Registration number: 06706464

The Scott Trust Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2025

The Scott Trust Limited

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The Scott Trust Limited

Company Information

Chair	Ole Jacob Sunde
Directors	Tracy Corrigan David Olusoga Jonathan Paine Stuart Proffitt Matthew Ryder Vivian Schiller Russell Scott Haroon Siddique Margaret Simons Nabiha Syed Katharine Viner
Company secretary	Stephen Godsell
Registered office	Kings Place 90 York Way London N1 9GU
Solicitors	Freshfields Bruckhaus Deringer LLP 65 Fleet Street London EC4Y 1HS
Bankers	The Royal Bank of Scotland plc Corporate and Institutional Banking 135 Bishopsgate London EC2M 3UR
Auditors	BDO LLP 55 Baker Street London W1U 7EU

The Scott Trust Limited

Strategic Report for the Year Ended 31 March 2025

The Directors present their Strategic Report for the year ended 31 March 2025.

Activities and business review
The Scott Trust Limited group (the “Group”) comprises The Scott Trust Limited (the Scott Trust or “STL”), The Scott Trust Endowment Limited (“STEL”) and Guardian Media Group plc (“GMG”) and their subsidiaries.

STL is the parent of the Group and is charged with securing the financial and editorial independence of the Guardian in perpetuity and safeguarding its journalistic freedom and liberal values, free from commercial or political interference.

STL is the sole shareholder and ultimate owner of GMG, the operating business responsible for the publication of Guardian journalism on a global basis. The GMG Board’s remit includes all organisational functions for the Group.

STL is the sole shareholder and ultimate owner of STEL which controls a portfolio of investments ("endowment fund") held to generate returns to secure the long-term future of the Guardian.

Strategy and future outlook

Scott Trust
The core purpose of the Scott Trust is to secure the financial and editorial independence of the Guardian in perpetuity. The Guardian seeks to be self-sustaining financially but the security of the Scott Trust allows it to look beyond the here and now, towards future-facing investments and initiatives that safeguard Guardian journalism for generations to come.

The Scott Trust and GMG each play distinct roles in supporting and strengthening the Guardian, but with clear responsibilities. The Trust is the ultimate custodian of the organisation’s values, ethics and reputation. It retains responsibility for safeguarding the independence of our reporting and approving capital allocation and investment plans. Maintaining separation from day-to-day operations, which the GMG board oversees, allows the Trust to look at the long-term needs of Guardian audiences around the world.

The editorial and commercial environment for independent media remains difficult. Discourse is increasingly shaped by disinformation. In some quarters trustworthy information is discredited and misinformation is actively encouraged. New technology and changing audience behaviour is leading to increasing fragmentation. All these trends are further challenging traditional business models for media companies.

Confronted with this environment, it is encouraging that the Guardian continues to deliver first-rate journalism and to make solid improvements in commercial results, details of which are outlined on page 8. However, the pace of change is rapid, meaning we need to be prepared to transform.

Earlier this year, recognising that the Guardian and the Observer face different challenges which need different solutions, the Scott Trust agreed the sale of the Observer to Tortoise Media. The sale secured fresh investment and ideas for the title that will take it to new audiences and enhance the role liberal journalism plays in our society.

As part of the deal, the Scott Trust has invested in Tortoise Media and become one of its largest shareholders. The Scott Trust has taken a seat on Tortoise Media’s board. Tortoise Media has committed to safeguard journalistic freedom and the editorial independence of the Observer, undertaking to honour the liberal values and journalistic standards of the Scott Trust in its editorial code. These measures are intended to ensure that the core values and principles of the Scott Trust are upheld under the new ownership structure.

A key priority for the Trust is to support change and allow the Guardian to stretch its ambitions, to experiment and to learn. The Scott Trust believes the Guardian's operating business can be financially self-sustaining on its own terms with the Scott Trust Endowment there to provide financial support when it is needed. For example, investing in future growth or to help insulate against future risks. The answers and energy for seizing on opportunities and addressing challenges comes from within the organisation. None of this exists without effort and we are very grateful for the efforts of everyone who works at the Guardian and believes passionately in its purpose.

In addition to ensuring the Guardian's financial independence in perpetuity, the Scott Trust has a secondary interest in promoting the causes of freedom of the press and liberal journalism, both in Britain and elsewhere. Today the Scott Trust invests heavily in programmes that promote liberal journalism and support the next generation of journalists.

These initiatives include serving as the principal funder of the Guardian Foundation, delivering on a long-term programme of restorative justice in light of publication of the Legacies of Enslavement review into the Guardian's historic links to slavery and overseeing the Guardian's independent readers' editor.

It is two years since the launch of the Legacies of Enslavement programme. In the past year, the team has made significant progress. There have been around 250 engagements since launch with community members, institutions, civil society actors and experts in the UK, US, Jamaica and Brazil to build a picture of how the Guardian can atone for its history. The Scott Trust continues to fund research through the University of Hull. A partnership agreed with the Science and Industry Museum during the year will result in a major year-long exhibition in 2027 exploring the connection between Manchester and transatlantic enslavement.

We have also strengthened our reporting on Black majority and diaspora communities around the world with eight new correspondents all in place; covering the UK, US, Caribbean, South America and East and West Africa.

The Guardian Foundation is a charity dedicated to promoting press freedom, media literacy and access to quality liberal journalism. The Foundation equips young people with the skills, tools and support to navigate today's complex information landscape, and to ensure that journalism remains a powerful force for truth. The Scott Trust is the Foundation's founder and principal funder.

The Foundation reached 19,600 people directly with their programmes during the year, providing young people with the news and media literacy skills to thrive in the digital age, including the launch of a new primary school programme in Italy. They also supported journalists in India and Turkey providing training, mentoring, business skills and editorial innovation skills.

The Scott Trust directly oversees the work of the Guardian's independent global readers' editor, who is tasked with protecting and nurturing the Guardian's commitment to great journalism, fairness and accountability. The role of readers' editor is to collect, consider, investigate, respond to and, where appropriate, come to a conclusion about readers' comments, concerns and complaints in a prompt and timely manner.

Scott Trust Endowment

The Scott Trust Endowment's primary objective is to generate strong financial returns to enable the Scott Trust to secure and preserve the financial position of the Guardian in perpetuity.

The endowment fund holds diversified investments managed by a number of fund managers. Investments include public equity, fixed income and private equity, across a mix of UK and non-UK assets. All assets are held by UK tax resident companies which are subject to UK tax laws and regulations on the income and realised gains arising from all the investments held.

During the year, the Board of the Scott Trust Endowment revised core governance documents, including the Statement of Investment Principles and Investment Policy Statement. The investment strategy continues to focus on making a positive environmental and social impact.

The board actively monitors strategic asset allocation which is designed to achieve the endowment's objective. Overall, the fund remains well positioned to take advantage of growth opportunities and fulfil its purpose of supporting the Guardian now and in perpetuity.

Guardian Media Group

Producing world-class journalism, projected and distributed through beautiful, functional digital products which attract and retain readers is the heart of the Guardian's strategy.

Commercial success allows the Group to invest in ambitious journalism, to respond to global challenges and to serve our audiences.

We ended the year with revenues of £275.9m, with growth in all regions. Digital reader revenue, a key indicator of performance, grew to £107.3m. The operating business's financial objective is to break even on a cash basis so that revenues cover operating costs outside of strategic investments. We made significant progress in achieving this; operating cash outflow decreased from £37m in 23/24 to less than £25m in 24/25. Strategic investment in the year included the development and launch of the Filter, the Guardian's new online home for trusted product reviews, recommendations and shopping guides, ongoing development of the Feast app and further enhancements to our technology capabilities. Further details on key performance objectives can be found on page 8.

Notably, revenue from the US and Canada increased by 23% to £55.5m, where we enjoyed particular success. In Europe, excluding the UK, revenues have increased by 25% to £20.2m. Over 38% of total revenue - and over 57% of digital reader revenues - now comes from outside the UK.

Revenue growth was largely driven by digital reader revenues which increased by 22%, to £107.3m. This is a testament to the quality of our journalism, our products, and maturity of our model and operations.

Globally, our digital recurring supporter base grew to 1.3 million, a strong +13% increase year-on-year. Our recurring digital supporter base is at a record high in all markets. Including print, nearly two-thirds of the Guardian's total revenue comes from readers.

We have improved the clarity of what we offer with three tiers of support, adding a new premium print with digital package alongside existing contribution and subscription options. This has driven an increase in the number of readers choosing higher value subscriptions, resulting in a significant improvement in ARPU (average revenue per user) overall, up +12% year-on-year.

The newly refreshed Guardian mobile app, with one million daily active users, and the Feast app play a central role in our strategy. The new Feast cooking and recipe app proved popular with audiences, adding value for existing subscribers and helping us find new audiences. It also proved attractive to advertisers, securing a long term multi-channel advertising partnership with Tesco Finest in the UK and IGA in Australia.

October saw the launch of the Filter, providing a new platform for the best of our consumer journalism, deepening our trusted relationships with readers, while opening up a new revenue stream to support our journalism.

We saw a stronger performance in our advertising business this year. Revenue increased 2%, thanks to a direct advertising strategy focused on the scale, influence and integrity of our proposition to brands and agencies, alongside high performance from our teams globally. Guardian Ad-Lite, a new subscription product, is allowing UK readers who would prefer to read the Guardian website without personalised advertising to do so. Ad-Lite enables us to realise value from our journalism via advertising, while remaining in line with UK privacy law and respecting our readers' preferences.

The news media sector is as unpredictable as it has been in the past 20 years and in some ways more so, with rapid transformation taking place on a number of fronts. Changing audience behaviour, the decline of traditional search traffic and the unknown impact of AI require us to adapt and evolve. We must work to understand our audiences even better and serve their needs both now and in the future, while evolving our mobile, audio, visual and video-led journalism to keep up with changes in how audiences behave and how they experience our journalism. We've laid solid technical foundations that give us the security and agility to keep evolving, and we must continue to engage carefully with the challenges and opportunities of AI.

We first published our 'AI principles' in 2023. Since then we have been carefully interrogating how GenAI partnerships and tools can enable us to deliver against our long-term strategic priorities. During the year we announced a number of strategic partnerships with AI companies to ensure fair compensation and attribution for Guardian journalism. Alongside these deals we continue to invest significant resources in protecting our digital intellectual property.

We applied a considered approach to the deployment of GenAI tools, taking time to evaluate the opportunities as well as ethical, legal and privacy implications. A small number of focused features and trials designed to educate and assist staff and bring benefits to readers have been rolled out. Elsewhere we have made significant progress transforming our enterprise technology, creating secure foundations for implementing new and advanced capabilities.

Print circulation is subject to sustained structural decline, but this was offset by carefully considered price rises and revenue increased during the year.

