nominet

Nominet UK

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2026

Company No. 03203859

Contents

Officers and professional advisers

Company registration number	03203859
Registered office	Minerva House Edmund Halley Road Oxford Science Park Oxford OX4 4DQ
Directors	Andrew Green CBE – Chair Paul Fletcher Carolyn Bedford Ashley La Bolle Eva Lindqvist Kieren McCarthy Sally Tilleray Rex Wickham Patsy Wilkinson Steven Wright
Company secretary	Sarah Cort
Bankers	National Westminster Bank plc 91 London Road Headington Oxford OX3 9AF
Investment managers	Quilter Cheviot Limited Senator House 85 Queen Victoria Street London EC4V 4AB
Independent auditors	HaysMac LLP Chartered Accountants 10 Queen Street Place London EC4R 1AG

Chair and CEO statement

Welcome to this year's Annual Report. As we mark 30 years as guardians of the UK national domain name registry, our commitment to excellent stewardship of .UK remains at the heart of everything we do.

.UK is the third largest country code TLD operating today. While the domain name market continues to be challenging, we have seen a modest uplift from last year, ending with Domains Under Management (DUM) at 10.4m (FY25: 10.2m). Our renewal rate also grew to 80% (FY25: 77%). Our strategy is to look for growth opportunities – being proactive to combat an otherwise flat market. Encouraging results from test activity has informed a wider channel marketing programme aimed at delivering sustainable growth in FY27.

In keeping with our role as an operator of essential services, we continue to invest to ensure our technology remains resilient and secure. At a time of increasing cyber threats we focus on managing risks proactively. A programme to replace our enterprise platforms across registry and core DNS has completed, delivering increased security and resilience, and enabling operational efficiencies in future. Further work is underway to upgrade our software architecture to deliver faster software releases, improved security remediation, and increased productivity.

Our registry standardisation programme, which will move .UK to a new and modern registry platform, progressed well over the year. This is a major change that is necessary for Nominet to operate .UK efficiently and effectively in the future. It also puts registrars in full control of the .UK domain lifecycle.

We are committed to ensuring a smooth transition in early 2027. A testing environment and details of the accompanying policy changes are available, and a programme of awareness is underway to help members prepare.

The second round of new gTLD applications, led by the Internet Corporation for Assigned Names and Numbers (ICANN), will expand the domain namespace and increase competition. For Nominet, this reinforces the importance of stewarding a trusted country code domain, while presenting opportunities for growth by supporting others to launch and run new TLDs. We were selected as a Registry Service Provider by ICANN, and strategic partnerships are in place to help us identify opportunities to support successful applicants.

We won a new multi-year contract with the Home Office to provide DNS hosting for the Law Enforcement Community Network (LECN), supporting emergency services. This work expands our portfolio of government services we support: Public Services Network (PSN) and NHS England. We concluded the delivery of the PDNS programme for the Australian government in the autumn.

Our approach to artificial intelligence is shaped by our responsibilities as the national domain name registry. AI offers significant opportunities to improve how we protect .UK and run our organisation, while carrying risks that must be carefully managed. We have an agreed governance framework which establishes human oversight as a key principle. While we are adopting AI across the business, we are prioritising areas where it can add clear value, such as enhancing the trust and security of the namespace.

Nominet
DNS Fund

"Supporting underfunded but critical open-source DNS projects that underpin the internet."

A key goal for Nominet is to contribute to a safer and more resilient internet. In 2025 we began delivering our new public benefit strategy aligned to that mission, building on a strong track record in safety, while increasing our support for the internet community and the DNS infrastructure.

A key milestone was the launch of the Nominet DNS Fund in September 2025, supporting underfunded but critical open-source DNS projects that underpin the internet. It has been well received by the internet community, attracting a wide range of applications. A second window with further funding is planned for FY27.

At a pivotal time for the future of internet governance, Nominet was a co-founder of the Technology Community Coalition on Multistakeholderism (TCCM), supporting engagement in the UN World Summit on the Information Society +20 Review (WSIS+20). Well regarded by stakeholders, the TCCM has helped ensure the technical community's voice is represented.

Our work on internet safety included developing a new multi-partner programme to combat online harms. In common with our successful work to date, the new programme will fund unique coalitions to develop innovative approaches, complementing the work Nominet does to tackle illegal activity or abuse in .UK.

We recently concluded our three-year Click Start training programme with the Institute of Coding, which helped over 38,000 learners. The programme created inclusive pathways from digital skills to employment, through a mixture of courses and tailored programmes with job coaching and mentoring.

Government focus on the safety and resilience of digital services continues to grow. We seek to inform policy affecting the domain name industry and wider infrastructure, including the Online Safety Act, the Crime and Policing Bill, and the Cyber Security and Resilience Bill. The aim is to ensure legislation and its implementation is proportionate and effective, recognises the technical roles of registries and registrars, and avoids unnecessary regulation.

Overall our financial position remains strong, albeit with reduced revenue of £49.6m following the exit of our PDNS business. However, our non-registry business remained profitable over the year. The global political. and economic environment remains volatile and we are retaining significant reserves to help mitigate risk.

Towards the end of 2025, we agreed a price freeze on .UK domains until April 2027. While we are facing increasing cost pressures and economic uncertainty, the performance of our investments has created the headroom to hold the price. We recognise that members will need to spend some time in the coming year to align their systems with ours as we move to a new platform under the registry standardisation programme. We hope this decision helps our members navigate the change.

Thank you to our members for your support and engagement, and to our people for their continued commitment to delivering a strong and resilient Nominet.

