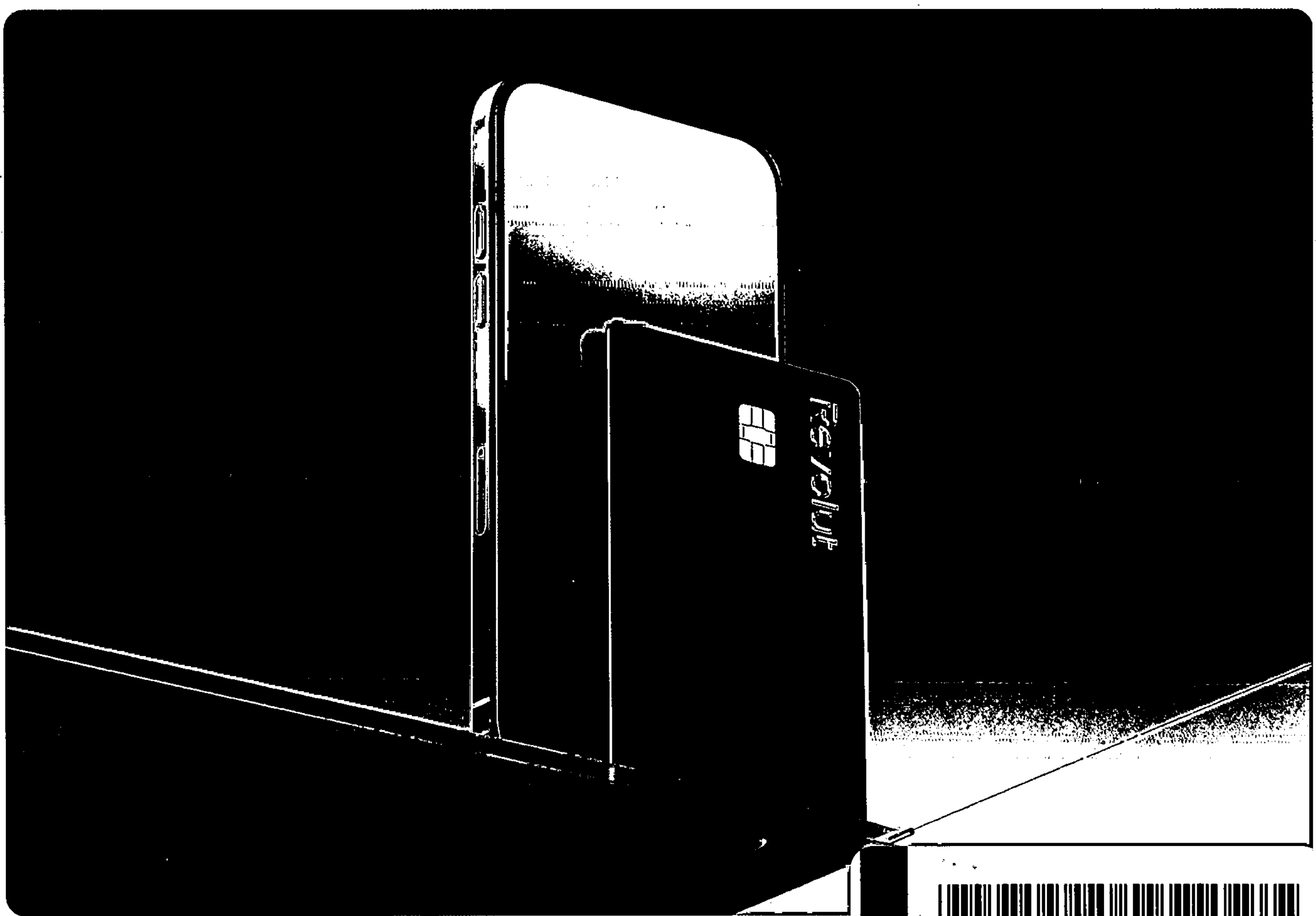
Revolut

Revolut Ltd 2024 Annual Report

And Financial Statements for the year ended 31 December 2024



Revolut Group Holdings Ltd | Registered number: 08804411

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Company Information

Company Name	Revolut Ltd
Directors	Martin Gilbert (Chair) Nikolay Storonsky Vladyslav Yatsenko Michael Sherwood Caroline Britton Ian Wilson John Sievwright Dan Teodosiu *Please refer to the annual report of Revolut Group Holdings Ltd for the directors' biographies and their dates of appointment.*
Company Secretary	Thomas Hambrett
Registered Number	08804411
Registered Office	7 Westferry Circus Canary Wharf London England E14 4HD
Independent Auditors	BDO LLP 55 Baker Street London England W1U 7EU

Strategic Report

The Directors present their strategic report for the year ended 31 December 2024 for Revolut Ltd (the 'Company' or 'Revolut').

Business Review

Revolut exists to make money cheaper, simpler, and more transparent. Our mission is to simplify all things money. People and businesses want greater control over their finances and we provide a tailored experience to our customers through data-driven insights, empowering them to make smarter decisions about how they spend, save, and grow their money. We deeply care about the trust that customers place in us by ensuring that our platform is secure and reliable.

Revolut began in the UK in 2015 with transfer and foreign exchange services that were faster and cheaper than those of legacy banks. Since then, we have remained committed to addressing customers' needs, continuously expanding our product offering, and delivering the best possible experience.

In addition to the above, Revolut provides services to other revenue generating operating entities in the broader Revolut Group.

Our Business Model and Strategy

To achieve our mission of simplifying all things money, we focus on four key areas as part of our business strategy:

1. Becoming the primary financial services provider for our customers
2. Designing best-in-class products and expanding our offerings to meet the global financial needs of our customers
3. Strengthening the trust that customers place in Revolut by improving the security and reliability of our platform
4. Continuing to grow our customer base profitably

Primary Financial Services Platform

In Retail, we focus on enabling more customers to use Revolut as their primary account (i.e. deposit their salary), by tailoring our products to customer needs. We are also strengthening our proposition as a spending account, through rewards, financial planning tools, and a 'global account' proposition underpinned by travel benefits and currency exchange. Lastly, we are driving adoption of our wealth products with money health tools for spending analytics and budgeting.

For Business customers, we continue to build key localised capabilities, local rails for tax payments, and local accounting tools. To help larger businesses, we are building spend management products, from accounts payable to expense management. Our Treasury products will enable more businesses to put their money to work and de-risk their business. We are also developing the suite of products for businesses to accept payments both online and in-store.

Best-in-Class Products

Customers enjoy using our products, rating us 4.9 on Apple App Store, 4.8 on Google Play Store and 4.4 on Trustpilot[1]. We will continue to offer customers superior banking products with a compelling user experience and competitive pricing.

We strive to make the banking experience as simplified and frictionless as possible, from onboarding to everyday transactions. Intuitive app UI will continue to allow customers to see their finances all in one place, while enabling

[1] As of February 2025

personalisation based on their needs. Further, we are strengthening our product and services quality through resolution of user issues, minimising outages, and improving quality control of our teams.

Customer Security & Trust

We continue to invest heavily in strengthening our financial crime prevention teams and technology to protect customers from falling victim to fraud and scams. We have robust protections in place for our customers – our security capabilities include a machine learning based fraud detection system, in addition to teams formed of over 150 fraud specialists, data scientists and former law enforcement personnel. We want customers to have greater control on their account's security and are working on providing one central hub to control all the security features and more customisable limits on their account.

Reliable customer support is a key pillar of trust for customers. We are focused on substantially reducing the overall resolution time for the customer while improving the chat experience. We continue to strengthen our customer support through improved processes, training, and tools.

Profitable Growth

Further deepening our market penetration remains a significant area of strategic focus. We will continue to invest in our advertising and marketing activities to increase our brand awareness and attract new customers. To continue the momentum in our business segment, we plan to continue to invest in our direct sales channel with a focus on serving larger businesses.

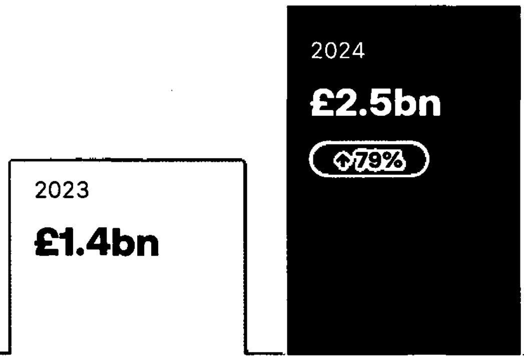
Financial Performance

Revenue increased to £2,453 million in 2024 from £1,366 million in 2023 as the business continued to grow, with net intragroup income and fee income representing the most significant increases. This, along with disciplined financial management of the cost base, resulted in an increased net profit of £705 million (2023: £235 million) and once credited to retained earnings increased equity to £1,566 million (2023: £904 million).

Outlook

Looking ahead, to the next year and beyond, we are continuing to focus on increasing our customer reach, delivering the functionality our customers expect as they turn to Revolut for their primary account relationship, as well as bringing innovative financial products to market and expanding to new geographies. On 25 July 2024, Revolut NewCo UK Ltd (the "UK Bank") received permission (with restrictions) from the Prudential Regulation Authority (the "PRA") under Part 4A of the Financial Services and Markets Act 2000 to conduct banking business in the United Kingdom (the "UK Bank Licence"). Following receipt of the UK Bank Licence, the UK Bank entered into the mobilisation period. Once the mobilisation period ends and the restrictions are lifted by the PRA, the Company will start to migrate customers and their balances to the UK Bank. The directors do not consider this will impact the Company's ability to operate as a going concern since it has concluded an intra-group outsourcing agreement with the UK Bank, under which the Company will be remunerated for the services it provides to the UK Bank on the basis of the Group's Transfer Pricing Policy. The timing of the customer migration shall be determined by the Company. Based on an encouraging start to 2025, we are positive and optimistic about the growth and profitability prospects as we continue on our mission to simplify all things money.

Revenue



Principal Risks and Uncertainties

The Company's risk management strategy is to identify potential events that may impact the business and to manage these within the risk appetite set by the Board. The risk appetite of the Company is aligned with that of Revolut Group Holdings Ltd (the 'Parent') and subsidiaries (the 'Group') to the extent that it follows a consistent risk taxonomy and appetite/tolerance levels are set so that the Company does not exceed that of the Group. The principal risks facing the Company can be categorised into financial risk, operational risk, financial crime risk, legal and regulatory compliance risk and conduct and culture risk, as summarised below:

Financial Risk

The Company is exposed to various financial risks in the ordinary course of business. The Company divides these risks into the following categories: Credit Risk, Liquidity and Funding Risk, Market Risk and Capital Risk.

- Credit Risk is the risk of financial loss should the Company's counterparties fail to fulfil their contractual obligations in full and on time. The Company is exposed to various credit risks in the course of its operations, the majority of which arise from the placements of corporate and client safeguarded funds with financial institutions. These are typically investment-grade-rated institutions.
- Liquidity Risk is the risk that the Company cannot meet its financial obligations when they fall due or is only able to do so at excessive cost. To manage these risks, the Company maintains a portfolio of unencumbered, high-quality cash instruments and securities that are readily convertible to cash to ensure that it can meet all of its financial obligations in business-as-usual circumstances and in stress conditions.
- Market Risk is the risk that the Company's earnings, capital or ability to meet business objectives will be adversely affected by changes in the level of volatility of market rates or prices, including foreign exchange rates, commodities, cryptocurrencies, and interest rates. The Company undertakes hedging transactions for these risks where appropriate.
- Capital Risk is the risk that the Company does not hold adequate capital to support its regulatory requirements or risk profile. The Company is an FCA regulated e-money institution.

Operational Risk

Operational risk is defined as the risk of loss as a result of inadequate or failed internal processes, people and systems or from external events. The Company manages operational risk under its Enterprise Risk Management Framework which is supported and underpinned by the Operational Risk Management Policy. Tools and minimum standards for operational risk management are defined and applied in the Company. Important elements include operational risk and control identification and assessment, control testing and assurance, incident and issue management and monitoring and alerting through an extensive suite of risk and control metrics and indicators.

Financial services firms face a broad range of operational risks, depending on the size and complexity of their operations. Examples of key operational risks that Revolut actively manages include:

- Operational Resilience, for which the Company operates an extensive framework to ensure stability of our services to our customer base. The aim of this is to limit the likelihood of a major disruption occurring, and also to limit the harm to customers and Revolut should a disruption occur.
- Cyber and Data Security threats are managed through a series of technical and organisational controls. Revolut continues to invest in its digital platforms and security posture and builds resilient, secure technologies and processes to minimise the risk of data security breaches.
- Third Party Risks, where the Company relies on the provision of products and services from third parties for the delivery of its business activities. We manage these through a framework that includes third party risk assessment, due diligence, contracting standards, contingency arrangements and ongoing monitoring of third party performance.

Specialist and dedicated operational risk management capability is deployed across the Three Lines of Defence Model and governed under our Compliance, Operational and Conduct Risk Committee.

Financial Crime Risk

Financial Crime Risk is the risk of failing to effectively mitigate the use of Revolut's products and services to perpetrate financial crimes, including by third parties and employees. This includes money laundering, violations of sanctions , and terrorist and proliferation financing. Examples of key financial crime risks that Revolut manages include:

- Money laundering and terrorist financing, the risk that the Company's products and services will be used to conceal, transfer and make use of the proceeds of crime, such as drug trafficking and terrorist financing;
- Sanctions risk, the risk that the Company facilitates the movement and use of sanctioned assets, by sanctioned entities, without identification, freezing or reporting;
- Fraud risk, the risk that the Company is used by fraudsters to perpetrate fraud, or our customers fall victim to fraud, such as Authorised Push Payment ("APP") fraud or Account Takeover ("ATO") fraud.

The Company has implemented a Three Lines of Defence Model and robust financial crime control framework to ensure that it complies with all financial crime regulations and effectively manages these financial crime risks. This includes the implementation of comprehensive onboarding, transaction monitoring, screening and reporting controls.

Legal and Regulatory Compliance Risk

Legal and Regulatory Compliance Risk is the risk that the Company may fail to adhere to legal or regulatory requirements under pre-existing authorisations and permissions. Examples of key Legal and Regulatory Compliance risks that the Company actively manages include:

- Regulatory Permissions Risk, the risk that the Company unintentionally operates outside the scope of its regulatory permissions. This can encompass the offering of products or services to customers in a jurisdiction for which Revolut is not yet authorised to do so; and
- Industry / Scheme Requirements Risk, the risk that the Company may fail to adhere to non-regulatory body industry/scheme requirements to which it is exposed as a result of its business activities, such as card schemes or voluntary codes.

The Company is committed to complying with the relevant regulatory requirements in the jurisdictions in which it operates and to provide accurate, reliable and timely reports to external regulators, authorities and stakeholders.

Conduct and Culture Risk

The Company has Conduct Risks associated with customer outcomes, market stability and effective competition; and Culture Risks associated with business practices and incentives. The Company is committed to putting consumers at the heart of the business and delivering to them good outcomes. Examples of key risks across the stages of the consumer journey include:

- Product Design, Price and Fair Value Risk, the risk that our products and services are not suitable for or fail to meet the target market needs and expectations;
- Consumer Understanding and Sales, Distribution and Marketing Risk, the risk that sales, distribution and marketing activity is unfair, unclear or misleading;
- Customer Support and Post-Sales Conduct Risk, the risk that our post sales client and product activity leads to poor or unfair customer outcomes; and

Culture and Incentives Risk, the risk that business practices or incentive structures encourage excessive or imprudent risk taking, poor employee conduct or create the risk of poor outcomes for customers or other stakeholders.

Emerging Risk

Whilst the Company monitors the environment for key risks emerging, we would like to call out the following risks in this year's report. These are risks which we are paying particular attention to and are developing concrete plans to integrate into our daily risk and control registers (or amend existing entries where relevant)

Climate Risk

The Company's exposure to the financial risks arising from climate change is immaterial. While we remain vigilant and committed to monitoring climate risks, our software-based business minimises our exposure to climate-related scenarios as our operations rely less on physical infrastructure and more on digital platforms. Our corporate physical footprint (e.g. office space) continues to be limited and we do not provide direct funding that generates financed emissions and are not collateralised by physical assets exposed to climate change.

Given the longer-term nature of the risk and the Company's desire to set and achieve appropriate climate goals, we currently manage climate risk as an emerging risk, recognising this may become more material as our exposure begins to grow.

Considering that the risk is insignificant, we limit further disclosures.

Evolving Regulatory Environment

As a regulated business, the Company keeps abreast of the emerging regulatory and legislative changes which could impact the way we operate and therefore our ability to comply with applicable regulations and legislations. To achieve this, the Company, partnering with a number of third parties, has developed its own Horizon Scanning process to capture and assess the potential impact of upcoming regulatory change while jointly maintaining an active and open dialogue with all regulators and government bodies in our operating territories.

In particular, we are closely monitoring the changes in regulatory landscape and industry developments relating to Cryptoasset products following the continued evolution of regulatory enforcement in this arena. In addition, we continue to closely monitor the potential impact of the UK's Payment Systems Regulator developments on frauds refund including the mandatory reimbursement model.

Evolving Technologies

We believe that evolving technologies create significant opportunity for innovation of our Products and Services, but also recognises challenges associated with their use. Regulations around the use of new technologies (e.g. Artificial Intelligence) are also evolving and the Company applies significant governance over potential use cases to ensure that key risks (e.g. Model, Data Privacy, Legal, Compliance) are identified and managed.

Emerging technologies also feature in rapidly evolving external threats, for example through External Fraud or Cyber Attack. Our controls therefore require continuous enhancement to ensure they remain effective. As referenced in the principle risks section, a regular and ongoing programme of penetration testing is in place to identify weak points against changing attack vectors. Fraud detection models continue to be enhanced, leveraging new technologies (e.g. Large Language Models) to become increasingly effective.

Non-Financial and Sustainability Information Statement

The Company has elected not to prepare a separate Non-Financial and Sustainability Information Statement (the "NFSI Statement") since its disclosures for the reporting period are included within the NFSI Statement of Revolut Group Holdings Ltd in line with the provisions of s. 414CA(7) and (8) of the Companies Act 2006.