During the year the Scott Trust and Guardian Media Group reviewed the ownership of the Observer, signing an agreement for the purchase of this title by Tortoise Media. This transaction was completed in April 2025. This marked the start of an important new chapter for both titles, giving the Observer investment to build a long overdue digital presence, while the Guardian doubles down on its long-term growth strategy, continuing to expand globally and across digital and other media channels.

Throughout negotiations the Group's priority was to make the best decision for the future success of the Guardian and Observer, serve our readers, protect jobs and support teams so that both titles can continue to promote liberal journalism and thrive in a changing media environment. The new ownership model seeks to protect the Observer's future, championing the voice of liberal values and investing in exceptional journalism while building its digital offering.

News publishers globally continue to face immense disruption. At a time when many media outlets are in retreat, we're building a global operation that offers something different: rigorous, independent, progressive and freely available, supported by those who can. We are building strong foundations for the Guardian's future: open to all; funded by many; beholden to no one.

Principal risks and uncertainties

The Group closely monitors the principal risks that could have an impact on business continuity and the delivery of the strategy. This includes a quarterly risk review process reporting to the Executive Committee and overseen by the joint STL, GMG and STEL audit committee. Risks identified are reviewed annually by both the GMG and STL Boards.

During the year, work was undertaken to review and refresh the principal risk profile. Fifteen risks were identified, based on potential impact and likelihood, which are closely tracked by the Board. These are set out and categorised as follows:

Financial sustainability
This is the risk that the operating business is unable to operate within the funding capacity provided by The Scott Trust over the long term. This may be attributable to adverse economic conditions, industry trends, changes in consumer behaviour or a failure to diversify revenues as markets evolve.

Robust financial management processes are in place across the Group to control these risks. This includes: five-year financial planning and detailed annual budgets - with scenario/sensitivity analysis - which are approved by the GMG Board and the STL Board; disciplined capital allocation with active tracking of investments; and monthly financial reporting to the Executive Committee and GMG Board. There is regular monitoring of performance against objectives and key results, annual strategic reviews and strong cost control across the Group to mitigate impacts of revenue shortfalls.

During the year, the cash requirement of the operating business was significantly reduced as a result of revenue growth - specifically from digital reader revenues - and disciplined cost management across the business. Our financial objective is to break even on a cash basis so that revenues cover operating costs outside of strategic investments.

Operational resilience
Operational resilience refers to sustained interruption to business operations resulting in a financial, operational, and/or reputational impact. This can arise from a lack of technology and data resilience, information security incidents as well as an inability to produce or distribute our products including printed editions.

The resilience and security of our technology estate has been bolstered in recent years through a comprehensive technology and information security transformation programme in mitigation against this risk. We regularly review our print supply chain.

The Group also regularly monitors the impact of geopolitical risks, as well as actively managing potential challenges in the execution of key transformation initiatives that may impact the Guardian's operations and delivery against strategic objectives. Global expansion plans, a key pillar of the Group's strategy, are closely managed to ensure adequate scope and pace of delivery.

Maintaining good employee relations, staff engagement and retention is a key priority. Various employee forums and engagement with union representatives provide regular opportunities to hear and respond to employee views and concerns. Staff surveys, monitoring of attrition rates and talent mapping help inform strategy to mitigate risk in this area.

The Group takes the safety of its employees, particularly journalist safety working in hostile environments, very seriously, with robust risk assessments and controls in place to actively manage and monitor this risk.

Reputational damage

Trust in our brand and reputation is also critical to our ongoing success, and high standards are expected of us as an organisation. Any event or incident which adversely impacts our reputation or results in falling short of those standards could impact our business.

We have numerous internal controls in place to ensure that we maintain our standards, particularly in the way we manage data protection and privacy risk and how we maintain legal and regulatory compliance with applicable laws and regulations.

Most important is our reputation for editorial integrity. We continue to invest in outstanding journalism and seek to mitigate risks to our reputation by maintaining robust editorial, legal and commercial policies to manage risk of legal action or reputational damage as a result of our journalism. These include a comprehensive editorial code of practice and guidance and code of conduct for journalists, crisis management plan and early engagement of the communications team in key strategies.

Given these reputational and compliance risks are so fundamental to our long-term viability, our risk appetite for these is averse.

Finally, we monitor our business model and brand relevance to ensure we adapt to shifting market trends and changing consumer behaviours and preferences.

Artificial intelligence

One of the most significant shifts affecting both the media sector and society more broadly has been the emergence and the subsequent fast pace of change observed in generative AI tools. For the Guardian, this presents opportunities, for example reducing time-consuming business processes, as well as reputational risks through the potential misuse of our brand or journalism. GenAI also presents commercial risks, for example through unauthorised use of our intellectual property and the potential impact on search referrals to our site.

The Guardian has established an AI Council responsible for setting the strategic direction for how we respond to the risks and opportunities arising from GenAI. This includes tracking and responding to opportunities and risks; working internally to oversee the trial of a number of small, focused features, which are optional to use and designed to help staff and readers; and working externally to monitor and shape industry developments. We aim to control the risks arising from AI through strong partnerships and licensing deals and protecting our copyright while also investing resources into protecting our digital intellectual property, preventing companies scraping our content without permission and ensuring we receive proper payment for our work.

This work has been guided by a set of high-level GenAI principles published in June 2023 and supported by mandatory acceptable use policies.

Endowment fund

There is a risk that the Group’s investments held by STEL are hit by a severe market downturn and fail to fund the Group's investment strategy or to provide the funds required by the operating business as a result.

This risk is controlled by having a detailed, long-term investment strategy and an Investment Policy and Statement of Principles; these include a strategic asset allocation and liquidity requirements. Performance of the endowment fund is overseen by the STEL Board, which includes independent expert members.

Operating and financial performance
The results for the Group are set out in the consolidated income statement.

The current financial year is a 1 year period (2024: 52 weeks).

Key indicators of financial performance are:

	2025 £ m	2024 £ m
Revenue	275.9	257.8
Digital reader revenue	107.3	88.2
Operating business - adjusted operating profit	(32.7)	(33.9)
Operating business - adjusted cash flow	(24.3)	(36.5)
Endowment fund (at financial year-end)	1,246.3	1,274.9

Group revenue increased 7% to £275.9 million (2024: £257.8 million) driven by digital reader revenue which saw continued growth of 22% to £107.3 million (2024: £88.2 million).

GMG/Operating business - adjusted cash flow
Adjusted cash flow is the primary measure for GMG in terms of financial sustainability. This represents cash items that management consider to be key in the operations of the business. A calculation and reconciliation is shown in note 4.

Adjusted cash outflow for the operating business decreased to £24.3m (2024: £36.5m), this reflects increased revenues, disciplined cost control, and ongoing strategic investments in journalism including the development of the Feast app and the Filter, as well as technology and commercial capabilities.

Endowment fund
The total value of the fund decreased from £1,274.9 million to £1,246.3 million; this decrease reflects the underlying performance of the fund and the operating cash requirements of GMG.

Taxation
The Group has subsidiaries in the UK, US and Australia and is subject to the tax laws and regulations in these countries. The subsidiaries also pay tax in certain other overseas territories where business activities take place.

The Group has a current tax credit for the year of £0.4 million (2024: £2.7 million charge). The net deferred tax liability in the balance sheet is £30.6 million (2024: £39.4 million). The net position consists of deferred tax assets of £11.0 million (2024: £13.4 million) relating to accelerated capital allowances, £nil (2024: £0.1 million) relating to short term timing differences and £25.1 million (2024: £21.1 million) relating to tax losses available to be used in the future, less deferred tax liabilities of £66.7 million (2024: £74.0 million) arising on investments at fair value through profit and loss.

Net assets
The Group had net assets of £1,238.5 million at 31 March 2025 (2024: £ 1,251.0 million), a decrease of £12.5 million.

Non-financial and sustainability information

Streamlined energy and carbon reporting

GMG has committed to eliminating two-thirds of its greenhouse gas emissions between 2020 and 2030. This target was validated by the Science-Based Targets initiative (SBTi) in 2023.

Overall emissions are measured according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, a comprehensive global standardised framework to measure and manage greenhouse gas (GHG) emissions. We continue to work with Green Element, an environmental consultancy, to measure and report our global GHG emissions.

The Group reports the energy and GHG emissions figures according to the UK government mandatory specification Streamlined Energy and Carbon Reporting (SECR).

The activities and associated GHG emissions of the UK business are reported below.

Scope 1:
• Fuel used in company vehicles
• Natural gas or other heating fuels: only used at the Group's London office

Scope 2:
• Purchased electricity (location-based and market-based methods are included, as outlined in the GHG Protocol Corporate Accounting and Reporting Standard)

Scope 3:
• Business travel in employee-owned or hired vehicles
• Emissions from excavation and transport of fuels, and losses from the UK energy grid

Types of GHGs included, as applicable: carbon dioxide (CO_2), nitrous oxide (N_2O), methane (CH_4), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3). The greenhouse gas emissions were calculated using UK government 2024 conversion factors, expressed as tonnes of carbon dioxide equivalent (tCO_2e).

Total emissions by the UK business have continued to decrease. Gas consumption decreased by 11% as a result of further optimisation of the London office’s heating and cooling system. The Manchester office was out of use between December 2024 and March 2025 due to refurbishment work. Emissions from transport fuel decreased as a result of fewer miles travelled by employees. The electricity supply to the London office remains certified 100% renewable and the scope 2 market-based carbon intensity is therefore zero in line with the GHG Protocol guidance. There are still some emissions from Well-to-Tank/Transmission & Distribution losses from renewable sources accounted for in scope 3.

Energy saving strategies implemented at the London office in reporting year include:
• Continued monitoring and recalibration of the Building Management System in real time to maximise energy efficiency throughout the London office
• Undertaking Energy Savings Opportunity Scheme (ESOS) energy audit

	2025 UK	2024 UK
Energy consumption used (KWh)		
Electricity	3,159,290	3,046,862
Gas	781,849	884,214
Transport Fuel	164,518	184,777
Other sources	-	-
Emissions (tCO2e)		
Scope 1		
Emissions from combustion of gas	143.0	161.7
Emissions from combustion of fuel for transport purposes	-	-
Scope 2		
Emissions from purchased electricity - location based	654.1	630.9
Emissions from purchased electricity - market based	6.9	9.3
Scope 3		
Emissions from business travel in rental cars or employee vehicles where company is responsible for purchasing the fuel	49.4	44.2
Emissions from upstream transport and distribution losses and excavation and transport of fuels - location based	239.0	245.1
Emissions from upstream transport and distribution losses and excavation and transport of fuels - market based	80.6	93.9
Total location-based	1,085.5	1,082.0
Total market-based	279.9	309.1
Intensity		
Revenue	275.9	257.8
Intensity ratio: tCO2e from Scope 1, 2 and 3 (fuel for business travel only) / £m	1.0	1.2

Section 172(1) statement

The Directors of The Scott Trust Limited (including UK subsidiaries Guardian Media Group plc, Guardian News & Media (Holdings) Limited and Guardian News & Media Limited) must act in accordance with Section 172 of the Companies Act 2006. This includes the requirement that a director of a company must act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

• the likely consequences of any decisions in the long term;
• the interests of the company's employees;
• the need to foster the company's business relationships with suppliers, customers and others;
• the impact of the company's operations on the community and environment;
• the desirability of the company maintaining a reputation for high standards of business conduct; and
• the need to act fairly as between members of the company.

