

Gambling Commission

Trust Statement

2024 – 25

HC 1449

**GAMBLING
COMMISSION**

Making gambling safer, fairer and crime free

Gambling Commission

Trust Statement 2024-2025

**For the period 1 April 2024 to 31 March
2025**

Presented to the House of Commons pursuant to Section 2 of the Exchequer and Audit Departments Act 1921.

Ordered by the House of Commons to be printed on 17 December 2025.

HC 1449

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Foreword

The Trust Statement provides an account of the collection of revenues, which by statute are due to the Consolidated Fund¹. The Trust Statement is prepared in accordance with the Accounts Direction issued by HM Treasury pursuant to Section 2 (3) of the Exchequer and Audit Departments Act 1921.

2024-25 is the first year the Gambling Commission (the Commission) has been directed to complete a Trust Statement. Due to the timing of the confirmation of this requirement for 2024-25, a dispensation was granted to allow for the Trust Statement to be prepared independently of the Gambling Commission's Annual Report and Accounts² (ARA) 2024-25 (HC 759), which was laid in Parliament in July 2025. In future years, the Trust Statement will be included in the Commission's ARA.

The Trust Statement comprises:

- Statement of Revenue and Expenditure (SoRE)
- Statement of Financial Position (SoFP)
- Statement of Cash Flows (SoCF)
- Notes to the accounts

Background

The Commission has two sources of revenue payable to the Consolidated Fund and accounted for in the Trust Statement:

- Financial Penalties
- Economic Crime Levy

A description of each source of revenue is provided below:

Financial Penalties

Under the Gambling Act 2005, the Commission is empowered to regulate licensees, investigate regulatory breaches and impose financial sanctions on licensed operators. These sanctions may take the form of

¹ The Consolidated Fund is the central account administered by HM Treasury which receives government revenues and makes issues to fund expenditure by Government Departments

² [Gambling-commission-annual-report-and-accounts-2024-to-2025](#)

financial penalties or **regulatory settlements**, depending on the nature and severity of the breach.

Financial Penalties

Financial penalties³ are imposed where a regulatory breach has occurred and are payable to the Consolidated Fund. The Commission collects the full amount of the penalty and, in accordance with section 121(5)(c) of the Gambling Act 2005, deducts the direct costs incurred during the investigation from the revenue collected before remitting the balance to the Consolidated Fund. The Commission ensures that all cash receipts are remitted to the Consolidated Fund by 31 March each year.

A quarterly review of cash receipts is undertaken, and where significant sums are identified, these are transferred promptly within the month following the review.

In 2024-25, penalties were issued to **15 operators**, with the largest single penalty amounting to £686,000. The overall value of penalties was substantially lower than the previous year, reflecting fewer high-value enforcement actions.

In 2023-24, penalties were issued to **4 operators**, totalling £7.2m, including one significant penalty of £6.0m. This exceptional case drove the higher aggregate figure for that year.

Regulatory Settlements (Payments in lieu of financial penalties)

Regulatory settlements are typically agreed in response to regulatory failings, particularly where consumer harm or social responsibility issues are identified. In most cases, the payment is made directly to an agreed benefactor or to a nominated responsible gambling charity. The Commission does not retain these amounts.

Payments made in lieu of financial penalties are not paid into the Consolidated Fund and do not appear in the Trust Statement. The Commission follows agreed principles to ensure these payments are directed towards socially responsible purposes.

In 2024-25, there were **three** (2023-24: six) payments made in lieu of financial penalties³, totalling **£2,783k** (2023-24: £6,828k). The total costs incurred by the Commission to administer regulatory settlements

³ [Public register](#)

were **£34k** (2023–24: £73k), representing recovery of direct costs associated with investigations and enforcement.

Accounting Treatment and Principal Role

In line with **FReM 11.3.9**, the Commission acts as a **principal** in the collection of financial penalties because it exercises statutory powers to impose and collect these amounts directly, rather than acting on behalf of another entity. This reflects the Commission's regulatory authority and responsibility for enforcement under the Gambling Act 2005.

Financial penalties are recognised at the point they are imposed and become receivable by the Commission, typically when an enforcement notice is issued. If a penalty is successfully appealed, the amount is derecognised.

Economic Crime (Anti-Money Laundering) Levy (ECL)

The Economic Crime (Anti-Money Laundering) Levy (ECL) was introduced under the Finance Act 2022 to provide a sustainable, long-term source of funding for initiatives to tackle money laundering. The levy applies to entities subject to Money Laundering Regulations 2017 (MLRs). For the gambling sector, this means operators licenced for casino activities – referred to as *regulated casinos* - pay the ECL to the Commission. Other firms pay the levy to either the Financial Conduct Authority (FCA) or HM Revenue & Customs (HMRC), depending on their supervisory authority.

Levy Bands and Charges

Entities liable for the ECL pay a fixed annual fee based on UK revenue, in bands set by HM Treasury:

- **Medium (£10.2m–£36m):** £10,000
- **Large (£36m–£1bn):** £36,000
- **Very Large (>£1bn):** £500,000⁴

Further details are available in [HM Treasury's guidance on ECL bands](#).