Corporate Governance Statement

The Company operates in accordance with all applicable corporate governance, legal and regulatory requirements. While not formally subject to the UK Corporate Governance Code 2018 (the "CG Code"), the Board has regard to its principles, which are applied through its Corporate Governance Framework, although there are some aspects of the CG Code that are not necessarily consistent with the operating environment of a large private company. We are fully compliant with the Wates Principles, upholding rigorous governance standards that drive transparency, accountability, and sustainable outcomes for Revolut and our stakeholders. We welcome the introduction of the revised edition of the CG Code, effective January 2025, and are committed to evaluating its provisions to further strengthen our governance framework. Further details on the Group's Corporate Governance Framework, which also applies to the Company, can be found in the consolidated financial statements of Revolut Group Holdings Ltd for the financial year ending 31 December 2024.[2]

[2] Currently, the governance structures of Revolut Group Holdings Ltd and Revolut Ltd are identical, with each board and committee having identical memberships. The board considers this model, along with the Group Corporate Governance Framework, to be effective in balancing operational efficiency with robust governance oversight.

Section 172 Statement

The Board has a responsibility under section 172 of the Companies Act 2006 ("Section 172"), when making decisions, to consider the interests of the Company's stakeholders. This is part of the Board's wider responsibility to promote the long-term success of the Company. We have outlined below some of the key actions the Board have taken to engage with our stakeholders and to discharge their duties under Section 172. The Company is a subsidiary undertaking included in the consolidated financial statements of the Parent, and so the directors have prepared its statement of matters relevant for Section 172 based on the Group's strategic report (the "Annual Report").

s172 consideration	Annual Report Section
Long term consequences of decisions	Strategic Report; Our Business Model and Strategy Strategic Report; Environmental, Social and Governance (ESG)
Interests of employees	Strategic Report; Our People
Fostering business relationships with suppliers, customers and others	Strategic Report; Engaging with Stakeholders
Impact of operations on the community and the environment	Strategic Report; Environmental, Social and Governance (ESG)
Maintaining a reputation of high standard of business conduct	Risk Management & Compliance Corporate Governance; How Governance Works Here Corporate Governance; Role of the Board, Activities and Decisions Corporate Governance; A Look at Board and Committee Activity
Acting fairly between members of the company	Strategic Report; Our Investors

Given the strategic importance of our relationships with our suppliers, customers and employees, as well as their commitment to strong corporate governance, the directors have chosen to include matters pertaining to the Board's engagement in these areas within the strategic report pursuant to section 414(C)(11) of the Companies Act 2006.

Engagement with Suppliers and Customers

As we expand our services and geographical footprint, partnerships continue to be instrumental in our growth. We maintain our commitment to fostering relationships built on trust, mutual benefit, and adherence to rigorous business standards.

Ethical Business Practices

Our stance against bribery and corruption is unequivocal, and we maintain strict compliance with applicable laws and regulations. We ensure transparency and integrity across all business engagements through comprehensive employee training on identifying and addressing unethical behaviour. This is supported by rigorous due diligence assessments conducted by our third party risk team and regular reassessments of existing partnerships. We also have established clear protocols for reporting and addressing concerns, ensuring that unethical behaviour is promptly identified and addressed.

Revolut remains firmly committed to acting with integrity and upholding ethical standards in all its business relationships. As part of this commitment, we uphold a zero-tolerance policy towards modern slavery and human trafficking throughout our operations and supply chains. Revolut's policy stresses the importance of implementing and enforcing efficient systems and controls to prevent slavery and human trafficking within its supply chains. These measures include, but are not limited to, conducting third-party due diligence, performing risk assessments of suppliers, including contractual clauses requiring suppliers to adhere to Revolut's policy, and establishing a robust mechanism for the prompt escalation of issues related to modern slavery and human trafficking.

Enhanced Supplier Collaboration

In 2024, we implemented Coupa's Source-to-Pay (S2P) system as part of our ongoing commitment to strengthening relationships with our suppliers and enhancing our collaboration. Designed to streamline processes and improve interactions, the system offers a range of valuable benefits. Order transparency is a key feature, allowing suppliers to easily track purchase orders, invoices, and payment statuses, helping them manage their workflow and minimise delays. Real-time updates keep suppliers informed of any changes to orders, payments, or approvals, reducing uncertainty and improving forecasting accuracy. The system also simplifies the invoicing process, enabling direct submission of invoices, which reduces manual errors and expedites approval, leading to faster payments.

Additionally, centralised communication ensures all interactions between buyers and suppliers are captured in one place, reducing the risk of missed information or misunderstandings. Tracking and reporting capabilities provide suppliers with valuable insights into their performance, such as on-time delivery and invoice accuracy, allowing them to identify areas for improvement. The system also reduces administrative burdens from our suppliers manually submitting invoices, while providing access to data analytics that enable suppliers to optimise operations and make more informed business decisions.

This initiative represents a significant step forward in our supplier relationship management, reducing administrative burden while providing tools for improved collaboration and business growth. We continue to invest in strengthening our partnerships and supplier relationships, recognising their crucial role in our success and we are building a robust foundation for sustainable growth and collaboration.

Engagement with Employees

Currently, 95% of our workforce actively participates in engagement surveys conducted through our proprietary feedback platform, Revolut Voices. To support the Board in their responsibility to uphold a strong and healthy corporate culture, an engagement metrics pack is regularly provided for their review.

We continue with the Revolut Spires, which aims to prepare employees for drastic functional career shifts, and the High Potential Development programme (HiPo) to develop our future leaders. The programme is structured to offer a blend of hands-on experience, leadership development, and exposure to various departments within the company. By immersing themselves in different areas of our business, the participants gain a holistic understanding of our operations and build a strong foundation for future career growth.

In 2024, we also introduced our flagship employee recognition programme, the 10X Awards, to recognise individuals and teams whose work drives exceptional outcomes. Aligned with our core values—Never Settle, Get It Done, Think Deeper, Deliver WOW, and Dream Team—the awards celebrate achievements that push boundaries to make a measurable impact on how we serve our customers and grow as a company.

2024 also saw the launch of the second iteration of the Rev-celerator program, a three-month internship designed for students. 33 interns completed the program and 18 were extended an offer to join the Rev-celerator Graduate program in September 2025. The programme received overwhelmingly positive feedback from both interns and managers. Building on this success, we introduced the 18-month Rev-Advance programme, which focuses on Executive Associate and Risk and Compliance tracks, tailored for recent graduates and young professionals.

As a remote-first company, we efficiently work in global teams, with an average of 4.1 nationalities per team, which on average have 6 employees.

Employment, Training & Advancement of Disabled Persons

Hiring and Recruitment Processes: We factor in additional time for candidates requiring adjustments, ensuring clear and upfront processes are available for prospective employees throughout the recruitment process.

HR Policies and Processes: We have HR policies and processes globally to support relevant workplace adjustments, ensuring that all employees have the necessary accommodations to thrive in their roles.

Count Me In Initiative: We consistently engage employees to update their diversity information, achieving a 90% completion rate for disability data. This initiative ensures we have up-to-date information to better support our disabled employees.

Director+ Population: 8% of our Director+ colleagues versus 3% of our overall population identify as having a disability or neurodiversity. This reflects our commitment to career advancement for these employees, demonstrating our dedication to diversity at all levels of the organisation.

Neurodiversity Group: Our growing neurodiversity group, which includes many who identify as having a disability, will become a fully-supported guild this quarter. This enhancement will provide additional support and resources for our neurodivergent employees.

This Strategic Report was approved by the Board on 16 April 2025 and signed on its behalf by:

Signed by

Nikolay Storonsky
Director

Directors' Report

The Directors present their report and the financial statements for the year ended 31 December 2024 for Revolut Ltd (the 'Company').

Principal Activities

The Company is an electronic money institution authorised and regulated by the Financial Conduct Authority (the "FCA") under the Electronic Money Regulations 2011. The Company is registered with the FCA as a crypto-asset firm under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. Further details on its business activities can be found in the strategic report under Review of the Business Activities.

List of Directors

The Directors who served during the period and up to the date of this report are named on page 3.

Dividends

During 2024 the Company distributed dividends of £267 million (2023: £104 million) of which £37 million (2023: £1.4 million) were dividends in specie to Revolut Group Holdings Ltd (the 'Parent') in support of the Parent's capital allocation strategy.

Energy Usage and Greenhouse Gas Emissions

The Company has elected not to prepare a separate Energy Usage and Greenhouse Gas Emissions (EU&GGE) Report since its disclosures for the reporting period are included within the EU&GGE Report of the Parent in line with the provisions of Part 7A of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

Research and Development

The Company undertakes research and development activities in respect of the development and enhancement of its technology platform. Revolut incurred research and development costs during 2024 of £169 million and these are recognised in the Consolidated Statement of Comprehensive Income (2023: £122.3 million).

Political Donations

The Company does not make any political donations or incur political expenditure within the ordinary meaning of those words. However, the definitions of political donations, political parties, political organisations and political expenditure under the Companies Act 2006 are broad. As a result, such definitions may cover ordinary activities that form part of normal business activities of the Company. The Company has not made any political donations to any registered political parties, organisations or candidates. The Company has made a payment to a third party as part of a sponsorship agreement to participate, and promote the Company's business, in events prepared by them at, and in publications prepared by them in relation to, a party conference. This was for business purposes and is not intended or considered to be in the nature of party political campaigning, activity or support.

Directors' Indemnities

The Parent indemnifies each of the Company's Directors against third party liability, subject to the conditions set out in section 234 of the Companies Act 2006. This qualifying third party indemnity provision was in force during the 2024 financial year.

Financial Instruments

The Company enters into a series of financial instruments for the purposes of its business operations, comprising cash and cash equivalents, financial investments held to collect and sell, derivatives, customer liabilities, intercompany and other payables, and receivables measured at amortised cost. Details of the Company's financial instruments are set out in Note 27 of the financial statements.

The Company is exposed to foreign exchange and interest rate risk. The Company undertakes fair-value hedge accounting using interest rate swaps for its non-interest-bearing core deposits. Details of the Company's hedge accounting are set out in Note 27.5 of the financial statements.

Capital Management

As at 31 December 2024, the Company had total capital resources, all of which is Common Equity Tier 1 ('CET1'), of £1,566 million (2023: £877 million).

Going Concern

The financial statements have been prepared on a going concern basis as the Directors have concluded that the Company has sufficient resources to continue in operation for a period of at least twelve months from the date of approval of the financial statements.

The going concern assessment is based upon the latest financial forecast prepared by management. The forecast includes appropriate assumptions in respect to user and revenue growth, and profitability derived from the historical performance of the business and expected changes to the business throughout the forecast period.

In their assessment of going concern, the Directors have also considered the severe but plausible downside scenarios used in the Group's detailed Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) to evaluate the viability of the business. Revolut has considered a variety of scenarios, including ones based on historic events, regulatory stress tests and internal scenarios. Three stress scenarios were then selected and modelled to examine the key business vulnerabilities and risks.

These scenarios ensure a variety of risks are assessed and put stress on one or more of the principal risks outlined in the Principal Risks and Uncertainties section (p. 7). The impact was assessed both before and after the actions of the Group's management, and this impact was compared against the Group's capital and liquidity requirements. This assessment also stresses the underlying entities in the Group, including the Company, and the entities from which the Company generates service fee income. The scenarios that were tested by the Group are summarised in the table below.

Type	Scenario	Description
Market	Interest Rates Decrease	• Drop in property prices (residential and commercial) sharply triggering widespread defaults. Financial institutions in distress reduce lending. • Inflationary pressures recede following geopolitical developments and Central Banks respond by cutting interest rates. • This is based on Bank of England's 2024 Annual Demand Shock Scenario.
	Interest Rates Increase	• Inflation increases globally leading to Central Banks having to raise interest rates resulting in a global recession. • GDP growth stagnates and unemployment increases for a protracted period of time. • This is based on Bank of England's 2024 Annual Supply Shock Scenario.
Idiosyncratic	Reputational Damage	• An operational event leads to a fall in customer confidence and severe reputational damage. • Many customers withdraw funds and stop using Revolut due to the loss of confidence. • It takes considerable time before trust is restored.

In all scenarios, the Company's capital and liquidity remain well above regulatory requirements. This sufficiency does not require any external financing. While profitability is reduced, under all three stress scenarios, Revolut continues to generate profit throughout the assessment period. In the most severe scenario, short-term profitability shrinks however the Company is able to meet its capital and liquidity requirements. This sufficiency does not require any external capital raises. In case impact under these stress scenarios exceed expectations, management has identified a range of mitigating actions to preserve capital and liquidity buffers and ensure requirements are met. These include discretionary reductions in operating expenses, reprioritising growth initiatives, or pausing non-essential investments.

Additionally, reverse stress testing was conducted to identify extreme but plausible conditions under which the business model might become unviable.

These findings reflect not only the resilience of the Company's diversified business model but also its strong position in terms of capital and liquidity. This adds to the substantial evidence supporting the Company's ability to continue as a going concern.

The Directors have considered the forecasts and stress tests for the Company and have, at the time of approving these financial statements, a reasonable expectation that the Company has adequate resources to continue in operation for a period of at least twelve months from the date of approval of the financial statements.

Events After the Reporting Date

Please refer to Note 31 on page 80 for information about our post balance sheet events.

Branches outside the UK

Please refer to Note 15 on page 53 for information about the Company's branches.

Disclosure of Information to the Auditor

Each of the directors, as of the date of approval of this Directors' Report, confirm that:

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

Auditor

BDO LLP have indicated their willingness to be reappointed as auditors for another term and appropriate arrangements will be put in place for them to be deemed reappointed.

Directors' Responsibilities Statement

The Directors are responsible for preparing this Strategic Report, the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

The Directors have chosen to prepare the Company Financial Statements in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006.

The law provides that the Directors may only approve the financial statements if they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the financial year to which they relate.

In preparing the financial statements, the Directors are required to:

- Maintain appropriate accounting records, which enable the Directors to understand the Company's transactions and financial position;
- Select appropriate accounting policies and apply them consistently;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Make judgments and accounting estimates that are reasonable and prudent;
- Provide additional disclosures in certain circumstances to ensure that readers of the financial statements can understand the impact of particular transactions and matters on the Company's financial position and financial performance;
- Ensure that the financial statements comply with the requirements of the Companies Act 2006;
- Make an assessment of the Company's ability to continue as a going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard assets of the Company and to prevent and detect fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

This Directors' Report was approved by the Board on 16 April 2025 and signed on its behalf by:

Signed by

Nikolay Storonsky
Director
16 April 2025

Independent Auditor's Report to the Members of Revolut Ltd

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Revolut Ltd ("the Company") for the year ended 31 December 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation 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 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 Directors' 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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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.

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 the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.
- In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or 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.

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the 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 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

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

1. The legal and regulatory framework applicable to the Company and the industry in which it operates and considered the risk of acts by the Company which would be contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with relevant regulatory bodies and tax legislation. We focused on laws and regulations that could give rise to a material misstatement in the Company financial statements.
2. The susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by considering the nature of the industry, sector and control environment and controls

established by the Company to address risks identified by the Company or that otherwise seek to prevent, deter or detect fraud.

3. Due to the acute dependency of the Company on its IT infrastructure we performed an assessment of the IT landscape, performed bidirectional data flow assessments across product cycles identified as key, and assessed the design and operating effectiveness of the IT environment and relevant activity level controls across the customer lifecycle for those products and services.

Audit response to the risks identified

As a result of assessing the above we identified the financial control environment as the key area of attention in respect of how the audit was capable of detecting irregularities including fraud.

We place reliance on relevant IT controls with a combined audit approach obtaining evidence from test of controls and substantive procedures. Due to the nature of the entity's operations, we focused our procedures on the existence of own cash balances, the existence of cash and commodities held in client designated bank accounts, and the completeness and accuracy of client liabilities associated with those cash and commodities balances held in third party bank accounts.

Risk – Existence of own and client cash and commodities held by the entity as at the year end

Our procedures included the following:

- We obtained independent confirmation of 100% of cash balances held on behalf of customers with third parties.
- We obtained independent confirmation of 100% of commodities held with third parties.
- We obtained independent confirmation of 100% of own cash, other high quality liquid assets (HQLAs), and short-term financial assets held with third parties, either through direct third-party confirmation or appropriate rationalisation and performance of alternative procedures.

Risk – Completeness and accuracy of customer liabilities recognised as at the year end

Our procedures included the following:

- Assessing the design and testing the operating effectiveness of relevant IT general controls relating to the core operating platforms and general ledger.
- Testing the design and operating effectiveness of automated controls key to the processing, recording and settlement of customer transactions including those key integrations and reconciliations relevant to revenue recognition and customer liabilities.
- Conducting data analytics procedures to independently recalculate and reconcile total customer liabilities at an individual user level by direct interrogation of the entity's IT environment for evidence of understatement of customer liabilities.
- Analytic procedures over transactional revenues to identify anomalies and outliers in fees levied for indications of fraudulent revenue recognition.
- Review of external complaints data including that recorded by the Financial Ombudsman Service compared to internal data source(s) to address completeness of customer complaints recorded by the entity.
- Evaluation and testing of relevant controls within the customer complaints process alongside substantive procedures for indications of systemic evidence of understatement of customer liabilities.
- As part of our substantive procedures in respect of the revenue and treasury cycles customer existence procedures (onboarding) for indicators of fictitious customers and accounts.
- Analytic procedures over certain third-party internet review sites for customer sentiment

In addition to the above, our procedures to respond to risks included, but were not limited to:

- Review of correspondence with and reports to the regulators, including the FCA and other regulatory bodies;
- Review of management's reporting to the Board Audit and Risk Committee in respect of compliance and legal matters;

- Enquiring of management and review of internal audit reports in so far as they related to the financial statements;
- Identifying and testing journal entries to respond to the risk of management override of control;
- Reviewing dispute logs, breaches/incidents log, legal expenses and whistleblowing reports.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

https://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 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 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

3A3C0AA0DC0943D

Matthew Hopkins (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
16 April 2025

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

Statement of Comprehensive Income

for the year ended 31 December 2024

		2024	2023
	Notes	£000	£000
Revenue		**2,452,594**	**1,366,484**
Fee income	6	1,023,326	556,794
Interest income	7	274,080	185,593
Other income	8	1,155,188	624,097
Cost of sales		**(318,484)**	**(224,204)**
Fee expense	9	(254,719)	(153,014)
Interest expense	7	(25,366)	(39,223)
Credit loss expense		(12,247)	(3,766)
Other operating expenses		(26,152)	(28,201)
Gross profit		**2,134,110**	**1,142,280**
Administrative expenses	10	(1,164,074)	(832,070)
Profit before tax		**970,036**	**310,210**
Tax expense	12	(264,893)	(74,789)
Net profit for the year		**705,143**	**235,421**
Other comprehensive Income			
Items that may be reclassified subsequently to profit or loss			
Currency translation differences	25	(894)	(433)
Changes in the fair value of financial assets measured at FVOCI	25	3,247	10,550
Tax expense on components of other comprehensive income	12	(622)	(2,822)
Other comprehensive income, net of tax		**1,731**	**7,295**
Total comprehensive income for the year		**706,874**	**242,716**

The accompanying notes on page 23 form an integral part of this financial statement.

