



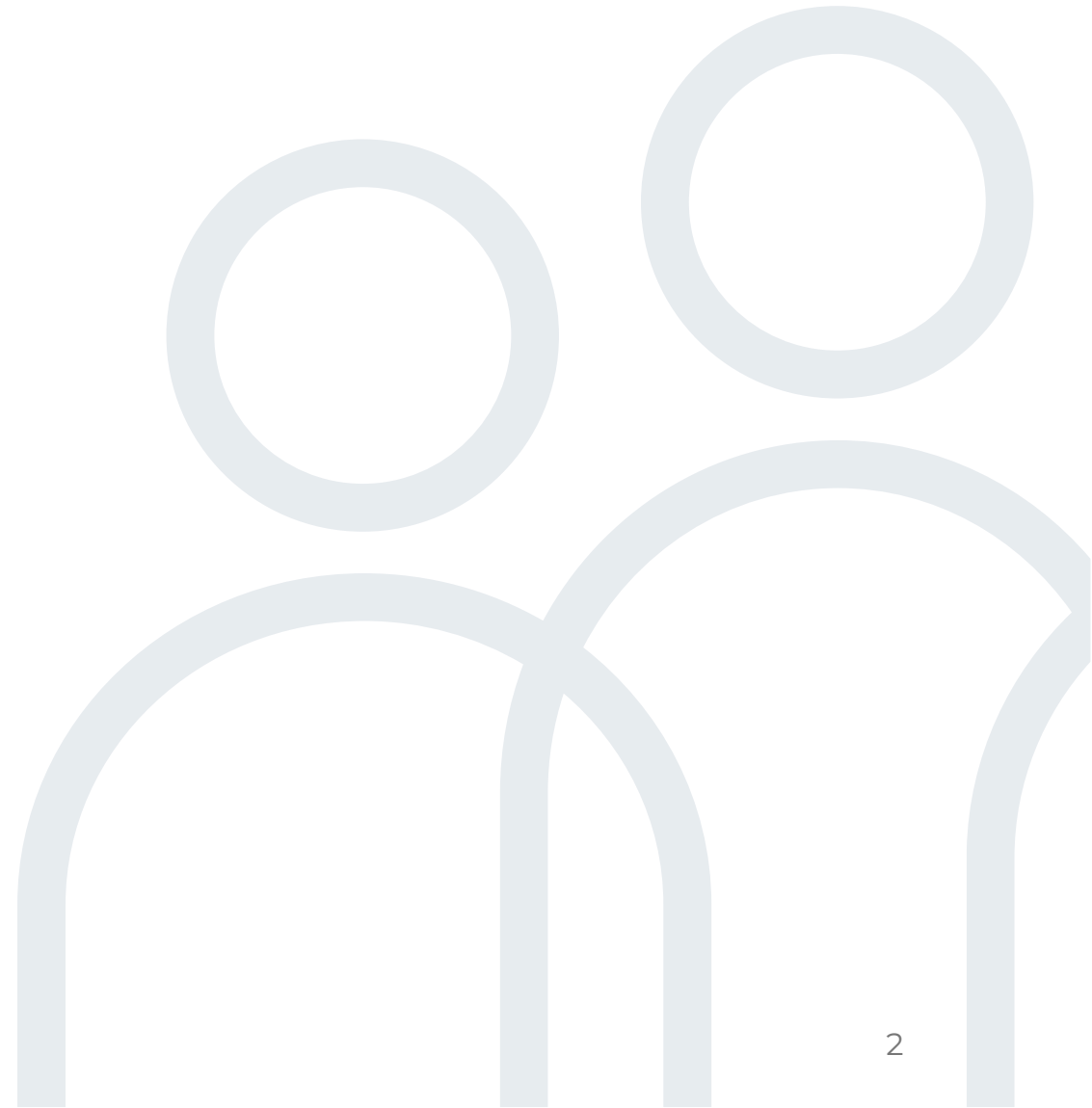
Year in Review

2024



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Purpose and Strategy

Our **Purpose** is to help family businesses create a more prosperous and sustainable future for generations to come.



Our **Strategy** brings family businesses together, along with subject matter experts, advisors, academics, regulators, and civil society to:

- **Advocate** – for responsible and sustainable family business models, providing unified and strong voice to influence government policy and shape markets
- **Apply** – thought leadership to support capacity building, and day-to-day management of the businesses to drive bottom-line performance
- **Amplify** – the voice of family businesses, and their contribution to the UK economy and society

Financial Performance

These financial statements reflect a 12-month period to 31 December 2024, compared to a 12-month period to 31 December 2023 in the comparative period. The figures presented have not been subject to audit.

