exposed to movements in interest rates and manages this exposure on a continuous basis within value at risk limits set by the Board.

Interest rate sensitivity refers to the relationship between interest rates and net interest income resulting from the periodic repricing of assets and liabilities. The largest single administered rate items in the Bank's statement of financial position are retail loans and deposits, the vast majority of which bear interest at variable rates. The Bank has the ability to reprice its variable rate assets and liabilities subject to the constraints imposed by the competitive situation in the marketplace. Deposits agreed at fixed rates may be, subject to prevailing market rates, matched on the money market in order to mitigate the impact of interest rate movements. The Bank uses derivatives to manage interest rate risk, in accordance with FRS 102.

The Group has also adopted hedge accounting. Changes in the fair value of derivatives are recognised in the income statement, together with changes in the fair value of the fixed rate loans (the hedged item) attributable to the hedged risk. These fair value changes related to the hedged risk adjust the carrying amount of the loans, which are otherwise measured at amortised cost.

Details of the hedging instruments are set out as follows:

	2025 £000	2024 £000
<b>Changes in fair value of hedging instrument</b>		
Fair value hedge		
Interest rate swap assets	<b>(3,624)</b>	(176)
Interest rate swap liabilities	<b>(2,806)</b>	1,800
<b>Changes in fair value of hedging item</b>		
Fixed rate loans	<b>5,757</b>	(1,507)

Interest rate risk is measured throughout the maturity bandings of the book on a parallel shift scenario for a 200-basis points movement. The current profile of the statement of financial position is such that it results in a negative impact on the economic value of equity and profit of £1,370,000 (2024: positive impact £187,000) for a positive 2% shift, and a positive impact of £1,468,000 (2024: negative impact £181,000) for a negative 2% movement.

### Operational risk

Operational risk is the exposure to financial or other damage arising through unforeseen events or failure in the Group's operational systems. Examples include inadequate or failed internal controls and procedures, human error, deliberate or malicious acts including fraud, and business interruptions.

The primary responsibility for identifying and managing operational risk rests with the Executive Committee. Internal control techniques to reduce their likelihood or impact include segregation of duties, exception and exposure reporting, business continuity planning, reconciliation and delegation of authority and are based on the submission of timely and reliable management reporting. Where appropriate, risk is mitigated by way of insurance with third parties.

### Cyber risk

An increasing risk that the Group is subject to within its operational processes is cyber risk. This is the risk that the Group businesses are subject to some form of disruption arising from an interruption to its IT and data infrastructure. The Group regularly tests the infrastructure to ensure that it remains robust to a range of threats and has continuity of business plans in place.

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 29. Risk management policies and objectives continued

### Liquidity risk

The Group's liquidity risk is monitored by the Asset and Liability Committee with the aim of maintaining sufficient liquid resources to cover cash flow imbalances and fluctuations in funding to maintain full public confidence in the solvency of the Group and to meet its financial obligations. The sources and maturities of assets and liabilities are closely monitored and diversified to avoid any undue concentration. A substantial proportion of deposits are made up of current and savings accounts which, although repayable on demand, have traditionally formed a stable deposit base.

The Group's maturity analysis of its assets and liabilities as at the year-end are summarised below. All cash flows are undiscounted.

	Not more than three months £'000	More than three months but not more than one year £'000	More than one year but not more than five years £'000	More than five years £'000	Total £'000
<b>At 31 December 2025</b>					
<b>Assets:</b>					
Derivatives	19	304	860	211	1,394
Loans and advances to banks	568,817	–	–	6,550	575,367
Loans and advances to customers	180,447	219,529	528,397	77,787	1,006,160
Debt securities	165,979	29,963	225,047	–	420,989
Other assets	13,361	200	–	35,976	49,537
<b>Total assets</b>	<b>928,623</b>	<b>249,996</b>	<b>754,304</b>	<b>120,524</b>	<b>2,053,447</b>
<b>Liabilities:</b>					
Derivatives	1	106	3,861	107	4,075
Customer accounts	1,611,480	276,475	17,476	–	1,905,431
Other liabilities	17,826	5,001	–	–	22,827
Subordinated loan	–	–	–	10,000	10,000
Shareholders' funds	–	–	–	111,114	111,114
<b>Total liabilities</b>	<b>1,629,307</b>	<b>281,582</b>	<b>21,337</b>	<b>121,221</b>	<b>2,053,447</b>
<b>Gap</b>	<b>(700,684)</b>	<b>(31,586)</b>	<b>732,967</b>	<b>(697)</b>	<b>–</b>
<b>Cumulative gap</b>	<b>(700,684)</b>	<b>(732,270)</b>	<b>697</b>	<b>–</b>	<b>–</b>