Statement of Financial Position

At 31 December 2024

	Note	31 December 2024 £000	31 December 2023* £000
Assets			
Cash and cash equivalents	13	6,598,511	5,989,764
Treasury investments	14	1,529,917	389,773
Investment in commodities	16	199,109	104,618
Trade and other receivables	17	1,461,270	749,148
Derivative financial assets	27.4	79,865	32,296
Inventories	18	22,909	15,750
Current tax assets		25,809	13,908
Deferred tax assets	12	119,429	58,390
Property, equipment, and right-of-use assets	19	62,811	18,530
Intangible Assets		107	—
Investments in subsidiaries and group undertakings	15	666	14,370
Total assets		**10,100,403**	**7,386,547**
Liabilities			
Customer liabilities	20	7,523,031	5,842,543
Trade and other payables	21	926,290	559,582
Derivative financial liabilities	27.4	58,484	71,232
Current tax liabilities		7,372	1,139
Provisions for liabilities	22	19,362	8,136
Total liabilities		**8,534,539**	**6,482,632**
Equity			
Share capital	24	—	—
Share premium		—	87,803
Retained earnings		1,280,551	725,155
Other reserves	25	285,313	90,957
Total equity		**1,565,864**	**903,915**
Total liabilities and equity		**10,100,403**	**7,386,547**

**The Company has elected to change its accounting policy related to the Share-based payments reserve under the guidance of IFRS, as disclosed in Note 2.2. This change enhances transparency and better aligns with the Company's financial reporting objectives. Comparative data for the financial year ended 31 December 2023 have been restated accordingly.*

The accompanying notes form an integral part of these financial statements. The financial statements on pages 20 to 14 were approved and authorised for issue by the Board and were signed on its behalf on 16 April 2025;

Signed by

Nikolay Storonsky
Director

Statement of Changes in Equity

for the period ended 31 December 2024

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	£000	**£000**	**£000**	**£000**	**£000**
At 1 January 2023*	—	**87,803**	**57,881**	**583,944**	**729,628**
Net profit for the year	—	—	—	235,421	235,421
Other comprehensive income for the year	—	—	7,295	—	7,295
Total comprehensive income for the year	—	—	**7,295**	**235,421**	**242,716**
Transactions with owners					—
Share premium reduction and transfer to retained earnings	—	—	—	—	—
Equity settled share-based payment charge	—	—	33,305	—	33,305
Exercise of options*	—	—	(10,012)	10,012	—
Dividends	—	—	—	(104,222)	(104,222)
Tax impact of equity-settled share-based payment charge	—	—	2,488	—	2,488
Total transactions with owners	—	—	**25,781**	**(94,210)**	**(68,429)**
At 31 December 2023*	—	**87,803**	**90,957**	**725,155**	**903,915**
At 1 January 2024	—	**87,803**	**90,957**	**725,155**	**903,915**
Net profit for the year	—	—	—	705,143	705,143
Other comprehensive income for the year	—	—	1,731	—	1,731
Total comprehensive income for the year	—	—	**1,731**	**705,143**	**706,874**
Transactions with owners					—
Share premium reduction and transfer to retained earnings	—	(87,803)	—	87,803	—
Equity settled share-based payment charge	—	—	156,880	—	156,880
Exercise of options	—	—	(29,168)	29,168	—
Dividends	—	—	—	(266,718)	(266,718)
Tax impact of equity-settled share-based payment charge	—	—	64,913	—	64,913
Total transactions with owners	—	**(87,803)**	**192,625**	**(149,747)**	**(44,925)**
At 31 December 2024	—	—	**285,313**	**1,280,551**	**1,565,864**

**The Company has elected to change its accounting policy related to the Share-based payments reserve under the guidance of IFRS, as disclosed in Note 2.2. This change enhances transparency and better aligns with the Company's financial reporting objectives. Comparative data for the financial year started 1 January 2023 and ended 31 December 2023 have been restated accordingly.*

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

1. General Information

Revolut Ltd (the 'Company') provides electronic money and payment services through a prepaid card, currency exchange, peer-to-peer payments, and cryptocurrency, amongst other products. The Company also offers a similar proposition to business customers encompassing multi-currency exchange, prepaid corporate cards, and international and domestic bank transfers to freelancers, and Small and Medium Enterprises.

The Company provides intercompany services to facilitate the operation of Revolut Bank UAB and other subsidiaries within the Revolut Group.

The Company is a private company limited by shares and incorporated in England & Wales. The registered office and the principal place of business is 7 Westferry Circus, Canary Wharf, London, England, E14 4HD.

2. Basis of Preparation

The financial statements of Revolut Ltd have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ('FRS 101') and the Companies Act 2006. The company is a qualifying entity under FRS 101 and has taken advantage of the disclosure exemptions available under that standard. The ultimate and immediate parent of the Company is Revolut Group Holdings Ltd, whose registered address is 7 Westferry Circus, Canary Wharf, London, England, E14 4HD. The largest and smallest group that prepares consolidated accounts is that headed by Revolut Group Holdings Ltd (the 'Group') and those consolidated accounts are publicly available from the above address or on www.revolut.com.

As permitted under section 400 of the Companies Act 2006, consolidated financial statements have not been prepared because the Company is a wholly-owned subsidiary of the ultimate parent, Revolut Group Holdings Ltd, a company incorporated in England and Wales, which prepares consolidated financial statements under UK adopted international accounting standards. The Company meets the criteria for exemption from the obligation to prepare and deliver group accounts that is available to a company included in UK group accounts of a larger group. These financial statements therefore present information about the Company as an individual undertaking and not about its group. Revolut Group Holdings Ltd makes its financial statements available to the public annually.

The financial statements are prepared on a going concern basis (as disclosed in Note 3), under the historical cost convention, as modified by the recognition of certain financial assets and liabilities at fair value as disclosed in Note 4.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

2.1. Individual financial statement of the Company Exemption under FRS 101

The following exemptions from the requirements of IFRS have been applied in the preparation of individual financial statements of Revolut Ltd, in accordance with FRS 101:

- The requirements of paragraphs 45(b) and 46-52 of IFRS 2 *Share-based Payment*, because the share-based payment arrangement concerns the instruments of another group entity
- The requirements of IFRS 7 Financial Instrument Disclosure
- The requirements of paragraph 91 to 99 of IFRS 13 *Fair Value Measurement*
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 *Revenue from Contracts with Customers*
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 *Leases*
- The requirements of paragraphs 79(a)(iv) and 111 of IAS 1 *Presentation of Financial Statements*
- The requirements of paragraphs 1 to 44E, 44H(b)(ii) and 45 to 63 of IAS 7 Statement of Cash Flows;
- The requirements of paragraphs 44F, 44G, 44H(a), 44H(b)(i), 44H(b)(iii) and 44H of IAS 7
- The requirements of paragraph 17 of IAS 24 *Related Party Disclosures*
- The requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135c to 135e of IAS 36 *Impairment of Assets*

2.2. Restatement of Previously Reported Balances

Change in accounting policy

During the year, the Company has revised its accounting policy regarding the disclosure of the Share-based payment reserve. Previously, all reserves related to exercised options with respective deferred tax impact were retained within the share-based payment reserve in other reserves. Under the revised policy, reserves related to exercised or expired options are transferred from the other reserves to retained earnings.

Reason for the change

The revised policy provides a clearer presentation of share-based payments. It reflects the actual exercised or expired options during the period while ensuring the share-based payments reserve shows only the balance for vested but not yet exercised options. This results in the improved transparency and better alignment with the Company's financial reporting objectives.

Transition and restatement

The change in policy has been applied retrospectively, with adjustments made to the opening balances as at 1 January 2023 and the comparative balances as at 31 December 2023.

Impact of the change

The impacts of the change on the restated and current periods are as follows

- The cumulative amounts related to the years preceding to 1 January 2023 is £106.48 million,
- The amount related to the year ended on 31 December 2023 is £10.01 million,
- The amount related to the year ended on 31 December 2024 is £29.17 million.

Statement of Changes in Equity

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	£000	£000	£000	£000	£000
At 1 January 2023 (Reported)	**—**	**87,803**	**164,359**	**477,466**	**729,628**
Impact of change in accounting policy: Exercise of options	—	—	(106,478)	106,478	—
At 1 January 2023 (Restated)	**—**	**87,803**	**57,881**	**583,944**	**729,628**
Net profit for the year	—	—	—	235,421	235,421
Other comprehensive loss for the year, net of tax	—	—	7,295	—	7,295
Total comprehensive income for the year	**—**	**—**	**7,295**	**235,421**	**242,716**
Transactions with owners					
Equity-settled share-based payment charge	—	—	33,305	—	33,305
Dividends	—	—	—	(104,222)	(104,222)
Tax impact of equity-settled share-based payment charge	—	—	2,488	—	2,488
Impact of change in accounting policy: Exercise of options	—	—	(10,012)	10,012	—
Total transactions with owners (Restated)	**—**	**—**	**25,781**	**(94,210)**	**(68,429)**
At 31 December 2023 (Restated)	**—**	**87,803**	**90,957**	**725,155**	**903,915**

3. Going Concern

The financial statements have been prepared on a going concern basis as the Directors have concluded that the Company has sufficient resources to continue in operation for a period of at least twelve months from the date of approval of the financial statements.

The going concern assessment is based upon the latest financial forecast prepared by management. The forecast includes appropriate assumptions in respect to user and revenue growth, and profitability derived from the historical performance of the business and expected changes to the business throughout the forecast period.

In their assessment of going concern, the Directors have also considered the severe but plausible downside scenarios used in the Group's detailed Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) to evaluate the viability of the business. Revolut has considered a variety of scenarios, including ones based on historic events, regulatory stress tests and internal scenarios. Three stress scenarios were then selected and modelled to examine the key business vulnerabilities and risks.

These scenarios ensure a variety of risks are assessed and put stress on one or more of the principal risks outlined in the Principal Risks and Uncertainties section (p. 7). The impact was assessed both before and after the actions of the Group's management, and this impact was compared against the Group's capital and liquidity requirements. This assessment also stresses the underlying entities in the Group, including Revolut Ltd, and the entities from which Revolut Ltd generates transfer pricing income. The scenarios that were tested by the Group are summarised in the table below.

Type	Scenario	Description
Market	Interest Rates Decrease	• Drop in property prices (residential and commercial) sharply triggering widespread defaults. Financial institutions in distress reduce lending. • Inflationary pressures recede following geopolitical developments and Central Banks respond by cutting interest rates. • This is based on Bank of England's 2024 Annual Demand Shock Scenario.
	Interest Rates Increase	• Inflation increases globally leading to Central Banks having to raise interest rates resulting in a global recession. • GDP growth stagnates and unemployment increases for a protracted period of time. • This is based on Bank of England's 2024 Annual Supply Shock Scenario.
Idiosyncratic	Reputational Damage	• An operational event leads to a fall in customer confidence and severe reputational damage. • Many customers withdraw funds and stop using Revolut due to the loss of confidence. • It takes considerable time before trust is restored.

In all scenarios, the Company's capital and liquidity remain above regulatory requirements. This sufficiency does not require any external financing. While profitability is reduced, under all three stress scenarios, Revolut continues to generate profit throughout the assessment period. In the most severe scenario, short-term profitability shrinks however the Company is able to meet its capital and liquidity requirements. This sufficiency does not require any external capital raises. In case impact under these stress scenarios exceed expectations, management has identified a range of mitigating actions to preserve capital and liquidity buffers and ensure requirements are met. These include discretionary reductions in operating expenses, reprioritising growth initiatives, or pausing non-essential investments.

Additionally, reverse stress testing was conducted to identify extreme but plausible conditions under which the business model might become unviable.

These findings reflect not only the resilience of the Company's diversified business model but also its strong position in terms of capital and liquidity. This adds to the substantial evidence supporting the Company's ability to continue as a going concern.

The Directors have considered the forecasts and stress tests for the Company and have, at the time of approving these financial statements, a reasonable expectation that the Company has adequate resources to continue in operation for a period of at least twelve months from the date of approval of the financial statements.

4. Material Accounting Policies

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.

4.1 Adoption of New and Revised Standards

(a) New standards, interpretations, and amendments adopted from 1 January 2024

New standards impacting the Company that have been adopted in the financial statements for the year ended 31 December 2024 are:

- Lease Liability in a Sale and Leaseback – Amendments – Amendments to IFRS 16 *Leases*
- Classification of Liabilities as Current or Non-Current- Amendments to IAS 1 *Presentation of Financial Statements*
- Non-current Liabilities with Covenants – Amendments to IAS 1 *Presentation of Financial Statements*
- Supplier Finance Arrangements — Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures*

The adoption of the new standards listed above have not had a significant impact on the individual financial statements of the Company for the year ended 31 December 2024.

(b) New standards, interpretations, and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

New standards or amendments	Effective for annual periods beginning on or after
Lack of exchangeability — Amendments to IAS 21	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards	1 January 2026
IFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027

Management does not expect that the adoption of the standards listed above will have a material impact on the annual financial statements of the Company in future periods.

4.2 Foreign Currency Translation

Functional and presentation currency
The Company's functional and presentation currency is the pound sterling.

Transactions and balances
Transactions are recorded at the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was measured.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary assets and liabilities carried at fair value and denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Translation
The results of overseas operations are translated into sterling at the average exchange rates for the applicable period. All assets and liabilities of overseas operations are translated at the exchange rate ruling at the Statement of Financial Position date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

4.3 Fee Income

The Company recognises revenue according to the principles of IFRS 15 using the five-step model:

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

The Company derives its revenue from contracts with customers by transferring the following services:

Card transaction fees
Card transaction revenue represents fees relating to card payments, including interchange fees and merchant acquiring fees. as well as fair usage fees for cash withdrawals outside of customer plans allowances, and top-up fees.

Card transaction fees are deemed to include a single performance obligation under IFRS 15 *Revenue from Contracts with Customers*; namely, the completion of a card transaction for a customer and as such, revenue is recognised at the time of the transaction.

Foreign exchange
Foreign exchange revenue represents markup fees charged on market exchange rates for weekend transactions and less frequently traded currencies, and fair usage fees where customers undertake additional exchange transaction volumes outside of their plan allowances.

Foreign exchange revenue has a single performance obligation; namely, the exchange of one currency for another between customer's currency pockets. Revenue is recognised at the point of this exchange.

Wealth
Wealth comprises revenues from the Company's cryptocurrency and commodities products.

The Company acts as an agent on behalf of its customers to buy or sell cryptocurrencies and the revenue represents any exchange markup or commission charged, and any applicable fair usage fees. Buying or selling cryptocurrencies has a single performance obligation; namely, the execution of a customer's order and as a result, revenue is recognised at the time of the transaction.

When entering into commodity contracts with customers, the Company charges a markup on the market exchange rate for the exchange of e-money. Similarly, when the customer settles the contract and receives e-money, a separate markup fee is charged to the customers. Revenue is recognised upon the completion of each individual transaction, i.e. revenue recognised upon entering into the commodity contracts, and upon settlement of the commodity contract.

While open, the customer contracts are accounted for at fair value through profit or loss within revenue.

The Company hedges its exposure to customer commodity contracts through holding its own investments in commodities. The net amount representing the change in fair value of the contracts with customers and the associated hedging investments are presented net in the foreign exchange and wealth line within fee income. The policies and methodologies associated with the determination of fair value are included in Note 24.2.

Subscriptions
Subscription revenue represents monthly and annual subscription fees charged to retail and business customers. The subscription service has two distinct performance obligations: a card delivery service (which is recognised in other fee income) and an ongoing payment processing service. Revenue for the subscription service is recognised in the month to which the subscription relates. Where subscription fees are received in advance (namely annual subscription fees) they are initially recognised as contract liabilities and are recognised as revenue in the Statement of Comprehensive Income on a straight-line basis over the period of the subscription.

Any termination fees for existing subscriptions services ending early are recognised upon the termination date.

Other
Other revenue mainly comprises:

- Revenue earned for the delivery of cards, which is recognised on the day the card is delivered to the customer
- Fees charged to customers in respect of remittances facilitated at customers request
- Revenue earned on the sale of lounge passes to customers, recognised at the time of sale

Remaining performance obligations
IFRS 15 allows the Company to exclude from its remaining performance obligations disclosure any performance obligations which are part of a contract with an original expected duration of one year or less. Additionally, any variable consideration, for which it is probable that a significant reversal in the amount of cumulative revenue recognised will occur when the uncertainty associated with the variable consideration is subsequently resolved, is not subject to the remaining performance obligations disclosure because such variable consideration is not included in the transaction price (e.g., investment management fees).

4.4 Fee Expense

Fee expenses primarily relates to fees incurred by the Company in the processing and settlement of transactions, the costs of providing cards to customers and the costs of any redress payments made to customers who have been the subject of fraudulent transactions.

Processing and settlement fee
These are costs primarily payable to the card schemes of which the Company is a member. Processing and settlement of transaction costs are presented net of rebates received from payment scheme providers for scheme fee costs.

Partner-related costs
These are costs incurred by the Company to purchase services from third-party vendors to include them as an integral component of the product package.

Cost of cards and card readers
These are the costs incurred by the Company to purchase, personalise, and distribute cards to retail customers and card readers to business customers. Cards and card readers are initially recognised as inventory until they are shipped to a customer, at which point they are expensed.

4.5 Interest Income and Expense

Interest income
Interest income is recognised using the effective interest rate on: financial assets held at fair value through other comprehensive income; safeguarded funds; and cash and cash equivalents.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset (before adjusting for expected credit losses).

Interest income from non-credit-impaired financial assets is recognised by applying the effective interest rate to the gross carrying amount of the asset; for credit-impaired financial assets, the effective interest rate is applied to the net carrying amount after deducting the allowance for expected credit losses.

Interest expense

Interest expenses are charged to interest expense in the Statement of Comprehensive Income over the term of the debt using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument.

