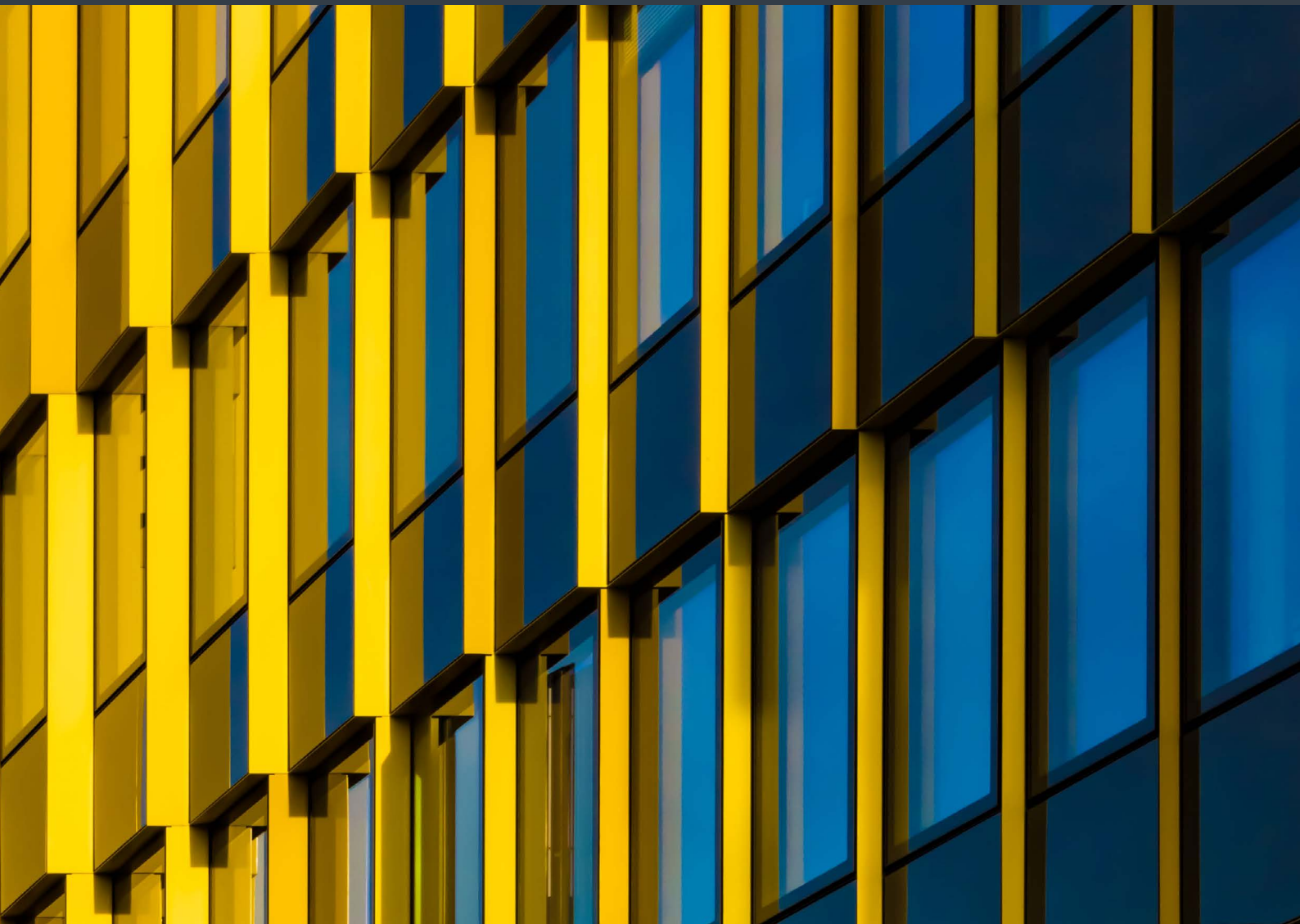




# UMAL Annual Report and Abbreviated Financial Accounts

**Year Ended 31 July 2025**





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# 1. Chairman's Report

I am pleased to be able to report that the 2024/25 indemnity year was very successful as we continued our profitable historical performance. The surplus for the year was £7.3m, after the credits given to our Members under the Members Loyalty Bonus of £4.6m. I will provide further details later in this report of the various factors contributing to this outstanding result.

As a consequence, the Directors have resolved to make a distribution to Members by way of a rebate to be set against 2025/26 Advance Contributions of 10% of the 2024/25 Gross Advance Contributions for both General and Terrorism Contributions - this will amount to £4.4m.