	Not more than three months £'000	More than three months but not more than one year £'000	More than one year but not more than five years £'000	More than five years £'000	Total £'000
<b>At 31 December 2024</b>					
<b>Assets:</b>					
Derivatives	–	–	3,694	1,324	5,018
Loans and advances to banks	686,413	–	–	930	687,343
Loans and advances to customers	117,925	186,309	518,976	45,401	868,611
Debt securities	91,963	69,600	87,186	–	248,749
Other assets	11,188	670	–	25,975	37,833
<b>Total assets</b>	<b>907,489</b>	<b>256,579</b>	<b>609,856</b>	<b>73,630</b>	<b>1,847,554</b>
<b>Liabilities:</b>					
Derivatives	–	1	1,000	268	1,269
Customer accounts	1,357,698	335,793	18,819	–	1,712,310
Other liabilities	18,660	5,272	–	–	23,932
Subordinated loan	–	–	–	10,000	10,000
Shareholders' funds	–	–	–	100,043	100,043
<b>Total liabilities</b>	<b>1,376,358</b>	<b>341,066</b>	<b>19,819</b>	<b>110,311</b>	<b>1,847,554</b>
<b>Gap</b>	<b>(468,869)</b>	<b>(84,487)</b>	<b>590,037</b>	<b>(36,681)</b>	<b>–</b>
<b>Cumulative gap</b>	<b>(468,869)</b>	<b>(553,356)</b>	<b>36,681</b>	<b>–</b>	<b>–</b>

## 29. Risk management policies and objectives continued

### Regulatory and conduct risk

As a provider of financial services, the Company also faces potential risks arising from failures to meet customer expectations, to deal with complaints effectively and to ensure the products it provides are appropriate to its customers' needs. The Company's internal systems, controls and protocols are designed specifically to protect against such risks. The Company complied with all relevant regulatory requirements during the year.

### Foreign exchange risk

The Group does not have any material foreign exchange exposure.

### Capital risk

Capital risk is the risk of failing to comply with capital regulations and failing to meet capital requirements needed by the Bank for its operations.

The Bank has a conservative approach to managing capital risk. In addition to the minimum regulatory capital requirements set by the PRA through its Total Capital Requirement, the Board has determined that an appropriate buffer above the regulatory minimum must be maintained at all times. The Bank's regulatory capital and leverage ratios are monitored on an ongoing basis to ensure compliance with regulatory requirements under ordinary and stressed forecast scenarios. Capital positions are reported monthly to the ALCO, which oversees the management and allocation of capital and, where headroom falls to an internal trigger level, advises the Board on the need for corrective action and recommends an appropriate course of action.

### Fair value analysis

The Group's and Company's financial instruments measured at fair value may be analysed as follows:

	<b>Group and Company 2025 £000</b>	Group and Company 2024 £000
<b>Financial assets</b>		
Forward currency contracts	–	–
Interest rate swaps	<b>1,394</b>	5,018
Convertible preferred stock	<b>33</b>	53
<b>Financial liabilities</b>		
Forward currency contracts	–	–
Interest rate swaps	<b>4,075</b>	1,269

Forward foreign currency contracts are valued using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

Interest rate swaps are valued at the estimated present value of future cash flows and discounted based on the applicable yield curves derived from quoted interest rates.