Issue costs are initially recognised as a reduction in the proceeds of the associated instrument, when considered incremental and directly attributable to the instrument issued.

4.6 Transactions Between Entities Under Common Control

The Group's transfer pricing policy is determined with reference to local tax legislation, the OECD Guidelines, and in line with the arm's length principle.

Revolut operates via local operating companies which generate third party revenue in local markets, such as Revolut Bank UAB in Europe. Revolut Ltd also engages non UK entities under common control and Revolut Ltd branches, to perform limited risk services for the cost and benefit of Revolut Ltd. All intra-group transactions, including the services provided by Revolut Ltd to operating companies, are covered by the Group's transfer pricing policy and this is reviewed and renewed annually.

4.7 Staff Costs

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements, defined contribution pension plans and share-based payments.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

Share-based payments

The Group operates a number of share-based payment award schemes. The purpose of these schemes is to incentivise and remunerate the Group's employees, including those employed by the Company. These schemes meet the definition of group equity-settled share-based payments as the Company receives services but does not have the obligation to settle the share-based payment transaction. Accordingly the awards associated with these schemes are accounted for in accordance with IFRS 2 to the extent they relate to the Company's employees.

Estimating the grant-date fair value for share-based compensation transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant, including incorporating any market performance conditions and non-vesting conditions which are incorporated into the grant-date fair value. Option pricing methodologies, such as the widely employed Black-Scholes model are used to determine the grant date fair value of equity-settled share based payments. Where required, the Company uses third party valuation specialists to estimate the grant date fair value of each grant based on the terms of that grant, incorporating internal and market data, as well as transactions or attempted transactions in the

Parent's own shares. Key assumptions that impact the grant date fair value include equity price, expected volatility, expected term, risk-free rate, and expected dividend yields.

The fair value of the awards is recognised as an expense in the Statement of Comprehensive Income over the vesting period with a corresponding increase in the share-based payment reserve in equity. Subsequently, it is transferred along with the associated tax from the share-based payment reserve to retained earnings when the equity instruments either are exercised, expired or cancelled as permitted by IFRS 2.

The cumulative expense at each reporting date is based on the total number of share-based payment awards that are expected to vest, taking into account the service conditions and any non-market performance conditions such that the total cumulative amount recognised as an expense over the vesting period is based on the number of share-based payment awards that eventually vest. The Company has to estimate the expected yearly percentage of employees that will stay within the Company at the end of the vesting period of the share-based payment awards in order to determine the amount of share-based compensation expense charged to the Statement of Comprehensive Income.

Where the terms and conditions of share-based payment awards are modified before they vest, to the extent that there is an increase in the fair value of the share-based payment awards, measured immediately before and after the modification, this increase is also recognised as an expense in the Statement of Comprehensive Income over the remaining vesting period.

4.8 Current and Deferred Taxation

The tax expense/(credit) comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively. The current income tax credit is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future. Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax assets and liabilities are offset only if certain criteria are met.

4.9 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition with consideration of delays caused by non-settlement dates, and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Client funds are held in segregated accounts with authorised credit institutions as part of the Company's safeguarding policy.

4.10 Investments in Subsidiaries and Group Undertakings

The Company's investments in subsidiaries and group undertakings are initially stated at cost. Subsequently, investments in subsidiaries and group undertakings are stated at cost less provision for impairment. An investment in a subsidiary or group undertaking is deemed to be impaired when its carrying amount is greater than its estimated recoverable amount, and there is evidence to suggest that the impairment occurred subsequent to the initial recognition of the asset in the financial statements. All impairments are recognised in the Statement of Comprehensive Income as they occur. The carrying cost is reviewed at each Statement of Financial Position date by reference to the income that is projected to arise there from.

When the Company acquires a Revolut investee entity transferred from another Revolut group company, the Company recognises as the cost of investment in the investee entity at the transferring entity's book value ('carry-over basis') as the investee entity has only moved within the Revolut group. Any difference between the consideration paid and the capital of the acquiree is reflected in a merger reserve within equity.

Where the Company transfers ownership of a Revolut investee entity to another Revolut group company, the disposal is treated as an in-substance demerger rather than a loss of control in the scope of IFRS 10 as the investee entity has only moved within the Revolut group. Any difference between the book value derecognised, and the consideration received is reflected in equity by the Company as a distribution made/contribution received.

4.11 Investment in Commodities

These investments represent holdings in precious metals that are held to hedge the Company's exposure to movements in commodity prices on its customer contracts. As these investments are not held for sale in the ordinary course of business, in the process of production for such sale, or in the form of materials or supplies to be consumed in the production process or in the rendering of services, they are not considered to meet the definition of inventory.

Accordingly, they are classified as other current asset investments in the Statement of Financial Position, and as they are highly liquid assets, which are frequently traded in an active market, with an observable market price, the Company's accounting policy is to account for these investments at fair value through profit or loss. The fair value gains and losses on investments in commodities are recognised in revenue along with the corresponding fair value gains and losses on the associated customer liability (see Note 4.17).

4.12 Trade and Other Receivables and Payables

Collateral
Where cash collateral is given, to mitigate the risk inherent in amounts due from the Company, it is included as an asset in Trade and other receivables. Cash collateral includes amounts held with our partners on a long-term basis to support customers' transaction volumes.

Card schemes
Card schemes include rebates due to the Group arising from credit card scheme and processing fees.

Settlement receivables and payables
Settlement receivables and payables include balances arising from timing differences in the Company's settlement process between the cash settlement of a transaction and the recognition of the associated liability (for example, customer liabilities e-money in issue). When customers fund their e-money account using their bank account, or a credit or debit card, or sell cryptocurrencies via our cryptocurrency exchange partners, there is a clearing period before the cash is received or settled. This period is usually within five business days.

As the Company acts as an agent on behalf of its customers on a custodian basis to buy or sell cryptocurrencies, the Company does not recognise positions in cryptocurrencies on the Statement of Financial Position.

Trade receivables and payables
Trade receivables are amounts owed to the Company from business partners following the provision of services on credit. Trade payables are any unsettled expenses billed to the Company from vendors, suppliers or other third parties for services provided.

Negative customer liabilities
Negative customer liabilities represent customers with overdrawn funds net of impairment loss allowances for expected credit losses. While Revolut does not currently offer overdraft facilities, there are several scenarios that can lead to the creation of a negative customer liability, such as offline transactions, chargebacks, subscription fee charges and fraudulent customer activity. In these scenarios the previously recognised customer liability is extinguished and an asset is recognised.

4.13 Inventories

Inventories are stocks of cards for new and existing users as well as card readers which are held at the Company's fulfilment partner warehouses. Inventories are stated at the lower of cost (adjusted for loss of service potential if applicable) and net realisable value ('NRV' or replacement cost). Inventories are recognised as an expense when the card or card reader is shipped to a customer.

Cost is determined using the weighted average cost to produce, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At each Statement of Financial Position date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell and the impairment loss is recognised immediately in profit or loss. Where a reversal of the impairment charge is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in profit or loss.

4.14 Property, Equipment, and Right-of-use Assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.
Depreciation is provided on the following basis:

Fixtures and fittings	- 10% straight line
Office equipment	- 25% straight line
Computer equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed annually, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in Administrative expenses in the Statement of Comprehensive Income.

4.15 Intangible Assets

Intangible assets acquired separately — computer software
Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Computer software is amortised on a straight-line basis over its estimated useful life, which is assessed to be 3 years.
Derecognition of intangible asset
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is

derecognised.

4.16 Impairment of Non-Financial Assets

At each date of a Statement of Financial Position, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit's) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter, any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in profit or loss.

4.17 Customer Liabilities

E-money in issue
The Company recognises a liability upon the issue of electronic money to its customers equal to the amount of electronic money that has been issued.

Commodities
Customer liabilities in respect of contracts relating to the commodities offering are financial liabilities with an embedded derivative. The Company's accounting policy is not to separate the embedded derivative and to measure the entire instrument at fair value through profit or loss.

4.18 Provisions and Contingencies

Provisions
Provisions are made where an event has taken place that gives rise for the Company to a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation and are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

Contingencies
Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the

amount cannot be reliably measured reliably at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control.

Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Where an inflow of economic benefits from a contingent asset is probable, it is disclosed in the notes to the financial statements.

4.19 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. As at 31 December 2024 and 2023 the Company is a lessee in its lease arrangements, and is not a lessor.

The Company applies a single recognition and measurement approach for all lessee leases, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset, otherwise the right of use asset is amortised over the duration of the lease agreement. The depreciation starts at the commencement date of the lease.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 4.12, Impairment of non-financial assets.

The right-of-use assets are presented along with property and equipment in the Statement of Financial Position.

Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line administrative expense in the Statement of Comprehensive Income (unless they are incurred to produce inventories, whereby they will be included as part of fee expense).

In calculating the present value of lease payments, the Company uses the rate implicit in the lease if it is readily determinable. However, if the rate implicit in the lease is not readily determinable, the Company uses its Incremental Borrowing Rate (IBR) at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has elected this practical expedient and will not separate lease and non-lease components.

The lease liabilities are presented along with trade and other payables in the Statement of Financial Position.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The Company recognised £1.1 million in lease expense related to short-term and low-value assets for the period (2022: £0.7 million).

4.20 Share Capital

Ordinary shares are classified as equity. Incremental costs that are directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

4.21 Reserves

The Company reserves are as follows:

- Other reserves represent the revaluation of foreign currency at the Statement of Financial Position date, cumulative share-based payments charges, gains and losses recognised upon corporate hedging activities, unrealised gains and losses on financial instruments at fair value through OCI, the cost of shares held for awards granted to employees, and the impact of taxes for any of the above items.
- Retained earnings or accumulated deficit, as applicable, represent cumulative profits or losses, net of dividends paid to shareholders, and any other adjustments
- Dividends on ordinary shares are recognised as a liability and deducted from retained earnings when they are approved by the Company's shareholders. Interim dividends are deducted from retained earnings when they are distributed. Dividends for the year that are approved after the reporting date are disclosed as an event after the reporting date.

4.22 Financial Instruments

Recognition of financial assets
Financial assets are recognised when the Company enters into a contract that results in current or future economic value to the Company. Financial assets are initially measured at fair value and are accounted for on a trade date basis.

Classification and measurement of financial assets
The Company classifies its financial assets at either amortised cost, fair value through profit or loss or fair value through other comprehensive income.

In order to determine the appropriate classification of non-derivative financial assets, the Company assesses the objective of the business model in which the financial asset is held, and for those measured at amortised cost whether the contractual cash flows of the financial asset are solely payments of principal and interest ('SPPI').

The Company assesses its business models at a portfolio level based on its objective for the relevant portfolio, how performance of the portfolio is measured and reported, how management are compensated and the frequency and reasons for asset sales from the portfolio. Financial assets are reclassified when, and only when, the Company changes its business model for managing the assets.

Financial assets at amortised cost

Financial assets in portfolios where the business model is to hold the assets to collect the contractual cash flows, and where those cash flows represent solely payments of principal and interest, are measured at amortised cost.

Financial assets measured at amortised cost are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue (with the exception of trade and other receivables with an expected term of less than one year where the Company applies the practical expedient to recognise these amounts at transaction price), and are subsequently measured at amortised cost using the effective interest rate method, less expected credit loss allowances as stipulated in IFRS 9 *Financial Instruments*.

Financial assets at amortised cost include cash and cash equivalents, securities purchased under resale agreements (reverse repos), trade and other receivables, settlement receivables and amounts recoverable under long-term contracts.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable rate features;
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

Financial assets at fair value through other comprehensive income

Financial assets in portfolios where the business model is to hold the assets to collect the contractual cash flow or to be sold and where those cash flows represent solely payments of principal and interest.
Financial assets measured at fair value through other comprehensive income are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition and are subsequently measured at fair value.

Unrealised gains or losses, other than loss allowances for expected credit losses, arising from financial investments measured at fair value through other comprehensive income are reported in equity (in the financial investment reserve) and in other comprehensive income in the Statement of Comprehensive Income, until such investments are sold, collected or otherwise disposed of.

On disposal of an investment, the accumulated unrealised gain or loss included in equity is recycled to the Income Statement for the period and reported in Other operating (expense)/income. Gains and losses on disposal are determined using the fair value of the investment at the date of derecognition.

Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria to be measured at amortised cost or fair value through other comprehensive income are measured at fair value, with changes in fair value recognised in profit or loss in the Statement of Comprehensive Income. These financial instruments include derivative financial instruments.

Derecognition

Financial assets are derecognised when the contractual right to receive cash flows has expired or when the Company has transferred its contractual right to receive the cash flows from the assets and either (i) substantially all of the risks and rewards of ownership have been transferred; or (ii) the Company has neither retained nor transferred substantially all of the risks and rewards but has transferred control.

Impairment of financial assets
In accordance with IFRS 9, the Company recognises impairment loss allowances for expected credit losses ('ECL') on financial assets that are measured at amortised cost or fair value through other comprehensive income. These include trade and other receivables, settlement receivables, debt securities, and amounts recoverable under long-term contracts.

Changes to the IFRS 9 model for impairment of financial assets are approved by the Group Model and Artificial Intelligence Risk Committee. Material changes are escalated to the Group Asset and Liability Committee and to the Group and Company Board where applicable.

There are three approaches to recognising ECL provisions under IFRS 9:

- **The simplified approach** — which applies on a mandatory basis to trade receivables and contract assets that do not contain a significant financing component. It may also be applied on an optional basis to trade receivables and contract assets that do contain a significant financing component or to lease receivables;
- **The credit-adjusted approach** — which applies to assets that are credit-impaired on initial recognition (i.e., origination or acquisition); and
- **The general approach** — which applies to all loans and receivables not eligible for the above two approaches.

All of the Company's trade receivables are considered to qualify for the simplified approach (as they have terms of less than one year and therefore do not contain a significant financing component), and therefore on initial recognition an impairment provision is required for expected credit losses arising from default events expected to occur over the life of the financial asset ('lifetime ECL').

The Company currently does not have any purchased or originated credit-impaired financial assets.
For amounts recoverable on long-term contracts, and amounts due from other Group companies in the Company financial statements, the general approach to impairment is applied. This follows a three-stage model and requires these financial assets to be assigned to one of the following three stages:

- **Stage 1** – Financial assets which have not experienced a significant increase in credit risk since initial recognition, against which an expected credit loss provision is required for expected credit losses resulting from default events expected within the next 12 months (a '12-month ECL') is required on initial recognition - when a financial asset is first recognised it is assigned to Stage 1;
- **Stage 2** – Financial assets which have experienced a significant increase in credit risk since initial recognition, against which a lifetime ECL provision is required; and
- **Stage 3** – Financial assets which are credit-impaired, for which objective evidence of an impairment exists, and which also requires a lifetime ECL provision.

Interest income on assets in Stages 1 and 2 is recognised using the effective interest rate method on the gross carrying value of the assets. For assets in Stage 3 interest income is recognised using the effective interest rate method on the carrying value of the assets net of the ECL provisions.

Significant increase in credit risk
Stage 2 includes financial assets that have had a significant increase in credit risk since initial recognition, but that do not have objective evidence of being credit-impaired.

For wholesale credit risks, a low-risk exemption applies, such that all investment grade obligors will be allocated to Stage 1. Stage 2 assets will include non-investment grade exposures which have experienced a downgrade by 2 or more notches based Revolut's internal rating scale as at the reporting date compared to initial recognition and this results in a PD increase of more than 0.5% in absolute terms.

Transfers from Stage 2 back to Stage 1 will be performed when none of SICR indicators are present as of the reporting datee, and it passes a 3-month probation period after having impaired status. Transfers from Stage 3 back to Stage 2 will be performed when last 3 months since default date without any UTP and <6 regulatory DPD at obligor level. Any changes in the criteria used to determine SICR follow the same approval pathway described for the overall IFRS 9 model.

Definition of default and credit-impaired asset

Assets which are past due by more than 90 days, or where the Company considers it unlikely that the obligor will be able to pay its obligations, are considered to be in default for IFRS 9. Events that trigger inclusion in default include:

- The customer filing for bankruptcy or Individual Voluntary Agreement.
- The customer is deceased.
- The overdraft or loan has been renegotiated because the customer's condition has deteriorated. As an example, this includes cases where a specific repayment plan has been agreed and interest has been frozen.
- The customer has requested 'breathing space' (i.e., when the Company agrees to give the customer some time in which they won't be contacted about their arrears at all and fees or interest is frozen).

Default status will be applied at an obligor level such that where any one facility is in default, all facilities of that obligor will be considered in default.

Calculation of expected credit losses

The expected credit loss provision is calculated using the three following inputs:

- **Probability of default ('PD')** – the likelihood of default within a given time frame, either 12-months (for Stage 1 assets) or the life of a financial asset (for Stages 2 and 3 assets). PD is determined with reference to internal and external scorecards based on customer characteristics at origination and are subsequently measured based on client behaviour;
- **Loss given default ('LGD')** – the net value of loss in the event of a default; and
- **Expected balance at default ('EAD')** – the gross value of loss in the event of a default.

The expected credit loss provision on the outstanding financial assets at the Statement of Financial Position date is calculated by multiplying the PD (dependent on the stage of the asset) by the LGD and EAD.

The measurement of the ECL provisions also takes into account all reasonable and supportable information, including forward looking economic scenarios to calculate a probability weighted forward looking estimate.

Economic scenarios are currently derived from macro forecasts sourced from external providers and weightings determined according to expert judgment.

Details on the ECL calculation approach are contained in jurisdiction specific methodologies.

Modification of contractual terms

Where the contractual terms of financial assets are renegotiated or modified and the financial asset was not derecognised, its gross carrying value is adjusted to reflect the new contractual cash flows discounted at the original effective interest rate with a gain or loss recognised in the Statement of Comprehensive Income.

Write-offs

Financial assets will be written off, either partially or in full, against the related allowance once there is no realistic prospect of recovery and the amount of the loss has been determined. Subsequent recovery of amounts written off are recognised against the amount of impairment losses recognised in the Statement of Comprehensive Income.

Write-off for negative customer liabilities

Negative customer liabilities are written off for:

- Terminated users — at the point of termination;

- Fraudulent user activity — at the point of completion of internal investigation; or
- Balances older than 365 days

Recognition and measurement of financial liabilities
Financial liabilities that are not measured at fair value through profit or loss are classified as at amortised cost. Financial liabilities designated as at amortised cost are initially measured at fair value (net of issue costs in the case of loans and borrowings) and subsequently measured at their amortised cost using the effective interest rate method. They include loans and borrowings, trade and other payables, and customer liabilities for e-money in issue and customer deposits.