The rebate of £4.4m will mean we will have either rebated to Members or discounted contributions by £9m for the 2024/25 Indemnity year. The residual surplus for the year of £2.9m will be added to Members Reserves which now total £31.9m.

We have now provided over £62m of rebates and Member Loyalty discounts since 1992. A significant benefit to our Members.

Our reserves provide security and stability for our Members and enable us to offer stable and consistent pricing and unparalleled levels of cover. Included in these Member reserves is £0.5m, which is being set aside as a risk management fund to contribute and assist our Members in dealing with specific risk management initiatives.

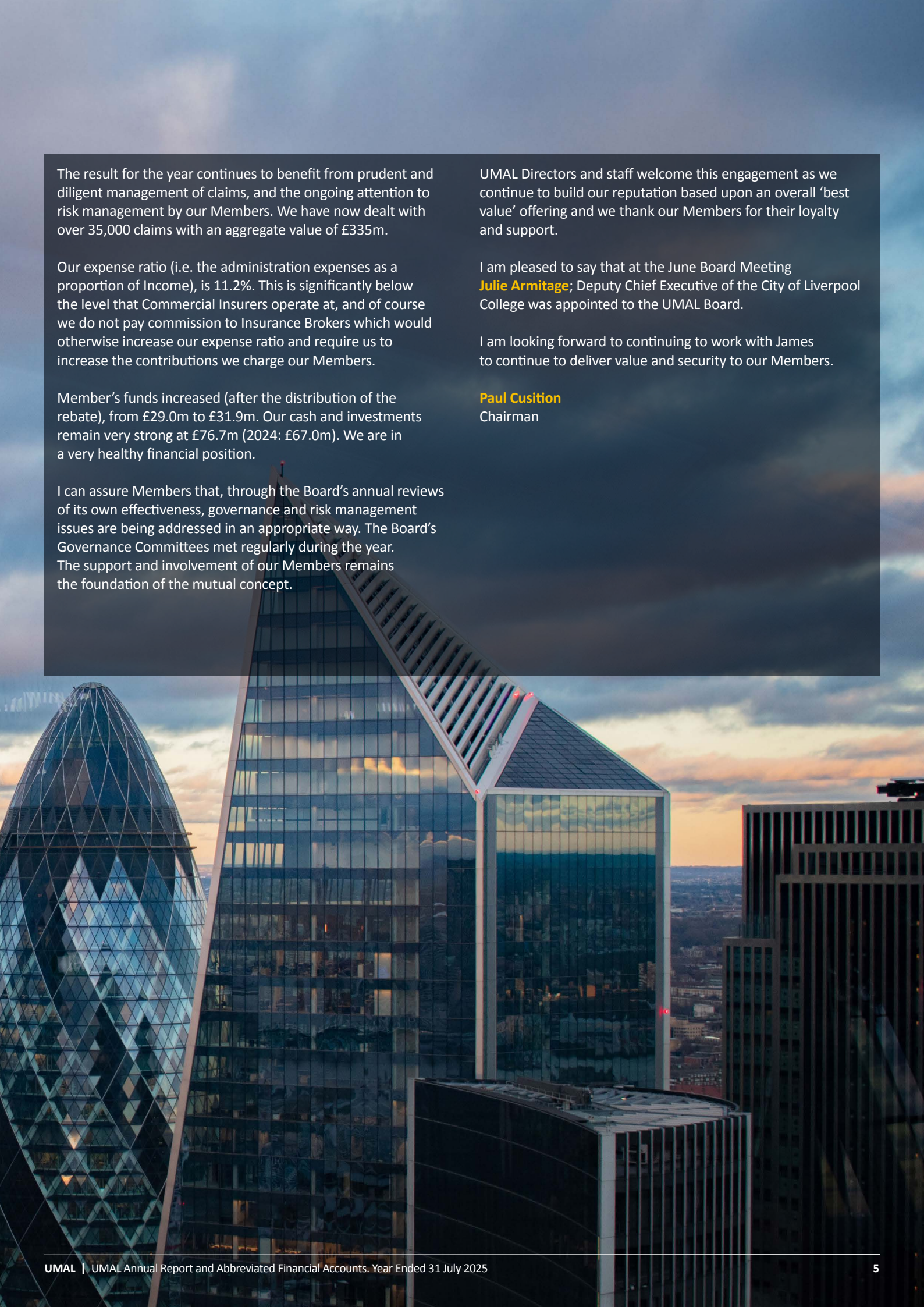
In addition, U.M Association (Special Risks) Limited provided subsidies of £976,000 to qualifying Terrorism Members.