FBUK trading losses have reduced materially from June 2022 at (£206k) (12-month period); to (£94k) at end December 2022 (6-month period); and moved into a trading profit of £7,653 for end December 2023 (12-month period); and now £4,199 for end December 2024 (12-month period).

TURNOVER

£1,036,525 (+37%)

OPERATING PROFIT

£4,199 (-45%)

CASH RESOURCE

£947,669 (+428%)

Financial Performance

Two capital raising calls to FBUK Members, in 3rd quarter and 4th quarter, resulted in an injection of unbudgeted cash income. The generosity of Members provides an opportunity for the most significant one-off investment in advocacy, research and resources in our organisation's history.

The financial information on the following pages is extracted from the company's internal financial statements but does not include all the information relating to the financial year that would be included in the full statutory financial statements.

It therefore represents non-statutory financial information.

Full statutory financial statements have not yet been prepared, partly due to a change in auditor, as the company has replaced Saffery LLP with Pitt Godden & Taylor LLP (PGT) due to a desire for rotation.

A full set of financial statements can be obtained by making a request in writing to the company's registered office. It is anticipated these statements will become available by end July 2025.

Financial Performance

Income & Expenditure Account Statement

Income & Expenditure Account Statement

	12mths to December 2024 £	12mths to December 2023 £
Income	1,036,525	755,685
Cost of sales	(353,020)	(180,409)
Gross surplus	683,505	575,276
Administrative expenses	(683,706)	(571,753)
Operating surplus/(deficit)	(201)	3,523
Interest receivable and similar income	4,400	4,130
Surplus/(deficit) before taxation	4,199	7,653
Tax on surplus/(deficit)	-	-
Surplus/(deficit) for the financial year	4,199	7,653

Financial Performance

Statement of Financial Position

Income & Expenditure Account Statement

	12mths to December 2024		12mths to December 2023	
	£	£	£	£
Fixed assets				
Tangible assets		41,497		57,455
Current assets				
Debtors	360,227		238,520	
Cash at bank and in hand	947,669		221,344	
Creditors	1,307,896		459,864	
Amounts falling due within one year	(1,318,512)		(490,637)	
Net current assets		(10,616)		(30,773)
Total assets less current liabilities		30,881		26,682
Reserves				
Income and expenditure account		30,881		26,682
Members' funds		30,881		26,682

Policy and Advocacy

Back Family Business/BPR Campaign

In 2024 FBUK's intensity and frequency of engagement with Government reached levels not previously seen in the organisation's history. Central to this was the Back Family Business/BPR campaign, launched pre-Budget in anticipation of changes to Business Property Relief (BPR).

Campaign activities included commissioning key pieces of independent research, submitting private letters to Cabinet Ministers, and publishing open letters in the national press:

- Planning for the Long Term – Policies to Support Family Businesses (July)
- Economic Impact and Behavioural Effects of Removing BPR and GHR (September)
- Private letter to the Chancellor of Exchequer, signed by 70+ FBUK Members (September)
- Economic Impact and Behavioural Effects of Capping BPR at £1m (November)
- Open Letter to Chancellor of Exchequer backed by 32 independent trade and industry bodies representing 160,000 UK family businesses (November)

Planning for the Long Term – Policies to Support Family Businesses (July)



Economic Impact and Behavioural Effects of Removing BPR and GHR (October)

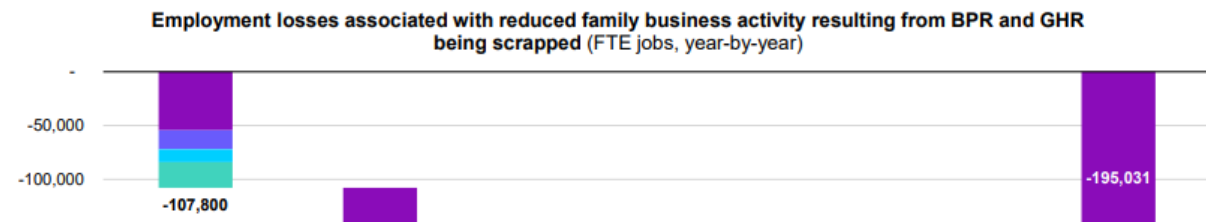


On average, a family-owned business is expecting a 9.9% decrease in investment, 4.5% decrease in turnover and a 6.1% decrease in headcount, if BPR and GHR are scrapped