Non-derivative financial liabilities that are measured at fair value through profit or loss are measured at fair value with changes in fair value recognised in the Statement of Comprehensive Income. These financial instruments include financial liabilities initially designated as fair value through profit or loss to avoid an accounting mismatch including customer liabilities in respect of commodities, where the associated assets are accounted for at fair value.

Interest expense is charged to the Statement of Comprehensive Income using the effective interest rate method.

Financial liabilities are derecognised when the Company has either discharged the liability through settlement, or where it has been legally released from primary responsibility for the liability by process of law or by the creditor.

Derivative financial instrument
Derivatives, including foreign currency and precious metals swaps and foreign currency forward contracts are measured at fair value through profit or loss. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

Foreign currency swaps
The total statement of comprehensive income impact of foreign currency swaps can be split into two components

- The contractual gain (net yield on foreign exchange derivatives)
  This represents the return on settlement of the far leg of the foreign currency swaps due to the difference between the prevailing spot rate and the forward rate at inception (i.e., the 'contractual gain').
- The mark to market fair value movement (impact of foreign exchange rates)
  This represents the adjustment of the valuation of the foreign exchange swaps due to movements in the foreign exchange market conditions (i.e., change in foreign exchange rates).

The contractual gain from the foreign currency swaps (i.e., net yield on foreign exchange derivatives) are presented separately under other income in the Statement of Comprehensive Income, on the basis that the contractual gain represents earned yield on assets which are intrinsic to Revolut's business. It represents a net increase in cash upon settlement of the swap and therefore constitutes an operating cash flow.

The fair value movement on foreign currency swaps are recognised under Administrative expenses in the Statement of Comprehensive Income, along with unrealised and realised foreign currency gains and losses.

Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of or terminates a business line.

Offsetting of financial instruments
Financial assets and liabilities are offset, and the net amount is reported in the Statement of Financial Position when, and only when, there is a legally enforceable right to offset the recognised amounts with an intention to settle on a net basis, or alternatively to realise the asset and settle the corresponding liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards.

Hedge accounting
The Company elected, as a policy choice permitted under IFRS 9, to continue to apply the requirement of IAS 39 *Financial Instruments: Recognition and Measurement* for hedge accounting purposes.

Where derivatives are held for risk management purposes, and when transactions meet the required criteria for documentation and hedge effectiveness, the Company applies fair value hedge accounting as appropriate to the risks being hedged.

At inception, the Company formally documents how the hedging relationship meets the hedge accounting criteria. It also records the economic relationship between the hedged item and the hedging instrument, including the nature of the risk, the risk management objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship at inception and on an ongoing basis. In order to qualify for hedge accounting, a hedging relationship must be expected to be highly effective on a prospective basis and it needs to be demonstrated that it was highly effective in the previous designated period (i.e., one month). A hedge is considered to be highly effective if the changes in fair value or cash flows attributable to the hedged risk are expected to be offset by the hedging instrument in a range of 80% to 125%. It is also necessary to assess, retrospectively, whether the hedge was highly effective over the previous one-month period. The hedge accounting documentation includes the method and results of the hedge effectiveness assessments.

Fair value hedges
The Company currently only applies fair value hedging for interest rate risk. For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised immediately in the income statement in Fair value gains / (loss). In addition, the cumulative change in the fair value of the hedged item attributable to the hedged risk is recognised in the income statement in Fair value gains / (loss), and for hedged item that would otherwise be measured at cost or amortised cost, the carrying amount of the hedged item is adjusted accordingly.

In these hedging relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Company's own credit risk on the fair value of the interest rate swaps, which is not reflected in the fair value of the hedged item attributable to the change in interest rate;
- differences in the magnitude or timing of future expected cash flows in the hedged item and hedging instrument; and
- the ongoing amortisation of any existing balance sheet mismatch between the fair value of the hedged item and hedging instrument.

If hedge relationships no longer meet the criteria for hedge accounting, hedge accounting is discontinued. For fair value hedges of interest rate risk, the fair value adjustment to the hedged item is amortised to the income statement over the period to maturity of the previously designated hedge relationship using the effective interest method. If the hedged item is sold or repaid, the unamortised fair value adjustment is recognised immediately in the income statement. For items classified as fair value through other comprehensive income, the hedge accounting adjustment is included in other comprehensive income.

5. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

The financial performance of the Company reflects the accounting policies and estimates selected in the preparation of financial results. Judgements in applying accounting policies 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.

In addition, the Company develops accounting estimates to achieve the objectives set out by its selected accounting policies. Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. Any changes in accounting estimates result from new information or development and are not corrections of errors or changes in principles. Such accounting estimates may, inherently, be based on a high degree of uncertainty. Accordingly, the Company's reliance on accounting estimates may result in a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.1 Judgement in Applying Accounting Policies

Hedge accounting
The Company's hedge accounting policies include an element of judgement and estimation, in particular, in respect of the projected portfolio repricing time bucket of the underlying non-maturing core customer deposits in the macro fair value hedges.

Core deposits within the identified portfolios are allocated to repricing time buckets based on expected, rather than contractual, repricing dates. The repricing dates are estimated at the inception of the hedge and throughout the term of the hedge, based on historical experience and other available information, including information and expectations regarding interest rates, withdrawal rates, and the interaction between them.

The estimates are reviewed periodically and updated in the light of experience, and it will influence the availability and timing of suitable hedged items, with an impact on the effectiveness of the hedge relationships.

Additionally, for the portfolio fair value hedges of the Company's core deposits portfolio, the Company follows a dynamic hedging strategy, and the period for which the Company designates these hedges is only one month. At the end of every month, the Company voluntarily de-designates the hedge relationships and re-designates them as new hedges. The one-month repricing time period duration is deemed to be most appropriate in order to minimise the ineffectiveness and accommodate new exposures. Further details about the Company's hedge accounting are disclosed in Note 27.5.

5.2 Key Sources of Estimation Uncertainty

The Company 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.

Recognition of deferred tax asset
Where carried forward tax losses can be utilised against future taxable profits, a deferred tax asset should only be recognised to the extent that it is probable that there will be sufficient taxable profits against which it can be recovered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Management regularly evaluates whether deferred tax assets can be realised. In evaluating whether deferred tax assets can be realised, management considers projected future taxable income and the scheduled reversal of deferred tax liabilities. This evaluation requires significant management judgement, primarily with respect to projected taxable income. The future taxable income can never be predicted with certainty. It is derived from budgets and strategic business plans but is dependent on numerous factors, some of which are beyond management's control. Substantial adverse variance of actual results from estimated future taxable profits, or changes in our estimate of future taxable profits, could lead to changes in deferred tax assets being realisable, or considered realisable, and would require a corresponding adjustment to the amount of the deferred tax asset that is recognised.

The Company has considered their carrying value as at 31 December 2024 and concluded that,based on management's estimates, sufficient taxable profits will be generated in future years to recover recognised deferred tax assets. These estimates are based on forecast performance and take into account the continued profitability of the existing business as well as its continued growth in 2025 and beyond.

Net deferred tax assets of £116.3 million were recognised as at 31 December 2024 (2023: £58.7 million). As at 31 December 2024, the Company had £0.6 million unrecognised deferred tax assets (2023: £nil). Further details about the Company's deferred tax assets are given in Note 12.

Share-based payments
The estimate of share-based payments costs requires management to select an appropriate valuation model and make appropriate estimations of share forfeiture rates. Key assumptions that impact the grant date fair value include equity price, expected volatility, expected term, risk-free rate, and expected dividend yields. We utilise the option pricing model with the above assumptions as input and calculate the grant date fair value.

Investments in subsidiaries and group undertakings
The carrying value of investments in subsidiaries requires management to select an appropriate discount rate and terminal growth rate for the valuation of future cash flows in assessing each investment for impairment. The key assumptions used in making this assessment and the sensitivity analysis of the impact of varying these assumptions are disclosed in Note 15.

Provisions for liabilities
The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration, and regulatory investigations and proceedings arising in the ordinary course of the business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. However, when the Company is of the opinion that disclosing these estimates on a case-by-case basis would prejudice their outcome, the Company does not include detailed, case-specific disclosures in its financial statements.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter, and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates. Further details on the Company's provisions for liabilities are given in Note 22.

The Company also recognises a provision for dilapidation relating to leased office spaces, to bring the buildings back to their original state at the end of the lease. At the inception of the leases, a provision is recognised based on management's best estimate and is discounted to the present value at the start of the lease, using the same incremental borrowing rate as used in the calculation of the lease liability. The discount is unwound over the life of the lease.

RevPoints

Management recognises revenue associated with point-generating transactions under IFRS 15 *Revenue from Contracts with Customers* on a relative stand-alone selling price basis and releases previously deferred revenue in proportion with the pattern of rights exercised by the customer when redeeming said points.

Calculating the stand-alone selling price of the performance obligations in a transaction involving RevPoints requires several assumptions by management, including but not limited to:

1. an estimate of the future redemption value of earned points, which is a function of the variety of redemption alternatives available to the customer at the time the points are granted, the implied value of each of those redemption alternatives, and expected customer redemption tendencies which drive the proportion in which those alternatives will be adopted,
2. an estimate of the probability that granted points will be redeemed prior to expiry, and
3. estimates included in the calculation of other performance obligations in the contract, such as interchange yields and commission rates for a portfolio of contracts that have opted into RevPoints.

Management's estimate of the probability of redemption is also used to release previously deferred revenue into profit or loss in proportion with the pattern of rights exercised by the customer.

Assumptions are reviewed on a periodic basis and adjusted to reflect management's best estimate at the applicable reporting date, incorporating all empirical data observed as of that date, changes to the RevPoints program terms and conditions, and new types of redemption alternatives.

The Company does not reallocate the transaction price to reflect changes in stand-alone selling prices after contract inception, which includes changes to management assumptions used to compute those stand-alone selling prices. Accordingly, changes to management assumptions only impact (1) the deferral of revenue for new transactions and contacts on a prospective basis, and (2) the pattern of release for any previously deferred revenue (but not the original amount of the deferral itself).

6. Fee Income

	2024	2023
	£000	**£000**
Nature of fee income		
Wealth	328,978	114,161
Card transactions	214,441	163,801
Foreign exchange	278,713	170,863
Subscriptions	128,534	79,040
Other	72,660	28,929
Total fee income	**1,023,326**	**556,794**

Type of fee income		
Transferred at a point in time	884,181	471,018
Transferred over time	139,145	85,776
Total fee income	**1,023,326**	**556,794**

Remaining performance obligations

Due to the nature of its commercial arrangements, other than contract liabilities arising as a result of the RevPoints program, the Group does not have any material remaining performance obligations related to contracts with durations over one year at 31 December 2024 or 31 December 2023.

The aggregate amount of the transaction price allocated to unsatisfied performance obligations for RevPoints is £21.2 million (2023: £nil). The Group expects to recognise this amount as revenue as the associated points are redeemed, which can occur at any point prior to expiry (approximately three years from the date each point was earned).

7. Interest Income and Expense

	2024	2023
	£000	**£000**
Interest income		
Interest earned on cash and bank balances	237,252	158,020
Interest accretion on financial investments at FVOCI	18,517	27,396
Interest accretion on financial investments at amortised cost	15,878	—
Interest accretion on interest rate swaps	2,288	—
Total interest income using EIR method	**273,935**	**185,416**
Other interest income	145	177
Total interest income	**274,080**	**185,593**
Interest expense		
Interest accretion on interest rate swaps	(21,626)	(36,128)
Negative interest on customer funds	(779)	(2,756)
Interest expense on lease liabilities	(860)	(339)
Interest expense paid to banking partner	(2,084)	—
Total interest expense using EIR method	**(25,349)**	**(39,223)**
Other interest expense	(17)	—
Total interest expense	**(25,366)**	**(39,223)**
Net interest income/(expense)	**248,714**	**146,370**

8. Other Income

	2024	2023
	£000	**£000**
Net intragroup income	1,091,699	562,699
Net yield on foreign exchange derivatives	58,489	55,398
Dividend income	5,000	6,000
Total other income	**1,155,188**	**624,097**

Net intragroup income is primarily driven by service fee income received from Revolut Bank UAB and Revolut Digital Assets Europe Ltd.

Net cumulative change in the fair value of hedging derivatives and hedge items decreased from £2.3 million at 31 December 2023 to £0.7 million at 31 December 2024, a loss of £(1.6) million recognised under other operating expenses (2023: £(5.1) million). Refer to Note 27.5 for details on hedge accounting.

9. Fee Expense

	2024	2023
	£000	£000
Processing and settlement fee	131,825	91,850
Partner-related costs	82,209	36,231
Cost of cards, card readers, and terminals	33,099	21,105
Other	7,586	3,828
Total fee expense	**254,719**	**153,014**

10. Administrative Expenses

	Note	2024	2023
		£000	£000
Staff costs	11	595,474	375,935
Advertising and marketing		276,775	179,393
Net intragroup expense		104,843	121,222
Outsourced support		22,599	42,087
IT and communications		60,588	46,660
Legal and professional costs		35,278	31,385
Depreciation expense	19	15,872	8,537
Impairment losses other than expected credit losses		187	1,357
Impact of foreign exchange rates		(5,707)	(9,585)
Other costs		58,165	35,079
Total administrative expenses		**1,164,074**	**832,070**

Research and development charged as an expense during 2024 is £169 million (2023: £122 million).

During the year the Group recognised £nil impairment losses on capitalised costs (2023: £nil). Details on the nature of this impairment have been disclosed in Note 17.

During the year the Company obtained the following services from the Company's auditors.

	2024	2023
	£000	£000
Fees payable for the audit of the Company's financial statements	2,070	2,443
Fees payable to the Company's auditor for other assurance services	214	84

11. Staff Costs

	2024	2023
	£000	£000
Wages, salaries, and bonuses	340,004	260,647
Share-based payments	156,880	33,305
Social security costs	53,167	40,778
Professional employer organisation costs	16,810	16,838
Cost of defined contribution scheme	6,642	4,078
Staff recruitment costs	3,362	2,581
Other staff costs	18,609	17,708
Total staff costs	**595,474**	**375,935**

The average monthly number of employees, including the Executive Directors, during the year was as follows.

	2024	2023
	No.	No.
Corporate functions	1,319	1,145
Products	1,441	1,211
Sales	665	641
Customer operations	1,459	1,522
Regions	32	13
Executive Directors	2	2
Total average number of employees	**4,918**	**4,534**

11.1. Directors' Remuneration

	2024	2023
	£000	£000
Director emoluments	1,717	1,310
Social security cost and other benefits	191	173
Contributions to defined contribution pension schemes	3	3
Total Directors' remuneration	**1,911**	**1,486**

In 2024, no Directors (2023: none) received compensation, for their services provided as a Director of the Company, in the form of shares in the Company or Revolut Group Holdings Ltd. During the year, three Directors (2023: no Directors) exercised share options.

	2024	2023
	£000	£000
Highest paid director		
Director emoluments	350	333
Company contributions to defined contribution pension schemes	47	45
Total compensation for highest paid Director	**397**	**378**

12. Taxation

12.1. Income Tax Expense

	2024	2023
	£000	**£000**
UK corporation tax		
UK corporation tax for the year at 25% (2023: 23.5%)	258,053	45,590
Adjustments in respect of previous periods	2,602	1,477
Overseas tax for the year	10,972	2,699
Total current tax charge	**271,627**	**49,766**

Deferred tax		
Current year charge/(credit) recognised	(3,785)	26,327
Overseas deferred tax charge/(credit) recognised	(2,533)	—
Previously unrecognised deferred tax charge/(credit)	—	—
Adjustments in respect of previous periods	(416)	(1,304)
Impact of change in tax rates	—	—
Total deferred tax charge/(credit)	**(6,734)**	**25,023**
Total tax charge/(credit) on continuing operations	**264,893**	**74,789**

12.2. Reconciliation of Effective Tax Rate

The tax assessed in each year differs from the standard rate of corporation tax in the UK for the relevant year. The differences are explained below:

	2024	2023
	£000	**£000**
Profit/(loss) before tax	970,036	310,210
Tax calculated at UK tax rates applicable of 25% (2023: 23.5%)	242,509	72,900
Effects of:		
Income not subject to tax	(1,424)	(1,410)
Non-deductible expenses	22,606	1,558
Adjustments in respect of previous periods	2,186	172
Difference in overseas tax rates and overseas tax credits	(723)	621
Impact of change in tax rates	—	—
Tax provisions	(850)	173
Losses and other timing differences	—	775
Deferred tax not recognised	589	—
Total tax expense reported in the income statement	**264,893**	**74,789**

12.3. Tax on Items not Recognised in Profit or Loss Statement

	2024	2023
	£000	**£000**
Current tax (credit)/charge on:		
Share-based payments	(9,954)	(5,008)
Total current tax not recognised in statement of comprehensive income	**(9,954)**	**(5,008)**
Deferred tax (credit)/charge on:		
Share-based payments	(54,959)	(2,045)
Losses and other deductions	—	4,565
Losses/(gain) on financial assets at fair value through OCI	622	2,822
Total deferred tax not recognised in statement of comprehensive income	**(54,337)**	**5,342**

12.4. Deferred Tax

The following tables show deferred tax recorded in the Statement of Financial Position and changes recorded in the tax (credit)/expense.

The amounts are different from those disclosed on the Statement of Financial Position as they are presented before offsetting asset and liability balances where there is a legal right to set-off and an intention to settle on a net basis.

31 December 2024	Deferred tax assets	Deferred tax liabilities	Profit or loss	OCI	Equity
	£000	**£000**	**£000**	**£000**	**£000**
Fixed asset differences	—	(206)	(581)	—	—
Financial assets at fair value through OCI	—	—	—	(622)	—
Losses and other deductions	—	—	—	—	—
Share-based payments	114,828	—	4,154	—	54,959
Other temporary differences	4,807	—	3,129	—	—
Total	**119,635**	**(206)**	**6,702**	**(622)**	**54,959**

31 December 2023	Deferred tax assets	Deferred tax liabilities	Profit or loss	OCI	Equity
	£000	**£000**	**£000**	**£000**	**£000**
Fixed asset differences	639	(264)	375	—	—
Financial assets at fair value through OCI	622	—	—	622	—
Losses and other deductions	—	—	—	—	—
Share-based payments	55,715	—	16,120	—	39,595
Other temporary differences	1,678	—	1,155	—	—
Total	**58,654**	**(264)**	**17,650**	**622**	**39,595**

Reconciliation of deferred tax asset

	2024	2023
	£000	**£000**
Net deferred tax asset/(liability) as at 1 January 2024	58,389	88,743
Adjustment in respect of previous periods	416	1,304
Deferred tax (expense)/credit recognised in profit or loss	6,318	(26,316)
Deferred tax (charge)/credit recognised directly in equity	54,959	(2,520)
Deferred tax (charge)/credit recognised in OCI	(622)	(2,822)
Foreign exchange movements	(31)	—
Net deferred tax asset/(liability) as at 31 December 2023	**119,429**	**58,389**

Deferred tax recognition and future tax rates

Factors that may affect future tax charge

The main rate of corporation tax in the UK has been 25% since 1 April 2023.