Use of ECL Funds

⁴ Very Large band increased from £250,000 from April 2025

Funds collected through the ECL are allocated to government departments to support anti-money laundering initiatives. For 2023–24, allocations were made to the Home Office, the Department for Business and Trade, and HM Treasury. These funds support activities such as strengthening intelligence capabilities, hiring financial crime investigators, and investing in technology to combat money laundering. See [HM Treasury's latest Economic Crime Levy Report](#) for more information.

Accounting treatment and Agent Role

In line with the **FReM 11.3.9**, the Commission acts as an **agent** in the collection of the ECL from regulated casinos and transfers the amounts to HM Treasury. The Commission has no discretion over the use of these funds.

Amounts collected for are recognised as payables in the Trust Statement until remitted to HM Treasury and costs incurred in administering the ECL are reported as expenditure in the Trust Statement.

Collection Mechanism

The ECL is collected annually. Liable entities must submit a levy return and pay by 30 September following the end of the levy year (1 April–31 March). The Commission uses established processes to administer the levy efficiently and minimise operating costs, drawing on the licence information it holds. [Guidance on paying the ECL](#) is available on the Commission's website.

Future Outlook:

Economic Crime Levy

The ECL will continue to be collected by the Commission. Section 54(2) of the Finance Act will be amended to introduce an additional large band, setting the charge at £500,000 for entities whose UK revenue for the relevant financial year exceeds £500 million but is less than £1 billion.

The amounts chargeable for the large band remains unchanged at £36,000. The levy charges for medium entities will increase from £10,000 to £10,200, and the charge for very large entities will be increased from £500,000 to £1,000,000.

Statutory Gambling Levy

The Statutory Gambling Levy, introduced in April 2025, replaces the previous system of voluntary RET (Research, Education and Treatment) contributions. The levy is mandatory and collected by the Commission under the strategic direction of the Department for Culture, Media and Sport (DCMS).

While the levy is separate from financial penalties, its introduction may influence future enforcement practices. The mechanism to collecting and distribute the levy is still being determined with DCMS. The levy provides a structured and sustainable funding source for initiatives aimed at reducing gambling-related harm.

A handwritten signature in black ink, appearing to read "Andrew Rhodes".

Andrew Rhodes

Chief Executive and Accounting Officer

12 December 2025

Performance Report

Financial Penalties - Operator Compliance and Impact Metrics

The Commission continues to strengthen its regulatory approach through enhanced transparency and evidence-led enforcement. As part of this, we publish quarterly impact metrics that provide insight into operator performance across key areas of compliance, including safer gambling, anti-money laundering, and customer interaction standards.

These metrics are informed by our compliance assessments and enforcement activity, and are designed to:

- Improve visibility of operator performance
- Encourage higher standards across the industry
- Demonstrate the effectiveness of our regulatory interventions

In 2024–25, the Commission issued **financial penalties totalling £879k**, compared to **£7,156k in 2023–24**. Enforcement totals fluctuate year-on-year and should not be viewed as a sole measure of impact.

The **total costs incurred by the Commission to administer financial penalties** were **£44k** (2023–24: £47k), representing recovery of direct costs associated with investigations and enforcement.

Collection performance is monitored closely. Since 2018-19, 53 financial penalties have been issued, of which 51 (approx. 96%) have been collected in full. This demonstrates a consistent strong collection rate across the period. Only two cases required adjustment, representing less than 4% of the total penalties issued, due to circumstances outside the Commission's control.

Enforcement outcomes⁵ — including financial penalties paid to the Consolidated Fund and regulatory settlements directed to benefactors or responsible gambling charities — are reflected in our published⁶ metrics. These outcomes help demonstrate the consequences of non-

⁵ [Enforcement news](#)

⁶ [Impact Metrics](#)

compliance and reinforce the Commission's role in protecting consumers and maintaining integrity in the gambling sector.

The Commission will continue to refine and expand the scope of its impact metrics to ensure they remain relevant, robust, and aligned with our strategic objectives.

Economic Crime Levy

The Commission recognised revenue of **£2,362k** in the financial year ending 31 March 2025 (2023-24 £1,989k) to **88 firms** (2023-24 86 firms), achieving a **100% collection rate** for both years. In 2024-25 **£2,077k** was paid to the Consolidated fund, which includes **£158k⁷** relating to ECL receipts collected in 2023-24 but not remitted until March 2025. This retention was procedural and did not generate interest, as the Commission is required to remit funds annually.

In agreement with HM Treasury and permitted by legislation, the Commission retains an agreed amount of levy receipts to cover collection costs. Additional amounts were retained in both 2023-24 and 2024-25 by agreement to fund one-off set-up costs, including IT system provision. **The total cost incurred by the Commission to administer the ECL were £70k in 2024-25** (2023 – 24 £178k).