This surplus is after the following amounts being included in the Financial Result:

- Investment Income of £4.0m
- Claims resulting from:
  - UK Storms - £1.7m
  - Escape of Water - £0.9m
- Members Loyalty Bonus - £4.6m

We saw some improvements in the prior year's claims as they were settled and closed. This represented around £0.4m in the Liability classes.





The result for the year continues to benefit from prudent and diligent management of claims, and the ongoing attention to risk management by our Members. We have now dealt with over 35,000 claims with an aggregate value of £335m.

Our expense ratio (i.e. the administration expenses as a proportion of Income), is 11.2%. This is significantly below the level that Commercial Insurers operate at, and of course we do not pay commission to Insurance Brokers which would otherwise increase our expense ratio and require us to increase the contributions we charge our Members.

Member's funds increased (after the distribution of the rebate), from £29.0m to £31.9m. Our cash and investments remain very strong at £76.7m (2024: £67.0m). We are in a very healthy financial position.

I can assure Members that, through the Board's annual reviews of its own effectiveness, governance and risk management issues are being addressed in an appropriate way. The Board's Governance Committees met regularly during the year. The support and involvement of our Members remains the foundation of the mutual concept.

UMAL Directors and staff welcome this engagement as we continue to build our reputation based upon an overall 'best value' offering and we thank our Members for their loyalty and support.

I am pleased to say that at the June Board Meeting **Julie Armitage**; Deputy Chief Executive of the City of Liverpool College was appointed to the UMAL Board.

I am looking forward to continuing to work with James to continue to deliver value and security to our Members.

**Paul Cusition**  
Chairman

# 2. CEO's Report

It gives me great pleasure to share my second CEO's report for the 2024/2025 Indemnity Year and to once again thank Paul for his support as Chairman in what was a tremendously successful year for UMAL.

I am delighted that we continue to grow our membership. We welcomed Buckinghamshire New University as a full Member from 1st February 2025 and I am also pleased to report that we welcomed the following new full Members with effect from 1st August 2025:



Whilst a number of the new 'Full' Members are completely new to UMAL, many have converted from previous 'Terrorism' only Members which has been a theme over recent years.

Commercial Insurers continue to report record profits, Return on Equity and Dividends to Shareholders, whilst still advocating continued increases in rates. Conversely under our Mutual model, we continue to provide a stable rating environment to our Members. In addition, including the UMSR subsidy, we have discounted or rebated over £10m for the 2024/2025 indemnity year to our Members during increasingly difficult financial circumstances for them.

So with stable rates, fixed for three years under the Members Loyalty Bonus scheme (MLB), we continue to provide clear financial benefits of over 30% when compared to Commercial Insurers as demonstrated by the following:

Members Loyalty Bonus	No Payment of IPT
10%	12%
Members rebate	No payment of broker fees /commission
(10% on both General Contributions and Terror Contributions)	(say) 10%

Most of our Members have signed up to the MLB scheme, with around 99% of our gross contributions benefiting from this discount. In total the discounts provided up front to our Members was £4.6m this year and means our Members have benefited from around £21m of these discounts since we introduced it in 2019.

Rates in the general commercial market remain firm, if not rising at the same rate as in the last two years. There is no sign of a quick return to a "soft" buyers' market in the general insurance market. Our Members benefit from the rate guarantee within the MLB and many have taken the opportunity at renewal to "swap out" the remaining year on their MLB for a new rate "fix."



## Key Performance Indicators

	2025 £m	2024 £m
Gross contributions receivable	46.2	44.1
Commissions earned	0.3	0.3
Claims and insurance premiums	32.5	34.8
Investment income/(expense) (Gross)	4.0	4.3
Administrative expenses	5.2	4.8
Administrative expenses percentage to gross income	11.2%	10.9%
Gross operating surplus	13.9	9.5
Member Loyalty Discount	4.6	4.4
Investments, cash and short-term deposits	76.7	67.0
Net current assets	2.2	2.9

Given our discretionary mutual status, Members also benefit from IPT not being levied on contributions, which would otherwise add over £5m to the contributions collected. In addition, U.M. Association (Special Risks) Limited, a company under common control, distributed £0.9m of subsidies in respect of Terror Contributions, which combined with UMAL's distribution and commission rebates provided by HMSL, our in-house broker, means we have handed back to Members a total over £10m in this financial year.

The Key operational risks facing the Association continue to be monitored closely and are considered to be frequency and severity of catastrophe claims, insurance market consolidation, and regulatory changes together with investment volatility. They are being actively monitored, with risk management process at the heart of what we do, which includes maintaining a robust insurance protection programme with 'A' rated insurers or better, and close monitoring of the Association's diverse investment portfolio assisted by external advisors. A rigorous Realistic Disaster Scenario (RDS) exercise is undertaken each year to stress test our Insurance protections in the event of a number, or series of large claims.