There are no factors identified during 2024, such as tax rate changes, that may materially affect future tax charges.

Recognition of deferred tax asset and tax losses carried forward

UK deferred tax assets and liabilities have been measured in the current reporting period based on the current UK corporation tax rate of 25% and reflected accordingly in the Statement of Comprehensive Income and Statement of Changes in Equity. In assessing the probability of recovery, the Company has relied upon a recent history of Company taxable profits, together with the Group's three-year plan that has been used for the going concern assessment, and which demonstrates positive profit forecasts throughout the remainder of the forecast period.

OECD's Pillar Two global minimum tax impact

On 17 November 2022, the UK Government confirmed its intention to implement the OECD's Pillar Two global minimum tax rules, including an income inclusion rule and UK qualified domestic minimum top-up tax. This legislation was substantively enacted on 20 June 2023, with effect from 1 January 2024, and seeks to ensure that UK headquartered multinational enterprises are subject to minimum effective tax rate of 15% on UK and overseas profits arising after 31 December 2023.

As a result of this new legislation, the Revolut Group will be obligated to pay top-up tax in respect of jurisdictions that have an effective tax rate less than the Pillar Two rate of 15%. The Group has reviewed the legislation and guidance published by the UK, alongside the OECD model rules, and assessed the potential exposure to the Pillar Two global minimum tax rules based on FY24 financial statement data.

This assessment has concluded that the Pillar Two legislation is not expected to result in a material impact neither to the Revolut Group or Revolut Ltd. To the extent that other jurisdictions implement a Qualifying Domestic Minimum Top Up Tax (QDMTT), the top-up tax may be payable in those jurisdictions rather than the UK.

13. Cash and Cash Equivalents

	31 December 2024	31 December 2023
	£000	£000
Cash held at banks	762,956	489,001
Restricted cash held at banks in respect of customers	1,901,774	2,736,468
Restricted term deposits in respect of customers classified as cash equivalents	3,929,946	2,764,295
Term deposits classified as cash equivalents	3,835	—
Total cash and cash equivalents	**6,598,511**	**5,989,764**

Cash held at banks represents the Company's own funds held for liquidity requirements, including cash from customer deposits, and its own operating cash balances for general corporate purposes.

Restricted cash held at banks and term deposits held in respect of customers represents safeguarded funds related to the Company's regulated e-money services. In the UK, client funds with respect to e-money services are held in segregated accounts with authorised credit institutions as part of the Company's safeguarding policy. The Company has decided to safeguard a portion of the funds in respect of customers in the form of bonds which are disclosed in Note 14.

14. Treasury Investments

			31 December 2024	31 December 2023
	Source of funds	**Classification**	**£000**	**£000**
Financial assets measured at FVOCI				
Government bonds — held to collect and sell	Restricted cash held at central banks and other banks in respect of customers	Held to collect and sell	858,754	389,773
Financial assets measured at amortised cost				
Securities purchased under resale agreements (reverse repos)	Restricted cash held at banks In respect of customers	Held to collect	671,163	—
Total treasury investments			**1,529,917**	**389,773**

Government bonds - held to collect and sell represent holdings in High Quality Liquid Assets ('HQLA'). These investments are accounted for at fair value through other comprehensive income ('FVOCI'). Restricted bonds held in respect of customers represent safeguarded funds related to the Group's regulated e-money services.

Investment in reverse repurchase agreements are measured at amortised cost due to management's intention to collect the contractual cash flows of the agreements until maturity. At 31 December 2024 the fair value of financial assets accepted as collateral regarding the Company's reverse repurchase agreements that the Company is permitted to sell or repledge in the absence of default was £683.2 million (2023: £nil), of which the Company had sold or repledged £nil. (2023: £nil).

15. Investments in Subsidiaries and Group Undertakings

	£000
Cost or valuation	
At 1 January 2023	**15,457**
Additions	125
Transfers	—
Impairment	(1,212)
At 31 December 2023	**14,370**
Additions	26
Transfers	(13,638)
Impairment	(92)
At 31 December 2024	**666**
Net book value	
At 31 December 2024	**666**
At 31 December 2023	**14,370**

The Company's investment in subsidiaries and group undertakings comprises both share capital-related investments and other capital contribution investments.

When the Company's investments in subsidiaries and group undertakings are not supported by their net assets, the Company assesses the net present value of the future cash flows of the subsidiary and group undertaking. Where this occurs, management forecasts of the subsidiary's or group undertaking's financial performance are extrapolated to produce a terminal value. Terminal values are calculated using a growth rate and discount rate from year five to perpetuity.

During the year, the Company incurred a £92 thousand impairment charge on its investments in subsidiaries (2023: £1.2 million) to write down the carrying values to their respective net asset values. The Directors consider the carrying value of the Company's remaining investments to be supported by either the net assets or net present value of future cash flows of the respective subsidiary or group undertaking.

The list of subsidiary undertakings of the Company at 31 December 2024 is set out below.

Company	**Class of share**	**Principal activity**	**Registered address**	**Effective interest held** 31 December 2024	31 December 2023
Revolut Technologies Ukraine LLC	Ordinary	Software development	LIFT99 Kyiv Hub Volodymyrska St, 101, building 1 Kyiv, Ukraine, 01033	100 %	100 %
Revolut Trading Ltd	Ordinary	Security dealing activities	7 Westferry Circus, Canary Wharf, London, England, E14 4HD	100 %	100 %
Global Retail Technology LLC**	Ordinary	Software development	850 New Burton Road, Suite 201, Dover, Kent County, Delaware 19904	100 %	100 %
Global Retail Technology Limited	Ordinary	Software development	7 Westferry Circus, Canary Wharf, London, England, E14 4HD	100 %	100 %
Revolut Technologies S.A.	Ordinary	Dormant at reporting date	9 rue du Bitbourg, L-1273 Luxembourg	100 %	100 %
Revolut Technologies Russia LLC	Ordinary	Dormant at reporting date	125047, Moscow, Butyrskiy Val street, bld. 10, office 05-155 Total	100 %	100 %
Revolut Trading Nominees Ltd**	Ordinary	Dormant at reporting date	7 Westferry Circus, Canary Wharf, London, England, E14 4HD	100 %	100 %
Revolut Technologies India Private Limited	Ordinary	Business Development	912, Sureshwari Techno IT Park, Village Eskar, Link Road, Borivali West, Mumbai, Mumbai City, Maharashtra, India, 400092	100 %	100 %
Revolut Servicios a la Tecnologia Mexico SA de CV*	Ordinary	Technology services	C. Montes Urales 424, Lomas - Virreyes, Lomas de Chapultepec V Secc., Miguel Hidalgo, 11000 Ciudad de México, CDMX, Mexico	100 %	100 %
Ultimately Ltd (dissolved on 17 March 2025)	Ordinary	Entered members voluntary liquidation on 27 December 2023 and dissolved on	Trinity Chambers, PO Box 4301, Road Town, Tortola, British Virgin Islands	100 %	100 %
Revolut Technologies Limited (Dissolved on 6 September 2024)	Ordinary	Dissolved at reporting date	13/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Central, Hong Kong	None	100 %

**0.01% owned by Revolut Group Holdings Ltd*
***Held indirectly*

Branches

Revolut Ltd conducts business through the following branches that were in existence as at 31 December 2024:

Branches	Registered address
Revolut Ltd (Sp z o.o.) Oddzial w Polsce	Podium Park, Jana Pawła, 43a, Krakow, 31-864, Polska
Revolut Ltd - Sucursal em Portugal	Avenida Menéres 612, 4450-189 Matosinho, Portugal
Revolut Ltd filialas	Konstitucijos ave. 21B, Vilnius, LT-08130
Revolut Ltd Zweigniederlassung Deutschland	FORA Linden Palais, Unter den Linden 40, 10117 Berlin, Germany
Revolut Ltd Londra Sucursala Bucuresti	17, Ion Mihalache blvd, Mindspace Victoriei, 1st fl, office nb. 105, Tower Center International Building, District 1, Bucharest
Revolut Ltd succursale de France	10 avenue Kleber, 75116, Paris, France
Revolut Ltd (Irish Branch)	2 Dublin landings, North dock, Dublin 1, Ireland
Revolut Ltd Spain Sucursal En España.	Príncipe de Vergara 132, 4th floor, 28002, Madrid, Spain
Revolut Ltd - Italian Branch (Incorporated in 22 March 2024)	Piazzale Biancamano 8 Milano, Cap 20121
Revolut Ltd. (DIFC Branch) (Incorporated on 6 June 2024)	Unit IH-00-01-02- OF-01, Level 2, Innovation Hub, Dubai International Financial Centre
Revolut Ltd Magyarországi Fióktelepe (Incorporated on 28 November 2024)	1137 Budapest, Radnóti Miklós utca 2

16. Investment in Commodities

	31 December 2024	31 December 2023
	£000	£000
Commodities	199,109	104,618
Total investment in commodities	**199,109**	**104,618**

Investment in commodities represent holdings in precious metals that are held to hedge the Company's exposure to commodity price risk on its customer liabilities related to precious metals. These investments are accounted for at fair value through profit or loss.

17. Trade and Other Receivables

	31 December 2024	31 December 2023
	£000	£000
Current		
Financial assets:		
Amounts owed by group undertakings	1,086,629	422,191
Settlement receivables	271,748	163,212
Trade receivables	29,208	7,247
Negative customer liabilities	2,064	647
Amounts recoverable on card scheme contracts*	200	200
Cash collateral	-	73,524
Amounts due from card schemes	-	27,094
Other receivables	11,808	13,069
Total current financial assets	**1,401,657**	**707,184**
Non-financial assets:		
Prepayments and accrued income	29,002	10,924
Other non-financial assets**	25,784	29,900
Total current non-financial assets	**54,786**	**40,824**
Total current assets	**1,456,443**	**748,008**
Non-current		
Financial assets:		
Other receivables	4,827	1,140
Total trade and other receivables	**1,461,270**	**749,148**

*Amounts recoverable on card scheme contracts represents the collateral held with our partners for the settlement process.
** Other non-financial assets primarily represent VAT receivable on purchases and capitalised costs incurred to obtain customer contracts.

Capitalised costs

The Company recognises capitalised costs incurred to obtain customer contracts within other non-financial assets. During the year, £6.2 million of capitalised costs was amortised (2023: £9.5 million). As a result, the Company had a net carrying value of £0.3 million (2023: £6.5 million) as costs to obtain customer contracts. Capitalised costs are determined based on referral campaign rewards paid for new customer sign-ups less rebates received from vendors. This is amortised over three years which reflects management's estimate of the average life of a customer contract based on historical customer retention data. There were £nil impairment losses recognised on the capitalised costs in 2024 (2023: £nil).

Management assesses that the carrying amounts of debtors approximate their fair values.

18. Inventories

	31 December 2024	31 December 2023
	£000	**£000**
Inventory - Cards	22,005	14,228
Inventory - Card Readers	873	1,522
Inventory - Terminals	31	—
Total inventories	**22,909**	**15,750**

Inventories comprise cards and card readers not yet distributed to customers. The difference between purchase price of inventories and their replacement cost is not material. Inventory recognised in cost of sales during the year as an expense was £33.1 million (2023: £21.9 million).

There were £nil losses recognised in cost of sales during the year in respect of obsolete inventory (2023: £nil).

19. Property, Equipment, and Right-of-use Assets

	Fixtures & fittings	Office equipment	Computer equipment	Right-of-use assets	Total
	£000	**£000**	**£000**	**£000**	**£000**
Cost					
At 1 January 2023	11,901	1,301	11,065	19,263	43,530
Additions	143	1	3,377	4,302	7,823
Disposal and derecognition	—	—	(27)	(1,812)	(1,839)
Other movement	—	—	—	(33)	(33)
Foreign exchange movements	3	23	144	146	316
At 31 December 2023	**12,047**	**1,325**	**14,559**	**21,866**	**49,797**
Additions	1,752	17	2,526	56,933	61,228
Disposal and derecognition	(4,050)	(216)	(2,532)	(7,695)	(14,493)
Other movement	—	—	14	(242)	(228)
Foreign exchange movements	(38)	(20)	(176)	(183)	(417)
At 31 December 2024	**9,711**	**1,106**	**14,391**	**70,679**	**95,887**
Accumulated depreciation and impairment losses					
At 1 January 2023	(4,090)	(975)	(6,675)	(12,305)	(24,045)
Charge for the year	(1,194)	(249)	(2,655)	(4,439)	(8,537)
Disposal and derecognition	—	—	3	1,583	1,586
Other movement	—	—	—	33	33
Foreign exchange movements	(3)	(19)	(125)	(157)	(304)
At 31 December 2023	**(5,287)**	**(1,243)**	**(9,452)**	**(15,285)**	**(31,267)**
Charge for the year	(4,873)	(80)	(3,224)	(7,695)	(15,872)
Disposal and derecognition	4,050	210	2,489	7,040	13,789
Other movement	—	—	115	157	272
Foreign exchange movements	23	33	(1)	(53)	2
At 31 December 2024	**(6,087)**	**(1,080)**	**(10,073)**	**(15,836)**	**(33,076)**
Carrying value					
At 31 December 2024	**3,624**	**26**	**4,318**	**54,843**	**62,811**
At 31 December 2023	6,760	82	5,107	6,581	18,530

There is no restriction on title, and no property, plant and equipment has been pledged as security for liabilities;

Right-of-use assets primarily represent leases for office locations.

The gross carrying amount of fully depreciated property and equipment that is still in use at 31 December 2024 is £3 million (2023: £3.5 million).

Out of the £56.9 million addition to right-of-use assets in 2024, £46.6 million relates to the lease of the new headquarters located at 30 South Colonnade, Canary Wharf, London, England, E14 5HX. The new lease agreement has been signed and became effective beginning November 2024, and has an initial term of ten years. The planned move to the new headquarters and fit-out completion is scheduled in the second half of 2025.

20. Customer Liabilities

	31 December 2024	31 December 2023
	£000	£000
E-money in issue	7,332,697	5,759,664
Customer liabilities in respect of commodities	198,594	104,548
Customer liabilities before changes in fair value	**7,531,291**	**5,864,212**
Changes in the fair value of hedged liabilities in portfolio hedges of interest rate risk	(8,260)	(21,669)
Total customer liabilities	**7,523,031**	**5,842,543**

21. Trade and Other Payables

	31 December 2024	31 December 2023
	£000	£000
Amounts owed to group undertakings	555,461	140,595
Accruals	123,558	73,334
Settlement payables	70,728	267,334
Lease liability	47,469	4,793
Other taxation and social security	38,386	28,063
Contract liabilities from subscriptions	22,415	16,718
Contract liabilities from rewards programs	21,203	-
Collateral received	21,176	-
Trade payables	13,823	21,967
Other creditors	12,071	6,778
Total trade and other payables	**926,290**	**559,582**

The contract liabilities from rewards programs are recognised as revenue as the associated points are redeemed by the customer. All other contract liabilities recognised at the beginning of each period are fully released into fee revenue during that year, as these liabilities have a duration of less than one year.

Amounts owed to group undertakings are unsecured, have no fixed date of repayment, and are repayable on demand.

22. Provisions for Liabilities

	Provision for litigation, arbitration and regulatory matters	Provision for dilapidation	Other provisions	Total
	£000	£000	£000	£000
At 1 January 2024	2,565	4,227	1,344	8,136
Provided during the year	13,196	5,351	144	18,691
Amounts used	(3,941)	(1,900)	(21)	(5,863)
Unused amounts released	(484)	(1,069)	-	(1,553)
Exchange and other movements	68	(46)	(72)	(49)
At 31 December 2024	**11,405**	**6,563**	**1,394**	**19,362**

The Company recognises a provision for any litigation, arbitration or regulatory matters that the Company is involved in. The Company operates in a highly regulated environment and is subject to regulatory scrutiny and legal proceedings arising in the ordinary course of business. Any associated costs have been provisioned as at 31 December 2024

The Company also provides for property dilapidation for leased office locations. The property dilapidation provision is based on management's best estimate for the leases to which the Group is party. Uncertainty associated with these factors may result in the ultimate liability being different from the reported provision. Dilapidation provisions are expected to be utilised within one to five years.

23. Lease liabilities

	£000
At 1 January 2024	4,793
New leases entered into during the year	48,549
Lease payments made in the year	(6,935)
Unwinding of discount	860
Impact of movement of foreign exchange rates	245
Other	(43)
At 31 December 2024	**47,469**

At 1 January 2023	8,187
New leases entered into during the year	1,903
Lease payments made in the year	(5,357)
Unwinding of discount	320
Impact of movement of foreign exchange rates	(60)
Other	(200)
At 31 December 2023	**4,793**

In June 2024, Revolut Ltd entered into an Agreement for Lease to relocate its headquarters to YY London at 30 South Colonnade, Canary Wharf, London, England, E14 5HX. The new lease agreement has been signed and became effective beginning November 2024.

24. Share Capital

	31 December 2024	31 December 2023
	£	£
Allotted, called up and fully paid		
59,144,624 (2023: 59,144,624) ordinary shares	5.91	5.91
	5.91	**5.91**

	1 Jan 2023	Shares issued	Shares converted	Share options exercised	31 Dec 2023	Shares issued	Shares converted	Share options exercised	31 Dec 2024
	000s	000s	000s	000s	000s	000s	000s	000s	000s
ordinary shares	59,145	—	—	—	**59,145**	—	—	—	**59,145**

All shares had a nominal value of £0.0000001 each as at 31 December 2024.

Rights attaching to the shares
The ordinary shares have full voting, dividend, and capital distribution rights.