Examples of how the Directors take these matters into account include the following:

The Guardian has a well-deserved reputation for fearless reporting, agenda-setting investigations and digital innovation. We also aspire to an open, supportive and inclusive culture which makes the Guardian a good place to work for everyone.

Employee engagement, our main overall barometer for employee satisfaction, remains high at 72% as measured by our global employee survey. Regular company-wide briefings on Guardian strategy, providing an opportunity for employees to hear from leaders on the projects they are working on, are well attended. We have restarted our programme of inviting external guests in to our daily morning news conference to inspire ideas and debate and a new series of editorial masterclasses have proved popular. Monthly lunchtime screenings for colleagues in our Kings Place offices and social events provide opportunities for employees to connect.

We are encouraged by the positive changes to our culture and the steps taken to create an inclusive and nurturing culture at the Guardian. The latest UK gender pay gap figures show the mean has fallen to 2.6%, which equates to an overall reduction of 8.7 percentage points since we started reporting in 2017. The median fell to 5.6% which is 6.5 percentage points lower than in 2017. Women make up 44.5% of the top-paid half of the organisation and 47.5% of the organisation overall. In terms of the UK ethnicity pay gap, the mean increased slightly to 9.4% which is 4.7 percentage points lower than 2019. The median fell to 8.5% and is 6.4 percentage points lower than in 2019. Representation in the top paid-half of the organisation has risen to 16% and in the organisation overall has risen to 19.5%.

The latest Australian gender pay data shows an organisation-wide gender pay gap of -3.5% and a median of -2.5%. A gender pay gap of +/-5% is described as neutral. This gap has decreased year on year since Guardian Australia first started reporting on its gender pay gap in 2019.

Creating meaningful, long-lasting change doesn't happen overnight but we are on the right track, creating new pathways through mentoring and development initiatives, alongside thoughtful and ever-expanding diversity and inclusion initiatives.

Our world-class climate reporting has a real impact on our readers' understanding of news events and holds power to account on addressing environmental challenges. We set ourselves a challenging target to reduce emissions by 67% by 2030. Last year we reported a 43% reduction in emissions over the past five years, driven by improvements in our print operations, but also reflecting a push across all departments to embed sustainability into how we run our business. We are paying close attention to the impact AI may have as we deepen our understanding of how we should harness GenAI tools across the organisation.

Our advertising team plays a positive role, producing brilliant, creative work that introduces audiences to more sustainable alternatives and companies trying to do the right thing. We partnered with B Lab UK for B Corp Month, running daily homepage takeovers throughout March to spotlight brands committed to high social and environmental standards. We are the first media company to train our sales team to be certified Carbon Literate.

Through the Guardian Foundation, we provide an industry-leading journalism bursary scheme, which covers MA tuition fees, living expenses and paid work placements at the Guardian. Three places are awarded to Black aspiring journalists as part of the Scott Trust Legacies of Enslavement programme and three are open to anyone from an under-represented background in the media. The scheme has supported 150+ people to develop a career in journalism in the past 35 years.

Each summer we also offer paid work experience placements to young people from under-represented groups who are considering a career in journalism. Placements offer insight into different aspects of the profession across the newspaper, website and multimedia departments.

The 2024 Guardian and Observer annual charity appeal raised £1.73m for our partner charities, Médecins Sans Frontières, War Child and Parallel Histories. This marks our largest total since 2016 and the 10th successive year that readers have given more than £1m. Over the past decade, readers have raised nearly £15m for good causes.

Approved by the Board on 15 July 2025 and signed on its behalf by:

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Ole Jacob Sunde

Chair

The Scott Trust Limited

Directors' Report for the Year Ended 31 March 2025

The Directors present their report and the consolidated financial statements for the year ended 31 March 2025.

Directors of the Company
The directors, who held office during the year, were as follows:

Ole Jacob Sunde - Chair

Tracy Corrigan

David Olusoga

Jonathan Paine (appointed 31 October 2024)

Stuart Proffitt

Matthew Ryder

Vivian Schiller

Russell Scott

Haroon Siddique

Margaret Simons

Nabiha Syed

Katharine Viner

Corporate governance
The Group's statement on corporate governance can be found on The Scott Trust website: www.theguardian.com/the-scott-trust-group-annual-financial-reports.

Employee involvement
The Group systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the Group is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Group plays a major role in maintaining it. The Group encourages the involvement of employees by means of regular communication programmes to the Group as a whole delivered by senior management, frequent internal email and intranet updates and regular all staff financial results and strategy briefings.

The Group is committed to a working environment where our staff, clients and partners are treated equally. We aspire that our Group staffing at all levels reflects our values, based on equal opportunities for all employees, irrespective of gender, race, religion, disability, social background, age, sexual orientation, pregnancy & parenthood, gender reassignment or marital status. The Group gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the Group. If members of staff become disabled we support individuals to continue in employment, either in the same role or an alternative position, with appropriate adjustments and retraining provided as necessary.

Going concern

The financial position of the Group, its cash flows and liquidity position are described in the Strategic Report.

In addition, the notes to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit risk and liquidity risk.

The Group is supported by an endowment fund which generates returns to secure the long term future of the Guardian. The scale of the fund, and the diversified nature of the assets held, together with the decreasing cash outflow of the operating business, and a long-term plan which accords to our financial strategy of breakeven at an underlying level, gives the Directors a high expectation that the Group has adequate resources to continue in operational existence for the next year and the foreseeable future.

As noted, trust in our brand and reputation is also critical to ongoing performance. To mitigate this risk, the Group adheres to comprehensive editorial and commercial legal policies, and manages its reputation proactively throughout the business.

Given the above, the consolidated financial statements are prepared on a going concern basis.

Directors' liabilities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Group also purchased and maintained throughout the financial year Directors' and officers' liability insurance in respect of itself and its Directors.

Disclosure of information to the auditor

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board on 15 July 2025 and signed on its behalf by:

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Ole Jacob Sunde

Chair

The Scott Trust Limited

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities 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. Under that law the directors have elected to prepare the financial statements in accordance with UK adopted International Financial Reporting Standards (IFRSs). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK adopted International Financial Reporting Standards (IFRSs) 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Scott Trust Limited

Directors' Remuneration

Directors' contracts

Details of the terms of appointment of those directors in office on 31 March 2025 (being the year-end), or appointed subsequently, are as follows:

	Appointment date	Contract unexpired term at 31 March 2025	Notice period	Contractual termination payments
Ole Jacob Sunde	17 September 2015	1 year 3 months	None	None
Tracy Corrigan	18 November 2022	2 years 8 months	None	None
David Olusoga	11 June 2018	3 years 3 months	None	None
Jonathan Paine	31 October 2024	4 years 7 months	None	None
Stuart Proffitt	17 September 2015	7 months	None	None
Matthew Ryder	27 March 2020	5 years	None	None
Vivian Schiller	17 September 2015	7 months	None	None
Russell Scott	17 September 2015	7 months	None	None
Haroon Siddique	15 June 2022	2 years 3 months	None	None
Margaret Simons	7 September 2022	2 years 6 months	None	None
Nabiha Syed	28 September 2023	3 years 6 months	None	None

Katharine Viner is employed as Editor-in-Chief of the Guardian, her respective appointment as a director of The Scott Trust Limited is co-terminous with her executive position.

Directors' emoluments

	2025 £000	2024 £000
Ole Jacob Sunde	68	68
Tracy Corrigan	28	28
Jonathan Paine (from 31 October 2024)	6	-
David Olusoga	14	14
Stuart Proffitt	14	14
Matthew Ryder	14	14
Vivian Schiller	14	14
Russell Scott	14	14
Haroon Siddique	14	14
Margaret Simons	14	14
Nabiha Syed (from 28 September 2023)	14	7
Katharine Viner	602	584
	816	785

The emoluments of Katharine Viner relate to her executive role within GMG. She is not paid a separate fee for her services as a director of The Scott Trust Limited.

Independent Auditor's Report to the Members of The Scott Trust Limited

Opinion on the financial statements

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 March 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Scott Trust Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 March 2025 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Financial Position, the Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Independent Auditor's Report to the Members of The Scott Trust Limited (continued)

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.

Other Companies Act 2006 reporting
In our opinion, based on the work undertaken in the course of the audit:

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

In the light of our knowledge and understanding of the Group and the Parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where 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 Statement of Directors' Responsibilities, 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 the Parent Company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Non-compliance with laws and regulations
Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance and in house legal counsel;

- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation, Companies Act 2006, General Data Protection Regulation and Health Safety and Bribery Act 2010.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Companies Act 2006.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be unusual entries posted to revenue and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for recognition of deferred tax assets on brought forward losses based on the assessment of the future profitability of the Group.
- With regards to risk of fraud for unusual entries posted to revenue, our procedures included identification of such entries using data analytics. After identification, we verified those entries by agreeing to supporting documents, ensured they were recorded in the correct period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Independent Auditor's Report to the Members of The Scott Trust Limited (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

DocuSigned by:
Paul Etherington
E10CC9CF40A94CC...
....
Paul Etherington (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
15 July 2025
55 Baker Street
London
W1U 7EU

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Scott Trust Limited

Consolidated Income Statement for the Year Ended 31 March 2025

	Note	2025 £ m	2024 £ m
Revenue		**275.9**	**257.8**
Raw materials and consumables used		(8.8)	(11.5)
Employee benefits expense		(186.5)	(165.7)
Depreciation and amortisation expense		(9.8)	(10.5)
Other expenses		(113.8)	(113.6)
Operating loss	7	**(43.0)**	**(43.5)**
Finance income		2.8	3.3
Finance costs		(3.8)	(4.1)
Net finance cost	8	(1.0)	(0.8)
Other gains	6	21.6	70.3
(Loss)/profit before tax		**(22.4)**	**26.0**
Income tax receipt/(expense)	11	9.5	(0.9)
(Loss)/profit for the year		(12.9)	25.1

The above results were derived from continuing operations.

Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2025

	Note	2025 £ m	2024 £ m
(Loss)/profit for the year		(12.9)	25.1
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain or (loss) on defined benefit pension scheme	22	0.5	(0.8)
Income tax effect	22	(0.1)	0.2
		0.4	(0.6)
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation gains		-	0.2
Total comprehensive income for the year		(12.5)	24.7

The Scott Trust Limited

(Registration number: 06706464)
Consolidated Statement of Financial Position as at 31 March 2025

	Note	2025 £ m	2024 £ m
Assets			
Non-current assets			
Property, plant and equipment	12	4.5	4.0
Right of use assets	13	45.5	49.6
Intangible assets	14	0.1	0.8
Deferred tax assets	11	9.2	11.7
Other non-current financial assets	16	1,246.5	1,275.4
Retirement benefit asset	22	2.3	1.7
		1,308.1	1,343.2
Current assets			
Inventories		0.5	0.4
Trade and other receivables	17	42.0	39.6
Income tax asset		2.6	1.4
Cash and cash equivalents	18	51.8	36.2
		96.9	77.6
Total assets		1,405.0	1,420.8
Liabilities			
Non-current liabilities			
Long term lease liabilities		44.2	49.0
Provisions	20	7.3	5.2
Deferred tax liabilities	11	39.8	51.1
		91.3	105.3
Current liabilities			
Current portion of long term lease liabilities		8.6	8.1
Trade and other payables	21	22.6	21.1
Income tax liability		0.1	-
Deferred income		30.3	29.8
Provisions	20	13.6	5.2
Other current financial liabilities	16	-	0.3
		75.2	64.5
Total liabilities		166.5	169.8
Net Assets		1,238.5	1,251.0

The Scott Trust Limited

(Registration number: 06706464)
Consolidated Statement of Financial Position as at 31 March 2025 (continued)

	Note	2025 £ m	2024 £ m
Equity			
Share capital	23	0.2	0.2
Other reserves		836.1	836.1
Retained earnings		402.2	414.7
Total equity		1,238.5	1,251.0

Approved by the Board on 15 July 2025 and signed on its behalf by:

....
Ole Jacob Sunde
Chair

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2025

	Share capital £ m	Other reserves £ m	Retained earnings £ m	Total £ m
At 1 April 2024	0.2	836.1	414.7	1,251.0
Loss for the year	-	-	(12.9)	(12.9)
Other comprehensive income	-	-	0.4	0.4
Total comprehensive income	-	-	(12.5)	(12.5)
At 31 March 2025	0.2	836.1	402.2	1,238.5

	Share capital £ m	Other reserves £ m	Retained earnings £ m	Total £ m
At 3 April 2023	0.2	836.1	390.0	1,226.3
Profit for the year	-	-	25.1	25.1
Other comprehensive income	-	-	(0.4)	(0.4)
Total comprehensive income	-	-	24.7	24.7
At 31 March 2024	0.2	836.1	414.7	1,251.0

The Scott Trust Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £ m	2024 £ m
Cash flows from operating activities			
(Loss)/profit for the year		(12.9)	25.1
Adjustments:			
Depreciation and amortisation	7	3.4	4.4
Depreciation on right of use assets	7	6.4	6.0
Other gains and losses	6	(21.6)	(69.4)
Gain on disposal of intangible assets	6	-	(0.6)
Foreign exchange gains	8	(1.4)	(1.5)
Finance income	8	(2.8)	(3.6)
Finance costs	8	3.8	4.1
Income tax expense	11	(9.5)	0.9
		(34.6)	(34.6)
Working capital adjustments			
(Increase)/decrease in inventories		(0.1)	0.5
Increase in trade and other receivables	17	(2.3)	-
Increase/(decrease) in trade and other payables	21	2.1	(0.4)
Increase/(decrease) in provisions	20	10.5	(0.8)
Cash flow from operations		(24.4)	(35.3)
Income taxes paid	11	(0.7)	(3.3)
Net cash flow from operating activities		(25.1)	(38.6)
Cash flows from investing activities			
Interest received	8	2.5	2.0
Acquisition of property plant and equipment	12	(3.1)	(3.3)
Acquisition of intangible assets	14	(0.1)	-
Proceeds from sale of intangible assets		-	0.6
Dividend income	8	0.3	0.3
Acquisition of financial instruments held at FVTPL		(145.6)	(148.5)
Proceeds from sale of financial instruments held at FVTPL		195.8	184.1
Net cash flows from investing activities		49.8	35.2
Cash flows from financing activities			
Expense on leases	19	(9.1)	(8.5)
Net increase/(decrease) in cash and cash equivalents		15.6	(11.9)
Cash and cash equivalents at 1 April		36.2	47.9
Effect of exchange rate fluctuations on cash held		-	0.2
Cash and cash equivalents at 31 March		51.8	36.2

The notes on pages 27 to 63 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital, incorporated and domiciled in England and Wales.

The address of its registered office is:
Kings Place
90 York Way
London
N1 9GU
United Kingdom

These financial statements were authorised for issue by the Board on 15 July 2025.

2 Accounting policies

Summary of material accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee interpretations as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost basis, except for certain assets and liabilities (including derivative instruments) and defined benefit pension plans.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

Going concern

The Group is supported by an endowment fund which generates returns to secure the long term future of the Guardian. The scale of the fund, and the diversified nature of assets therein, gives the Directors a high expectation that the Group has adequate resources to continue in operational existence for the next year and the foreseeable future.

As noted, trust in our brand and reputation is also critical to ongoing performance. To mitigate this risk, the Group adheres to comprehensive editorial and commercial legal policies, and manages its reputation proactively throughout the business.

Given the above, the consolidated financial statements are prepared on a going concern basis.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings. These were previously made up to the Sunday closest to 31 March each year. From 31 March 2024 onwards they are made up to 31 March. Consequently, the financial statements for the current year cover the year to 31 March 2025 and for the comparative year cover the 52 weeks to 31 March 2024.

2 Accounting policies (continued)

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Intra-group transactions, balances and unrealised gains on transactions between the entities in the group, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 April 2024 have had a material effect on the financial statements.

None of the standards, interpretations and amendments which are effective for periods beginning after 1 April 2024 and which have not been adopted early, are expected to have a material effect on the financial statements.

Revenue recognition

Revenue is recognised in the accounting period when control of the sold service has been transferred, at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to customers.

The principles in IFRS are applied to revenue recognition criteria using the following 5 step model:

1. Identify the contracts with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

The application of the principles results in the following:

2 Accounting policies (continued)

Reader revenues

Revenue from contributions is recognised as revenue upon receipt of funds.

Membership and subscription revenue is recognised on a straight-line basis over the life of the subscription. Revenue associated with voucher schemes is deferred based on estimated redemption rates and recognised as the vouchers are used or expire.

Newsstand (circulation) revenue (net of returns) is recognised on publication in revenue in the consolidated income statement and in trade receivables on the consolidated balance sheet.

Advertising

Print advertising revenue is recognised on publication. Online advertising is recognised as page impressions are served or evenly over the period, depending on the terms of the contract. Income from advance billings is deferred and released to revenue when conditions for its recognition have been fulfilled.

Other revenue

Licensing revenue is recognised over the life of the contract or upon usage of the Group's content.

Jobs listings revenue is recognised on publication or as impressions are served.

Events revenue is recognised upon completion of the event.

Philanthropic revenue is recognised as per IAS 20 on a gross basis as it is considered this reflects the nature of the transactions. Revenue is deferred and is recognised in line with when costs have been incurred.

Principal versus agent

The Group has arrangements whereby it needs to determine if it acts as a principal or an agent as more than one party is involved in providing the goods and services to the customer. The Group acts as a principal if it controls a promised good or service before transferring that good or service to the customer. The Group is an agent if its role is to arrange for another entity to provide the goods or services. Factors considered in making this assessment are most notably the discretion the Group has in establishing the price for the specified good or service, whether the Group has inventory risk and whether the Group is primarily responsible for fulfilling the promise to deliver the service or good.

Where the Group is acting as a principal, revenue is recorded on a gross basis. Where the Group is acting as an agent revenue is recorded at a net amount reflecting the margin earned.

2 Accounting policies (continued)

Tax

Tax is recognised in the income statement, except that a charge or credit attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The net deferred tax asset after the offset of deferred tax liabilities is recognised to the extent it is considered probable that future taxable profits will be available to utilise the asset.

Property, plant and equipment

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	Straight line - 3 to 5 years
Plant and machinery	Straight line - 3 to 5 years

Intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Website and other digital development costs are capitalised only if all of the following conditions are met: the asset created can be identified; it is probable that the asset created will generate future economic benefits; and the development cost can be measured reliably. Such assets are amortised on a straight-line basis over their useful economic life up to a maximum of two years. Where no asset can be recognised, development expenditure is charged to the consolidated income statement in the period in which it is incurred.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Internally generated	Straight line - 2 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2 Accounting policies (continued)

Trade receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. A provision for the impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average (WAC) method.

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

2 Accounting policies (continued)

Leases
The Group leases various offices, and the rental contracts are typically made for fixed periods of 12 months to 30 years but may have extension options.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of property for which the Group is a lessee and for which it has major leases, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments:
• Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
• Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
• Amounts expected to be payable by the Group under residual value guarantees;
• The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
• Payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

• The amount of the initial measurement of lease liability;
• Any lease payments made at or before the commencement date less any lease incentives received;
• Any initial direct costs; and
• Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2 Accounting policies (continued)

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and the Group has no legal or constructive obligations to pay further contributions.

For defined contribution plans contributions are paid to publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due.

Defined benefit pension obligation
The Group contributes to one closed defined benefit pension scheme. The operating and financing costs of this scheme are recognised in the consolidated income statement. Service costs and financing costs are recognised in the periods in which they arise. Actuarial gains or losses in respect of this scheme are shown in the consolidated statement of comprehensive income.

The asset/(liability) in respect of defined benefit pension scheme is the present value of the defined benefit obligation at the balance sheet date less the fair value of the schemes' assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates of corporate bonds, which have terms approximating the terms of the related obligation.

Financial instruments

Initial recognition
Financial assets and financial liabilities comprise all assets and liabilities reflected in the statement of financial position, although excluding property, plant and equipment, investment properties, intangible assets, deferred tax assets, prepayments, deferred tax liabilities and employee benefits plans.

The Group recognises financial assets and financial liabilities in the statement of financial position when, and only when, the group becomes party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at fair value. Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

All regular way purchases and sales of financial assets and financial liabilities classified as fair value through profit or loss ("FVTPL") are recognised on the trade date, i.e. the date on which the Group commits to purchase or sell the financial assets or financial liabilities. All regular way purchases and sales of other financial assets and financial liabilities are recognised on the settlement date, i.e. the date on which the asset or liability is received from or delivered to the counterparty. Regular way purchases or sales are purchases or sales of financial assets that require delivery within the time frame generally established by regulation or convention in the market place.

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

2 Accounting policies (continued)

Classification and measurement
Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:-

Financial assets are classified into one of the following three categories:-
· financial assets at amortised cost;
· financial assets at fair value through other comprehensive income (FVTOCI); or
· financial assets at fair value through the profit or loss (FVTPL).