Scrapping BPR and GHR could lead to the closure of 83,850 UK employers

Reduced family business activity from scrapped reliefs leads to a GVA loss of £29.3bn over the next 5 years

391,000 FTE jobs are potentially lost from reduced family business activity should reliefs be scrapped



Private Letter to the Chancellor of Exchequer (September)



2nd
Sep



The Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
SW1A 2HQ
2nd September 2024

Dear Chancellor,

Support for Britain's Family Businesses: Retaining Business Relief

We are delighted to see your firm commitment to an agenda that champions businesses as the key to unlocking growth, innovation, skills and creating valuable jobs. As a significant sector within the economy, family businesses are committed to supporting your goal of creating long-term economic growth and prosperity.

However, we are concerned by persistent reports suggesting tax reliefs that support the family business sector (Business Relief (BPR) and Gift Holdover Relief (GHR)) could be reviewed or scrapped. These reports are damaging confidence among family business owners, and their suppliers, delaying long-term investment decisions and jeopardising established business relationships.

We would ask you and your team to provide the stability family businesses require by clarifying the Government's position on these reliefs, at the earliest opportunity, and ask you to commit to retaining them, as successive governments have done for decades.

As leaders of family businesses and representatives of the sector across the UK, we know the vital role BPR and GHR play in a thriving family business sector. They allow family businesses to continue to operate, without penalty, when the head of the business dies or retires. Without them, it is likely that family members, whose wealth is retained within the business, would have to sell their shareholding, sell off assets or worse, close the business entirely, with the subsequent impact on jobs, higher welfare payments and lower tax receipts. Other models of business from which family-owned businesses can compete.

Outside of our sector, BPR and GHR are not well known and are often misunderstood – characterised as loopholes or generous tax breaks for wealthy individuals. In reality, they give a lifeline to family firms – be they start-ups, SMEs, or large-scale businesses – a well-understood mechanism that underpins our unique model of business ownership. Incentivising long-term planning and investment in people, the businesses and communities we are committed to serve.

The contribution of family business to our economy should not be underestimated. There are 4.8 million family businesses across the country creating good, long-term careers for 13.9 million working people. They contribute around £225 billion every year in direct and indirect taxes and create incalculable social value through their commitment to and investment in communities up and down the country.

From local builders, plumbers and electricians to some of the country's biggest high-street names, family businesses are well placed to support your agenda for growth, skills and investment. We would be the best place in the world to start and grow a business and family businesses are a vital thread in that rich tapestry.

We acknowledge that, as in business, governments must make difficult choices. With strained public finances, reliefs like BPR and GHR may appear attractive options to claw back. We would urge you to be mindful of the unintended consequences of altering or scrapping these important and valuable policies that underpin the UK's economy and growth prospects.

We would welcome an opportunity to meet with you and your team to discuss these reliefs and the role they have played for generations underpinning and supporting family businesses like ours.

Your sincerely,


Sir James Wates CBE
Chairman
Family Business UK


Neil Davy
CEO
Family Business UK


Steve Rigby
Co-CEO
Rigby Group

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HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Neil Davy
Chief Executive Officer
Family Business UK
By email

18 October 2024

Dear Mr Davy,

Thank you for your letter of 2 September, on behalf of Family Business UK, to the Chancellor of the Exchequer about business property relief and gift holdover relief. I am replying as Minister responsible for the UK tax system.

I am aware there has been speculation that the Government could make changes to business property relief in particular. The Government is aware that there are a number of different views about the relief, including those expressed in your letter on behalf of Family Business UK. I am also grateful to you and Mr Rigby for taking the time to meet with my officials earlier this month to discuss the future of the relief.

As you will appreciate, I will not comment on speculation on future tax policy ahead of the Budget. As set out at the end of July, the Chancellor of the Exchequer has pledged to restore economic stability after revealing £22 billion of unfunded pressures in 2024-25 inherited from the previous Government. We have committed to not raise taxes on working people, and that commitment stands. This Government will always consider any other potential changes to the tax system by considering the evidence and the impacts. Restoring fiscal responsibility and economic stability are critical to getting our economy growing and to keeping taxes, inflation, and mortgages as low as possible.

Thanks again for taking the time to make me aware of your concerns and for meeting with my officials.