The Mutual continues to stand firm in offering the broadest cover with consistent and fair pricing to our Members, whilst continuing to deliver the best service in the Sector.

We continue to invest in improving our systems and procedures and have improved our service delivery during the year whilst our total operating expense ratio remains at a low level. We also do not deal through brokers or intermediaries, a cost which the broker/insurer model needs to recover through a combination of fees from policyholders as well as higher commissions from commercial insurers with the inevitable consequence of increasing premium levels to their policyholders. We continue to strive to improve both the service and level of engagement we have with our Members.

The value and benefits of the Mutual is demonstrated by the loyalty of our existing Members and through new Members joining or expanding their cover with us. The model is proving to be more attractive than ever with the challenges the sector faces, and there are a number of promising opportunities for the Mutual to pursue over the coming indemnity years.

I would like to take this opportunity to thank all of our Members for your support and it has been my privilege to have led such a wonderful team of experts.

**James Roberts**  
CEO



# 3. Investment Strategy

Through the Investment Committee's guidance and oversight, we had another very successful year on Investment Income. We have a very focused investment mandate in place with our investment managers with regard to:

- Credit quality and counterparty risk
- Duration of instruments
- Sectors we invest in

At the year-end we now have £50.6m invested in "Yield to Maturity" (YTM) investment grade fixed income securities. The yield on the portfolio for the year was 4.4% with an average duration of 4.3 years. This change in investment strategy has been extremely positive, and our investment income this year of £4.0m contributed significantly to our financial results.

Our investment strategy is based on our ESG policy, which specifically excludes any investments in the following sectors:

- Oil, Gas & Fossil Fuels extraction
- Mining
- Tobacco
- Gambling
- Weaponry / Armaments

Our investment outlook is strong

Members Funds increased  
(after the distribution of the rebate)  
from **£29m** to

**£31.9m**

Our cash and investments remain  
very strong at

**£76.7m**

(2024: £67m)







## 4. Board and Directors

Our Board of Directors is comprised of highly experienced professionals from the insurance and education sectors. The Board is responsible for UMAL's strategy, and their experience and expertise ensures that our business operates effectively, delivers products and services of the highest quality, and protects our Members' interests at all times.

Name	Position	Appointment date	Investment	Audit	Rem
Paul Cusition	Chairman	1 January 2018	X	-	X
James Roberts	Chief Executive	13 December 2023	X	-	-
Nicola Cardenas Blanco	Member Director (NED)	23 June 2021	-	X	-
Julie Charge	Member Director (NED)	15 April 2024	X	X	-
Mike Davies	Independent (NED)	08 December 2010	X	X	X
Martin Hay	Member Director (NED)	15 April 2024	-	X	-
Lawrence Jenkins (Resigned 18/12/24)	Member Director (NED)	22 January 2020	-	X	-
Andrew Keeble	Member Director (NED)	19 January 2017	X	X	X
Darren Xiberras	Member Director (NED)	22 April 2024	X	-	-
Julie Armitage	Member Director (NED)	18 June 2025	-	-	-





## Directors

The Directors who served during the year and their attendance at Board meetings is given below. Directors are required to retire by rotation, and are re-elected every three years. None of the Directors had a personal interest in the Group during the year.

	Number of Board Meetings Attended	Possible number of Board Meeting Attendances
Paul Cusition	5	5
James Roberts	5	5
Julie Armitage (appointed 18/06/25)	1	1
Nicola Cardenas Blanco	5	5
Julie Charge	4	5
Mike Davies	4	5
Martin Hay	5	5
Lawrence Jenkins (resigned 18/12/24)	1	2
Andrew Keeble	5	5
Darren Xiberras	3	5



## Board and Committees continued

### **Paul Cusition, FCCA** Chairman

Paul joined UMAL as CEO in January 2018 and over a six year period he contributed to a significant growth in membership, revenue and enhanced cover and service provided to members. He succeeded Allan Guest as Chairman in December 2023 when Allan retired and James Roberts was appointed CEO of UMAL.

Paul began his career as an Accountant in private practice, qualifying in 1981. He then joined Sun Alliance (now RSA) where, following a number of roles, he became a Director for their Global Risks Division, which encompassed their Major Clients and London Market Operation. Following this he had a number of senior roles for Global Insurers, a Lloyd's of London Syndicate and also established a Managing General Agency writing business on behalf of Munich Re which was sold in December 2017.

Paul has over 40 years of experience in a wide range of Insurance operations and has been an FCA approved person since 1998.