The first ECL allocations for activity to tackle money laundering were provided to government departments for the financial year 2023-24. The government departments receiving funding in 2023-24 were the Home Office, the Department for Business and Trade, and HM Treasury. HM Treasury publishes an ECL Report⁸ that further details how the funding is utilised to achieve the defined anti money laundering aims and deliverables.

⁷ The £158k comprises £56k of cash receipts retained in March 2024 and £102k representing an adjustment to cost recovery. Initial cost recovery for 2023-24 was based on estimated administration costs of £280k; however, actual costs incurred were £178k. Consequently, the Commission repaid £102k into the ECL bank account, resulting in a closing cash balance of £2,077k before the £1k retained for bank charges.

⁸ [Economic Crime Levy Report 2023-24 - GOV.UK](#)

Accountability

Statement of Accounting Officer's Responsibilities

Under Section 2 (3) of the Exchequer and Audit Departments Act 1921, HM Treasury has directed the Gambling Commission to prepare, for the financial year ending 31 March 2025, a Trust Statement in the form and on the basis set out in the Accounts Direction. The Trust Statement is prepared on an accruals basis and must give a true and fair view of the state of affairs of the Trust Statement and of its: Statement of Revenue and Expenditure; Statement of Financial Position; Cash Flow Statement; and supporting notes for the financial year.

The Department of Culture, Media and Sport has appointed the Chief Executive as Accounting Officer of the Gambling Commission. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Trust Statement's assets, are set out in Managing Public Money published by the HM Treasury.

In preparing the Trust Statement, the Accounting Officer is required to comply with the requirements of the Government's Financial Reporting Manual ('FReM') and, in particular, to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government's Financial Reporting Manual have been followed, and disclose and explain any material departures in the Trust Statement; and
- prepare the Trust Statement on a going concern basis.

As the Accounting Officer, I have taken all necessary steps to make myself aware of information relevant to the audit of this Trust Statement

account, and to ensure that my auditors are informed. So far as I am aware there is no relevant information of which my auditors are unaware.

I confirm that this Trust Statement as a whole is fair, balanced, and understandable and I take personal responsibility for the Trust Statement and the judgements required for determining that it is fair, balanced, and understandable.

A handwritten signature in black ink, appearing to read "Andrew Rhodes".

Andrew Rhodes

Chief Executive and Accounting Officer

12 December 2025

Governance Statement

The Commission's Corporate Governance Statement is set out on pages 55 – 74 of the Commission ARA² 2024–25 (HC 759). That section explains the composition and governance structure of the Commission Board and outlines the Board's role and performance.

Governance arrangements specific to the Trust Statement

The collection and management of Trust Statement revenue sources—such as financial penalties and statutory levies—are administered within the Commission's established governance framework. Specific systems and controls include:

- **Segregation of duties** between enforcement, finance operations, and Treasury liaison functions.
- **Internal controls** over invoicing, collection, reconciliation, and remittance processes, supported by documented procedures and authorisation checks.
- **Risk management** aligned with the Commission's corporate risk framework, covering credit risk, fraud risk, and compliance risk.
- **Audit and assurance** through internal audit reviews and external audit by the National Audit Office (NAO).
- **Compliance monitoring** against HM Treasury guidance, Managing Public Money, and the FReM.

These arrangements ensure that Trust Statement transactions are managed with integrity, accuracy, and compliance with statutory requirements.

Accounts Direction

Attached as an appendix is the Accounts Direction issued by HM Treasury under section 2 of the Exchequer and Audit Departments Act 1921. This direction sets out the statutory requirements for preparing the Trust Statement, including:

- Mandatory components such as the Foreword, Governance Statement, Statement of Revenue and Expenditure, Statement of Financial Position, Cash Flow Statement, and supporting notes.

- Disclosure requirements for accounting policies, material items, losses and write-offs, contingent liabilities, and post-balance sheet events.
- The obligation to comply with FReM and Managing Public Money to ensure the accounts present a true and fair view.

There are no additional governance matters specific to the Trust Statement that require separate disclosure beyond those described above.

Parliamentary Accountability

Accountability reporting applicable to the Commission's Trust Statement.

Losses and Special Payments (Audited)

Debts written off are reportable to Parliament under the rules on disclosure of losses and write-offs in *Managing Public Money* Annex A.4.10.24, under the category of '**Claims waived or abandoned**'.

In 2024–25, one individual amount over £300,000 was written off relating to Financial Penalties, totalling **£0.5 million**, relating to a dissolved company. Comparative figure for 2023–24: **£Nil**.

In 2024–25, there currently remains one expected credit loss which is being pursued via the courts. An impairment allowance has been recognised in previous periods. Consolidated Fund receipts due total **£1.81m** relating to one receivable balance, all of which is fully impaired.



Andrew Rhodes
Chief Executive and Accounting Officer
12 December 2025

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

Opinion on Trust Statements

I certify that I have audited the Trust Statement of the Gambling Commission (the Commission) for the year ended 31 March 2025 under the Exchequer and Audit Departments Act 1921.