Financial liabilities are classified into one of the following two categories:-
· financial liabilities at amortised cost; or
· financial liabilities at fair value through the profit or loss (FVTPL).

The classification and the basis for measurement are subject to the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, as detailed below:-

Financial assets at amortised cost
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:-
· the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
· the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If either of the above two criteria is not met, the financial assets are classified and measured at fair value through the profit or loss (FVTPL).

If a financial asset meets the amortised cost criteria, the Group may choose to designate the financial asset at FVTPL. Such an election is irrevocable and applicable only if the FVTPL classification significantly reduces a measurement or recognition inconsistency.

Financial assets at fair value through other comprehensive income (FVTOCI)
A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:-
· the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
· the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investments that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

If an equity investment is designated as FVTOCI, all gains and losses, except for dividend income, are recognised in other comprehensive income and are not subsequently included in the statement of income.

Financial assets at fair value through the profit or loss (FVTPL)
Financial assets not otherwise classified above are classified and measured as FVTPL.

Financial liabilities at amortised cost
All financial liabilities, other than those classified as financial liabilities at FVTPL, are measured at amortised cost using the effective interest rate method.

2 Accounting policies (continued)

Financial liabilities at fair value through the profit or loss
Financial liabilities not measured at amortised cost are classified and measured at FVTPL. This classification includes derivative liabilities.

Derecognition

Financial assets

The Group derecognises a financial asset when;
- the contractual rights to the cash flows from the financial asset expire,
- it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received is recognised as a gain or loss in the profit or loss.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Impairment of financial assets

Measurement of Expected Credit Losses

The Group recognises loss allowances for expected credit losses (ECL) on financial instruments that are not measured at FVTPL, namely:

- Financial assets that are debt instruments
- Accounts and other receivables

Evidence that the financial asset is credit-impaired include the following;

- Significant financial difficulties of the borrower or issuer;
- A breach of contract such as default or past due event;
- The restructuring of the loan or advance by the Group on terms that the Group would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for the security because of financial difficulties; or
- There is other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2 Accounting policies (continued)

Derivative financial instruments
Derivative financial instruments are contracts, the value of which is derived from one or more underlying financial instruments or indices, and include futures, forwards, swaps and options in the interest rate, foreign exchange, equity and credit markets.

Derivative financial instruments are recognised in the statement of financial position at fair value. Fair values are derived from prevailing market prices, discounted cash flow models or option pricing models as appropriate.

In statement of financial position, derivative financial instruments with positive fair values (unrealised gains) are included as assets and derivative financial instruments with negative fair values (unrealised losses) are included as liabilities.

The changes in the fair values of derivative financial instruments entered into for trading purposes are included in trading income.

Whilst the Group's derivative financial instruments are used for hedging purposes, the Group does not apply hedge accounting per IFRS 9.

Accounting estimates and assumptions
The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of certain financial assets, liabilities, income and expenses.

Fair value of financial assets and liabilities
Where the fair value of financial assets and liabilities cannot be derived from active markets, valuations are provided by the fund managers and/or fund administrators. The funds themselves value their underlying holdings using a variety of methods, including earnings/revenue/transaction multiples, material arms-length transactions or net assets of the holdings. These are selected by the funds based on industry accepted methodologies appropriate to the underlying investments. The funds themselves are audited annually. Third party advisors to the Group are used to ensure that these valuation methods are appropriate which is assessed both when entering into new investments and on at least a biennial basis.

3 Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Investments held at fair value through profit or loss
The fair value of financial instruments that are not traded in an active markets is highly dependent on choosing the correct valuation technique. These are selected by the funds based on industry accepted methodologies appropriate to the underlying investments. Third party advisors to the Group are used to ensure that these valuation methods are appropriate which are assessed both when entering into new investments and on at least a biennial basis.

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

Provisions
The Group's provisions relate to dilapidations of premises, employee benefits and other provisions including severance costs and legal claims .

Dilapidations are calculated based on the expected cost to return property to its original state and are built up over the life of the lease.

When calculating the severances provision, management has estimated expected timings and payments based on written agreements and discussions that have taken place as part of the restructuring plan.

For legal claims, management estimates the most probable outcome of the cost to the Group.

Where the utilisation of employee benefits is uncertain, management have estimated likelihood of occurrence based on historical trends.

Lease term and discount rate
Where there is uncertainty regarding the length of the lease, this is reviewed and the most likely expected term is used.

The selection of the discount rate is challenging as the Company and the Group of which it is part has no debt or serviceable equity and therefore does not have weighted average cost of capital figure readily available. When selecting an appropriate rate, the Group has considered historical debt, recent capital projects and commercially available rates.

The final rate selected is therefore subject to significant judgement that it is appropriate, sensitivity analysis has been performed to ensure that the final rate used does not unduly influence the outcome with a commonly accepted range of rates.

Recognition of deferred tax assets
A deferred tax asset is recognised when it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Recognition, therefore, involves judgement regarding the prudent forecasting of future taxable gains and profits of the business.

Estimates made to evaluate recoverability of deferred tax assets include uncertainties that are beyond the control of management. Therefore, the Group may need to adjust deferred tax assets in the future if there is a change in the estimates related to the evaluation of recoverability due to unforeseen changes in assumptions and other factors.

4 Segmental information

The Group's activities are presented below in respect of the Group's business segments based on the managment and internal reporting structure.

The operating business segments represents the news publishing organisation (GMG). The investments segment represents the portfolio of investments which are held to generate returns to secure the long term future of the Guardian (controlled by STEL). The parent segment represents the activities of The Scott Trust Limited, including the Legacies of Enslavement programme.

4 Segmental information (continued)

Year ended 31 March 2025	Operating business £ m	Investments £ m	Parent £ m	Total £ m
Revenue	275.9	-	-	275.9
Operating profit/(loss)	(33.6)	(4.6)	(4.8)	(43.0)
Profit/(loss) before tax	(34.2)	16.6	(4.8)	(22.4)
Adjusted cash flow	(24.3)	45.4	(4.8)	16.3

Year ended 31 March 2024	Operating business £ m	Investments £ m	Parent £ m	Total £ m
Revenue	257.8	-	-	257.8
Operating profit/(loss)	(35.9)	(4.5)	(3.1)	(43.5)
Profit/(loss) before tax	(36.9)	66.1	(3.2)	26.0
Adjusted cash flow	(36.5)	31.0	(3.1)	(8.6)

The Group uses two non-GAAP key performance indicators for analysing performance of the operating business, being adjusted operating profit/(loss) and adjusted cash flow.

Adjusted operating profit/(loss) represents profit or loss items that management consider to represent the day-to-day performance of the operating business segment. This is calculated as statutory operating profit/(loss), excluding depreciation (on property, plant and equipment) and amortisation expense and including interest expense on leases.

Adjusted cash flow, represents the cash usage by each segment during the year. This is calculated as statutory cash flow excluding cash tax paid on income. As the operating business performs organisational functions on behalf of the whole Group, it bears the working capital fluctuations.

A reconcilition of these metrics is presented below:

	2025 £ m	2024 £ m
Adjusted operating profit - operating business		
Operating profit/(loss)	(43.0)	(43.5)
Less: operating profit/(loss) - investments segment	4.6	4.5
Less: operating profit/(loss) - parent segment	4.8	3.1
Operating profit/(loss) - operating business	(33.6)	(35.9)
Less: depreciation expense	2.6	3.3
Less: amortisation expense	0.8	1.2
Add: interest expense on leases	(2.5)	(2.5)
Adjusted operating profit/(loss) - operating business	(32.7)	(33.9)

4 Segmental information (continued)

	2025 £ m	2024 £ m
Adjusted cash flow - operating business		
Net increase/(decrease) in cash and cash equivalents	15.6	(11.9)
Less: taxes on income	0.7	3.3
Less: adjusted cash flow - investments	(45.4)	(31.0)
Less: adjusted cash flow - parent	4.8	3.1
Adjusted cash flow - operating business	(24.3)	(36.5)

5 Revenue

The analysis of the Group's revenue for the year from continuing operations is as follows:

	2025 £ m	2024 £ m
Digital reader revenue	107.3	88.2
Print reader revenue	68.4	66.9
Advertising	63.7	62.2
Other revenue	36.5	40.5
	275.9	257.8

The Group considers its business activities fall into the following operating segments:

Digital reader revenue *- Digital reader revenue is from reader focused operations where the content is served online, including mobile and apps. The key revenue streams within this category are subscriptions and contributions.*

Print reader revenue *- Print reader revenue is from reader focused operations where the servicing is via print media. The key revenue streams within this category are newsstand and print subscriptions.*

Advertising *- Advertising encompasses all advertising operations, served both online, including mobile and apps and also through print media.*

Other revenues *- Other revenues include all remaining revenues not included in the above. Revenue streams include content licensing, jobs listings, events and philanthropic.*

5 Revenue (continued)

The analysis of the Group's revenue by geographical market is as follows:

	2025 £ m	2024 £ m
United Kingdom	170.4	167.1
USA & Canada	55.5	45.3
Australia & New Zealand	26.6	26.1
Europe (excl. UK)	20.2	16.2
Rest of the world	3.2	3.1
	275.9	257.8

Performance obligations are specified within our contracts with customers. Key revenue streams and how they are accounted for based on assessment of performance obligations are detailed in the accounting policies.

The Group has taken advantage of the practical expedients in IFRS 15 not to disclose certain information on contracts for the following reasons:

- the performance obligation is part of a contract that has an original expected duration of one year or less.
- the entity recognises revenue from the satisfaction of the performance in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

Contract assets arise where goods or services are transferred to the customer before the customer pays consideration, or before payment is due. Contract receivables (loans and advances) represent our unconditional right to consideration for the goods or services supplied and performance obligations delivered. Contract liabilities (deposits from customers) relate to consideration received when we still have an obligation to deliver goods or services for that consideration.

Other than accrued income and deferred income, due to the nature of the Group's contracts, which are generally short term or of a service nature, the Group does not have significant contract assets or liabilities.

