

# FINANCIAL MARKETS LAW COMMITTEE

## Trustees' Report And Financial Statements

### Year Ending 31 October 2025

**Registered Charity Number: 1164902.**

"FMLC" and "Financial Markets Law Committee" are terms used to describe a committee appointed by Financial Markets Law Committee, a limited company ("Company").  
Registered office: North Wing, Guildhall, Basinghall Street, London EC2P 2EJ. Registered in England and Wales with number: 8733443

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FINANCIAL MARKETS LAW COMMITTEE  
REFERENCE AND ADMINISTRATIVE  
DETAILS

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CHARITY REGISTRATION NUMBER 1164902

COMPANY REGISTRATION NUMBER 08733443

TRUSTEES

Lord R J L Thomas of  
Cwmgiedd  
Mr S Firth  
Ms K Gibbons  
Ms C Jackson  
Sir R Knowles CBE  
Mr J May

REGISTERED OFFICE

North Wing  
Guildhall  
Basinghall Street  
London  
EC2P 2EJ

INDEPENDENT AUDITORS

Price Bailey LLP  
Chartered Accountants & Statutory  
Auditors  
24 Old Bond Street  
London  
W1S 4AP

## TRUSTEES

Lord Thomas of Cwmgiedd	Chair, Director, Member
Simon Firth	Director, Member
Kathleen Gibbons	Deputy Chair, Director, Member
Carolyn Jackson	Director, Member
Sir Robin Knowles CBE	Director, Member
Jonathan Edward May	Director, Member

The Trustees are pleased to present their annual report together with the financial statements for the year ending 31 October 2025, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Companies Act 2006 and the Memorandum and Articles of Association.

## OBJECTIVES AND ACTIVITIES

- 1.1. The objectives of Financial Markets Law Committee ("**FMLC**" or the "**Charity**") are to promote for the public benefit the upholding and proper administration of the law and the advancement of education by:
  - a) identifying and considering, impartially and in the public interest, issues of legal uncertainty or misunderstanding relating to the functioning and regulation of financial markets; and
  - b) making its work on those legal issues freely available to financial markets and to the general public.
- 1.2. FMLC aims to identify issues of legal uncertainty, or misunderstanding, present and future, affecting the wholesale financial markets which might give rise to material risks, and to consider how such issues should be addressed.
- 1.3. Some element of legal uncertainty is inevitable in financial markets that are international, competitive and innovative. Although the U.K. framework of law for financial markets is highly developed and robust, new ideas or practices or advances in technology, such as digital assets and artificial intelligence sometimes raise legal uncertainties as to how the law will apply, on occasion based on misunderstandings about existing law. In addition, proposals (whether at home or abroad) for new law or new regulations can give rise to uncertainties or misunderstandings when the specific features of wholesale market practice have not been fully understood by a legislature or other public authority.
- 1.4. The establishment of FMLC reflects the view – widely held across the wholesale financial markets – that London should have arrangements in place to identify and analyse areas of legal uncertainty or misunderstanding affecting those markets. The Committee<sup>1</sup>, which meets bi-monthly to review FMLC publication proposals and to guide the forward research strategy of the Charity's employees (the "**Secretariat**"), strives to act impartially. It comprises senior lawyers, representatives of financial market participants (buy-side and sell-side) and the Tripartite Authorities (i.e., Bank of England, HM Treasury and Financial Conduct Authority). Meetings are attended regularly by observers from public bodies and industry associations.
- 1.5. The Committee was originally established by the Bank of England (the "**Bank**"). FMLC, however, is independent from the Bank and its views and any published materials cannot be taken to reflect the views of the Bank, or those of any other patron and/or stakeholder.
- 1.6. The Charity fulfils its purposes by its activities which include publishing reports and responses to consultations or calls for evidence in respect of areas of legal uncertainty and making these available for the public on its website, organising scoping forums where interested practitioners can educate each other on issues of legal uncertainty

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<sup>1</sup> The Committee is an independent body of experts appointed by FMLC. For further detail, please see [www.fmlc.org](http://www.fmlc.org)