The trust statement comprises: the Commission's

- Statement of Financial Position as at 31 March 2025;
- Statement of Revenue and Expenditure and Cash Flow Statement for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Trust Statement is applicable law and UK adopted international accounting standards.

In my opinion, the trust statement:

- gives a true and fair view of the state of the Commission's affairs as at 31 March 2025 and its net revenue for Consolidated Fund for the year then ended; and
- has been properly prepared in accordance with the Exchequer and Audit Departments Act 1921 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the revenue and expenditure recorded in the trust statement has been applied to the purposes intended by Parliament and the financial transactions recorded in the trust statement conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Commission in accordance with the ethical requirements that are relevant to my audit of the trust statement in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the trust statement, I have concluded that the Commission's use of the going concern basis of accounting in the preparation of the trust statement is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Commission's ability to continue as a going concern for a period of at least twelve months from when the trust statement is authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Commission is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the trust statement where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Forward, Performance Report and Accountability sections, but does not include the trust statement and my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the trust statement does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the trust statement or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the trust statement itself. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Accountability Section marked as audited has been properly prepared in accordance with HM Treasury directions issued under the Exchequer and Audit Departments Act 1921.

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

- the parts of the Accountability section marked subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Exchequer and Audit Departments Act 1921; and
- the information given in the Forward, Performance Report and Accountability sections in the financial year for which the trust statement is prepared is consistent with the trust statement and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Commission and its environment obtained in the course of the audit, I have not identified material misstatements in the Forward, Performance Report and Accountability sections.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Commission or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the trust statement and the parts of the Accountability section marked subject to audit are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the trust statement

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the trust statement such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for their audit;
- providing the C&AG with unrestricted access to persons within the Commission from whom the auditor determines it necessary to obtain audit evidence;

- ensuring such internal controls are in place as deemed necessary to enable the preparation of trust statement to be free from material misstatement, whether due to fraud or error;
- preparing the trust statement which gives a true and fair view and is in accordance with HM Treasury directions issued under the Exchequer and Audit Departments Act 1921; and
- assessing the Commission'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 Accounting Officer anticipates that the services provided by the Commission will not continue to be provided in the future.

Auditor's responsibilities for the audit of the trust statement

My responsibility is to audit, certify and report on the trust statement in accordance with the Exchequer and Audit Departments Act 1921.

My objectives are to obtain reasonable assurance about whether the trust statement as a whole is free from material misstatement, whether due to fraud or error, and to issue a certificate and report that includes my 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 this trust statement.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Commission's accounting policies.
- inquired of management, the Commission's internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Commission's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Commission's controls relating to the Commission's compliance with the Exchequer and Audit Departments Act 1921 and Managing Public Money.
- inquired of management and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud.
- discussed with the engagement team how and where fraud might occur in the trust statement and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Commission for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I

am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Commission's framework of authority and other legal and regulatory frameworks in which the Commission operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the trust statement or that had a fundamental effect on the operations of the Commission. The key laws and regulations I considered in this context included Exchequer and Audit Departments Act 1921, Managing Public Money, the Finance Act 2022 and the Gambling Act 2005.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the trust statement disclosures and testing of supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the trust statement;
- I enquired of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the trust statement is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient, appropriate audit evidence to give reasonable assurance that the expenditure and revenue recorded in the trust statement have been applied to the purposes intended by Parliament and the financial transactions recorded in the trust statement conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these trust statements.

Gareth Davies

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Date

12 December 2025

Statement of Revenue and Expenditure for the year ended 31 March 2025

| | Notes | 2024 - 25 £'000 | 2023 - 24 £'000 |
|---|-------|--------------------|--------------------|
| Revenue | | | |
| Economic Crime Levy | 2 | 2,362 | 1,989 |
| Financial Penalties | 2 | 879 | 7,156 |
| Total revenue | | 3,241 | 9,145 |
| Expenditure | | | |
| Economic Crime Levy – Collection costs | 3 | 70 | 178 |
| Financial Penalties – Collection costs | 3 | 44 | 47 |
| Credit losses - debts written off or otherwise impaired | 4.2 | - | 175 |
| Total expenditure | | 114 | 400 |
| Net revenue for the Consolidated Fund | | 3,127 | 8,745 |

There were no recognised gains or losses accounted for outside the above Statement of Revenue and Expenditure.

The notes at pages 23 to 34 form part of this statement.

Statement of Financial Position as at 31 March 2025

| | Note | 2024 - 25 £'000 | 2023 - 24 £'000 |
|--|------|--------------------|--------------------|
| Current assets | | | |
| Receivables | 4 | 688 | 102 |
| Accrued revenue | 4 | 2,362 | 1,989 |
| Cash at bank | | 1 | 56 |
| Total current assets | | 3,051 | 2,147 |
| Current liabilities | | | |
| Payables (GC) | | 9 | - |
| Total current liabilities | | 9 | - |
| Total assets less liabilities | | 3,042 | 2,147 |
| Represented by: | | | |
| Balance on Consolidated Fund Account as at 31 March | 5 | 3,042 | 2,147 |

The notes at pages 23 to 34 form part of this statement.