25. Other Reserves

	Foreign exchange reserve	Share-based payment reserve	Financial investment reserve	Total
	£000	£000	£000	£000
At 1 January 2023*	**41**	**68,173**	**(10,333)**	**57,881**
Share premium reduction and transfer to retained earnings	—	—	—	—
Equity settled share-based payment charge	—	33,305	—	33,305
Foreign currency translation adjustment	(433)	—	—	(433)
Revaluation loss on finance investment	—	—	10,550	10,550
Exercise of options*	—	(10,012)	—	(10,012)
Tax impact of FV items through OCI	—	—	(2,822)	(2,822)
Tax impact of equity-settled share-based payment charge	—	2,488	—	2,488
At 31 December 2023*	**(392)**	**93,954**	**(2,605)**	**90,957**

At 1 January 2024	**(392)**	**93,954**	**(2,605)**	**90,957**
Share premium reduction and transfer to retained earnings	—	—	—	—
Equity settled share-based payment charge	—	156,880	—	156,880
Foreign currency translation adjustment	(894)	—	—	(894)
Revaluation loss on finance investment	—	—	3,247	3,247
Exercise of options	—	(29,168)	—	(29,168)
Tax impact of FV items through OCI	—	—	(622)	(622)
Tax impact of equity-settled share-based payment charge	—	64,913	—	64,913
At 31 December 2024	**(1,286)**	**286,579**	**20**	**285,313**

**The Company has elected to change its accounting policy related to the Share-based payments reserve under the guidance of IFRS, as disclosed in Note 2.2. This change enhances transparency and better aligns with the Company's financial reporting objectives. Comparative data for the financial year started 1 January 2023 and ended 31 December 2023 have been restated accordingly.*

The following describes the nature and purpose of the reserves within equity.

Foreign exchange reserve	The foreign exchange reserves represents the cumulative foreign currency translation movement on the assets and liabilities of the Company's international operations at year-end exchange rates.
Share-based payment reserve	The share-based payment reserve records the cumulative charge to equity in respect of equity-settled share-based payments issued by the Parent. that have not yet been exercised, cancelled or have expired. Once the awards are exercised, cancelled or have expired the related share based payment reserve is transferred to retained earnings.
Financial investment reserve	The financial investment reserve includes unrealised gains or losses in respect of financial instruments measured at FVOCI.

26. Share-Based Payments

Group equity-settled share-based payment awards are issued to certain employees which are generally subject to service, and in some cases, performance based vesting or non-vesting conditions and are settled for shares of the Parent. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market performance vesting conditions) at the date of grant. The fair value of the options determined at the grant date of the equity-settled share-based payments is expensed on a graded basis over the vesting period, based on the estimate of the number of awards that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

The Group operates the following share-based payment arrangements that impact the Company:

2023 scheme

During 2022, a new holding company was inserted into the Group changing the legal structure such that the ultimate parent company of the Group changed from Revolut Ltd to Revolut Group Holdings Ltd. With this change, all previously granted share-based awards were novated from Revolut Ltd to Revolut Group Holdings Ltd.

During 2023, the Group adopted the Revolut Group Holdings Ltd Global Share Plan (GSP) under which share options and Restricted Stock Units (RSUs) were granted in 2023 and 2024.

The grant-date fair value of the options granted to employees during 2024 has been determined utilising an option pricing model, which encompasses the Black-Scholes methodology.

The majority of share-based awards are subject to vesting schedules that are set at the date of grant and which vary depending on the reason for the grant — for example, Sign-on Bonus, Referral Bonus, Promotion Bonus, or Performance Bonus.

The main vesting schedules for those grants are: (i) a four-year vesting schedule with 25% vesting on each anniversary; (ii) a two-year vesting schedule with 50% upfront and 25% vesting annually over the subsequent two years; and (iii) a two-year vesting schedule where 1/24th vests each month. Employees are required to remain in employment with the Group until the vesting period has elapsed; otherwise, the awards lapse. Options and RSUs granted under the GSP have expiry dates not exceeding ten years from the date of the grant.

There are also equity settled awards granted to executives, some of whom are key management personnel. These awards are bespoke in nature, with specific vesting, performance and non-vesting conditions dependent on the recipient's role to incentivise achievement of objectives in line with the Group and Company's strategy and goals. The most significant grant during 2024 is only realisable by the recipient if the Group's price per share achieves a price at or above a specified threshold on or before specified corporate events. The maximum term of those executive awards extends to either a corporate event such as a listing or 3 years, dependent on the type of award.

2021 scheme

In 2021, the Group introduced a new class of G ordinary shares ("G shares") and H ordinary shares ("H shares") which were offered to employees in certain countries.

Employees with share options granted in earlier years were eligible to voluntarily exchange their existing holdings of share options to acquire G shares.
The G shares are subject to restrictions including that they only entitle the shareholder to value above a pre-set value per share (the "G Share Hurdle Price"). Employees participating in the scheme were required to pay the unrestricted market value, determined by independent valuers, in order to acquire the growth shares. G shares acquired by employees are held in the Revolut Employee Benefit Trust and are subject to vesting conditions.

G shares granted as a performance bonus vest according to a schedule with 50% vesting on the grant date and 25% vesting annually on the anniversary of the grant date for the next two years. G shares granted as a sign-on bonus or promotion will vest on an annual basis over four years (i.e. 25% at each year). G shares that don't become vested shares are converted to deferred shares or can be acquired by a person nominated by the Company.

H shares are subject to restrictions including that they only entitle the shareholder to convert them into ordinary shares if their value achieves a pre-set value per share (the "H Share Hurdle Price"). H-shares that don't become vested shares are converted to deferred shares or can be acquired by a person nominated by the Company.

2018 CSOP and unapproved share option schemes

In 2018, the Group adopted two share option schemes. The first is the Company Share Option Plan (CSOP) intended to satisfy the requirements of a Schedule 4 CSOP and provide tax advantages to participants. The second is the Unapproved Share Incentive Scheme (UOP). Share options were granted under the CSOP in 2018 and 2019 and options were granted under the UOP from 2018 until 2022.

The outstanding options' weighted average remaining contractual life by exercise price as of 31 December 2024 is shown below

Pool	Exercise Price (£)	Weighted average remaining contractual life (years)
1	0.00	7.14
2	0.00000001	5.55
3	0.03	3.24
4	0.10	3.86
5	0.50	4.52
6	0.75	4.89
7	22.34	5.89
Total		**5.01**

The estimated weighted average share price at the date of exercise for share options exercised in 2024 was £371.68 (2023: £178.76)

27. Financial Instruments

27.1. Financial Instrument by Category

The following table shows the carrying amount of each of the categories of financial instruments as at the end of the reporting period.

	31 December 2024	31 December 2023
	£000	**£000**
Financial assets measured at fair value through OCI (FVOCI)		
Government bonds	858,754	389,773
Financial assets mandatorily measured at fair value through profit or loss (FVTPL)		
Derivative financial assets	79,865	32,296
Total financial assets measured at fair value	**938,619**	**422,069**
Financial assets measured at amortised cost		
Cash and cash equivalents	6,598,511	5,989,764
Securities purchased under resale agreements (reverse repos)	671,163	—
Trade and other receivables	1,406,484	707,183
Total financial assets measured at amortised cost	**8,676,158**	**6,696,947**
Financial liabilities measured at fair value through profit or loss (FVTPL) designated as such upon initial recognition		
Customer liabilities in respect of commodities	(198,594)	(104,548)
Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL)		
Derivative financial liabilities	(58,484)	(71,232)
Total financial liabilities measured at fair value	**(257,078)**	**(175,780)**
Financial liabilities measured at amortised cost		
Customer liabilities *	(7,324,437)	(5,737,995)
Trade and other payables	(842,612)	(514,432)
Total financial liabilities measured at amortised cost	**(8,167,049)**	**(6,252,427)**

* The carrying amount of £(7.3) billion customer liabilities (2023: £(5.7) billion) also includes fair value adjustment on macro fair value hedge of £(8.3)million (2023: £(21.7) million). See Note 20 and 27.5 for more details.

Customer liabilities measured at fair value through profit or loss consist of Group-only customer liabilities in respect of contracts relating to the commodities offering.

Customer liabilities at amortised cost consists of customer liabilities in respect of customer deposits (EEA) and e-money.

27.2. Financial Instruments Measured at Fair Value

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the Statement of Financial Position.

31 December 2024	Total	Level 1	Level 2	Level 3
	£000	£000	£000	£000
Financial assets measured at fair value				
Government bonds	**858,754**	858,754	—	—
Derivative financial assets	**79,865**	—	79,865	—
Total financial assets measured at fair value	**938,619**	**858,754**	**79,865**	—
Financial liabilities measured at fair value				
Derivative financial liabilities	**(58,484)**	—	(58,484)	—
Customer liabilities in respect of commodities	**(198,594)**	(198,594)	—	—
Total financial liabilities measured at fair value	**(257,078)**	**(198,594)**	**(58,484)**	—
Total financial instruments measured at fair value	**681,541**	**660,160**	**21,381**	—
31 December 2023				
Financial assets measured at fair value				
Government bonds	**389,773**	389,773	—	—
Derivative financial assets	**32,296**	—	32,296	—
Total financial assets measured at fair value	**422,069**	**389,773**	**32,296**	—
Financial liabilities measured at fair value				
Derivative financial liabilities	**(71,232)**	—	(71,232)	—
Customer liabilities in respect of commodities	**(104,548)**	(104,548)	—	—
Total financial liabilities measured at fair value	**(175,780)**	**(104,548)**	**(71,232)**	—
Total financial instruments measured at fair value	**246,289**	**285,225**	**(38,936)**	—

Government bonds represent holdings in investment in High Quality Liquid Assets ('HQLA'). These investments are accounted for at fair value through other comprehensive income ('FVOCI'). Restricted bonds held in respect of customers represent safeguarded funds related to the Company's regulated e-money services. At 31 December 2024, all government bonds measured at FVOCI are invested with the UK Treasury securities. During the year, the Company sold FVOCI debt instruments with a principal value of £nil (2023: £399.7 million). Additionally, out of the Company's FVOCI debt portfolio, instruments with a principal of £1,058.1 million (2023: £1,876.1 million) matured. The Company transferred £nil (2023: £17.4 million) unrealised gains from OCI to the Statement of Comprehensive Income.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the fair value hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between the different levels during the current or prior reporting period.

Valuation techniques
Derivative financial instruments are valued using NPV valuation techniques that utilise observable market inputs.

Foreign exchange contracts
Foreign exchange contracts include foreign exchange forward and swap contracts. A foreign exchange swap relate to contracts taken out by the Company with other counterparties (financial institutions) in which the Company pays a specified amount in one currency and receives a specified amount in another currency. FX

swaps are typically gross-settled. Foreign currency forwards are contractual agreements to buy or sell a specified amount of foreign currency at a specific price and date in the future. Forwards are customised contracts transacted in the over-the-counter market. The Company has credit exposure to the counterparties of forward contracts, as well as market risk exposure.

These instruments are valued by either observable foreign exchange rates and observable or calculated forward points. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Company classifies foreign exchange contracts as Level 2 financial instruments.

All derivative financial instruments between Group entities represent foreign currency swap contracts valued using direct and indirect observable inputs.

Interest rate derivatives

Interest rate derivatives include interest rate swaps. Interest rate swaps relate to contracts taken out by the Company with other counterparties (financial institutions) in which the Company either receives or pays a floating rate of interest in return for paying or receiving, respectively, a fixed rate of interest. The payment flows are typically netted against each other, with the difference being paid by one party to the other. Most swaps are fully collateralised and require daily margin settlement, which significantly reduces the Company's credit risk.

The valuation techniques include forward pricing and swap models, using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are generally Level 2.

There were no changes to the valuation techniques during the period.

Financial instruments not measured at fair value

The carrying values of financial instruments not measured at fair value are a reasonable approximation of their fair value. The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.

31 December 2024	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets measured at amortised cost				
Cash and cash equivalents	**6,598,511**	—	6,598,511	—
Securities purchased under resale agreements (reverse repos)	**671,163**	—	671,163	—
Trade and other receivables	**1,406,484**	—	1,406,484	—
Total financial assets at amortised cost	**8,676,158**	—	**8,676,158**	—
Financial liabilities measured at amortised cost				
Customer liabilities	**(7,324,437)**	—	(7,324,437)	—
Trade and other payables	**(842,612)**	—	(795,143)	(47,469)
Total financial liabilities at amortised cost	**(8,167,049)**	—	**(8,119,580)**	**(47,469)**

31 December 2023	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets measured at amortised cost				
Cash and cash equivalents	**5,989,764**	—	5,989,764	—
Trade and other receivables	**707,183**	—	707,183	—
Total financial assets at amortised cost	**6,696,947**	—	**6,696,947**	—
Financial liabilities measured at amortised cost				
Customer liabilities	**(5,737,995)**	—	(5,737,995)	—
Trade and other payables	**(514,432)**	—	(509,639)	(4,793)
Total financial liabilities at amortised cost	**(6,252,427)**	—	**(6,247,634)**	**(4,793)**

27.3. Treasury investments measured at amortised cost

	31 December 2024	31 December 2023
	£000	**£000**
Other financial instruments with financial institutions		
Securities purchased under resale agreements (reverse repos)		
France	175,418	—
Singapore	125,180	—
Spain	370,565	—
Total lending under reverse repurchase agreements	**671,163**	**—**
Total gross carrying amount of treasury investments measured at amortised cost	**671,163**	**—**
Loss allowance	—	—
Total treasury investments measured at amortised cost	**671,163**	**—**

27.4. Derivative Financial Instruments

	31 December 2024			31 December 2023		
	Carrying amount assets	Carrying amount liabilities	Notional amount	Carrying amount assets	Carrying amount liabilities	Notional amount
	£000	£000	£000	£000	£000	£000
Derivatives in hedge accounting relationships						
Interest rate swaps	—	12,438	450,000	127	31,929	1,066,735
Total derivatives in hedge accounting relationships	**—**	**12,438**	**450,000**	**127**	**31,929**	**1,066,735**
Derivatives not in hedge accounting relationships						
Interest rate swaps	5,649	5,649	—	—	—	—
Foreign currency swaps	73,530	39,817	8,574,765	32,001	39,246	8,834,168
Foreign exchange forward contracts	686	580	42,856	168	57	12,633
Total derivatives not in hedge accounting relationships	**79,865**	**46,046**	**8,617,621**	**32,169**	**39,303**	**8,846,801**
Total derivative financial instruments	**79,865**	**58,484**	**9,067,621**	**32,296**	**71,232**	**9,913,536**

The Company enters into foreign currency swap contracts to ensure sufficient liquidity is maintained in all currencies for operational purposes as well as to optimise yield. The net yield on foreign exchange derivatives presented in Other income is the return on settlement of the far leg of the foreign currency swaps due to the difference between the prevailing spot rate and the forward rate at inception (i.e., the 'contractual gain'). During the year ended 31 December 2024, the net yield on foreign exchange derivatives was £58.5 million (2023: £55.4 million), this is disclosed in Note 8.

Any movement in foreign exchange rates between inception and maturity relative to the contractually agreed forward rate at inception results in a foreign currency gain or loss on foreign currency derivatives. During the year ended 31 December 2024, the foreign exchange gains on foreign currency swaps were £164.6 million (2023: £180.6 million); these are predominantly offset by exchange gains and losses incurred on foreign currency denominated monetary assets/liabilities on the balance sheet. This is disclosed on a net basis with all other foreign exchange gains and losses in Note 10 under the impact of foreign exchange rates line.

Group	Note	2024	2023
		£000	£000
Net yield on foreign exchange derivatives	8	58,489	55,398
Fair value movement on foreign exchange derivatives	10	164,560	180,582
Total gain on foreign exchange derivatives		**223,049**	**235,980**

27.5. Hedge Accounting

In the Company's core deposits macro fair value hedge, macro hedge accounting is used to recognise fair value changes related to changes in interest rate risk in non-interest-bearing core deposit accounts and therefore reduce the profit or loss volatility that would otherwise arise from changes in the fair value of the interest rate swaps alone.

Applying fair value hedge accounting enables the Company to reduce fair value fluctuations of fixed rate financial liabilities. From a hedge accounting point of view, the Company designates the hedged risk as the exposure to changes in the fair value of an identified portion of recognised customer liabilities (core deposit) that could affect profit or loss.

The table below sets out the accumulated fair value adjustments arising from the corresponding continuing hedge relationships.

	31 December 2024		31 December 2023		
	Carrying amount of hedged items	**Accumulated amount of fair value adjustments on the hedged items**	**Carrying amount of hedged items**	**Accumulated amount of fair value adjustments on the hedged items**	**Line item in the Statement of Financial Position**
	£000	**£000**	**£000**	**£000**	
Customer liabilities in respect of deposits	(433,056)	8,260	(1,020,583)	21,669	Customer liabilities

The following table provides information about the hedging instruments included in the derivative financial instruments line items of the Company's Statement of Financial Position:

	31 December 2024		31 December 2023		
	Notional amount	**Carrying amount***	**Notional amount**	**Carrying amount***	**Line item in the Statement of Financial Position**
	£000	**£000**	**£000**	**£000**	
Interest rate swap – hedge of core deposits	450,000	(7,549)	1,066,735	(19,361)	Derivatives assets/ derivative liabilities

*Carrying amount represents the clean fair value of the interest rate swaps excluding interest accrual;

The below table sets out the outcome of the Company's hedging strategy to changes in the fair value of the hedged items and hedging instruments, used as the basis for recognising ineffectiveness.