Convertible preference stock is valued at the estimated present value of future cash flows and discounted based on quoted values of the underlying shares, illiquidity and exchange rates.

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 30. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operation decisions, or one other party controls both. The definition includes subsidiaries, associates, joint ventures and the Bank's pension schemes, as well as other persons.

The Bank provides banking services to the Trustees of the Bank's pension fund and to entities under common directorships, providing loans, overdrafts, interest and non-interest bearing deposits and current accounts to these entities as well as other services. All are conducted on the same terms as third-party transactions.

	2025 £000	2024 £000
Income	516	539
Expenditure	881	880
Companies under common control:		
– Amounts owed by related parties	–	2
– Amounts owed to related parties	3,405	5,540
Pension funds and charitable foundation:		
– Amounts owed by related parties	–	–
– Amounts owed to related parties	158	583

### Entities with control, joint control or significant influence over the entity

Weatherbys Limited ("WL"), Weatherbys Ireland GSB Limited ("WIGSBL"), Weatherbys GSB Limited ("WGSBL") and Weatherbys Hamilton LLP ("WHL") are companies under common control with the Bank. On 1 August 2025, the Banking Group sold WHL to Brown & Brown (Europe) Ltd.

During the year the following transactions were made under normal trading terms and the balances at year end were as follows:

The Bank charged WL £462,874 (2024: £451,368) for services rendered and rent of property and WHL £53,302 (2024: £87,420) for services rendered.

Services of £823,899 (2024: £782,148) were provided by WL.

The Bank also paid WL £10,451 (2024: £16,897), WGSBL £16,782 (2024: £19,575) and WHL £29,576 (2024: £61,444) in interest on deposits held by them.

At 31 December, the Bank held deposited funds of £2,175,468 (2024: £866,264) on behalf of WL, £10,300 (2024: £9,759) on behalf of WIGSBL, £1,238,371 (2024: £1,862,131) on behalf of WGSBL and £nil (2024: £2,815,870) on behalf of WHL.

At 31 December, WL owed the Bank £18,708 (2024: receivable £10,676) and WHL owed the Bank £nil (2024: £2,320) for services rendered.

The Bank also provides banking services to its subsidiaries and parent, providing loans, overdrafts, interest and non-interest-bearing deposits and current accounts to these entities as well as other services. All are conducted on the same terms as third-party transactions.

	2025 £000	2024 £000
Income	12,322	10,548
Expenditure	–	–
Amounts owed by related parties	323,699	278,579
Amounts owed to related parties	255	2,149

### 30. Related party transactions continued

#### Entities over which the entity has control, joint control or significant influence

Arkle Finance Limited ("AFL"), Weatherbys General Services Limited ("WGS") and Weatherbys Bank (Nominees) Limited ("WNL") are subsidiary companies of the Bank and Weatherbys Bank Holdings Limited ("WBHL") its parent. On 1 August 2025, the Bank sold its investment in WGS to Brown & Brown (Europe) Ltd.

During the year the following transactions were made under normal trading terms and the balances at year end were as follows:

The Bank charged AFL £468,720 (2024: £485,507) for services rendered and services of £nil (2024: £nil) were provided by AFL to the Bank.

The Bank paid WBHL £nil (2024: £nil) in interest on deposits held by them and received from AFL £11,853,498 (2024: £10,062,105) in interest on lending facilities held.

At 31 December 2025, the Bank held deposited funds of £17 (2024: £17) on behalf of WBHL, £nil (2024: £797,810) on behalf of WGS and £3,684 (2024: £3,684) on behalf of WNL. At 31 December 2025, the Bank was owed £322,363,811 (2024: £276,285,563) for lending facilities provided on behalf of AFL and £1,084,191 (2024: £945,220) for services rendered and accrued interest.

The key management personnel, and persons connected with them, are also considered to be related parties for disclosure purposes. Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Bank (directly or indirectly). The Bank provides banking services to directors and other key management personnel and persons connected to them. All are conducted on the same terms as third-party transactions. The aggregate amounts outstanding at 31 December are shown below.