Andrew Green
CBE, Chair
16 July 2026

Paul Fletcher
CEO
16 July 2026

Table of key figures

	FY26	FY25
Revenue	£49.6m	£55.9m
Public benefit spend	£3.6m an additional £1.6m was distributed from our CAF balance (expensed in the prior year)	£11.0m includes £1.6m transferred to our CAF account
Renewal rate	80%	77%
Domains under management	10.4m	10.2m
Profit before public benefit spend	£2.5m	£5.5m
Loss for the year	£0.04m	£2.7m
Investment in technology	£5.5m	£7.4m
Investment portfolio	£97.8m	£88.6m

Strategic report

Introduction

The principal activity of the Company and Group is the provision of DNS services for internet domains, primarily within the .UK namespace. The principal activities of the subsidiaries are described in note 9.

A description of the Group's strategy and business model is set out in the Chair and CEO's statement.

The Company and Group financial statements have been prepared in accordance with UK-adopted international accounting standards.

Business review and key financial indicators

The trading results for the year and the Group and Company's financial position as at 31 March 2026 are shown in the financial statements (from page 50). Key financial and non-financial indicators are shown below.

Revenue

Group revenue decreased in the year by £6.3m to £49.6m, with a £6.0m decrease in DNS revenue following the end of the PDNS contracts and a £0.3m reduction in Registry revenue. The .UK register at 31 March 2026 closed at 10.4 million domains under management (DUM) (31 March 2025 – 10.2 million) with .UK market share at 51.5% of the domain market share (31 March 2025 – 52.0%).

Operating charges (excluding Public Benefit)

Other operating costs (which are all costs excluding public benefit) are £47.1m (FY25: £50.4m), a decrease of £3.3m. The major movements are as follows: staff and other personnel costs decreased by £0.9m due to the end of the PDNS contracts, offset by wage growth for continuing staff; the prior year also including £1.4m of restructuring costs. Technical systems and infrastructure overheads in the year decreased by £1.0m, with £1.2m of reduced costs due to the end of the PDNS contracts offset by increased expenditure related to platform decommissioning as we modernise our technology infrastructure and increased investment in our security environment. Costs on operations increased by £0.8m related to the registry standardisation programme and the channel marketing programme. Amortisation of intangible assets increased by £0.9m reflecting the investment in the modernisation of Nominet's technology platforms which have been put into production over the past 18 months. The prior year included £1.2m loss on disposal of intangible assets previously used to run the PDNS service; in the current year there was a £0.2m loss on disposal of intangible assets which have been replaced with new technology.

Trading operating profit and overall operating loss after Public Benefit costs

The overall operating profit for Nominet's trading activities (excluding public benefit spend) decreased to £2.5m (FY25: £5.5m), as a result of the end of the PDNS contracts and increased expenditure on the modernisation of our technology infrastructure, enhancements in our security environment and the registry standardisation and channel marketing programmes.

The overall operating loss of £1.0m (FY25: £5.5m) is after public benefit spend of £3.6m (FY25: £11.0m).

The majority of the spend on public benefit projects in the year arose from the previously planned contractual commitments for our flagship projects, most of which ended during the current year.

Investments

Investments are included in the consolidated statement of financial position at their fair value. With income, realised gains, withdrawals and market movements, the fair value of the investment portfolio increased during the year and closed at £97.8m (FY25: £88.6m). The overall return on the portfolio in the year was £9.2m (FY25: £2.6m) and there were no withdrawals from the portfolio (FY25: £5.0m). In percentage terms, on an absolute basis, the portfolio returned 10.0% in the year to 31 March 2026 and 28.1% in the three years to 31 March 2026.

During the period we realised £3.8m of net gains on the disposal of investments within the portfolio (FY25: £1.8m) and investment income from the portfolio during the year was £2.4m (FY25: £2.3m).

Full details of the movement in investments for the year are shown in note 10.

Balance sheet and cash flow

Retained earnings for the Group increased by £3.8m during the year to £91.3m (FY25: £87.5m).

Cash generated from operations before tax payments was £4.7m (FY25: £7.2m).

The other key cash movements included capital expenditure and other development costs totalling £5.5m (FY25: £7.7m). Cash balances held at the period end decreased by £0.6m to £6.1m (FY25: £3.8m increase).

Public Benefit

We have continued with our commitment to public benefit in the year, with a total spend of £3.6m (FY25: £11.0m).

Spend in FY26

Total Spend in FY26 (£k):	3,565
Total of Programme Spend in FY26 (£k):	3,184
Operating costs (£k):	381
Operating cost/Total spend ratio	10.7%

Note: In addition to £3.2m total programme spend, £1.6m held in our CAF account at 31 March 2025 was distributed to our public benefit partners in FY26; £1.5m to Good Things Foundation and £0.1m to Micro:Bit. The payment to Good Things Foundation is included in the 'Our biggest grants in FY26' table below.

Spend over time

In 2021 we committed to spending *up to* £65m (funded from reserves or annual surplus) on activities that benefit the wider public. To date, this has focused on initiatives delivering social impact.

£k	FY21	FY22	FY23	FY24	FY25	FY26
In-year	3,710	4,758	11,906	9,943	10,979	3,565
Cumulative		8,468	20,374	30,317	41,296	44,861

There is a further £1.6 million committed in future years.

Our biggest grants in FY26

We supported 12 organisations during the year. The table below outlines grants over £250k. This includes payments made from our Charities Aid Foundation (CAF).