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### **James Roberts** CEO and Director

James joined UMAL as CEO (Designate) in September 2023, becoming CEO in December 2023.

James started his career at Eagle Star in 1990 (Zurich since 1997) carrying out a number of Underwriting, Distribution and Management roles across the Midlands, North West and South East. In 2007 James became Head of Navigators and General, the specialist Pleasurecraft insurance division of Zurich, before taking on the role of Head of Region for the Southeast and most latterly at Zurich the role of UK Head of Sales and Distribution, and a member of the Retail Exec.

Having left Zurich in March 2020, James became Chief Commercial Officer and Director at ZavFit Ltd (a health tech start-up) along with establishing his own consultancy business supporting the scaling up of a number of commercial insurance brokers and Insuretechs across the UK.

James has over 30 years experience in the insurance sector.

### **Julie Armitage** Deputy Chief Executive, The City of Liverpool College

Julie joined The City of Liverpool College as the Deputy Chief Executive in 2016. Prior to taking up her role at The City of Liverpool College, she was the Director of Finance at Salford City College.

She has specific responsibility for overseeing the areas of Finance, HR, MIS, Estates, IT and Student Services functions of The City of Liverpool College Group. Julie qualified as a Chartered Accountant in 2001 and had 10 years' experience in auditing various different sectors including education, charities and commercial entities.

During her time within the accountancy profession, she also completed various secondments which included 2 years working as an Audit Supervisor in Philadelphia co-ordinating and overseeing audits across the US and also a period of time in the Forensic accounting department of the accounting firm investigating allegations of fraud and other financial regularities.

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### **Nicola Cárdenas Blanco, BSc (Hons), DBA** Director of Legal Services, University of Birmingham

Nicola is a solicitor with over 16 years of post-qualification experience. Her background is in civil litigation and regulatory law, where she worked in private practice in national and international firms and advised a range of commercial organisations and further and higher education institutions. In 2014, Nicola made the move to practice in-house for a UK university.

She is Director of Legal Services at the University of Birmingham. Nicola has a research interest in overseas risk management in UK universities having completed a doctorate on the topic, and is also a member of the Association of University Legal Practitioners.

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### **Julie Charge** Dep Chief Exec & Chief Financial Officer, University of Salford

Julie Charge has worked at the University of Salford since 2014, originally as the Executive Director of Finance, but has most recently taken up the role of Deputy Chief Executive and Chief Financial Officer.

Julie oversees the professional services of the University, including Finance, Strategy, Estates, Digital IT, Student services and Marketing.

Julie qualified as an accountant in 1995, completing her Masters in Business Administration in 2009. She has over 30 years of experience working in Finance. She's worked in a variety of Public and Private sectors including Health, Manufacturing and Higher Education.



### **Mike Davies, FCCA** Non Executive Director

Most recently, Mike was the Director of Finance at Bangor University from 2009 to 2020. He qualified as an accountant in 1982 and moved into the HE sector after extensive senior level experience in the Construction, Engineering, Transport and Services sectors.

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### **Martin Hay** Finance Business Partner, Glasgow Caledonian University

Martin qualified as a Chartered Accountant in 2000 before moving into corporate finance with KPMG Transaction Services and then Barclays Leveraged Finance, gaining extensive experience across all sectors, covering acquisitions and mergers, flotations and buyouts.

Following a move into Industry and Business Partnering roles in the financial and manufacturing sectors, Martin then moved into Higher Education and has 12 years combined experience with both Glasgow University and now Glasgow Caledonian University where he is the Senior Finance Business Partner.

His Higher Education experience includes responsibility for University budgeting and forecasting, Risk Management, and Insurance.

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### **Andrew Keeble, ACA** Director of Finance, University of Essex

Andrew began his current term of office as a Director of UMAL in August 2016. He has 19 years of experience as a University finance director at SOAS, Queen Mary and is currently at the University of Essex.

Andrew qualified as a Chartered Public Finance Accountant through the Essex County Council graduate trainee scheme before progressing to work in the Regulatory Services Group at Lloyd's of London where he secured the Lloyd's Market Certificate, a Chartered Insurance Institute qualification. Inspired by his time as a student, Andrew then joined the University of Essex as Assistant Director of Finance, and was instrumental in Essex becoming one of the founding members of UMAL in 1993.

Andrew has been involved in insurance, investments and financial accounting for over 25 years and is a member of the UMAL Investment and Audit Committees. In addition to his accountancy and insurance qualifications, Andrew has a BSc in Economics from the University of Salford.

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### **Darren Xiberras** Chief Financial Officer, Cardiff University

Darren Xiberras is currently Chief Financial Officer of Cardiff University and a member of the University Executive Board. He oversees all aspects of the University's finances and financial performance.