	2025 Number	2025 £000	2024 Number	2024 £000
Loans	-	-	4	3,165
Deposits	15	4,878	11	1,475

The total compensation paid to key management personnel for services provided to the Group was £8.4 million (2024: £7.7 million).

### 31. Country by country reporting

The Capital Requirement (Country by Country reporting) regulations 2013 require the disclosure on a group basis of corporation tax payments made and public subsidies received. The Group is entirely UK based and pays all taxes to the UK authorities. The Group companies included in the consolidated disclosure and the corporation tax paid are shown below.

	Jurisdiction	Nature of business
Weatherbys Bank Limited	UK	Retail banking
Arkle Finance Limited	UK	Provision of leasing and instalment credit finance
Weatherbys Bank (Nominees) Limited	UK	Trust company (Dormant)

Jurisdiction	Average number of employees 2025	Turnover 2025 £000	Profit or loss before tax 2025 £000	Cash tax paid on profit or loss during the year 2025 £000	Public subsidies received during the year 2025 £000
United Kingdom	466	91,095	23,074	4,295	-

### 32. Ultimate Parent Company

The Bank's immediate and ultimate Parent Company is Weatherbys Bank Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Weatherbys Bank Holdings Limited are the only financial statements into which Weatherbys Bank Limited are consolidated. Copies of these financial statements can be obtained from Sanders Road, Wellingborough, Northamptonshire, NN8 4BX, being the registered address of the ultimate Parent Company.

The ultimate controlling parties of Weatherbys Bank Limited are three Weatherby family trusts.

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 33. Financial instruments

A financial instrument is a contract which gives rise to a financial asset of one entity and a financial liability of another entity. The Company provides financial instruments in the form of leases and loans.

The table below provides a summary of the terms and conditions of the Group's financial instruments and a description of the respective accounting policies.

Financial instrument	Terms and conditions	Accounting policy
<b>Derivative instruments</b>	Fixed interest received/paid converted to variable interest paid/received Based on notional value of the derivative	Fair value through profit and loss
<b>Loans and advances to customers</b>		
Finance leases	Fixed interest rates Fixed term	At amortised cost
Hire purchase agreements	Fixed interest rates Fixed term	At amortised cost
Loans and advances	Fixed and variable interest rates Fixed and variable term	At amortised cost
<b>Deposits at banks</b>	Non-interest bearing and variable interest rates Instant access	At amortised cost
<b>Debt securities</b>	Fixed and variable interest rates Fixed term	At amortised cost
<b>Loans to joint venture</b>	Variable rate Fixed term	At amortised cost
<b>Loans to Group undertakings</b>	Variable rate Variable term	At amortised cost
<b>Investments in unlisted equity</b>	Non-interest bearing Medium to long term	At cost less impairment
<b>Amounts owed to customers</b>	Fixed or variable interest rate Fixed or variable term Short to medium term	At amortised cost
<b>Subordinated loan</b>	Fixed or variable interest rate	At amortised cost
<b>Convertible preferred stock</b>	Fixed or variable interest rate	At amortised cost

### 33. Financial instruments continued

The carrying values of the Group's and Company's financial assets and liabilities are summarised by category below.

	Banking Group		Bank	
	2025 £000	2024 £000	2025 £000	2024 £000
<b>Financial assets</b>				
Measured at fair value through profit or loss				
Derivative financial assets (note 29)	<b>1,394</b>	5,018	<b>1,394</b>	5,018
Convertible preferred stock (notes 29 and 20)	<b>364</b>	384	<b>33</b>	53
Instruments measured at amortised cost				
Cash and balances at central banks (note 12)	<b>575,367</b>	687,343	<b>572,633</b>	684,033
Loans and advances to customers (note 15)	<b>1,006,160</b>	868,611	<b>991,650</b>	857,928
Debt securities (note 17)	<b>420,989</b>	248,749	<b>420,989</b>	248,749
Measured at cost less impairment				
Investments in unlisted equity (note 19)	<b>-</b>	670	<b>-</b>	-
Measured at amortised cost				
Trade and other debtors (note 21)	<b>2,753</b>	1,875	<b>3,411</b>	1,943
	<b>2,007,027</b>	1,812,650	<b>1,990,110</b>	1,797,724
<b>Financial liabilities</b>				
Measured at fair value through profit or loss				
Derivative financial liabilities (note 29)	<b>4,075</b>	1,269	<b>4,075</b>	1,269
Instruments measured at amortised cost				
Customer accounts (note 23)	<b>1,905,431</b>	1,712,310	<b>1,905,434</b>	1,713,112
Measured at amortised cost				
Other liabilities (note 25)	<b>12,734</b>	13,773	<b>11,684</b>	12,866
Measured at amortised cost				
Subordinated loan (note 24)	<b>10,000</b>	10,000	<b>10,000</b>	10,000
	<b>1,932,240</b>	1,737,352	<b>1,931,193</b>	1,737,247