- 1.7. as well as organising seminars and webinars on topics of legal uncertainty where the identification and minimisation of that uncertainty is in the public interest.
- 1.8. The Charity also acts as a bridge to the judiciary, helping the U.K. courts to remain up to date with developments in financial markets. It carries out this role primarily by organising seminars to brief senior members of the judiciary on aspects of wholesale financial markets of which they might not otherwise be aware. FMLC also holds educational events which are not aimed solely at the judiciary and which are attended by interested parties including representatives from law firms and trade associations, together with other industry practitioners, academics and some students. Accompanying materials from such events are published on the FMLC's website.
- 1.9. FMLC also liaises with the members of international forums, originally established by central banks that have a regulatory role in the leading global financial centres. These are the European Financial Markets Lawyers Group ("**EFMLG**") in Frankfurt; the Financial Law Board ("**FLB**") in Tokyo and the FMLC in London. The forum members discuss global issues of concern to the financial markets and they typically meet at least annually.
- 1.10. In order for the Charity's work to be promoted for the public benefit, the Secretariat take appropriate steps to ensure that FMLC's work is available to any interested party by making it available on its website and, where appropriate, publishing on social media.
- 1.11. The trustees confirm that they have had regard to section 17 of the Charities Act 2011 and the Charity Commission's guidance on public benefit when setting the charity's aims and objectives and in planning future activities.

## **2. ACHIEVEMENTS AND PERFORMANCE**

- 2.1. During this period, the Charity produced six publications addressing a range of topics, including private law issues in connection with artificial intelligence and notice requirements associated with insolvency protections under the Settlement Finality Regulations. The Charity also issued responses to several consultations, including those from HM Treasury and the Financial Conduct Authority on cryptoasset regulation, as well as the Law Commission's consultation on governing law and digital assets. Full details of all publications are available on the Charity's website at [www.fmlc.org](http://www.fmlc.org).
- 2.2. The FMLC hosted an in-person event with Clifford Chance LLP with a panel discussing Liability for Artificial Intelligence use in the financial markets in November 2025.
- 2.3. The achievements highlighted serve as evidence that the aims of the Charity, as stated in Section One above, have been met.

### **3. FINANCIAL REVIEW**

- 3.1. The Charity's financial performance was satisfactory in 2024-2025. Charitable donations increased to £401,000 from £375,500 in 2023-2024 and interest income increased to £21,846 from £14,308 in 2023-2024. As a result, total income was £422,846 (2024: £389,808).
- 3.2. The total income will allow FMLC to continue its current output for the foreseeable future and the Charity is also able to draw on its reserves, as detailed below, in pursuit of meeting its goals. Total costs decreased by 1.68% to £470,238 (2024: £478,319) with almost the entirety of expenditure relating to the direct costs of the upholding and proper administration of the law and the advancement of education.
- 3.3. FMLC is a small charity, which spends most of its income on salaries to fulfil its remit which requires extensive legal research, analysis and writing, as detailed above, together with a sound operational base. A majority of FMLC's donors are in the same line of business, being mostly law firms and trade associations, so an unforeseen event which has an impact on the business of one of the Charity's donors is likely similarly to affect other donors. FMLC raises funds once a year. If a large number of donors were to withdraw or reduce their support in any one year, FMLC's operating budget for that year would be adversely affected to a very significant degree without reserve funds. The reserve funds are intended to cover the costs of FMLC until the next fundraising round in the expectation that, over the year, the Charity will be successful in finding alternative sources of support.
- 3.4. The reserve funds are also intended to cover the costs of strategic planning to mitigate key risks identified in FMLC's risk register, as detailed below in Section Three.
- 3.5. FMLC's Trustees have agreed the FMLC reserves policy which is to hold in reserve funds approximately equal to at least one year's expenses to cover the risk of unforeseen events and meet the needs of cash flow in the event of a reduction in donations. At the year-end total reserves were £461,569 (2024: £508,961) being slightly less than total expenses in 2024-2025. The Charity continues to keep its reserves policy under regular review.
- 3.6. At the date of approving the report and accounts, there are no uncertainties about the Charity's ability to continue as a going concern.

### **4. STRUCTURE, GOVERNANCE AND MANAGEMENT**

- 4.1. FMLC is a company limited by guarantee ("**the Company**") governed by its Memorandum and Articles of Association ("**Articles**") dated 3 December 2015 (replacing earlier Memorandum and Articles of Association dated 15 October 2013). Anyone over the age of 18 can become a Member of the Company. There are currently six Members, each of whom agrees to contribute a sum not exceeding £1 in the event of its being wound up.