Partner/programme	Amount (£k)
Institute of Coding	1,633
Good Things Foundation	1,500
Southwest Grid for Learning – countering online harm	341
ParentZone – countering online harm	334

Outlook and future developments

- **Round 2 GTLDS:**

In 2026 organisations will be able to apply to secure their own top-level domain. The process, run by ICANN, opened in spring 2026, creating opportunities for registry service providers (RSPs). The market for these services will be highly competitive, and Nominet has strategic partnerships in place to help identify opportunities. Our experience running .UK, one of the largest country codes, as registry services provider for global brands, and our selection as EBERO provider means we have a strong track record.

- **The Domain market:**

In a maturing market, the challenge is to ensure high renewal rates of .UK are maintained, while attracting sufficient new registrations. While maintaining our emphasis on tackling domain abuse and increasing the quality of the registry, we are pursuing opportunities for growth through a programme with registrars that encourages new registrations.

- **Registry Modernisation**

Work is underway on a programme to modernise the registry platform. The modernisation project will bring Nominet's registry processes into closer alignment with global domain registry standards and retire some legacy interfaces. Consultations with members on the technical and policy aspects of the changes proposed have fed into our plans. An education, awareness and support programme is planned for FY27 to encourage a smooth transition to the new registry platform.

- **Legislative and regulatory environment:**

We continue to monitor proposed or new legislation or regulation that may affect our operations or those of our members. This includes the implementation of the Online Safety Act 2023, the Crime and Policing Bill 2026 which includes provision on domain name suspensions and received Royal Assent on 29 April 2026, and the Cyber Security and Resilience Bill which is undergoing parliamentary scrutiny. We seek to inform legislation and operational implementation to ensure due consideration is given to well established and effective current suspension practices, the specific technical role that a registry and registrars can play, and to limit unnecessary duplication in regulatory reporting.

- **DNS services**

Nominet offers DNS services for public bodies, such as the Public Services Network (PSN) and National Health Service England (NHSE). Following a contract win, Nominet is now providing DNS services for the Law Enforcement Community Network.

Principal risks and uncertainties

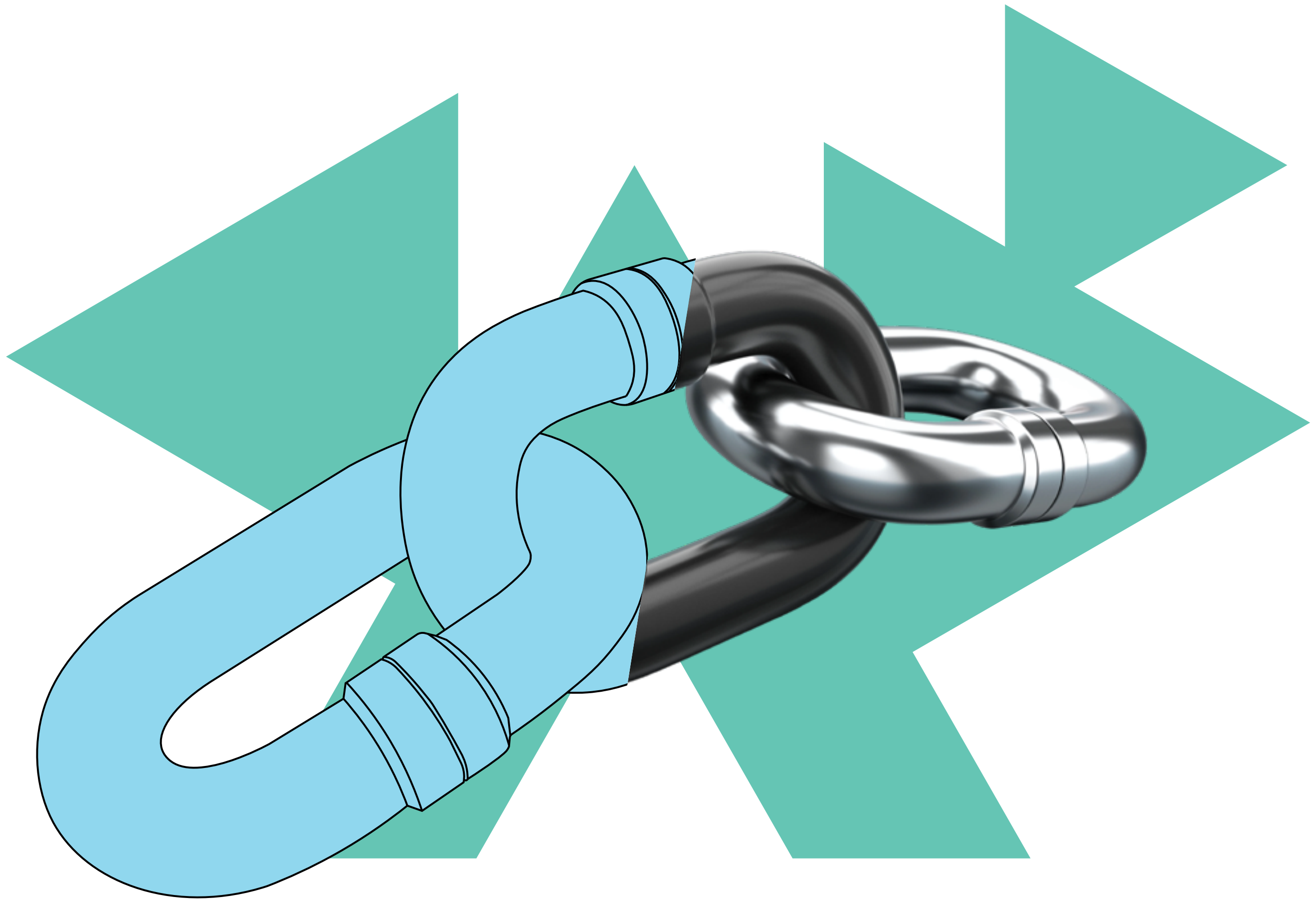
The primary risk areas for Nominet are identified below together with a description of the steps we are taking to manage those risks.