31 December 2024

		Gains/(losses) attributable to the hedged risk		**Net cumulative fair value gain/(loss)**	**Ineffectiveness recognised during the year**	**Line item in the Statement of Comprehensive Income**
		Hedged items	**Hedging instruments**			
Hedged items	Hedging instruments	**£000**	**£000**	**£000**	**£000**	
Customer liabilities in respect of deposits	Interest rate swaps	8,260	(7,549)	711	(1,597)	Other operating expenses

31 December 2023

		Gains/(losses) attributable to the hedged risk		Net cumulative fair value gain/(loss)	Ineffectiveness recognised during the year	Line item in the Statement of Comprehensive Income
		Hedged items	Hedging instruments			
Hedged items	Hedging instruments	£000	£000	£000	£000	
Customer liabilities in *respect of* deposits	Interest rate *swaps*	21,669	(19,361)	2,308	(4,803)	Other operating *expenses*

Hedge ineffectiveness can arise from:

- Differences in timing of cash flows of hedged items and hedging instruments
- Derivatives used as hedging instruments having a non-nil fair value at the time of designation
- The effect of changes in counterparties' credit risk on the fair values of hedging instruments or hedged items

The maturity profile of the Company's hedging instruments used in macro fair value hedge relationships is as follows:

31 December 2024

	Less than one month	One to three months	Three to twelve months	One to five years	Over five years	Total
Interest rate swaps in hedge accounting relationships	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Notional amount	—	—	300,000	150,000	—	**450,000**
Average strike rate	2.51 %					

31 December 2023

	Less than one month	One to three months	Three to twelve months	One to five years	Over five years	Total
Interest rate swaps in hedge accounting relationships	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Notional amount	—	—	616,735	450,000	—	**1,066,735**
Average strike rate	2.48 %					

28. Financial Risk Management

The Company is exposed to various financial risks in the ordinary course of business. The Company divides these risks into the following categories: credit risk, liquidity and funding risk, market risk, and capital risk.

28.1. Credit Risk

Credit risk is the risk of financial loss should the Company's counterparties fail to fulfil their contractual obligations in full and on time.

The Company is exposed to various credit risks in the course of its operations. The table below provides a breakdown of the Company's gross carrying amounts, ECLs, and net carrying amounts for these exposures.

The Company is exposed to wholesale credit risk from:

- Treasury investments and cash and cash equivalents: the placement of cash and a range of high credit quality instruments (includes the first two rows in the table below).
- Derivatives primarily used for hedging foreign exchange and interest rate risk.
- Short-dated receivables due from card schemes and merchant acquirers used to process user card top-ups and exposures to Crypto counterparties used to facilitate trading (included in 'other assets' in the table below.

The Company is also exposed to credit risk from negative customer liabilities (included in 'other assets' in the table below). This occurs when a user's accounts has negative funds which may arise for a variety of reasons (e.g. insufficient funds to a pay a subscription fee).

To manage wholesale credit risk appetite, the Group's credit risk management policies and procedures require all counterparties giving rise to credit risk to be assessed at least annually and assigned a credit risk limit commensurate with their risk profile. The Group's Wholesale Credit Risk function monitors adherence to limits and appropriate management of credit risks where deterioration is identified. Key decisions are subject to review and approval by the Assets and Liabilities Committee (ALCO).

As part of the risk management strategy, risk indicators based on expected credit losses (ECL) are monitored relative to the pre-approved risk appetite, such as the stressed expected credit loss for the total credit portfolio.

	31 December 2024			31 December 2023		
	Gross carrying amount	**ECL**	**Net carrying amount**	**Gross carrying amount**	**ECL**	**Net carrying amount**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Cash and cash equivalents	6,598,704	(193)	6,598,511	5,989,865	(101)	5,989,764
Treasury investments	1,529,917	—	1,529,917	389,773	—	389,773
Other assets	1,410,868	(4,384)	1,406,484	710,392	(3,208)	707,184
Derivative financial assets	79,865	—	79,865	32,296	—	32,296
Total credit risk exposure	**9,619,354**	**(4,577)**	**9,614,777**	**7,122,326**	**(3,309)**	**7,119,016**

* The Company has not recognised a loss allowance on securities purchased under resale agreements (reverse repos) due to collateral held. The collateral securities consist of AAA ABS and investment grade bonds. Without taking account of any collateral held or other credit enhancements, the maximum exposure to expected credit loss of these reverse repurchase agreements at the end of the reporting period would be £2.2 thousands (2023: Nil).

The tables below, referring to the credit losses on non-lending products, reflect changes of expected credit losses ('ECL') during the financial year plus the cost of writing-off (fully or partially) assets when they are deemed uncollectible.

Credit losses expenses

	2024	2023
	£000	£000
Treasury investments— expected credit loss (recognised) / reversed	(1)	—
Cash and Cash equivalent — expected credit loss (recognised) / reversed	(69)	(101)
Other assets excluding negative customer liabilities — expected credit loss (recognised) / reversed	(1,859)	(12)
Negative customer liabilities — expected credit loss (recognised) / reversed	(9,382)	5,670
Negative customer liabilities — write-offs (recognised) / reversed	(936)	(9,323)
	(12,247)	**(3,766)**

Negative customer liabilities — net change in expected credit losses relates to the net change on the loss allowance balance on negative customer liabilities.

Negative customer liabilities — write-offs (non-fraud) relates to other write-offs of negative customer liabilities, including chargebacks.

Credit quality analysis

The following tables set out information about the credit quality of treasury investments without taking into account collateral or other credit enhancement.

An explanation of the terms 'Stage 1', 'Stage 2' and 'Stage 3' is included in Note 4.22.

Key shared risk characteristics used to group financial instruments (i.e. treasury investments and cash and cash equivalents) are external ratings.

31 December 2024	12 months PD	Stage 1	Stage 2	Stage 3	Total
Treasury investments		£000	£000	£000	£000
Grades 1-4	0% - 0.5%	1,529,917	—	—	**1,529,917**
Grades 5-6	0.5% - 1.3%	—	—	—	—
Grade 7-8	1.3% - 3%	—	—	—	—
Grade 9	3% - 5%	—	—	—	—
Grade 10	5% - 8%	—	—	—	—
Grade 11+	8% - 100%	—	—	—	—
Gross carrying amount		**1,529,917**	—	—	**1,529,917**
Loss allowance		—	—	—	—
Carrying amount		**1,529,917**	—	—	**1,529,917**
ECL coverage %		—%	—	—	—%

31 December 2023	12 months PD	Stage 1	Stage 2	Stage 3	Total
Treasury investments		£000	£000	£000	£000
Grades 1-4	0% - 0.5%	389,773	—	—	**389,773**
Grades 5-6	0.5% - 1.3%	—	—	—	—
Grade 7-8	1.3% - 3%	—	—	—	—
Grade 9	3% - 5%	—	—	—	—
Grade 10	5% - 8%	—	—	—	—
Grade 11+	8% - 100%	—	—	—	—
Gross carrying amount		**389,773**	—	—	**389,773**
Loss allowance		—	—	—	—
Carrying amount		**389,773**	—	—	**389,773**
ECL coverage %		—%	—	—	—%

31 December 2024	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount
Negative customer liabilities		**£000**	**£000**	**£000**
0-30 days past due	26%	1,096	(288)	808
30-60 days past due	56%	508	(287)	221
60-90 days past due	63%	388	(244)	144
90-365 days past due	63%	2,431	(1,540)	891
> 365 days past due	100%	—	—	—
Gross carrying amount	**4,423**			
ECL	(2,359)			
Carrying amount	**2,064**			
ECL coverage %	**53.33%**			

31 December 2023	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount
Negative customer liabilities		**£000**	**£000**	**£000**
0-30 days past due	45%	703	(321)	382
30-60 days past due	70%	441	(314)	127
60-90 days past due	80%	324	(263)	61
90-365 days past due	95%	2,212	(2,135)	77
> 365 days past due	100%	—	—	—
Gross carrying amount	**3,680**			
ECL	(3,033)			
Carrying amount	**647**			
ECL coverage %	**82.42%**			

Credit risk concentration

An analysis of the Company's credit risk concentrations for financial investments is provided in the following table. The amounts in the table represent net carrying amounts.

		31 December 2024	31 December 2023
		Wholesale	**Wholesale**
		£000	**£000**
Treasury investments	Europe (excluding UK)	545,984	—
	UK	858,753	—
	US	—	389,773
	Other	125,180	—
Total		**1,529,917**	**389,773**

Loss allowance

The were no movement of expected credit loss (ECL) on Treasury investments during the year ended 31 December 2024.

Debtors are stated after provision for impairment. The following tables show movement in the ECL provision for trade receivables and negative customer liabilities. The provision for impairment recorded for other debtor balances (excluding negative customer balances) during the year is £1.86 million (2023: £nil).

ECL roll-forward on Trade receivables and Negative customer liabilities	**Trade receivables**	**Negative customer liabilities**
	£000	**£000**
At 1 January 2023	**175**	**8,703**
Recognition of ECL provision	—	3,858
Written-off	—	(9,528)
At 31 December 2023	**175**	**3,033**
Recognition of ECL provision	2,025	1,854
Written-off	(175)	(2,528)
At 31 December 2024	**2,025**	**2,359**

28.2. Liquidity Risk

Liquidity risk is the risk that the Company cannot meet its financial obligations when they fall due or is only able to do so at excessive cost.

The Company is, or may in the future be, exposed to a number of liquidity risks. These risks include, but are not limited to run-off of deposit funding, funding concentration, off balance sheet risks from commitment drawdowns, intraday risk, franchise viability risk, receivables pre-funding and an inability to transfer liquidity across entities, sectors and countries. These risks are managed by the Treasury function, with control and oversight provided by the Risk Management function, the Assets and Liabilities Management Committee ('ALCO') and the Management Board. The Company's key liquidity policy is to maintain a portfolio of unencumbered, high-quality cash instruments and securities that are readily convertible to cash to ensure that it can meet all of its financial obligations in business-as-usual circumstances and in stress conditions. The Company complies with this policy by holding surplus cash in the form of overnight deposits with banks and a portfolio of high quality liquid assets.

Maturity analysis for financial assets and financial liabilities

The table below summarises the maturity profile of the Company's financial assets and liabilities. Derivative liabilities are shown by maturity based on their contractual undiscounted payment obligations. Whilst customer liabilities are presented as on demand, the observed behavioural characteristics are more closely aligned to the durations of the asset portfolio. The Company do not expect the outflows of cash to occur significantly earlier than indicated or be of significantly different amounts from those indicated in the table.

31 December 2024

	Carrying amount	Total	On demand	Up to three months	Three to twelve months	One to five years	Over five years
	£000	£000	£000	£000	£000	£000	£000
Financial assets							
Cash and cash equivalents	6,598,511	**6,598,511**	2,664,730	3,933,781	—	—	—
Treasury investments	1,529,917	**1,529,917**	—	1,529,917	—	—	—
Trade and other receivables	1,406,484	**1,406,484**	5,988	1,393,645	2,024	2,659	2,168
Derivative financial assets	79,865	**79,865**	—	75,849	526	3,490	—
Total financial assets	**9,614,777**	**9,614,777**	**2,670,718**	**6,933,192**	**2,550**	**6,149**	**2,168**
Financial liabilities							
Customer liabilities	7,523,031	**7,523,031**	7,523,031	—	—	—	—
Trade and other payables	795,143	**795,143**	5,918	780,682	8,543	—	—
Lease liability	47,469	**66,707**	—	1,106	1,930	30,261	33,410
Derivative financial liabilities	58,484	**61,499**	—	45,280	10,359	5,860	—
Total financial liabilities	**8,424,127**	**8,446,380**	**7,528,949**	**827,068**	**20,832**	**36,121**	**33,410**
Net liquidity gap			**(4,858,231)**	**6,106,124**	**(18,282)**	**(29,972)**	**(31,242)**
Cumulative liquidity gap			**(4,858,231)**	**1,247,893**	**1,229,611**	**1,199,639**	**1,168,397**

31 December 2023

	Carrying amount	Total	On demand	Up to three months	Three to twelve months	One to five years	Over five years
	£000	£000	£000	£000	£000	£000	£000
Financial assets							
Cash and cash equivalents	5,989,764	**5,989,764**	3,225,469	2,764,295	—	—	—
Treasury investments	389,773	**389,773**	—	79,032	310,741	—	—
Trade and other receivables	707,183	**707,183**	3,101	280,347	422,595	1,140	—
Derivative financial assets	32,296	**32,296**	—	32,169	101	26	—
Total financial assets	**7,119,016**	**7,119,016**	**3,228,570**	**3,155,843**	**733,437**	**1,166**	**—**
Financial liabilities							
Customer liabilities	5,842,543	**5,842,543**	5,842,543	—	—	—	—
Trade and other payables	509,639	**509,639**	—	506,466	3,173	—	—
Lease liability	4,793	**4,820**	—	1,365	3,130	325	—
Derivative financial liabilities	71,232	**72,279**	—	39,303	26,335	6,641	—
Total financial liabilities	**6,428,207**	**6,429,281**	**5,842,543**	**547,134**	**32,638**	**6,966**	**—**
Net liquidity gap			**(2,613,973)**	**2,608,709**	**700,799**	**(5,800)**	**—**
Cumulative liquidity gap			**(2,613,973)**	**(5,264)**	**695,535**	**689,735**	**689,735**

28.3. Market Risk

Market risk is the risk of financial loss arising from changes in the value of the Company's assets and liabilities from movements in interest rates, foreign exchange, credit spreads, equity prices and commodity prices.

The Company's market risk management policies and procedures provide effective and robust mitigation. The Company monitors its exposures continually, using automated KRIs and associated processes reviewing metrics such as Value at Risk, FX stress tests for crypto currencies, FX profit and losses and interest rate risk. The Company makes hedging transactions as appropriate. Key decisions are subject to review and approval by the ALCO.

The market risks for the Company have remained stable and well contained. Management expects the processes and market risk exposures to remain broadly consistent over the next year. The Company is exposed to the below market risks.

Foreign exchange risk, including commodities

The Company provides foreign exchange to its customers via multi-currency wallets that allow spending in different currencies. It is thus exposed to currency exchange rate fluctuations. The Company is exposed to foreign exchange risk arising from various corporate activities and stemming from revaluation of contractual cash-flows or assets and liabilities denominated in foreign currencies.

The FX exposure is monitored on a daily basis to ensure the effective management of this risk.
The foreign exchange exposure arises from the Treasury Function activities. This includes profit on the banking products, interest earned on nostro balances and various costs (all in non-functional currency).

The carrying amounts of the Company's foreign currency denominated monetary assets, monetary liabilities and derivative instruments at the reporting date are as follows:

	Monetary assets	Monetary liabilities	Net position
	£000	£000	£000
At 31 December 2024			
GBP	3,083,397	(1,434,392)	1,649,005
EUR	3,476,103	(3,530,550)	(54,447)
USD	2,798,782	(2,822,513)	(23,731)
CHF	252,779	(245,273)	7,506
JPY	386,217	(385,618)	599
Other currencies	534,447	(607,525)	(73,078)
Total	**10,531,725**	**(9,025,871)**	**1,505,854**
At 31 December 2023			
GBP	2,473,100	(1,386,161)	1,086,939
EUR	1,956,272	(1,894,308)	61,964
USD	734,547	(870,482)	(135,935)
CHF	634,587	(636,413)	(1,826)
JPY	792,659	(788,742)	3,917
Other currencies	622,997	(769,178)	(146,181)
Total	**7,214,162**	**(6,345,284)**	**868,878**

The Company also provides customers the ability to acquire commodities and cryptocurrencies and is exposed to price fluctuations for these instruments during the course of trade settlement.

Interest rate risk

Interest rate risk in the banking book ('IRRBB') is the risk that the Company's Statement of Financial Position and profitability is structurally exposed to unexpected movements in interest rates. This risk stems from maturity and repricing mismatches between assets and liabilities, which would materialise with changes in the shape of the yield curve ('gap risk'), or from interest rate related options embedded in those that might affect future cash flows ('option risk'), or with changes in the relationship between various yield curves ('basis risk').

To quantify the IRRBB, *the Company uses two metrics: net interest income* ('NII') *sensitivity and economic value* of equity ('EVE') sensitivity. NII is computed as the impact of parallel shock in interest rates on the net interest income generated by the banking book items based on their repricing profiles. EVE is assessed through a measurement of changes in the net present value of the interest rate sensitive instruments (excluding Common Equity Tier 1 ('CET1') instruments and other perpetual own funds) over their remaining life resulting from interest rate movements assuming six different shock scenarios.

Both metrics are managed against a control framework, which is defined with set limits in place. The Treasury Function is responsible for IRRBB management on an on-going basis using mitigation approaches such as the use of hedging. Interest rate characteristics of funding are matched as far as possible to investments into securities. The Risk Management Function closely monitors IRRBB exposures, proposes limits and calculation assumptions, and performs stress testing. Any breach of the limit is escalated to the senior management with the mitigating actions taken.

The following table shows the sensitivities under NII and EVE for the Company.

	2024	2023
Net interest income-based approach	**£000**	**£000**
200 bps parallel increase	134,345	118,651
200 bps parallel decrease	(134,345)	(118,651)
Economic value of equity-based approach		
200 bps parallel increase	34,239	44,497
200 bps parallel decrease	(69,464)	(96,682)

28.4. Capital Risk

Capital risk is the risk that the company does not hold adequate capital to support its regulatory requirements or risk profile.

Revolut Ltd is an FCA regulated e-money institution. Revolut Ltd has the following controls in place to ensure capital risk is managed effectively:

- Perform quarterly bottom up forecasts on profitability and e-money balances to ensure the entity has sufficient capital to meet requirements plus internal management buffer.
- Sensitivity analysis and scenarios on profitability and e-money balances to understand what actions could be taken to offset potential losses.
- The use of KRIs which provide early-warning indications to monitor the movement in e-money balances and variances to capital requirements and resources.

29. Capital and Other Commitments

The Company has entered into various financial guarantee contracts with certain Group subsidiaries. The total amount of financial guarantees issued represents the maximum potential future payments that the Company could be required to make under these arrangements if the guaranteed obligations are not fulfilled by the guaranteed entity. The nominal values of such commitments as at 31 December 2024 represents £39 million (2023: £43 million). In addition, the Company also has guarantee contracts to cover potential losses by Group subsidiaries operating with card networks through Revolut Ltd.

The Company does not have any other material commitments, capital commitments or contingencies as at 31 December 2024 and 31 December 2023.

30. Controlling Party

The company is owned by Revolut Group Holdings Ltd, itself owned by a number of private shareholders and companies, none of whom owned more than 25% of the issued share capital of the Company as at 31 December 2024. Revolut Group Holdings Ltd is considered the controlling party and is registered as a person with significant control (PSC) at Companies House by virtue of its ownership of 100% of the issued share capital and voting rights in the Company.

31. Events After the Balance Sheet Date

Subsequent to the year ended 31 December 2024, €309.9 million of dividends were distributed to its parent company, Revolut Group Holdings Ltd.

Please refer to the consolidated financial statements of Revolut Group Holdings Ltd for details of an indirect change of ownership for the Company's parent that took place on April 2, 2025. As a result of that change, Nikolay Storonsky acquired an indirect interest in greater than twenty-five per cent (25%) of the issued share capital of the Company.