- 4.2. FMLC is registered as a charity with the Charity Commission. Directors appointed to the Board of the Company have control and management of the Company and are, therefore, the Charity Trustees for the purposes of the Charities Act 2011. As such, they not only owe fiduciary duties in the normal way as Directors of the Company, but they also owe fiduciary duties to the Charity in the same way as they would if they were trustees of a charitable trust.
- 4.3. The Board is responsible for the governance of the Charity and oversees the operation and administration of FMLC, the Committee and the Secretariat. The Board maintains, supports and sets the terms of reference of the Committee. Minutes of meetings of the Committee are sent to the Board, who all also serve as Committee members.
- 4.4. In accordance with Article 45 the Board may delegate any of its powers or functions to committees of two or more Trustees (which the Board may create), subject to such rules or requirements as the Board may consider appropriate, provided that the terms of any delegation are recorded in the meeting minutes. Such a delegation can be subsequently revoked by the Trustees.
- 4.5. The Board must at all times comprise a minimum of two Trustees and a maximum (unless otherwise determined by an ordinary resolution of the Members) of ten in accordance with Article 27.
- 4.6. The Appointments Sub-Committee (the "**Sub-Committee**") comprises the Chair, the Deputy Chair and the CEO. Its responsibilities include:
- a) recommending to the Board the appointment of a Trustee to the position of Chair and to serve as Chair of the Committee;
  - b) recommending to the Board the appointment of a Trustee to the position of Deputy Chair and to serve as Deputy Chair of the Committee;
  - c) appointing or re-appointing individuals who are willing to serve as members of the Committee; and
  - d) removing Committee members if the circumstances demand it.
- 4.7. In exercising its powers, the Sub-Committee has regard to the need to maintain independent judgement and a proper balance of the skills and experience requisite for achieving the Charity's objects.
- 4.8. The Chair is appointed by the Board on the recommendation of the Sub-Committee. The criteria for eligibility require that the individual has held a position in the senior judiciary or, failing that, is a person of real distinction and unquestionable integrity and independence who has made a significant contribution to the legal system of the U.K. The Chair's main responsibilities include to:
- a) lead the Committee in such a way as to ensure that it fulfils its responsibilities;
  - b) lead the Board in such a way as to ensure that it fulfils its responsibilities for the governance of the Charity;



- c) be a member of the Sub-Committee;
  - d) work with the CEO to help achieve the objectives of the Charity;
  - e) optimise the relationship between the Board, the Committee and the Secretariat; and
  - f) inform the Trustees of any material concerns employees may have in regard to the role of the Board to which the Chair is aware and to relate the concerns of Trustees and other stakeholders to the CEO.
- 4.9. Each new Trustee receives the Committee Members' Handbook, the most recent annual report and accounts of the Charity and the minutes of previous Board meetings, together with supporting papers. All Trustees must demonstrate:
- a) commitment to the work of the Charity;
  - b) willingness to participate actively in the work of the Board; and
  - c) regular attendance at Board meetings.
- 4.10. The Board may resolve by majority vote to appoint (or reappoint) Trustees. A Trustee ceases to hold office if he or she retires in accordance with Article 31 to 32A, or in any of the circumstances set out in Article 38. Trustees who retire will be eligible for reappointment.
- 4.11. None of FMLC's Trustees receive remuneration or other benefit from their work with the Charity. Any potential conflicts of interest must be reported to the Executive Assistant and are maintained on a confidential register. No substantive conflicts have been reported.
- 4.12. The Remunerations Sub-Committee comprises two Trustees. Its responsibilities include:
- a) reviewing CEO terms and conditions of employment;
  - b) reviewing Secretariat terms and conditions of employment; and
  - c) making recommendations to the Board on such matters.
- 4.13. The only executive personnel in charge of, running and operating the Charity on a day-to-day basis is the CEO, who is subject to the direction and control of the Trustees. The CEO's pay may be reviewed at each Board meeting or via the Remunerations Sub-Committee referred to above. The CEO manages the day-to-day operations of the Charity within clear guidelines agreed with the Trustees and in close consultation with them.
- 4.14. No external person or body has entitlement to appoint one or more of the Charity's Trustees.

- 4.15. The biggest risks facing the Charity in the year ahead 2025-26 are:
- a) income generation;
  - b) loss of senior management;
  - c) an adverse change in the Charity's occupation of its premises; and
  - d) loss of reputation.
- 4.16. The Charity has a number of systems and controls in place to mitigate the key risks identified. This includes a robust reserves policy which will allow FMLC to implement an optimal transition plan for CEO succession (including, if necessary, paying for head-hunters and/or hiring on an interim basis). The reserves policy will also protect FMLC should new premises need to be sought. Systematic peer review together with a commitment to the highest quality of expertise, both on the Committee and within the ad-hoc working groups convened to examine issues, as well as high quality staffing, will maximise confidence in FMLC's output, ensuring it remains at all times sturdy and robust.