Description of risk	What we are doing to manage the risk
Critical infrastructure disruption Nominet operates critical customer services with stringent integrity and availability requirements; any disruption to these services could result in unacceptable business and customer impact	• Investment in the resilience of our critical DNS, registry infrastructure and disaster recovery capabilities • Robust ISO 22301 certified business continuity plans in place which are tested and reviewed on a regular basis • Strong and effective IT & Security policies and operational controls that are certified to the ISO 20000 and ISO 27001 standards • Secure coding principles adopted, and continual improvement prioritised to adopt best practices
Cybersecurity A deteriorating geopolitical landscape and advances in AI make cyber intrusions more effective and efficient, increasing the frequency and severity of cyber threats. This heightens the risk that a successful cyber-attack by external threat actors could compromise the confidentiality, integrity, or availability of services, leading to material operational and business impact	• Delivery of key security improvements to strengthen our defences and respond to increasing sophistication of threat actors • Continued investment in high-quality infrastructure and rapid controlled response to any identified security threats and vulnerabilities • Regular penetration, vulnerability, and intrusion testing • Active within industry and specialist community groups to share and receive alerts, information and best practice • Supporting the business with adopting AI technologies in a safe way and keeping pace with frontier AI cyber threats

Description of risk	What we are doing to manage the risk
Economic Geopolitical and geoeconomic tensions have continued to grow through FY26 leading to a turbulent global economic outlook. Nominet continues to see its costs increase and the market we operate in remains challenging with strong competition	• Developing our products to remain competitive and relevant • Pipeline of new client opportunities • Working with our registrars to promote our domains • Focus on continuous improvement, cost control and efficiencies • Strategic supplier relationship management focused on our most important suppliers to unlock innovation, efficiency gains and mutual benefit
Environment and sustainability Nominet is committed to achieving Net Zero emissions by 2050, however there is a risk that we fail to achieve these targets due to the challenge of reducing our emissions whilst we grow and transform our critical technical infrastructure Failure to achieve our Net Zero targets would harm our ability to contribute to the global aim of achieving climate stability and would likely lead to financial penalties in future as well as reputational harm	• We remain committed to minimising the impact of our activities on the environment and to reducing our carbon emissions through our carbon reduction plan to achieve our Net Zero 2050 goal • Established measurements in place to track our carbon footprint and offset our measured emissions • Modernising and upgrading our systems infrastructure to use equipment that emits less heat and can operate within a larger temperature range • We continue to invest in sustainable woodland creation in the UK to offset our carbon emissions
Governance, risk and compliance (GRC) If Nominet's governance structure is not sufficiently effective to maintain strong oversight and decision-making, operational and organisational stability may be adversely impacted. This risk is heightened by increased external scrutiny and evolving UK Government expectations for governance across the technology sector, which could lead to compliance, reputational, and operational impacts if not adequately addressed	• Maturing our GRC capabilities in response to increasing regulatory oversight • Continuing to seek input and feedback on policy and governance matters from across our stakeholder groups • Maintaining strong relationships with key Government stakeholders • Demonstrating commitment to and effectiveness of the multi-stakeholder and self-regulation models for internet governance

Description of risk	What we are doing to manage the risk
People and resources Nominet faces strategic resource risks, including supply chain friction and lead time volatility which could constrain access to key resources, increase costs, and disrupt delivery timelines, adversely impacting operational performance and long-term organisational success Recruitment for specialist roles remains highly competitive	• Robust third party and strategic supplier management to minimise supplier disruption and non compliance • Critical supplier due diligence • Advance ordering of new equipment to ensure on-time delivery • Strategic workforce planning, resource planning, forecasting and management • Hybrid working offering enabling employees to flex between the office and from home • Competitive Employee Value Proposition to attract and retain top talent
Reputation and brand Significant reputational damage that harms our brand or reputation and leads to a loss of confidence amongst our members, customers and broader stakeholders	• Ensuring the high quality and availability of our services • Business continuity and service resilience plans and processes • Improving our competitiveness and agility • Balancing the needs of our broad and diverse range of stakeholders • Key stakeholder engagement and outreach • Playing an active role in the internet community, including support for and participation at ICANN, contributing to the Internet Engineering Taskforce (IETF), supporting the Internet Governance Forum, and participating as a founding member in the Technology Community Coalition of Multistakeholderism (TCCM). • Developing products and services to enhance trust and confidence in the internet • Ongoing commitment to delivering public benefit through our work

Description of risk	What we are doing to manage the risk
Supply-chain failure and/or security vulnerabilities and disruptions Significant dependencies on cloud services, deploy-as-a-service solutions, in-country delivery partners and critical third-party suppliers	• ISO 22301 certified Business Continuity Management System and Business Continuity Plans • Resilience, redundancy and continuity measures built into critical services • Critical supplier selection and due diligence controls • Effective supply-chain risk management with careful purchasing planning, supplier management and service level monitoring



Section 172(1) statement

Section 172(1) of the Companies Act 2006 requires all directors to have regard to the impact of a company on its stakeholders. In line with good governance practice, Nominet has reviewed its stakeholders and clarified how we work with each group.

The directors consider the following to represent the company stakeholders: the members, employees, the UK government (including but not limited to law enforcement and national security agencies), customers and business partners, UK internet users (both commercial organisations and the general public), charity partners, and wider civil society.