Andrew Rhodes
Chief Executive and Accounting Officer

12 December 2025

Statement of Cash Flows for the year ended 31 March 2025

| | Notes | 2024 -25 £'000 | 2023 - 24 £'000 |
|--|-------|-------------------|--------------------|
| Net cash flow from operating activities | | 2,177 | 18,058 |
| Cash paid to the Consolidated Fund | 5 | (2,232) | (18,002) |
| Increase / (decrease) in cash in the year | | (55) | 56 |

| | | | |
|--|---|--------------|---------------|
| Notes to the Cash Flow Statement | | | |
| A: Reconciliation of net cash flow to movement in net funds | | | |
| Net revenue for the Consolidated Fund (CF) | | 3,127 | 8,745 |
| (Increase)/decrease in receivables | 4 | (586) | 9,436 |
| (Increase)/decrease in accrued revenue | 4 | (373) | (49) |
| Increase/(decrease) in payables (GC) | | 9 | (74) |
| Net cash flow from operating activities | | 2,177 | 18,058 |

| | | | |
|--|--|----------|-----------|
| B: Analysis of changes in net funds | | | |
| Increase/(decrease) in cash in this period | | (55) | 56 |
| Net funds at 1 April (Net Cash at Bank) | | 56 | - |
| Net funds at 31 March (Closing Balance) | | 1 | 56 |

The notes on pages 23 to 34 form part of this Trust Statement.

The Trust Statement was approved and authorised for issue by the Board on 12 December 2025 and signed on 12 December 2025 on its behalf by



Andrew Rhodes
Chief Executive and Accounting Officer
12 December 2025

Notes to the Trust Statement

1. Statement of Accounting policies

1.1 *Basis of accounting*

The Trust Statement is prepared in accordance with the accounts direction issued by HM Treasury pursuant to section 2(3) of the Exchequer and Audit Departments Act 1921. The Trust Statement is prepared in accordance with the accounting policies detailed below. These have been agreed between the Gambling Commission and HM Treasury and have been developed with reference

to International Financial Reporting Standards and other relevant guidance. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

The revenue and associated expenditure contained in these statements are those flows of funds which the Gambling Commission handles on behalf of the Consolidated Fund.

The Trust Statement and associated notes have been prepared on a going concern basis. The financial information contained in the statements and in the notes is rounded to the nearest £000.

1.2 *Accounting convention*

The Trust Statement has been prepared in accordance with the historical cost convention.

1.3 *Significant judgements and estimates*

Financial Penalties

The main area of judgement relates to estimating expected credit losses on Consolidated Fund receivables. These estimates are based on historical recovery data, default risk, and claim classification (preferential vs non-preferential).

Receivables are measured at amortised cost in accordance with IFRS 9 *Financial Instruments* and FReM guidance. In line with IFRS 9,

receivables are presented net of any impairment allowance. The Commission applies the simplified expected credit loss approach, reflecting low credit risk based on historical payment patterns and absence of significant prior losses. Judgements and forward-looking assumptions are applied when assessing expected credit losses, including consideration of future economic conditions, but the resulting provision is considered proportionate.

Expected credit losses are recorded within Consolidated Fund receivables in Note 4.2.

Economic Crime Levy

The ECL revenue is a key source of estimation uncertainty at the end of the reporting period, which has a risk of material adjustment to the carrying amounts of assets and liabilities. The accrued income is in relation to the estimated amount due from licence holders in respect of the Economic Crime Levy. The Levy is based on bandings which are based on an estimate of UK revenue which will not be validated until the following year when the payment is due.

The requirements of a person liable to pay the levy are where a person is liable to pay the levy, are to—

- (a) notify the Gambling Commission of that liability;
- (b) make a return (“an economic crime (anti-money laundering) levy return”) to the Gambling Commission; and
- (c) pay the levy on or before 30th September after the end of the financial year for which the liability arises (“the due date”).

The Levy is invoiced based on an economic crime (anti-money laundering) levy return that is derived from UK Revenue in the previous accounting period. There are some cases where a return has not been submitted or there is a change in the banding. Management makes an estimate in respect of the Levy and, in forming this estimate, management considers factors such as payment of the levy in previous years, historic data and the knowledge of the gambling industry.

1.4 Revenue

Financial Penalties

The Commission can impose a financial penalty following a review under section 116(1) or (2) of the Gambling Act 2005. The Commission also has the power to impose a financial penalty without carrying out a licence review. Once a financial penalty has been imposed the Commission pays received monies into the Consolidated Fund, once it has deducted its costs and a reasonable share of its expenditure, as set out at section 121(5)(c).

In accordance with FReM (8.2), financial penalties are considered non-exchange transactions and therefore fall outside the scope of IFRS 15 and are measured at the fair value of the amount receivable.

As per the FReM (11.3.9), fines and penalties are recognised at the time that the fine or penalty is imposed and becomes receivable by the Commission. Where, on appeal, or for other legal reasons, the financial penalty is cancelled, the amount receivable is derecognised at the date of the successful appeal.