Prior to joining Cardiff University, Darren was Chief Finance Officer at the University of South Wales. Prior to joining the HE sector Darren held numerous roles in the private and charity sector including Group FD of a listed PLC. He trained as an accountant with South Wales Electricity PLC.

Darren currently holds the chair for the Welsh Higher Education Finance Directors' Group (WHEFDG) and sits on the Executive Committee for the British Universities' Finance Directors' Group (BUFDG). He is also a board member of the National Citizen Service and chairs their audit and risk committee.

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## Audit Committee

### Current constituents

**Julie Charge (Chair); Mike Davies; Andrew Keeble; Martin Hay; Nicola Cárdenas Blanco**

### Principal Responsibilities/Activities

- Review and recommend the annual Financial Statements to the Boards.
- Report to the Boards on internal control and risk management arrangements, and review and approve the statements included in the annual report in relation to internal control and the management of risk.
- Monitor the implementation of agreed audit-based recommendations from whatever source.
- Report to the Boards any matters where it considers action or improvement is needed.
- Make recommendations to the Boards for it to put to the members for their approval in general meeting, relating to the appointment, reappointment or removal and remuneration of the external auditor.
- Review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.
- Ensure upon engagement of the external auditor that there is a policy in place for the supply of non-audit services, taking into consideration relevant ethical guidance; the auditors to produce such policy which should include ethical guidance and management of conflicts of interest.
- Ensure that any significant loss of assets has been appropriately investigated.
- Co-consider the need for an internal audit function and to make a recommendation to the Boards.

### The Audit Committee also receives and reviews:

- Regulatory bodies' reports and ensure action is taken and there is a mechanism for reporting back.
- The A M Best Rating Report – this acts as an additional check on the Company's financial health.
- The FCA Breaches Logs and the FCA Annual Compliance Plan.
- The schedule of regulatory policies for completeness and appropriateness, and ensures the relevant ones are reviewed and approved by the respective Boards.
- Declarations of interest and conflicts of interest register.
- The arrangements by which concerns about possible improprieties in the conduct of the company's financial and other business may be raised, so that appropriate arrangements are in place for the independent investigation and follow-up actions.
- The adequacy of Corporate Governance.
- The Board's effectiveness.
- The Committee's terms of reference and effectiveness, and recommend any changes.

The duties of the Chairman of the Audit Committee also includes appraisal of the Chairmen of the Boards.



# Investment Committee

## Current constituents

**Mike Davies** (Chair); **Paul Cusition**; **James Roberts**; **Andrew Keeble**; **Julie Charge**; **Darren Xiberras**

## Principal Responsibilities and Duties

To diversify our Investment funds into a relatively low risk portfolio, in order to provide a return benefit while avoiding significant capital exposure or a major increase in volatility.

### To make recommendations to the Boards on the following matters:

- The adoption of an investment strategy based on the latest 3 Year Plan forecasts, taking account of the need to balance return, security and liquidity.
- The appointment and terms of appointment of our Investment Managers
- Changes to the investment policy, in particular counterparty limits and types or classes of investments.

### To determine the following matters and report to the Boards:

- To annually review our Investment Portfolio in the light of market conditions, current weightings and liquidity needs
- To appraise and recommend longer term investment opportunities, and where approved to acquire or dispose of these
- To review the performance of our Investment Managers in the light of the investment policy against set benchmarks and budget expectations
- Operationally, to make investment decisions to implement the investment strategy as agreed by the Boards, and to operate within the Investment Mandates approved by the Boards re instructions to investment advisers and investment platforms.

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# Remuneration Committee

## Current constituents

**Paul Cusition** (Chair); **Mike Davies**; **Andrew Keeble**

## Principal Responsibilities and Duties

- Keep under review the job description and terms and conditions of employment of the Chief Executive (CEO) and report to the Board for decision of any changes to these that may be appropriate.
- Determine the total remuneration of the CEO and certain other senior staff.
- Review the annual total remuneration payable to the Chairman of the Board, the Deputy Chairman of the Board, the Chairmen of Committees of the Board and the Non-Executive Directors.
- Set and review the overall remuneration policies.
- Annually review individual performance against the agreed targets of the CEO.