The table below sets out how Nominet works with each of these groups of stakeholders.

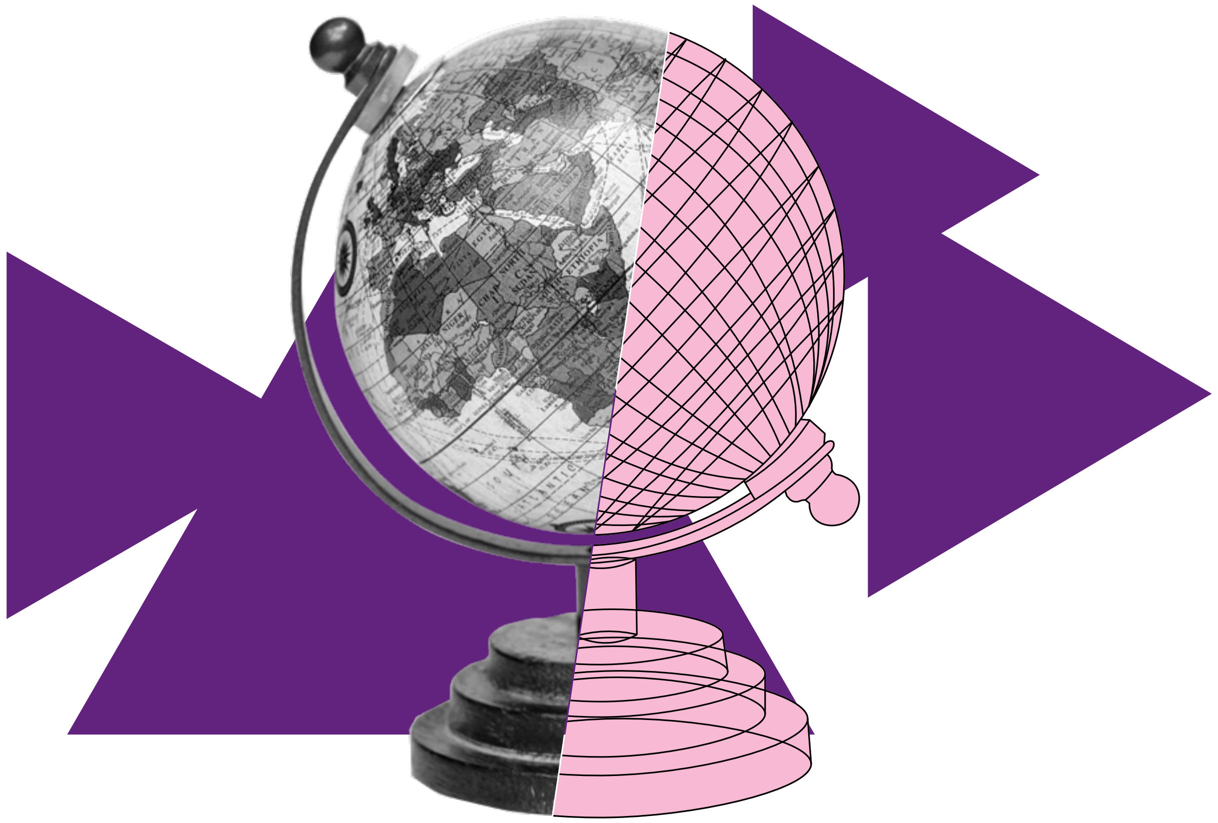
Stakeholder	How we engage
Members	Nominet is committed to engaging openly and acting in a fair manner, having regard for the views of all its members. Nominet has an extensive programme of member engagement including an in-person and virtual event programme; Member Hub and Nominet Community; operational updates, member calls with the CEO and consultations on .UK policy, as well as general meetings. Opportunities to collaborate include the .UK Registry Advisory Council; Member GiveHub; working groups on domain abuse, member representatives on the Nominet DNS Fund Advisory Panel. In addition to the Annual Report, a half yearly update on financial performance is shared.
Employees	Engagement surveys; weekly CEO communications; regular town halls; performance management framework and process; regularly updated intranet; social events and ad hoc interactions on key issues.
UK government including law enforcement and national security agencies	Regular engagement by public affairs team with relevant government departments, regulators and parliamentarians, focused on .UK domain policy issues and public policy developments regarding internet governance. We respond to consultations to ensure a national registry perspective is considered. Regular updates are provided to DSIT as the sponsoring department; and we interact with Ofcom as regulator and with other departments as users of our registry or DNS services. Input from DSIT and Ofcom are carefully considered in shaping service offerings. Nominet works closely with a range of law enforcement and national security agencies to ensure that the .UK domain is secure and that national policies are correctly implemented.

Stakeholder	How we engage
Customers, suppliers, business partners	Customer priorities are carefully considered and reflected in our investment in customer services, infrastructure and engagement programmes. Nominet closely interacts with its customers through regular dialogue. Formal performance review meetings are held at regular checkpoints with government customers in the UK and internationally. Many customers are also members and have additional opportunities to engage (see section on members above). For example, the UKRAC provides a channel through which registrar users of Nominet's services can provide input to policies and working practices for the .UK domain. Nominet engages with and carries out due diligence on suppliers to ensure they comply with relevant law and policy standards and can meet our business requirements. Formal review meetings are held with our key strategic suppliers to review performance and ensure strategic alignment.
Internet Community	Nominet plays an active role in the internet community, including support for and participation at ICANN; contributing to the Internet Engineering Taskforce (IETF), including work on standards development; sharing best practice and collaborating on relevant issues with other country code domain name registries; and support for the multi-stakeholder model through the Internet Governance Forum, in particular supporting the annual UK IGF event. Over the past 2 years, our work has included playing a key role as a founding member of the Technology Community Coalition of Multistakeholderism (TCCM). Our public benefit work includes a programme dedicated to supporting the DNS ecosystem.
UK internet users (commercial and members of the public)	Reflecting the critical nature of Nominet's services to the public, we focus on stability and trustworthiness, with the aim of achieving 100% DNS uptime and delivering a safe, secure namespace. We work closely with our registrars and law enforcement to take action to prevent .UK domain names being used for criminal activities.