## **5. FUTURE PLANS**

- 5.1. FMLC has had a successful year and has met the objectives set out in Section One above. During the year ahead the Charity plans to continue its important work.

## **6. FUNDRAISING**

- 6.1. FMLC understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate.
- 6.2. The Charity does not currently fundraise from the general public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns. No fundraising complaints were received during the year (2024: none).

## **7. FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

- 7.1. There are no funds held as custodian Trustee on behalf of others.

## **TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Financial Markets Law Committee for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP 2019 FRS 102
3. make judgments and accounting estimates that are reasonable and prudent;
4. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

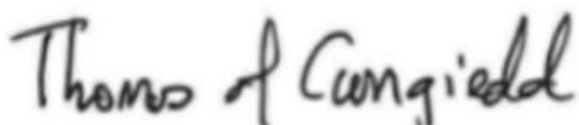
In so far as the Trustees are aware:

1. there is no relevant audit information of which the charitable company's auditor is unaware; and
2. the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

**SMALL COMPANY EXEMPTIONS**

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.



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**The Rt Hon the Lord Thomas of Cwmgiedd**  
**FMLC Chair, Trustee**

**Date:** 1 June 2026

## **Opinion**

We have audited the financial statements of Financial Markets Law Committee (the 'charitable company') for the year ended 31 October 2025 which comprise a Statement of Financial Activities (incorporating an Income and Expenditure Account), a Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating to the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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.

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 misstatement in respect of irregularities, including fraud. The extent to which our procedures are capable of detailing irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the relevant laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charity this included compliance with the Charities Act 2011 and SORP 2019.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management and officers of the Charity and a review of the risk management processes and procedures in place. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

## FINANCIAL MARKETS LAW COMMITTEE

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FINANCIAL MARKETS LAW COMMITTEE

#### **FOR THE YEAR ENDED 31 OCTOBER 2025**

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Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our Auditors' Report.

#### **Use of our report**

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



*Michael Cooper-Davis FCCA ACA  
Senior Statutory Auditor  
Price Bailey LLP*

*24 Old Bond Street  
London  
W1S 4AP*

*Date: 4 June 2026*



# FINANCIAL MARKETS LAW COMMITTEE

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

**FOR THE YEAR ENDED 31 OCTOBER 2025**

		Unrestricted Funds	
	Notes	2025 Total £	2024 Total £
INCOME			
Donations and legacies	3	401,000	375,500
Investment income	4	21,846	14,308
Total income		422,846	389,808
EXPENDITURE			
Charitable activities	5	(470,238)	(478,319)
Total expenditure		(470,238)	(478,319)
Net (expenditure) being net movement in funds		(47,392)	(88,511)
Reconciliation of funds:			
Total funds brought forward		508,961	597,472
Total funds carried forward		461,569	508,961

All amounts relate to continuing activities of the company.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes to the accounts are shown on pages 19 to 24.

FINANCIAL MARKETS LAW COMMITTEE  
**REGISTERED COMPANY NUMBER: 08733443**

BALANCE SHEET  
**FOR THE YEAR ENDED 31 OCTOBER 2025**

	Notes	2025 £	2024 £
<b>CURRENT ASSETS</b>			
Debtors	9	18,674	11,486
Cash at bank and in hand		478,076	541,258
		<hr/>	<hr/>
<b>TOTAL CURRENT ASSETS</b>		496,750	552,744
<b>LIABILITIES</b>			
Creditors: amounts falling due within one year	10	(35,181)	(43,783)
<b>NET CURRENT ASSETS</b>			
		<hr/>	<hr/>
		461,569	508,961
<b>NET ASSETS</b>			
		<hr/>	<hr/>
		461,569	508,961
		<hr/>	<hr/>
<b>FUNDS OF THE CHARITY:</b>			
Unrestricted funds		<hr/>	<hr/>
		461,569	508,961
<b>TOTAL FUNDS</b>		<hr/>	<hr/>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The attached notes on pages 19 to 24 form part of these financial statements.