## 5. Financial statements



# Consolidated statement of comprehensive income and expenditure

## Year ended 31st July 2025

	Notes	2025 £'000	2024 £'000
<b>Turnover</b>			
Gross receipts from members		46,438	44,354
Members Loyalty Bonus		(4,597)	(4,406)
<b>Net Turnover</b>		41,841	39,948
Less Claims and Indemnity costs		(32,539)	(34,839)
<b>Underwriting Result</b>		9,302	5,109
Administrative expenses	2	(5,212)	(4,821)
<b>Operating surplus</b>		4,090	288
Investment income	3	4,030	4,342
<b>Surplus on ordinary activities before taxation</b>		8,120	4,630
Tax on surplus on ordinary activities		(806)	(916)
<b>Surplus and total comprehensive result for the year</b>		7,314	3,714
Less Members Distribution		(4,411)	(1,670)
<b>Surplus on ordinary activities and total comprehensive result for the financial year</b>		<b>2,903</b>	<b>2,044</b>

# Consolidated statement of financial position

As at 31st July 2025

	Notes	2025 £'000	2024 £'000
<b>Fixed assets</b>			
Tangible fixed assets		185	210
Investments	4	48,502	42,660
<b>Total fixed assets</b>		<b>48,687</b>	<b>42,870</b>
<b>Current assets</b>			
Debtors		12,008	9,888
Short-term investments		2,074	2,947
Cash at bank and short-term deposits	5	26,164	21,382
<b>Total current assets</b>		<b>40,246</b>	<b>34,217</b>
<b>Creditors: amounts falling due within one year</b>	6	<b>(38,008)</b>	<b>(31,360)</b>
<b>Net current assets</b>		<b>2,238</b>	<b>2,857</b>
<b>Total assets less current liabilities</b>		<b>50,925</b>	<b>45,727</b>
<b>Provisions for liabilities</b>			
Other provisions	7	(19,065)	(16,771)
<b>Net assets</b>		<b>31,860</b>	<b>28,956</b>
<b>Reserves</b>			
Risk management reserve	8	500	-
Members' reserves	8	31,360	28,956
<b>Members' funds</b>		<b>31,860</b>	<b>28,956</b>



# Notes to the financial statements

Year ended 31st July 2025

## 1. General Information

The Association is a United Kingdom private company limited by guarantee and is both incorporated and domiciled in England and Wales, registration number 02731799. Its registered office address is 5 St. Helen's Place, London, EC3A 6AB.

### Reserve fund

The transfer to or from the reserve fund is determined using the funds basis of accounting. Under the funds basis, contributions net of excess insurance, claims, expenses, investment income and taxation for each open year are allocated to each indemnity year beginning 1 August, the results of which are determined when the indemnity year is closed.

### Indemnity provision

Claims are recognised upon notification at the approval of the Board. Provision is also included for expected claims at the year end to be settled at the discretion of the Board. Details of the provision are included at note 7.

The level of indemnity provision at the statement of financial position date has been established on the basis of information which is currently available to the Association, including the cost of settling known claims. The Association takes all reasonable steps to ensure it has appropriate information regarding potential claims exposure. Whilst the Board is of the opinion that the required level of provisioning is fairly stated at the statement of financial position date, due to the inherent uncertainty in estimating claims provisions, it is likely that the final outcome will prove to be different from the original liability estimated. Accordingly, a degree of caution is exercised when estimating the level of claims provision required where uncertainty exists. As a discretionary mutual, all claims are approved and settled at the discretion of the Board.

## 2. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2025 £'000	2024 £'000
Wages and salaries	2,786	2,708
Social security costs	354	323
Other pension costs	151	181
	<b>3,291</b>	<b>3,212</b>

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

	2025 No.	2024 No.
Claims	6	5
Underwriting	3	3
Finance	2	2
Administration	4	4
Other Functions	7	6
	<b>22</b>	<b>20</b>

Directors' remuneration	2025 £'000	2024 £'000
Emoluments	764	901

During the year there were no retirement benefits accruing to any of the directors (2024: none) in respect of money purchase pension schemes.

# Notes to the financial statements

Year ended 31st July 2025

## 3. Investment income

	2025 £'000	2024 £'000
Bank and deposit interest	1,230	1,718
Other investment income	1,970	1,299
Change in fair value of investments	830	1,325
	<b>4,030</b>	<b>4,342</b>

## 4. Fixed asset investments

Total fixed asset investments comprise:

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Interests in subsidiaries	-	-	4,805	4,021
Short-term investments due within 1 year	2,074	2,947	2,074	2,947
Fixed asset investments due after 1 year	48,502	42,660	48,502	42,660
	<b>50,576</b>	<b>45,607</b>	<b>55,381</b>	<b>49,628</b>

### Interests in subsidiaries

	Country	Percentage shareholding	Description
Hasilwood Management Services Limited 400,000 ordinary shares of £1 (2024 – 400,000 shares)	United Kingdom	100%	Insurance intermediary
Windward Insurance PCC Limited – UMAL Cell (I) (incorporated in Guernsey) 15 (2024:15) cellular shares of £1	Guernsey	100%	Provision of Insurance

The Association's rights to participate in Windward Insurance PCC Limited – UMAL Cell(I) are limited to the activity of the Cell only.