Stakeholder	How we engage
Charity and social impact partners	The Board oversees the public benefit programme to ensure alignment with our strategy and to review the impact delivered. There are formal and informal engagement activities in place for our partners. These provide strategic alignment, clear goals for partnerships, and independent measurement of delivered results.
Wider civil society	Nominet is committed to reducing the impact of its activities on the environment and engaging in a positive way with the broader community. We continue to invest in the safety and security of the .UK namespace as well as contributing to the wider internet community and tackling online harms. This year's progress on environmental matters is set out in the Sustainability section on page 29.

This report was approved by the Board and signed on its behalf.

Andrew Green CBE
Chair
16 July 2026



Report of the directors

Directors

The directors who served the Company during the year were as follows:

Carolyn Bedford

Paul Fletcher

Andrew Green CBE

Ashley La Bolle

Eva Lindqvist

Kieren McCarthy

Sally Tilleray

Rex Wickham

Patsy Wilkinson

Steven Wright

Board and committee attendance

Director	Board	Audit & Risk Committee	Nominations Committee	Remuneration Committee
Carolyn Bedford	7/7	4/4		
Paul Fletcher	7/7	4/4	7/7	4/4
Andrew Green	7/7	3/4*	7/7	3/4
Ashley La Bolle	7/7	4/4		4/4
Eva Lindqvist	7/7	4/4		4/4
Kieren McCarthy	7/7			3/4
Sally Tilleray	7/7	4/4		
Rex Wickham	7/7		7/7	
Patsy Wilkinson	6/7	4/4	7/7	4/4
Steven Wright	7/7	3/4	7/7	

*Andrew Green is not a member of the Audit & Risk Committee but attends meetings as requested

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report and Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group and Company financial statements in accordance with UK-adopted international accounting standards.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and to
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Group and Company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

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

Directors' and officers' liability insurance and indemnity

During the year, the Group and Company maintained liability insurance for its directors and officers. The provision, which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006, was in force throughout the year and remained in force at the date of signature of the accounts.

Employees

As guardians of .UK we require exceptional people. To ensure .UK runs smoothly for the millions who rely on it every day, we need a diverse, expert team. We are committed to encouraging equality, diversity and inclusion in the workplace. We support this through progressive, inclusive policies and practices.

Our inclusive culture is reinforced across our employee experience. Communicating who we are, what we do, how we work and what life is like inside Nominet is a key part of our approach to recruitment and onboarding in line with our Vision, Mission and Values. We look for people who are ambitious, curious, passionate and collaborative. People with all kinds of skills, abilities, qualifications and interests.

If an employee becomes disabled, every effort is made to provide continuity of employment in the same role or a suitable alternative. The same principles are applied when an employee is affected by long term illness, where we provide support to help their return to work.

Our best work happens when we pull together. Our hybrid approach blends in-person and remote work. While we encourage autonomy in determining how work gets done, we also prioritise collaboration across teams to drive Nominet's success.

The business is continually evolving, creating new opportunities to join or develop and grow within one of our passionate and talented teams. Our people enable Nominet to succeed – therefore we work hard to support their ongoing development, whether in a personal, professional or technical capability.

Modern Slavery Act

The Company supports the aims and objectives of the Modern Slavery Act 2015 (MSA) and continues to take its responsibilities under the legislation with the seriousness it deserves and requires.

The Company's latest MSA statement is available on the Company's website.

Independent auditors

A resolution to reappoint HaysMac LLP as the Company's auditors and to authorise the Board to determine the auditor's remuneration will be proposed at the 2026 Annual General Meeting.

Financial instrument risks

The Group uses various financial instruments. These include cash and equity investments. The main purpose of these financial instruments is to manage the finances for the Group's operations, ensuring capital protection, long-term capital growth and income. The existence of these financial instruments exposes the Group to a number of financial risks, although as a result of cash balances available to the Group, these risks are minimal. Further details of the risks related to financial instruments and the Group's policies and procedures for managing these are given in note 21 to the financial statements.

Research & Development

When the Group performs research and development activities, the costs of research are expensed to the statement of comprehensive income and development activities are capitalised where the cost meets the relevant criteria.

Corporate governance arrangements

Nominet UK is a private company limited by guarantee. It is not required to adhere to any corporate governance codes but is aligned to elements of Wates Principles as appropriate.

The Board is responsible for setting the Group's vision and strategic aims, ensuring that the necessary resources are in place and holding the Executive to account for delivering the strategic objectives.

Directors are required to avoid conflicts of interest and must adhere to Nominet's Policy. Nominet's Board maintains a Register of Interests for directors which is reviewed annually by the auditors during their audit of the Group's financial statements. In the event that a director has a potential conflict, then they will be excluded from the relevant business and will not receive associated papers and minutes.

During the year to 31 March 2026, the Board comprised eight Non-Executive Directors, including the Chair, and two Executive Directors. Details of Board and Committee attendance during the year is included on page 22.

The proportion of women on the Board during the period was 50%.