Yours sincerely,



JAMES MURRAY MP
EXCHEQUER SECRETARY TO THE TREASURY

18th
Oct

Economic Impact and Behavioural Effects of Capping BPR at £1m (November)

CiBI | Economics

The economic & fiscal impacts of changes to the BPR at the Autumn Budget for Family Business

Preliminary findings based on CBI economics survey



November 2024

There will be a reduction in economic activity as a result of the changes

- 85% of family businesses will decrease investment by an average of 17%;
- More than half (54%) will decrease headcount by an average of 10%; and
- Four-in-ten (41%) are anticipating reductions in turnover with an average loss of 7%

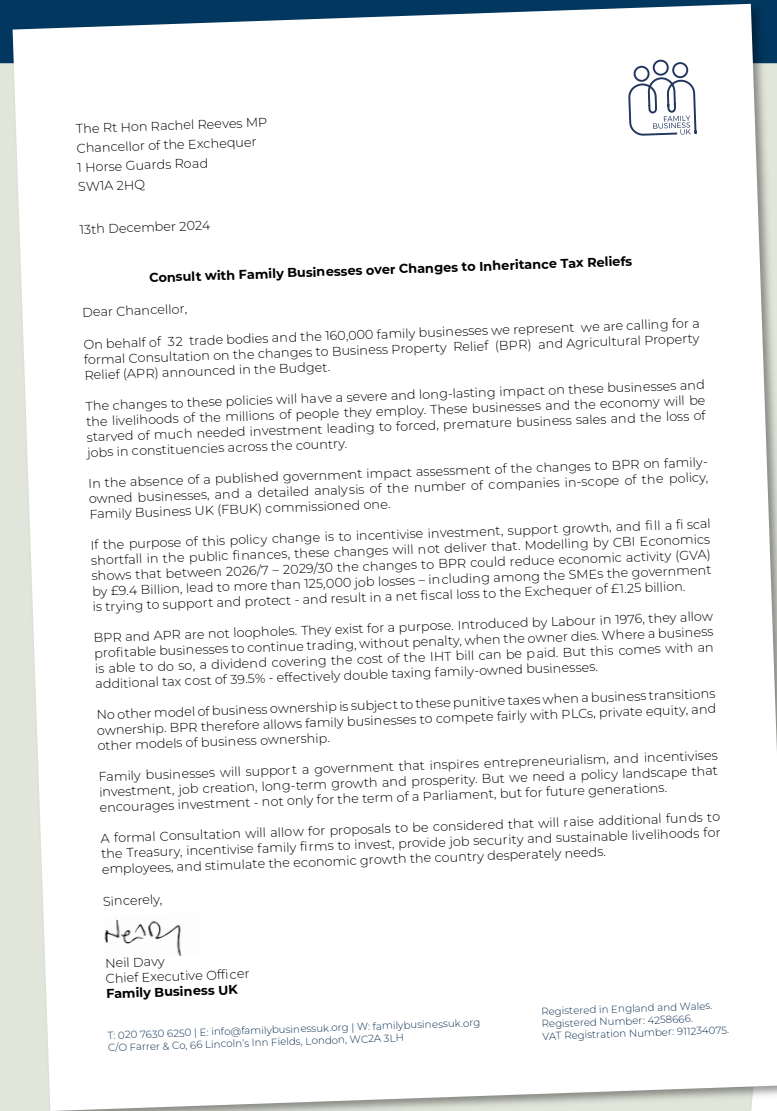
126,000 FTE jobs are potentially lost from reduced family business activity due to BPR changes

Reduced family business activity from BPR changes leads to a GVA loss of £9.4 billion over the next 5 years

Changes to BPR could represent a net fiscal loss worth over £1.25 billion over the next five years



Open Letter to Chancellor of Exchequer backed by 32 independent trade and industry bodies representing 160,000 UK family businesses (November)



Policy and Advocacy

Ministerial and MP Engagement

High levels of engagement with Ministers and senior government figures was a critical component of our BPR campaign. It also laid the foundations for positioning FBUK in the future as the voice of private and family business in the UK, and the portal for policymakers to access and understand the needs and priorities of the sector.

Engagement, both pre and post General Election, focussed on:

- Ministerial-level and senior official meetings in No 10, No 11, HMT and DBT
- Downing Street receptions and business networking events
- Small Business Council (Conservatives)
- SME Growth Forum (Labour)
- Shadow ministerial and opposition front benches
- Labour & Conservative Party Conferences



Policy and Advocacy

Family and Business Week

Sponsored for the third consecutive year by NatWest, Family Business Week involved a Westminster Reception and a Summit in Manchester, supported by a press and social media campaign.