# Notes forming part of the financial statements continued

For the year ended 31 December 2025

## 33. Financial instruments continued

### Fair value hierarchy classification

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: valuation techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The table below summarises the fair values of the Group's and Company's financial assets and liabilities that are accounted for at fair value, analysed by the valuation methodology used by the Group to derive the financial instrument's fair value:

	Banking Group		Bank	
	2025 £000 Level 2	2024 £000 Level 2	2025 £000 Level 2	2024 £000 Level 2
<b>Fair value hierarchy</b>				
<b>Financial assets</b>				
Measured at fair value through profit or loss				
Derivative financial assets (note 29)	1,394	5,018	1,394	5,018
<b>Financial liabilities</b>				
Measured at fair value through profit or loss				
Derivative financial liabilities (note 29)	4,075	1,269	4,075	1,269
	<b>Level 3</b>	Level 3	<b>Level 3</b>	Level 3
<b>Financial assets</b>				
Measured at fair value through profit or loss				
Convertible preferred stock (note 29 and 20)	364	384	33	53

## 34. Non-adjusting post balance sheet events

There are no post balance sheet events.

## 35. Exceptional item

On 1 August 2025, the Bank sold its investment in Weatherbys General Services Ltd to Brown & Brown (Europe) Ltd for cash consideration of £10.5 million, giving rise to a gain of £10.2 million.

During December 2024, the Bank paid an amount of £2,128,000 to settle its employer debt and to withdraw as a participating employer from the Weatherbys Pension and Assurance Scheme, removing all future liabilities that might arise from the scheme.

### 36. Statement of financial position reclassification

The comparative statement of financial position has been reclassified to better reflect the underlying economic substance of certain balances and to improve consistency of presentation.

These reclassifications include:

- £7.4 million of broker commissions reclassified from prepayments and accrued income to loans and advances to customers;
- £1.5 million of interest receivable reclassified from prepayments and accrued income to loans and advances to customers;
- £4.5 million of interest payable reclassified from other liabilities to customer accounts;
- £0.9 million of interest receivable reclassified from prepayments and accrued income to accruals and deferred income.

These reclassifications have no impact on profit or net assets.

#### Key performance indicators

The Group uses key performance indicators to monitor and assess performance.

Return on equity is a measure of profitability generated from shareholders' funds. The calculation is profit after tax, excluding exceptional items divided by average shareholders' funds excluding Additional Tier 1 capital.

Loan to deposit ratio shows the proportion of deposits relative to loans. The calculation is loans and advances to customers divided by customer accounts.

Net interest margin is one of the Bank's key profitability measures. The calculation is net interest income divided by average total assets.

Common Equity Tier 1 ratio is a measure of how much equity capital a bank has available. The calculation is total CET1 capital divided by risk-weighted assets.

Total capital ratio is a measure of how much total capital a bank has available. The calculation is total capital divided by risk-weighted assets.

Liquidity coverage ratio (LCR) is designed to ensure banks hold sufficient high-quality assets, to allow them to survive a period of significant stress lasting 30 days. The calculation is high-quality liquid assets divided by net cash outflows over 30 days.