Nominet has three Board committees that meet on a regular cycle: Audit & Risk, Nominations, and Remuneration. In addition, there is a Code of Conduct Committee which meets as and when required. Committee Chairs report to the main Board after each meeting.

The Committee Terms of Reference can be found on the Company website.

Board Report on remuneration

FY26 has been another year of good performance balanced between delivering against the annual calendar of work alongside the need to respond appropriately to business changes and external environmental impacts, maintaining a trusted, secure and resilient service and embarking on delivering key programmes of work in support of the 3-year plan.

The matters addressed by the Committee during the financial year ended 31 March 2026 are described below:

Executive Director and Senior Management	• Reviewed and approved salary proposals for Executive Directors and other members of the Executive Leadership team for FY26 pay review • Calibrated and approved FY26 performance outcomes and related Bonus scheme payments for Executive Directors and other members of the Executive leadership team • Setting of business objectives, KPIs and OKRs for delivery during FY27 • Considered and approved personal objectives and key results for FY27
Employee Remuneration	• Approved all team member awards under the Company Bonus scheme for FY26 • Approved the pay budget for FY27
Governance, Risk and other matters	• Approved FY26 Remuneration report • Updated and reviewed FY26 Remuneration calendar of work • Agreed and monitored the transfer of the Group Pension Plan (GPP) to a new provider • Approved the revision of the Company Bonus scheme for FY27

The Committee continues to provide rigour and challenge to ensure appropriate governance and rigour across the application of our remuneration policy and practice, providing confidence and transparency in our approach.

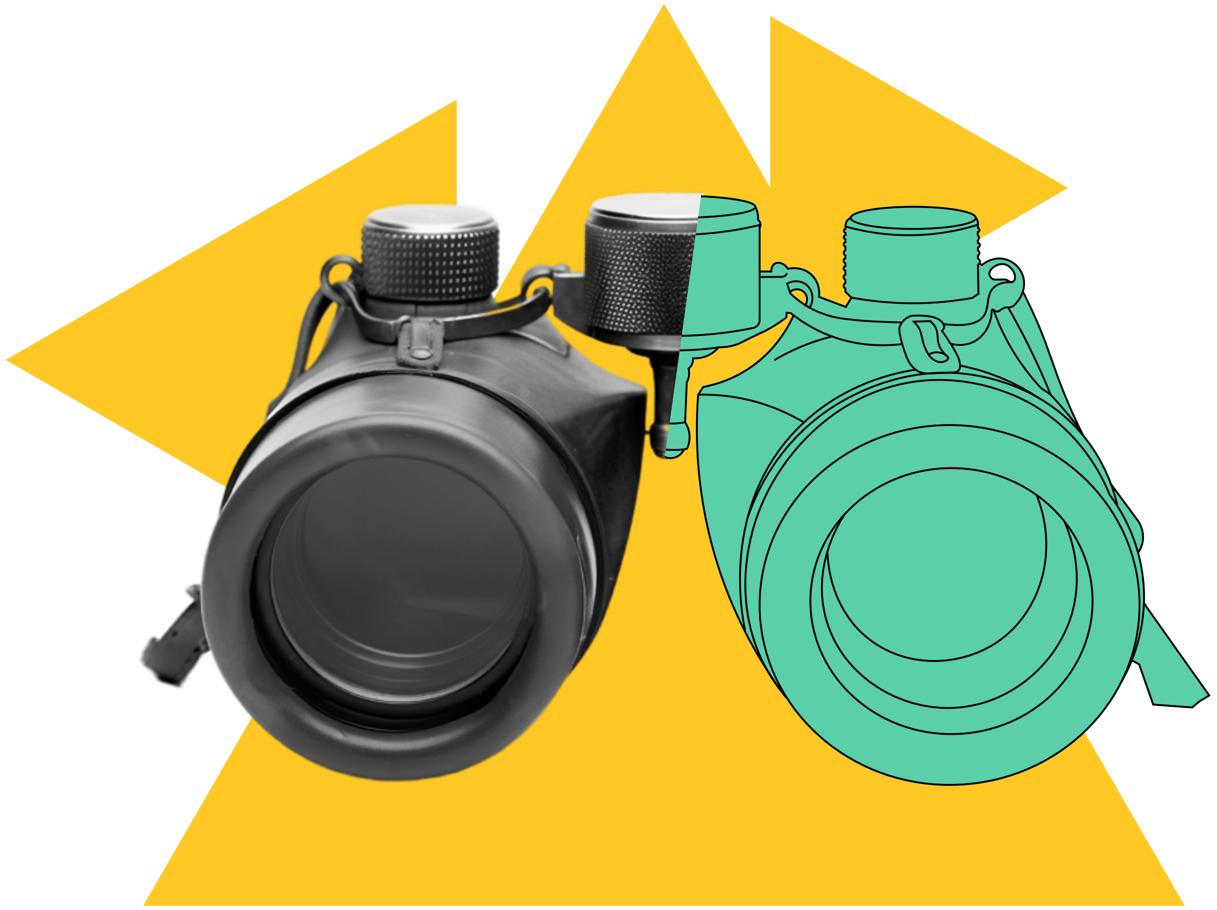
FY26 Remuneration outcomes

The Remuneration Policy is available on the homepage of our website.

Nominet has continued to deliver effectively against expectations outlined in the 3-year plan and respond appropriately to an ever-evolving environment.

The company performance assessment for FY26 is based on a balanced scorecard set of key performance measures. As a result of the company performance assessment, the Remuneration Committee continues to apply prudence and rigour towards its final decisions on determining the overall company performance levels and subsequent Executive Director final bonus payment levels.