Shadow Chancellor Mel Stride, Shadow Minister for Business and Trade Dame Harriett Baldwin, and leading MPs networked with FBUK Members in the House of Lords, while at the Manchester Summit FBUK recognised future family business leaders through the '2024 Ones to Watch' awards.



External Affairs

Press and Media

Driven heavily by our Back Family Business and BPR campaign, FBUK:

- Landed **9,744** FBUK mentions in UK media
- Appeared more times in the media in 2024 than at any point in the organisation's history
- Secured coverage across all main national newspapers, including lead front pages on The Express and The Telegraph
- Featured on major national broadcast channels including BBC 1, BBC Radio 4 and 5-live, Times Radio, LBC, and BBC Scotland



External Affairs

FBUK Magazine

Launch of the biannual FBUK Magazine, in print and digital formats, to coincide with Annual Conference and Family Business Week.

500 print copies

c11,000 digital circulation

Publication quickly became a valuable platform for FBUK to engage with Members, Partners, Government and other interested stakeholders

LinkedIn:

5,561 followers

5,746 page views

220 posts, generating 2.4m impressions

33% increase in followers vs. 2023



Memberships

92% Membership retention
across 2024

19% increase in Membership
over 2023

15% increase in sign-ups to
FBUK Communities



- Accompanying increased growth and retention of FBUK Members, FBUK attracted a growing number of founder generation family businesses, mid-sized scale-ups, and multi-generational firms
- New Members came from across all regions of the UK, and a diverse range of sectors, including many well-known household names
- Growth was attributed to a new Member value proposition, expanded programme of events, increased media presence, referrals from existing Members and return of previously resigned Members
- FBUK Communities are becoming a core element of Member engagement, helping drive recruitment and engagement of family and non-family stakeholders, in executive and non-executive roles

Programmes and Events

33% increase in participation and attendance across our programme of events

Annual Conference 2025:

- 42% increase in delegates attending the London Conference compared to the previous year

Masterclasses:

- Doubling of FBUK Masterclasses compared to previous year

Family Business Visits:

- Doubling of Family Business Visits, with visits across the UK

NextGen Retreat:

- Inaugural residential programme hosted at The Grange in Hampshire

Family Business UK



Programmes and Events

FBUK Communities

60% increase in number of
FBUK Community events



At the close of 2024, seven Communities were up and running:

- Chairs Community
- Family Council Community
- Non-Family Executives Community
- NextGen Community
- NowGen Community
- Policy Community
- Purposeful Business Community

Partnerships and Alliances



Boyden – a premier global leadership and talent advisory firm that can serve client needs anywhere they conduct business



Deloitte Private – a firm that brings the breadth and depth of the firm’s services to entrepreneurs, families, businesses and their private shareholders



Boodle Hatfield – a law firm which has partnered with individuals, families, property owners and businesses for 300 years



Farrer & Co – specialist family business lawyers who take pride in protecting, supporting and nurturing the clients they represent



Clarion Solicitors – Leeds-based law firm offering family businesses a range of services from finance and dispute resolution to data, family and private wealth advice



LGT Wealth Management – a UK-based wealth management firm part of LGT, the world’s largest private bank and asset manager owned by the House of Liechtenstein

Partnerships and Alliances



NatWest

NatWest – a leading UK bank and provider of retail and commercial banking



KPMG – manages a global network dedicated to offering relevant information and advice to family-owned businesses



PwC – the UK arm of the international firm, helping leading family business solve important problems



Lockton – the world's largest independent, family-owned insurance brokerage



Redgrave – a leading search firm offering board-level recruitment and talent advisory



Saxton Bampfylde – the UK's first employee-owned search firm



Western Pensions – specialist pensions consultancy owned by the Vestey family

FBUK Board

Sir James Wates CBE – Wates Group (Chairman)

Christopher Bailey – NG Bailey

Chloe Benest – Bettys & Taylors

Charlie Field – CPJ Field

Nick Linney – W&J Linney

Alastair Macphie – Macphie Ltd

Thomas Martin – ARCO Ltd

Steve Rigby – Rigby Group

Neil Davy – CEO FBUK (Ex Officio)



In 2024, **Andrew Osborne** (Osbornes) and **Geoffrey Bibby** (Bibby Line) resigned from the Board.

We thank them for their commitment and support to FBUK and our Members over the years.



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