Economic Crime Levy

The Trust Statement recognises ECL in accordance with IFRS 15 Revenue from Contracts with Customers as interpreted by the FReM. The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration which the entity expects in exchange for those goods or services.

The Commission recognises the ECL revenue in accordance with that core principle by applying the following steps:

- Identifying the contract(s) with customers
- Identifying the performance obligations in the contract
- Determining the transaction price
- Allocating the transaction price to the performance obligations in the contract
- Recognising revenue when the entity satisfies a performance obligation

Under IFRS 15 as interpreted by the FReM, the Commission is deemed to have contracts with those licence holders subject to the Money Laundering Regulations 2017. By virtue of Part 3 of the Finance Act 2022, this requires the Commission to collect monetary contributions from casino licence holders to help fund initiatives to tackle money laundering.

Individual licence holders do not receive a direct benefit as a consequence of the payment of the Economic Crime Levy and neither do they influence directly how the levy income is spent; however, the Levy indirectly benefits them through the activities to tackle money laundering. This indirect link means that, under IFRS 15 as interpreted by the FReM, the Commission is deemed to have a performance obligation to the licence holders of collecting the statutory Levy and the funds are then applied for the purposes set out in the underlying legislation.

Levy revenue is recognised on the 31 March and is based on estimates of UK revenue provided by the licence holders in their levy returns. The transaction price is confirmed in the following year when the licence holders submit their annual revenue declaration, which verifies the amount of Levy due for the preceding year. Any under or over collection during the year results in either a top up payment by the licence holder or a refund being issued.

Comparative Information

The prior and current year revenue for ECL presented in this Trust Statement differs from those disclosed in the Consolidated Fund note within the Gambling Commission's 2024-25 and 2023-24 Annual Report Accounts².

This difference arises because the ECL revenue is recognised in the Trust Statement on an accruals basis in the financial year the levy becomes liable, ahead of the invoice being issued in the following financial period. In contrast, the Commission's ARAs disclosed revenue in the financial period the ECL was invoiced and collected (see **Note 17: Amounts of income to the Consolidated Fund** in the Commission's ARA).

1.5 Expenditure

The Commission is entitled to deduct reasonable administrative and IT costs incurred in exercising its obligations in collecting both sources of revenue. This authority is provided under **section 121(5)(c)** of the **Gambling Act 2005** for financial penalties and under **Part 3, section 59(2)** of the [**Finance Act 2022**](#) for the Economic Crime Levy. These costs are deducted from amounts paid into the Consolidated Fund, as permitted by legislation.

1.6 Receivables

Receivables are shown net of impairments in accordance with the requirements of IFRS 9.

1.7 Impairments

Under IFRS 9, the Commission assesses at each reporting date whether the credit risk associated with a financial asset has increased significantly since initial recognition. The decision as to whether a loss allowance is made is based upon the 12-month expected credit losses and a review of credit risk since initial recognition. Credit risk is based on the Commission's review of historic information, licence data and future events.

Where a financial asset's credit risk has not increased significantly since initial recognition, expected credit losses are calculated based on default events that are possible within 12 months from the reporting date. If the credit risk has increased significantly since initial recognition, lifetime expected credit losses will be made. This means that expected credit losses are calculated based on all possible default events over the expected life of the financial instrument.

An allowance for expected credit losses is recognised when there is objective evidence of impairment, consistent with IFRS 9 and FReM requirements. Allowance losses are presented within receivables in Note 4.

1.8 Financial Instruments

The Commission accounts for financial instruments in accordance with IAS 32 Financial Instruments: Presentation; IFRS 9: Financial Instruments and IFRS 7: Financial Instruments: Disclosures.

A financial instrument is any contract that gives rise to a financial asset in one entity, and a financial liability in another. The Commission has classified all receivables and payables as measured at amortised cost.

Financial assets and financial liabilities are recognised in the statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

1.9 Accounting standards that have been issued but not yet adopted

IFRS 17 – Insurance Contracts

IFRS 18 – Presentation and Disclosure in Financial Statements

FReM 2025–26 – Changes to Non-Investment Asset Valuation

These standards have not been adopted as they are not applicable to the nature of transactions reported in the Trust Statement.

2. Revenue

| | 2025 £'000 | 2024 £'000 |
|-----------------------------|---------------|---------------|
| ECL Revenue | 2,362 | 1,989 |
| Fines and Penalties Revenue | 879 | 7,156 |
| Total revenue | 3,241 | 9,145 |

Financial Penalties

Further details of individual financial penalties imposed by the Commission are published on the Commission's public register, which is available on its website.³

Penalties are imposed on operators for breaches of regulatory requirements and vary significantly depending on the severity and nature of the non-compliance.

The year-on-year decrease of £6,277k is primarily due to the absence of large-scale enforcement actions in 2024-25, with penalties concentrated among smaller breaches across a broader operator base.