Net stable funding ratio (NSFR) is defined as the amount of available stable funding relative to the amount of required stable funding. The calculation is available stable funding divided by required stable funding.

Leverage ratio is a measure of the Bank's core capital to its total assets. The calculation is Tier 1 capital divided by total exposures.

# Company information

## Directors

R N Weatherby	(Chairman)
Q N J Marshall	
A Turberville Smith	
P D Vail	Resigned 7 November 2025 (Non-executive)
N J Millar	(Non-executive)
M C Batten	(Non-executive)
N R Tapner	Appointed 1 October 2025 (Non-executive)
A Wallace	Appointed 5 January 2026 (Non-executive)

## Secretary and registered office

F C Noonan	Resigned 4 March 2025
J W Searle	From 4 March 2025

52–60 Sanders Road  
 Finedon Road Industrial Estate  
 Wellingborough  
 Northamptonshire  
 NN8 4BX

## Company number

02943300

## Independent auditor

MHA Audit Services LLP  
 2 London Wall  
 London  
 EC2Y 5AU

# Information

Weatherbys Bank Limited is registered at Sanders Road, Wellingborough, Northamptonshire NN8 4BX. Registered number: 2943300. Weatherbys Bank Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number: 204571. Weatherbys Private Bank, Weatherbys Racing Bank and Weatherbys Business Bank are trading names of Weatherbys Bank Limited.

Arkle Finance Limited is registered at Sanders Road, Wellingborough, Northamptonshire NN8 4BX. Registered number: 03398034. Arkle Finance Limited is authorised and regulated by the Financial Conduct Authority. Financial Services Register number: 630582.



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# In memoriam

Sir Johnny Weatherby  
1959–2025



Sir Johnny Weatherby, who died in December 2025 aged 66, belonged to the seventh generation of the Weatherby family and was a defining figure in British racing and breeding. A respected moderniser, he combined deep respect for tradition with a clear understanding that long-term stewardship required openness, diversification and a willingness to adapt. His influence extended well beyond the Turf, shaping the Weatherbys Group and the development of Weatherbys Bank over more than two decades.

The Weatherby family's involvement in racing stretches back to the 18th century, beginning with James Weatherby's responsibility for publishing the Racing Calendar and followed by the creation of the General Stud Book in 1791. By the time Sir Johnny assumed leadership of the family firm in 1993, Weatherbys was already an established institutional presence. What distinguished his tenure was not the preservation of that role, but its modernisation.

One of Sir Johnny's earliest decisions as Chairman was to publish the firm's accounts, responding directly to criticism that Weatherbys operated behind closed doors. This commitment to transparency became a defining feature of his leadership. He also championed the early adoption of technology, replacing manual, phone-based systems with digital platforms that transformed the administration of racing in Britain and were later adopted internationally.

Crucially, Sir Johnny recognised that long-term resilience depended on diversification. In 1994, Weatherbys secured a banking licence, a move that would fundamentally reshape the Group.

Financial services soon became its primary driver of profitability, and Sir Johnny served as Chairman of Weatherbys Bank from 1994 to 2017. Under his leadership, the bank developed a reputation for prudence, service and long-term thinking, rooted in strong governance and careful risk management.

His approach to leadership was shaped by an early grounding across the business, including time spent learning the fundamentals of accounting and administration. This fostered a deep respect for operational detail and for the people responsible for delivering it. Known for his accessibility and warmth, Sir Johnny was widely admired for combining high standards with a genuinely human approach.

Alongside his role within Weatherbys, Sir Johnny held a number of senior governance positions, most notably at Ascot Racecourse, where he served as Chairman from 2008 to 2018 and as Her Majesty's Representative from 2011 to 2020. These roles reinforced his belief in accountability, openness and the importance of welcoming new audiences while respecting established traditions.

Across all his responsibilities, Sir Johnny was guided by a strong sense of stewardship – not simply preserving institutions, but leaving them better equipped for future generations. His legacy is reflected in the values he championed, the institutions he strengthened and the culture of responsibility and trust that continues to shape the Weatherbys Group today.



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