Windward Insurance PCC Limited has a financial year end of 31 March. UMAL Cell (I) is an individual cell within Windward Insurance PCC Limited and therefore it is not practicable for the financial year end of this cell to coincide with that of the Association. The results of UMAL Cell (I) which are consolidated into these financial statements are based on management accounts prepared for the twelve months to 31 July 2025.



# Notes to the financial statements

Year ended 31st July 2025

## 4. Fixed asset investments continued

The Group and Association:		Long- term deposits & Investments £'000
<b>Cost</b>		
At 1 August 2024		44,256
Additions		18,855
Disposals		(14,060)
At 31 July 2025		49,051
<b>Valuation adjustment</b>		
At 1 August 2024		1,351
Movement in fair value in year		174
Disposals		-
At 31 July 2025		1,525
Net book amount at 31 July 2025		50,576
Net book amount at 31 July 2024		45,607
<b>Association:</b>		
		Shares in subsidiary undertakings £'000
<b>Cost</b>		
At 1 August 2024		29,000
At 31 July 2025		29,000
<b>Impairment</b>		
At 1 August 2024		(24,979)
Revaluation		784
At 31 July 2025		(24,195)
<b>Net book value</b>		
At 31 July 2025		4,805
At 31 July 2024		4,021

Long term deposits and investments comprise holdings in publicly traded investment funds and are valued at quoted market prices at the reporting date.

# Notes to the financial statements

Year ended 31st July 2025

## 5. Cash and cash equivalents

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Balances with banks	4,951	2,685	4,259	906
Short-term cash funds	21,213	18,697	13,411	11,846
	<b>26,164</b>	<b>21,382</b>	<b>17,670</b>	<b>12,752</b>

At 31st July 2025 the Group had a deposit of £7,576,399 (2024: £7,232,295) in a security Interest Agreement in favour of QBE Insurance (Europe) Limited.

## 6. Creditors: amounts falling due within one year

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Indemnity case reserves	31,225	27,156	31,225	27,156
Trade Creditors	234	511	182	150
Amounts owed to group undertakings	-	-	18	468
Corporation tax	512	917	502	916
Social security and other taxes	207	198	207	198
Other creditors	4,815	2,031	4,750	1,942
Accruals and deferred income	1,015	547	863	401
	<b>38,008</b>	<b>31,360</b>	<b>37,747</b>	<b>31,231</b>

Trade creditors comprise claims case estimates which have been notified but which were not settled at the year end.



# Notes to the financial statements

Year ended 31st July 2025

## 7. Provisions

Group	IBNR £'000	Dilapidations £'000	Total £'000
At 1 August 2024	16,676	95	16,771
Provisions charged during the year	5,448	3	5,451
Utilised/released during the year	(3,157)	-	(3,157)
At 31 July 2025	<b>18,967</b>	<b>98</b>	<b>19,065</b>

Association	IBNR £'000	Dilapidations £'000	Total £'000
At 1 August 2024	16,676	85	16,761
Provisions charged during the year	5,448	3	5,451
Utilised/released during the year	(3,156)	-	(3,156)
At 31 July 2025	<b>18,968</b>	<b>88</b>	<b>19,056</b>

The Indemnity provision is in respect of claims incurred but not reported which the Directors expect to settle in the future. Dilapidation provisions are being made on the leasehold premises at 5 St Helen's Place, London.

## 8. Risk management reserves

The risk management reserve is a distributable reserve which represents funds to be used for specific Risk management initiatives for the benefit of Members.

## 9. Company status and members' limited liability

U M Association Limited is a private Association limited by guarantee. In accordance with the Association's Articles of Association, each member's liability in the event of the Association being wound up is restricted to no more than £100.

## 10. Related party transactions

The Association has no share capital and is controlled by the members who are also the receivers of discretionary indemnity. The resulting transactions are consequently deemed to be between related parties but these are the only transactions between the Association and the members.

The Board is made up of 9 directors, 6 of whom represent the members of the Association. There is 1 executive director. Other than those transactions with the directors set out in note 2, and those relating to the provision of discretionary indemnity, there are no other transactions or balances with directors that require disclosure.

The Association receives a guarantee from U. M. Association (Special Risks) Limited ("UMSR") to meet liabilities which the Association may incur in respect of terrorism covers provided to its members. The value of the guarantee shall not exceed £2.5 million in any indemnity year. UMSR is considered a related party.



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