Economic Crime Levy

| ECL Band | 2025 | | 2024 | |
|----------------------|--------------|------------------|-------------------|------------------|
| | £'000 | No. of Operators | £'000 | No. of Operators |
| Small | - | 151 | ⁹ (36) | 150 |
| Medium | 454 | 47 | 479 | 49 |
| Large | 1,408 | 40 | 1,296 | 36 |
| Very Large | 500 | 1 | 250 | 1 |
| Total revenue | 2,362 | 239 | 1,989 | 236 |

The levy is charged to operators based on their revenue band classification under the Economic Crime Levy framework.

The overall increase of £373k (approximately 19%) is primarily attributable to the uplift in the very large band rate from £250k to £500k effective April 2025. In addition, there was an increase in the number of operators classified in the large band, alongside other minor movements

⁹ The £36k adjustment in the Small ECL band for 2024 reflects a correction by an operator to their 2022-23 self-assessment. The operator originally classified as Large but subsequently revised to Small after removing revenues not attributable to UK turnover.

across the remaining bands. The total number of operators subject to the levy increased from 236 in 2024 to **239** in 2025.

3. Expenditure

| | 2025 £'000 | 2024 £'000 |
|---|---------------|---------------|
| ECL Costs of collection | 70 | 178 |
| Financial Penalties Costs of collection | 44 | 47 |
| Total Cost of collection | 114 | 225 |

The total cost of collection for the year ended 31 March 2025 was **£114k**, compared to £225k in the prior year. These costs relate to the administration and collection of the ECL and financial penalties.

- **Economic Crime Levy:** Costs incurred in 2024-25 were **£70k** (2023-24: £178k). Additional amounts were retained in both years by agreement to fund one-off set-up costs, including IT system provision required for the implementation of the levy. The reduction in costs reflects the completion of initial system development and transition to business-as-usual processes.
- **Financial Penalties:** Costs of collection totalled **£44k** (2023-24: £47k), representing staff time and administrative expenses associated with enforcement and penalty recovery activities. These costs remained broadly consistent year-on-year.

The overall decrease of **£111k** in total collection costs is primarily attributable to the completion of ECL implementation activities in the prior year.

4. Receivables

4.1 Amounts due at 31 March

| | Notes | Receivable at 31.03.25 £'000 | Accrued Revenue Receivable at 31.03.25 £'000 | Total as at 31.03.25 £'000 | Total as at 31.03.24 £'000 |
|---|-------|---------------------------------------|---|----------------------------------|----------------------------------|
| ECL Receivables | | - | 2,362 | 2,362 | 2,091 |
| Financial Penalties Receivables | | 2,498 | - | 2,498 | 2,310 |
| Total before estimated impairments | | 2,498 | 2,362 | 4,860 | 4,401 |
| Less estimated impairments | 4.3 | (1,810) | - | (1,810) | (2,310) |
| Total Receivables | | 688 | 2,362 | 3,050 | 2,091 |

Receivables represent the amounts due from licensees where ECL invoices or financial penalty notices have been issued but remain unpaid as at 31 March 2025.

Accrued revenue receivable represents the amount of revenue from licensees which relate to the financial year but for which invoices have not been issued. The amounts are estimated from statistical models of those activities which require a licence to be held.

Consolidated Fund receipts due total **£4,860k** (2023-24: £4,401k), of which **£1,810k** relating to Financial Penalties is not expected to be received and has been fully impaired. The net amount receivable on behalf of the Consolidated Fund is **£3,050k**.

4.2 Credit losses

Financial Penalties receivable balances have been reviewed individually at year-end for indications of impairment, in line with IFRS 9 and FReM guidance, and provided for where recovery is uncertain:

| | 2025 £'000 | 2024 £'000 |
|------------------------------------|---------------|---------------|
| Debts written off | (500) | - |
| Change in the value of impairments | 500 | (175) |
| Total | - | (175) |

4.3 Change to impairments

| | 2025 £'000 | 2024 £'000 |
|--|----------------|----------------|
| Balance as at 1 April | (2,310) | (2,135) |
| Change in estimated value of impairments | 500 | (175) |
| As at 31 March | (1,810) | (2,310) |

Receivables on the Statement of Financial Position are reported after the deduction of the estimated value of impairments. This estimate is based on a case-by-case review of individual invoices, considering enforcement status, operator solvency, and forward-looking factors.

During 2024-25, Financial Penalties aged receivables amounting to **£500k** were written off as uncollectible. These amounts had been fully provided for in previous periods. There currently remains one expected credit loss of **£1,810k** which is being pursued via the courts; an impairment allowance has been recognised in previous periods.

Allowance losses are recorded within this note. Impairment is recognised when there is objective evidence that a receivable is impaired, and estimates reflect expected future loss events.