6 Other gains

The analysis of the Group's other gains and losses for the year is as follows:

	2025 £ m	2024 £ m
Gain on disposal of intangible assets	-	0.6
Gain on investments held at fair value through profit or loss	21.0	68.3
Gain from forward contracts to hedge foreign currency investments	0.3	1.1
Dividend income	0.3	0.3
	21.6	70.3

7 Operating (loss)/profit

Arrived at after charging/(crediting)

	2025 £ m	2024 £ m
Depreciation expense	2.6	3.3
Depreciation on right of use assets - property	6.4	6.0
Amortisation expense	0.8	1.2

8 Finance income and costs

	2025 £ m	2024 £ m
Finance income		
Interest income on investments held at fair value through profit or loss	0.3	1.3
Interest income on bank deposits	2.5	2.0
Total finance income	2.8	3.3
Finance costs		
Interest on defined benefit pension scheme	0.1	0.1
Interest on taxation	-	(0.1)
Foreign exchange losses	(1.4)	(1.6)
Interest expense on leases - Property	(2.5)	(2.5)
Total finance costs	(3.8)	(4.1)
Net finance costs	(1.0)	(0.8)

9 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2025 £ m	2024 £ m
Wages and salaries	148.2	137.9
Social security costs	14.9	14.1
Pension costs, defined contribution scheme	12.9	11.8
Redundancy costs	10.5	1.9
	186.5	165.7

9 Staff costs (continued)

The average number of persons employed by the Group (including directors) during the year, analysed by category was as follows:

	2025 No.	2024 No.
Editorial	913	907
Non-editorial	758	777
	1,671	1,684

10 Auditors' remuneration

	2025 £ m	2024 £ m
Audit of these financial statements	0.3	0.3
Audit of the financial statements of subsidiaries of the company pursuant to legislation	0.1	0.2
	0.4	0.5

11 Income tax

Tax charged/(credited) in the income statement

	2025 £ m	2024 £ m
Current taxation		
UK corporation tax	0.1	2.5
UK corporation tax adjustment to prior periods	(1.2)	(0.5)
	(1.1)	2.0
Foreign tax	0.7	0.6
Foreign tax adjustment to prior periods	-	0.1
	0.7	0.7
Total current income tax	(0.4)	2.7
Deferred taxation		
Arising from origination and reversal of temporary differences	(5.3)	5.0
Arising from previously unrecognised tax loss, tax credit or temporary difference	(3.8)	(6.8)
Total deferred taxation	(9.1)	(1.8)
Tax (credit)/expense in the income statement	(9.5)	0.9

11 Income tax (continued)

The tax on (loss)/profit before tax for the year is higher than the standard rate of corporation tax in the UK (2024 - lower than the standard rate of corporation tax in the UK) of 25% (2024 - 25%).

The differences are reconciled below:

	2025 £ m	2024 £ m
(Loss)/profit before tax	(22.4)	26.0
Corporation tax at standard rate	(5.6)	6.5
Decrease in current tax from adjustment for prior periods	(1.2)	(0.5)
Decrease from effect of revenues exempt from taxation	(0.4)	(3.1)
Increase from effect of expenses not deductible	1.1	4.6
Decrease from effect of foreign tax rates	(0.3)	(0.1)
Increase arising from foreign tax suffered net of UK tax relief	0.7	0.3
Deferred tax credit from temporary difference from a prior period	(3.8)	(6.8)
Total tax (credit)/charge	(9.5)	0.9

Deferred tax

Deferred tax assets and liabilities

2025	Asset £ m	Liability £ m	Net deferred tax £ m
Accelerated capital allowances on fixed assets	-	11.0	11.0
Financial assets held at fair value through profit or loss	-	(66.7)	(66.7)
Tax losses carry-forwards - UK	-	15.9	15.9
Tax losses carry-forwards - foreign	9.2	-	9.2
	9.2	(39.8)	(30.6)

2024	Asset £ m	Liability £ m	Net deferred tax £ m
Accelerated capital allowances on fixed assets	-	13.4	13.4
Short term and other timing differences	-	0.1	0.1
Financial assets held at fair value through profit or loss	-	(74.0)	(74.0)
Tax losses carry-forwards - UK	-	9.4	9.4
Tax losses carry-forwards - foreign	11.7	-	11.7
	11.7	(51.1)	(39.4)

11 Income tax (continued)

Deferred tax movement during the year:

	At 1 April 2024 £ m	Recognised in income £ m	Recognised in other comp-rehensive income £ m	Foreign exchange movements £ m	At 31 March 2025 £ m
Accelerated capital allowances on fixed assets	13.4	(2.4)	-	-	11.0
Short term and other timing differences	0.1	-	(0.1)	-	-
Financial assets held at fair value through profit or loss	(74.0)	7.3	-	-	(66.7)
Tax losses carry-forwards - UK	9.4	6.5	-	-	15.9
Tax losses carry-forwards - foreign	11.7	(2.3)	-	(0.2)	9.2
	(39.4)	9.1	(0.1)	(0.2)	(30.6)

Deferred tax movement during the prior period:

	At 3 April 2023 £ m	Recognised in income £ m	Recognised in other comp-rehensive income £ m	Foreign exchange movements £ m	At 31 March 2024 £ m
Accelerated capital allowances on fixed assets	16.1	(2.7)	-	-	13.4
Short term and other timing differences	-	(0.1)	0.2	-	0.1
Financial assets held at fair value through profit or loss	(81.9)	7.9	-	-	(74.0)
Tax losses carry-forwards - UK	11.8	(2.4)	-	-	9.4
Tax losses carry-forwards - foreign	13.0	(0.9)	-	(0.4)	11.7
	(41.0)	1.8	0.2	(0.4)	(39.4)

Deferred tax is calculated in full on temporary timing differences under the liability method using the rate at which the balances are expected to be unwound.

There are £97.8 million of unused tax losses (2024: £97.8 million) and £0.5 million of research and development tax credits (2024: £0.5 million) for which no deferred tax asset is recognised in the statement of financial position.

12 Property, plant and equipment

	Furniture, fittings and equipment £ m	Plant and machinery £ m	Total £ m
Cost or valuation			
At 3 April 2023	26.9	14.6	41.5
Additions	0.6	2.7	3.3
Disposals	-	(0.1)	(0.1)
At 31 March 2024	27.5	17.2	44.7
At 1 April 2024	27.5	17.2	44.7
Additions	0.6	2.5	3.1
Disposals	(0.1)	(2.7)	(2.8)
At 31 March 2025	28.0	17.0	45.0
Depreciation			
At 3 April 2023	26.0	11.6	37.6
Charge for period	0.5	2.7	3.2
Eliminated on disposal	-	(0.1)	(0.1)
At 31 March 2024	26.5	14.2	40.7
At 1 April 2024	26.5	14.2	40.7
Charge for the year	0.5	2.1	2.6
Eliminated on disposal	(0.1)	(2.7)	(2.8)
At 31 March 2025	26.9	13.6	40.5
Carrying amount			
At 31 March 2025	1.1	3.4	4.5
At 31 March 2024	1.0	3.0	4.0
At 3 April 2023	0.9	3.0	3.9

13 Right of use assets

	Property £ m	Total £ m
Cost or valuation		
At 3 April 2023	74.0	74.0
Additions	4.1	4.1
At 31 March 2024	78.1	78.1
At 1 April 2024	78.1	78.1
Additions	2.3	2.3
Disposals	(3.3)	(3.3)
At 31 March 2025	77.1	77.1
Depreciation		
At 3 April 2023	22.5	22.5
Charge for period	6.0	6.0
At 31 March 2024	28.5	28.5
At 1 April 2024	28.5	28.5
Charge for the year	6.4	6.4
Eliminated on disposal	(3.3)	(3.3)
At 31 March 2025	31.6	31.6
Carrying amount		
At 31 March 2025	45.5	45.5
At 31 March 2024	49.6	49.6

14 Intangible assets

	Internally generated software development costs £ m	Total £ m
Cost or valuation		
At 3 April 2023	18.0	18.0
Disposals	(0.2)	(0.2)
At 31 March 2024	17.8	17.8
At 1 April 2024	17.8	17.8
Additions	0.1	0.1
Disposals	(3.6)	(3.6)
At 31 March 2025	14.3	14.3
Amortisation		
At 3 April 2023	16.0	16.0
Amortisation charge	1.2	1.2
Amortisation eliminated on disposals	(0.2)	(0.2)
At 31 March 2024	17.0	17.0
At 1 April 2024	17.0	17.0
Amortisation charge	0.8	0.8
Amortisation eliminated on disposals	(3.6)	(3.6)
At 31 March 2025	14.2	14.2
Carrying amount		
At 31 March 2025	0.1	0.1
At 31 March 2024	0.8	0.8
At 3 April 2023	2.0	2.0

15 Investments

Group subsidiaries
Details of the Group subsidiaries as at 31 March 2025 are as follows:

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held 2025	2024
Channel M Television Limited	Dormant	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
ContentNext Media Inc	Media	1209 Orange Street, Wilmington, DE 19801 United States of America	100%	100%
GMG B2B Limited	Investment holding	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
GMG Investco 3 Limited	Dormant	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
GMGRM North Limited	Dormant	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
GNM Australia Pty Limited	Media	19 Foster Street, Surry Hills, NSW 2010 Australia	100%	100%
GPC Manchester Limited	Dormant	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
Guardian Media Group plc*	Media	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
Guardian News & Media (Holdings) Limited	Holding company	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
Guardian News & Media Limited	Media	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
Guardian News & Media LLC	Media	1209 Orange Street, Wilmington, DE 19801 United States of America	100%	100%

15 Investments (continued)

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held 2025	2024
Mercuri LP #	Investment holding	Kings Place, 90 York Way, London N1 9GU United Kingdom	0%	0%
Northprint Manchester Limited	Dormant	Kings Place, 90 York Way, London N1 9GU United Kingdom	50%	50%
OG Enterprises Limited	Media	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%
Rawnam Limited	Dormant	Kings Place, 90 York Way, London N1 9GU United Kingdom	60%	60%
The Scott Trust Endowment Limited*	Investment holding	Kings Place, 90 York Way, London N1 9GU United Kingdom	100%	100%

* indicates direct investment of the company

whilst the parent company holds no ownership interest or voting rights in Mercuri LP, it is considered to be a subsidiary by virtue of control of its activities

For the year ending 31 March 2025 the following subsidiaries were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies:

- GMG B2B Limited - 07200470
- Guardian News & Media Limited - 00908396
- Guardian News & Media (Holdings) Limited - 03673142
- OG Enterprises Limited - 05291229
- The Scott Trust Endowment Limited - 13856227

The Scott Trust Limited has issued a parent guarantee pursuant to Section 479C of the UK Companies Act 2006 on behalf of these subsidiaries for the financial year ended 31 March 2025. The parent company guarantee applies to all the outstanding liabilities for the subsidiaries at the balance sheet date until the obligations have been fulfilled.

15 Investments (continued)

Joint ventures

Details of the joint ventures as at 31 March 2025 are as follows:

Name of Joint-ventures	Principal activity	Registered office	Proportion of ownership interest and voting rights held 2025	2024
Ozone Project Limited	Media	New City Court, 20 St Thomas Street, London SE1 9RS United Kingdom	17.8%	17.8%

16 Other financial assets and liabilities

	2025 £ m	2024 £ m
Non-current financial assets		
Investments held at fair value through profit or loss	1,246.5	1,275.4

	2025 £ m	2024 £ m
Current financial liabilities		
Other current financial liabilities	-	(0.3)

Other financial assets includes the Group's endowment fund assets, further analysed below:

	2025 £ m	2024 £ m
Global investment funds	1,220.9	1,227.9
Liquid funds held for reinvestment	25.4	47.3
Derivative financial instruments	-	(0.3)
Endowment fund	1,246.3	1,274.9
Unlisted shares	0.2	0.2
	1,246.5	1,275.1

The Group has committed to future investments of £178.6 million (2024: £159.2 million). The Group considers that any associated risk with meeting these commitments is low as they will be met from disposal of existing funds.