The financial statements were approved by the Board of Trustees and signed on their behalf by:

Thomas of Cwmgiedd

.....  
The Rt Hon the Lord Thomas of Cwmgiedd FMLC Chair, Trustee

Date: 1 June 2026

1 **Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis and are presented in sterling, which is the functional currency of the charity. The financial statements are rounded to the nearest pound.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) **Going Concern**

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

c) **Legal status of the Charity**

There is no share capital as the company is a private company limited by guarantee incorporated within England and Wales. Each member has guaranteed an amount, not exceeding £1, towards the company's liabilities in the event of a winding up, provided that a member has not ceased to be a member one year prior to any winding up order. In the year there were 7 members (2024: 7). The registered office of the charity is Guildhall, 3<sup>rd</sup> Floor, North Wing, Basinghall Street, London, EC2P 2EJ.

d) **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

e) **Income**

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charitable company is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Income from grants are recognised when the charitable company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

f) **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

g) **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

h) **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

i) **Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

j) **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

k) **Foreign Currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

l) **Taxation**

The company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 (as amended) or Section 256 of the Taxation of Chargeable Gains Act 1992 (as amended), to the extent that such income or gains are applied exclusively to charitable purposes.

**J) Pensions**

Employees of the charity are entitled to join a defined contribution scheme. The costs of the defined contribution scheme are included within the associated staff costs and allocated therefore to raising funds, charitable activities, support and governance costs.

**2 Judgements in Applying Accounting Policies 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 Trustees make estimates and assumptions concerning the future based on their knowledge of the business and the markets it operates in. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no areas considered to be potentially material to the financial statements.

**3 Donations and legacies**

	2025	2024
	£	£
Donations and legacies	401,000	375,500
	<u>          </u>	<u>          </u>

**4 Income from Investments**

	2025	2024
	£	£
Bank interest	21,846	14,308
	<u>          </u>	<u>          </u>

**5a Charitable activities**

	Direct Costs	Support Costs	Total 2025
	£	£	£
Upholding and proper administration of the law and the advancement of education	456,315	13,923	470,238
	<u>          </u>	<u>          </u>	<u>          </u>

**5b Charitable activities**

	Direct Costs	Support Costs	Total 2024
	£	£	£
Upholding and proper administration of the law and the advancement of education	465,854	12,465	478,319
	<u>465,854</u>	<u>12,465</u>	<u>478,319</u>

**6 Analysis of support costs**

	2025	2024
	£	£
Audit fees	11,681	10,228
Insurances	2,242	2,237
	<u>13,923</u>	<u>12,465</u>

**7 Analysis of staff costs and key management personnel**

	2025	2024
	£	£
Wages and salaries	384,264	372,746
Social security costs	31,142	23,811
Employers pension costs	20,375	29,424
	<u>435,781</u>	<u>425,981</u>

The Chair received £Nil (2024: £Nil) during the year in respect of his duties in office.

During the year, no trustees were paid in respect of their duties (2024: None).

In 2025, no trustees were reimbursed for expenses incurred in employing a third party on FMLC Secretarial Business (2024: None).

The charity considers its key management personnel to comprise of one person. The total employee emoluments of key management personnel were £218,911 (2024: one person, £217,155).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
**FOR THE YEAR ENDED 31 OCTOBER 2025**

The average monthly head count was as follows:

	2025 Number	2024 Number
Full time staff	2	2
Part time staff	2	3
	<u>4</u>	<u>5</u>

There were two employees whose costs excluding pension contributions exceeded £60,000 during the year, these are summarised as follows:

	2025	2024
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-
In the band £190,001 - £200,000	-	1
In the band £210,001 - £220,000	1	-

Total employer pension contributions during the year for the staff in the above bandings was £12,227 (2024: £25,232)

8 **Net (expenditure)**

	2025 £	2024 £
Net (expenditure) is stated after charging: Auditors' remuneration: - for audit services	<u>11,681</u>	<u>10,228</u>

9 **Debtors**

	2025 £	2024 £
Prepayments and accrued income	<u>18,674</u>	<u>11,486</u>
	<u>18.674</u>	<u>11.486</u>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
**FOR THE YEAR ENDED 31 OCTOBER 2025**

**10 Creditors: amounts falling due within one year**

	2025 £	2024 £
Trade creditors	600	5,056
Other taxation and social security	9,347	8,327
Accruals	25,234	30,400
	<u>35,181</u>	<u>43,783</u>

**11 Pensions – defined contribution scheme**

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £20,375 (2024: £29,424). Contributions totalling £Nil (2024: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

**12 Commitments under operating leases**

At 31 October 2025 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

<b>Others</b>	2025 £	2024 £
Not later than one year	1,491	893
Later than 1 year and not later than 5 years	5,966	893
	<u>7,457</u>	<u>1,786</u>

**13 Related party transactions**

During the 2025 and 2024 financial years, the company received donations from law firms at which trustees are partners. These totalled £45,000 in 2025 (2024: £48,000).

There are no further related party transactions during the year (2024: None).