5. Balance on the Consolidated Fund Account

The Commission held the following balances payable to the Consolidated Fund at 31 March 2025:

| | Financial Penalties £'000s | ECL £'000s | Total 2024-25 £'000s | Total 2023-24 £'000s |
|--|----------------------------------|---------------|----------------------------|----------------------------|
| Balance on the Consolidated Fund Account at 1 April | - | 2,147 | 2,147 | 11,404 |
| Net revenue for the Consolidated Fund | 835 | 2,292 | 3,127 | 8,745 |
| Less amount paid to the Consolidated Fund | (155) | (2,077) | (2,232) | (18,002) |
| Balance on Consolidated Fund Account as at 31 March | 680 | 2,362 | 3,042 | 2,147 |

6. Financial Instruments

The Commission, on behalf of the Consolidated Fund, is party to financial instruments in the normal course of business. These include cash at bank, receivables, and payables. Financial instruments are valued at amortised costs in accordance with IFRS 9.

Under IFRS 7, the principal financial risks to consider are:

Credit Risk – the risk that a counterparty will default on its obligations. Receivables are assessed at the reporting date for any changes in credit risk in line with IFRS 9. Further details of any impairments can be seen in Note 4.3.

Liquidity Risk – the risk that an entity will encounter difficulty in meeting obligations as they fall due. There are no liquidity risks as the Commission does not borrow or invest surplus funds.

Market Risk – the risk of losses arising from movements in market prices, including interest rates and foreign exchange. There are no

market risks as the Commission does not borrow or invest surplus funds.

7. Related Parties transactions

The Gambling Commission is a Non-Departmental Public Body of the Department of Culture Media and Sport (DCMS) and as such DCMS is regarded as a related party.

The Gambling Commission Trust Statement is required to confirm the financial penalties and the ECL payments which are collected and need to be remitted to the Consolidated Fund, which is administered by HM Treasury. During the year the Commission paid **£2,232k** (2023-24: £18,002k) to the Consolidated Fund.

During the year, no Commissioner, Executive team member or key manager has undertaken any material transactions with related parties.

Further details of the Gambling Commission's related party disclosures and the Commissioners' and Executive team's declared interests and Remuneration are detailed in the Gambling Commission's ARA 24-25².

8. Events after the reporting period

There were no events after the reporting period.

The Trust Statement and associated notes were approved by the Chief Executive and authorised for issue on the date they were certified by the Comptroller and Auditor General.

Appendix

Accounts Direction from Treasury



HM Treasury

ACCOUNTS DIRECTION GIVEN BY HM TREASURY IN ACCORDANCE WITH SECTION 2 OF THE EXCHEQUER AND AUDIT DEPARTMENTS ACT 1921

1. This direction applies to the Gambling Commission, and supersedes the direction given on 31 March 2025.
2. The Gambling Commission shall prepare a Trust Statement (“the Statement”) for the financial year ended 31 March 2025 for the revenue collected by the Gambling Commission from the economic crime (anti-money laundering) levy and Gambling financial penalties (“revenue”), in compliance with the accounting principles and disclosure requirements of the edition of Government Financial Reporting Manual (“FReM”) 2024-25.
3. The Statement shall be prepared to include-
 - a Foreword by the Principal Accounting Officer;
 - a Statement of the Principal Accounting Officer’s Responsibilities;
 - a Governance Statement;
 - a Statement of Revenue and Expenditure;
 - a Statement of Financial Position;
 - a Cash Flow Statement; and
 - such notes as may be necessary to present a true and fair view.
4. The Notes shall include among other items-
 - the accounting policies, including the policy for revenue recognition and estimation techniques and forecasting techniques together with statements explaining any significant uncertainty surrounding estimates and forecasts;

- a breakdown of material items within the accounts;
- any assets, including intangible assets and contingent liabilities;
- summaries of losses, write-offs and remissions;
- post balance sheet events; and
- any other notes agreed with HM Treasury and the National Audit Office.

5. The Statement shall also be prepared, so as to give a true and fair view of (a) the state of affairs relating to the collection of revenue by the Gambling Commission and of the expenses incurred in the collection of that revenue insofar as they can properly be met from that revenue; (b) the revenue and expenditure; and (c) the cash flows for the year then ended.
6. The Statement shall also be prepared so as to provide disclosure of any material expenditure or revenue that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.
7. When preparing the Statement, the Gambling Commission shall comply with the guidance given in the FReM (Chapter 11). The Gambling Commission shall also agree with HM Treasury the format of the Principal Accounting Officer's Foreword to the Statement, and the supporting notes, and the accounting policies to be adopted, particularly in relation to revenue recognition. Regard shall also be given to all relevant accounting and disclosure requirements in Managing Public Money and other guidance issued by HM Treasury, and to the principles underlying International Financial Reporting Standards.
8. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment which

should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with HM Treasury.

9. The Statement shall be transmitted to the Comptroller and Auditor General for the purpose of his examination and report by a date agreed with the Controller and Auditor General and HM Treasury to enable compliance with the administrative deadline for laying the audited accounts before Parliament.
10. The Statement, together with this direction and the Report produced by the Comptroller and Auditor General under section 2 of the Exchequer and Audit Departments Act 1921 shall be laid before Parliament.



Charlotte Goodrich

Deputy Director,
Government Financial Reporting,
HM Treasury,
25 June 2025

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