The liquid funds held for reinvestment broadly represent highly liquid investments in money market deposit accounts and money market funds with a maturity date of three months or less. Management has classified these as non-current as it currently has no intention of using them in the Group's operations in the next financial year.

17 Trade and other receivables

	2025 £ m	2024 £ m
Trade receivables	18.4	22.4
Provision for impairment of trade receivables	(0.6)	(0.3)
Net trade receivables	17.8	22.1
Accrued income	9.7	10.9
Prepayments	7.7	5.1
Other receivables	6.8	1.5
	42.0	39.6

18 Cash and cash equivalents

	2025 £ m	2024 £ m
Cash at bank	10.0	7.8
Short-term deposits	41.8	28.4
	51.8	36.2

19 Leases

Lease liabilities maturity analysis
A maturity analysis of lease liabilities based on undiscounted gross cash flow is reported in the table below:

	2025 £ m	2024 £ m
Less than one year	8.8	8.1
2 years	8.8	7.7
3 years	8.0	7.7
4 years	8.0	6.9
5 years	8.0	6.9
6 years	7.6	7.0
7 years	7.5	7.0
8 years	5.6	7.0
9 years	-	5.2
Total lease liabilities (undiscounted)	62.3	63.5

Total cash outflows related to leases
Total cash outflows related to leases are presented in the table below:

Payment	2025 £ m	2024 £ m
Right of use assets	9.1	8.5

20 Other provisions

	Building £ m	Employee benefits £ m	Other provisions £ m	Total £ m
At 1 April 2024	5.2	4.1	1.1	10.4
Additional provisions	-	2.7	8.7	11.4
Provisions used	-	-	(0.9)	(0.9)
At 31 March 2025	5.2	6.8	8.9	20.9
Non-current liabilities	5.2	2.1	-	7.3
Current liabilities	-	4.7	8.9	13.6

The building provisions relate to dilapidations and are expected to be utilised over the life of the lease.

Employee benefits relate to annual leave obligations.

Other provisions include severance costs and legal claims.

Provisions are not discounted as any impact is not considered material.

21 Trade and other payables

	2025 £ m	2024 £ m
Trade payables	6.9	4.1
Accrued expenses	14.8	14.5
Social security and other taxes	0.6	2.3
Other payables	0.3	0.2
	22.6	21.1

22 Pension and other schemes

Defined benefit pension schemes
Trafford Park Printers 1990 Pension Scheme

Trafford Park Printers 1990 Pension Scheme ("the Scheme"), is a defined benefit scheme, which provides benefits based on final pensionable pay. The Scheme was closed to new entrants on 1 April 1998 and closed to future accrual on 31 December 2006.

The scheme provides pension benefits payable to members (and potentially their spouses/dependents) for life. The level of benefits provided depends on the members' length of service and their salary in the years leading up to closure to future accrual. Pensions in payment are generally increased in line with price inflation.

The scheme is governed by a board of trustees, composed of representatives of the Group and scheme participants. The board of trustees have control over the operation of the scheme and its funding and investment strategies. Investment decisions and agreement on contribution schedules are the joint responsibility of the Group and the trustees.

The scheme assets are held in trusts and governed by local regulations and practice.

Contributions payable to the pension scheme at the end of the year are £Nil (2024 - £Nil).

The expected contributions to the plan for the next reporting period are £Nil.

The scheme was most recently valued on 31 March 2022. UK legislation requires the trustees of the Scheme to carry out an actuarial valuation at least every three years and to target full funding against a basis that prudently reflects the scheme's exposure to risk. The most recent actuarial valuation for the Scheme was performed as at 31 March 2022 which resulted in the Scheme having assets sufficient to cover 94% of the liabilities accrued in respect of members. The next triennial valuation is being carried out as at 31 March 2025.

Following the 31 March 2022 valuation date there has been significant volatility in respect of financial market experience. The Company and the Trustees, having considered guidance from the Pension Regulator, have agreed to make allowance for the Scheme's experience since the valuation date for the purposes of determining the appropriate Recovery Plan and Schedule of Contributions.

For the purpose of the 31 March 2022 valuation the Recovery Plan was calculated by reference to market conditions at 28 February 2023 which resulted in the Scheme having assets sufficient to cover 105% of the liabilities accrued in respect of members. As the updated results confirm a funding surplus on the Technical Provisions basis, there is no requirement for a Recovery Plan to be put in place and there will be no contributions due to the scheme.

22 Pension and other schemes (continued)

Risks

Investment risk
The scheme liabilities are calculated using a discount rate set with reference to corporate bond yields; if scheme assets underperform this yield (all else being equal), this will create a shortfall. The scheme holds a proportion of equities, which are expected to outperform corporate bonds in the long-term but they expose the scheme to volatility and risk in the short-term. A decrease in corporate bond yields will increase scheme liabilities, although this will be partially offset by an increase in the value of the scheme's assets held in corporate bonds.

Inflation risk
The majority of the pension obligations are linked to inflation (i.e. the associated increases on the pensions before and after retirement are generally linked to price inflation). Higher inflation will lead to higher liabilities (although, some caps apply to the level of inflationary increases, which minimises the exposure to high inflation rates).

Life expectancy risk
The majority of the scheme obligations are to provide pension benefits for the life of the member (or the lifetime of their spouse/dependents). Therefore, increases in life expectancy will result in an increase in the scheme liabilities.

Currency risk
Actions taken by the UK pensions regulator, or changes to European legislation, could result in stronger funding standards, which could materially affect the scheme obligations and cash flow requirements from the Group.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2025 £ m	2024 £ m
Fair value of scheme assets	27.1	30.2
Present value of scheme liabilities	(24.8)	(28.5)
Defined benefit pension scheme surplus	2.3	1.7

Scheme assets

Changes in the fair value of scheme assets are as follows:

	2025 £ m	2024 £ m
Fair value at start of year	30.2	32.1
Interest income	1.4	1.5
Return on plan assets, excluding amounts included in interest income/(expense)	(3.0)	(1.9)
Benefits paid	(1.5)	(1.5)
Fair value at end of year	27.1	30.2

22 Pension and other schemes (continued)

Analysis of assets

The major categories of scheme assets are as follows:

	2025 £ m	2024 £ m
Cash and cash equivalents	0.2	-
Equity instruments	4.2	5.1
Debt instruments	11.7	12.7
Insurance annuity	6.2	6.7
Investment funds	4.8	5.7
	27.1	30.2

Equity instruments

Equity instruments can be further categorised as follows:

	2025 £ m	2024 £ m
Quoted		
Equity instruments	4.2	5.1

Debt instruments

Debt instruments can be further categorised as follows:

	2025 £ m	2024 £ m
Quoted		
Gilts	7.5	8.1
Corporate bonds	4.2	4.6
	11.7	12.7

Insurance annuity

Insurance annuities can be further categorised as follows:

	2025 £ m	2024 £ m
Unquoted		
Insurance annuity	6.2	6.7

Investment funds

Investment funds can be further categorised as follows:

	2025 £ m	2024 £ m
Quoted		
LDI	4.8	5.7

22 Pension and other schemes (continued)

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

	2025 £ m	2024 £ m
Present value at start of year	28.5	29.7
Actuarial gains/(losses) arising from changes in demographic assumptions	(0.2)	(0.6)
Actuarial gains/(losses) arising from changes in financial assumptions	(3.3)	(0.5)
Interest cost	1.3	1.4
Benefits paid	(1.5)	(1.5)
Present value at end of year	24.8	28.5

Principal actuarial assumptions

The significant actuarial assumptions used to determine the present value of the defined benefit obligation at the statement of financial position date are as follows:

	2025 %	2024 %
Discount rate	5.7	4.8
Future salary increases	3.0	3.0
Inflation	3.4	3.5

Post retirement mortality assumptions

	2025 Years	2024 Years
Current UK pensioners at retirement age - male	20.5	20.5
Current UK pensioners at retirement age - female	23.1	23.0
Future UK pensioners at retirement age - male	21.7	21.7
Future UK pensioners at retirement age - female	24.5	24.4

22 Pension and other schemes (continued)

Amounts recognised in the income statement

	2025 £ m	2024 £ m
Amounts recognised in operating profit		
Recognised in arriving at operating profit	-	-
Amounts recognised in finance income or costs		
Net interest	0.1	0.1
Total recognised in the income statement	0.1	0.1

Amounts taken to the Statement of Comprehensive Income

	2025 £ m	2024 £ m
Actuarial gains/(losses) arising from changes in demographic assumptions	0.2	0.6
Actuarial gains/(losses) arising from changes in financial assumptions	3.3	0.5
Return on plan assets, excluding amounts included in interest income/(expense)	(3.0)	(1.9)
Amounts recognised in the Statement of Comprehensive Income	0.5	(0.8)

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	2025 £ m	2024 £ m
Discount rate +0.5%	(1.6)	(2.0)
Inflation +0.5%	0.2	0.3
Increase of 1 year in life expectancy	0.9	1.2

23 Share capital

Allotted, called up and fully paid shares

	2025		2024	
	No.	£	No.	£
Ordinary shares of £250 each	1,000	250,000	1,000	250,000

24 Contingent liabilities

There are contingent liabilities resulting from disputes that arise in the normal course of business that may give rise to legal claims. None of these are currently expected to result in a material impact to the Group.

25 Fair value measurement

The following tables provide the fair value measurement hierarchy of the Group's assets and liabilities.

Assets measured at fair value 2025

	Level 1 £ m	Level 2 £ m	Level 3 £ m	Total £ m
Investments held at fair value through profit or loss	755.7	-	490.6	1,246.3
	755.7	-	490.6	1,246.3

Assets measured at fair value 2024

	Level 1 £ m	Level 2 £ m	Level 3 £ m	Total £ m
Investments held at fair value through profit or loss	776.1	24.7	474.6	1,275.4
Derivative financial instruments	-	(0.3)	-	(0.3)
	776.1	24.4	474.6	1,275.1

There have been no significant transfers between Level 1 and Level 2 during the year.

The fair value of fund assets held in Level 1 is based on their current bid prices in an active market.

For investments included in Level 3 in accordance with IFRS 13 'Fair Value Measurement', valuations are provided by the fund managers and/or fund administrators. The funds themselves value their underlying holdings using a variety of methods, including earnings/revenue/transaction multiples, material arms-length transactions or net assets of the holdings. These are selected by the funds based on industry accepted methodologies appropriate to the underlying investments. The funds themselves are audited annually. Third party advisors to the Group are used to ensure that these valuation methods are appropriate which is assessed both when entering into new investments and on at least a biennial basis.

25 Fair value measurement (continued)

Level 3 recurring fair value measurements 2025

	Opening balance £ m	Gains or losses recognised in profit or loss £ m	Purchases £ m	Sales £ m	Closing balance £ m
Investments held at fair value through profit or loss	474.6	22.5	60.8	(67.2)	490.7

Level 3 recurring fair value measurements 2024

	Opening balance £ m	Gains or losses recognised in profit or loss £ m	Purchases £ m	Sales £ m	Closing balance £ m
Investments held at fair value through profit or loss	661.6	(90.9)	268.5	(364.6)	474.6

If the US Dollar had weakened/strengthened by 5% with all other variables held constant, the investments in level 3 US Dollar-denominated financial assets would have been approximately £14.0 million (2024: £15.0 million) higher or £15.4 million (2024: £16.5 million) lower.

The gains or losses on the investments would have been £0.6 million (2024: £0.4 million) higher/lower if the actual returns had been 5% higher/lower over the last 12 months, with all other variables held constant.

26 Financial risk review

This note presents information about the Group's exposure to financial risks and the Group's management of capital.

Credit risk

The Group's definition of credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The risk is mitigated by the Group with respect to trade receivables due to the Group's customer base being large and unrelated. Due to this, management believes there is no further credit risk provision required in excess of the normal provision for expected credit losses.

Credit risk arises from deposits with banks and financial institutions. Only banks and financial institutions with a Moody's Investors Service minimum rating of Aa3 are accepted.

26 Financial risk review (continued)

Liquidity risk

The Group's definition of liquidity risk is that the Group will not be able to meet its financial obligations as they fall due. The Group manages this by ensuring that it will always have sufficient funds available to meet its liabilities when due, under both normal and difficult trading conditions, and without incurring unacceptable losses or risking damage to the Group’s reputation. This is achieved through careful cash management including the production and review of regular cash flow forecasts and the optimisation of cash returns on funds held by the Group.

The Group considers cash flow risk to be low due to the availability of liquid resources held in cash and the endowment fund.

Market risk

The Group's definition of market risk is foreign exchange, equity price and interest rate risk.

Foreign exchange risk

The Group has investments in funds in non-sterling currencies and in funds which in turn invest in overseas assets and as a result is exposed to a degree of foreign exchange risk.

Whilst the Group's policy was to hedge certain US Dollar denominated funds in the alternatives sector using US Dollar forward contracts, these investments are now primarily held in sterling. The remaining US Dollar investments are held in private equity for the long term and therefore the Group no longer hedges any investments.

Sensitivity analysis

If the US Dollar had weakened/strengthened by 5% with all other variables held constant, the investments in US Dollar denominated managed funds would have been approximately £14.6 million lower or £13.2 million higher (2024: £15.8 million lower or £14.3 million higher).

Interest rate risk

The Group has interest-bearing assets, primarily cash, which are at risk of fluctuations in interest rates.
These are monitored by the Group function to ensure risks are minimised. Fluctuations in interest rates are unlikely to have a detrimental impact on the Group's operations and therefore the risk is not considered to be significant.

Sensitivity analysis

If average annual interest rates had been 1% more during the year, interest receivable would have increased by £0.4 million (2024: £0.3 million).

Equity price risk

The Group is exposed to equity securities price risk because of the investments held by the Group. To manage the price risk arising from the investments, the Group has a diverse portfolio.

The tables below details whether the gains or losses on the investments would have been higher/lower if the actual returns had been 5% higher/lower over the last 12 months, with all other variables held constant.

26 Financial risk review (continued)

	2025 £ m +/-	2024 £ m +/-
Active equity	1.5	1.0
Private credit	-	0.1
Passive equity	0.5	0.3
Protection	0.2	0.1
Deflation hedging	-	0.2
Private equity	0.4	3.0
Government bonds	0.1	0.5
Alternatives	-	0.7
Credit	0.2	0.2
Cash	-	0.2

Capital risk management

Capital management
The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern. Due to the nature of the Group's structure, the Company does not make changes to its equity structure. Debt is managed in line with the Group's treasury policy. The Group maintains a centralised treasury function which operates in accordance with Board approved policies. Its principal objectives are to minimise financial risk whilst maximising returns on cash deposits.

27 Related party transactions

Transactions between subsidiaries of The Scott Trust Limited are not required to be disclosed as these transactions are fully eliminated on consolidation. In the course of normal operations, the Group has traded on an arm's length basis with joint ventures, associates and other related parties.

Key management personnel
Key management personnel represents the directors of The Scott Trust Limited, alongside the directors of its two key businesses, The Scott Trust Endowment Limited and Guardian Media Group plc, along with the Executive teams of those businesses.

Key management compensation

	2025 £ m	2024 £ m
Salaries and other short term employee benefits	6.7	5.5
Post-employment benefits	0.3	0.2
	7.0	5.7

The increase is attributable to the cost of STEL Management (not previously recognised as key management), and the annualised cost of key management appointments to the GMG Executive Management team in the prior year.

27 Related party transactions (continued)

Transactions with directors

Other transactions with directors
The Group paid £92,000 (2024: £95,000) to five directors (2024: three directors) of The Scott Trust Limited for services rendered to the Company in the normal course of business at arm's length.

The Group paid £24,000 (2024: £23,000) to the partner of one director (2024: one director) for services rendered to the Company in the normal course of business at arm's length.

Summary of transactions with other related parties
The Group donated £1,133,000 (2024: £808,000) in charitable donations and gifts in kind to the Guardian Foundation.

Income and receivables from related parties

2025	Joint ventures £ m
Income	
Sale of goods	1.7
Receivables	
Amounts receivable from related party	0.6

2024	Joint ventures £ m	Other related parties £ m
Income		
Sale of goods	2.1	0.4
Receivables		
Amounts receivable from related party	1.0	0.1

Expenditure with and payables to related parties

2025	Joint ventures £ m	Other related parties £ m
Expenditure		
Purchase of goods	0.3	0.1

28 Ultimate controlling party

The ordinary shares of The Scott Trusted Limited are held equally by five Directors on a non-beneficial basis as per the Articles of Association. Upon cessation of being a Director, any shareholdings are immediately transferred to an alternative director.

Due to the nature of the shareholdings, it is considered that there is no ultimate controlling party of the Group.

29 Non adjusting events after the financial period

On 22 April 2025 the Group completed the sale of the trade and assets of the Observer business to Tortoise Media Ltd (Tortoise) for cash and shares. On the same day the Group also invested in Tortoise, remaining a minority investor with a total equity holding of 9%.

The Scott Trust Limited

(Registration number: 06706464)
Statement of Financial Position as at 31 March 2025

	Note	2025 £ m	2024 £ m
Assets			
Non-current assets			
Investments	5	1,107.1	1,107.1
Deferred tax assets	4	0.2	0.2
		1,107.3	1,107.3
Current assets			
Trade and other receivables	6	53.1	4.2
Income tax asset		2.5	-
		55.6	4.2
Total assets		1,162.9	1,111.5
Liabilities			
Current liabilities			
Trade and other payables	7	98.9	42.0
Net assets		1,064.0	1,069.5
Equity			
Share capital	8	0.2	0.2
Retained earnings		1,063.8	1,069.3
Total equity		1,064.0	1,069.5

Approved by the Board on 15 July 2025 and signed on its behalf by:

....
Ole Jacob Sunde
Chair

The Scott Trust Limited

Statement of Changes in Equity for the Year Ended 31 March 2025

	Share capital £ m	Retained earnings £ m	Total £ m
At 1 April 2024	0.2	1,069.3	1,069.5
Loss for the period	-	(5.5)	(5.5)
Total comprehensive income	-	(5.5)	(5.5)
At 31 March 2025	0.2	1,063.8	1,064.0

	Share capital £ m	Retained earnings £ m	Total £ m
At 3 April 2023	0.2	0.9	1.1
Profit for the year	-	1,068.4	1,068.4
Total comprehensive income	-	1,068.4	1,068.4
At 31 March 2024	0.2	1,069.3	1,069.5

The notes on pages 66 to 68 form an integral part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with Companies Act 2006.

A separate income statement dealing with the results of the company has not been presented, as permitted by section 408 of the Companies Act 2006. The result for the year is £(5.5)m (2024: £1,068.4m).

The financial statements of the Company were previously made up to the Sunday closest to 31 March each year. From 31 March 2024 onwards they are made up to 31 March. Consequently, the financial statements for the current year cover the year to 31 March 2025 and for the comparative year cover the 52 weeks to 31 March 2024.

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

Changes in accounting policy
None of the standards, interpretations and amendments effective for the first time from 1 April 2024 have had a material effect on the financial statements.

Other accounting policies
All other accounting policies are as per the Group section of this report, note 2.

2 Staff costs

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2025 No.	2024 No.
Administration and support	17.0	14.0
	17.0	14.0

3 Auditors' remuneration

	2025 £ m	2024 £ m
Audit of the financial statements	0.3	0.2

4 Income tax

Deferred tax
Deferred tax assets and liabilities

Deferred tax movement during the year:

	At 1 April 2024 £ m	Recognised in income £ m	At 31 March 2025 £ m
Relating to loss and other deductions	0.2	-	0.2
	0.2	-	0.2

Deferred tax movement during the prior period:

	At 3 April 2023 £ m	Recognised in income £ m	At 31 March 2024 £ m
Relating to loss and other deductions	0.2	-	0.2
	0.2	-	0.2

5 Investments

Subsidiaries	**£ m**
Cost or valuation	
At 1 April 2024	1,107.1
At 31 March 2025	1,107.1
Carrying amount	
At 31 March 2025	1,107.1

6 Trade and other receivables

	2025 £ m	2024 £ m
Receivables from related parties	53.1	4.2

7 Trade and other payables

	2025 £ m	2024 £ m
Trade payables	0.1	-
Accrued expenses	0.2	-
Amounts due to related parties	98.6	42.0
	98.9	42.0

8 Share capital

Allotted, called up and fully paid shares

	2025		2024	
	No.	£	No.	£
Ordinary shares of £250 each	1,000	250,000	1,000	250,000

9 Ultimate controlling party

There is no ultimate controlling party.

10 Non adjusting events after the financial period

On 22 April 2025 Guardian News & Media Ltd (GNM), a subsidiary of the company, completed the sale of the trade and assets of the Observer business to Tortoise Media Ltd (Tortoise) for cash and shares. These shares were transferred to the company by way of an intercompany loan on 22 April 2025. On the same day the company also invested in Tortoise taking the company's total equity shareholding to 9%.