The Committee confirmed that overall Company performance had achieved 90.06% of the expected KPI levels and the Company performance element of the bonus was therefore aligned to this assessment.



Personal performance

Performance levels were assessed for each Executive Director and relevant bonus percentage levels were aligned with their individual performance assessment rating.

CEO

The CEO's (Paul Fletcher) personal performance objectives for FY26 focused on providing effective strategic leadership and delivering the year one milestones of the 3-year plan across the six strategic priorities. These objectives were achieved. During the year, substantial progress was made across a number of key programmes, seeing growth in domains under management, Law Enforcement Community Network win for DNS, reduction in domain abuse and resetting the public benefit agenda closer to home (DNS fund and online safety).

Overall, he continued to deliver strongly against these objectives, sustaining an ambitious pace of activity to transform the organisation in a challenging context of global instability.

The annual bonus award for the CEO was based on a set of Company Objectives (70%) and Personal Objectives (30%) and resulted in a total payout for the period of 53% (out of a possible maximum opportunity of 75%) which equates to a payment of £165,512.

The CEO has a fixed base pay of £312,141 per annum. During the period, the CEO was not awarded a salary increase.

CFO

The CFO's (Carolyn Bedford) personal performance objectives for FY26 focused on two priorities: balancing operational efficiency with greater organisational effectiveness and improving value-for-money decision-making. Through their work during the year, the CFO significantly strengthened the organisation's business planning regime and overhauled key processes to improve financial reporting, transparency, and the management of risk and resilience.

The annual bonus award for the CFO was based on a set of Company Objectives (70%) and Personal Objectives (30%) and resulted in a total payout for the period of 39.82% (out of a possible maximum opportunity of 60%) which equates to a payment of £84,667.

The CFO has a fixed base pay of £212,641 per annum. The CFO was awarded a salary increase of 8.49%, reflecting an 18-month performance period.

Board fees

Board Fees for the NED and Chair roles were agreed in line with the approach set out in the Remuneration Policy. For clarity:

- Nominet Chair and Executive Directors agreed an average of 3.2% increase to Non-Executive Director and Committee Chair fees.
- Remuneration Committee Chair and CEO recommended a 3.0% increase to the Nominet Chair fees, which was approved by the Board (excluding the Chair)

Board fees are shown in Note 6.

FY26 sustainability overview

Methodology

Nominet's carbon emissions data is gathered in accordance with GHG protocols and independently verified against ISO 14064-3. Our Carbon Reduction Plan is completed in accordance with PPN 006.

Overall picture

Nominet is committed to achieving net-zero emissions by 2050. In January 2023, the Science Based Targets initiative (SBTi) approved Nominet's near-term science-based emissions reduction target:

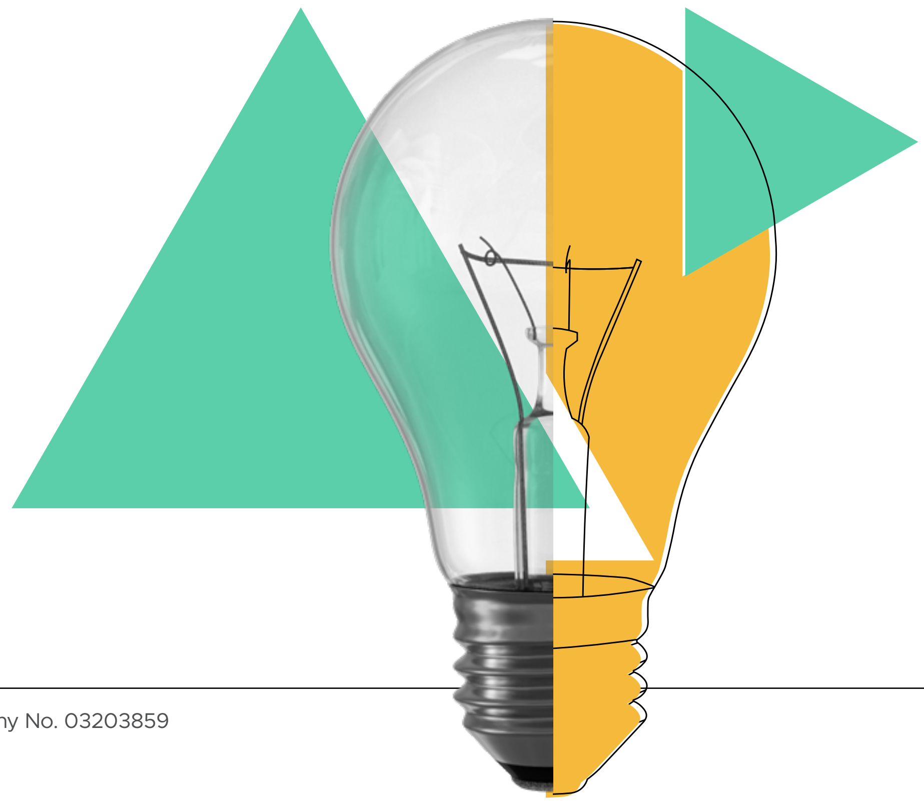
"Nominet UK commits to reduce scope 1 and scope 2 GHG emissions 42% by 2030 from a 2020 base year, and to measure and reduce its scope 3 emissions."

Nominet commits to offsetting its scope 1 & 2 market-based measured footprint through verified carbon standard initiatives.

The footprint decreased, largely attributed to reduced electricity consumption, lower fugitive emissions and fewer instances of business travel. Planned infrastructure improvements contributed to decreased energy use in data centres. There was a decrease in emissions associated with DNS queries due to a reduction in energy and emissions intensity for electricity use. DNS queries were reclassified under category 11 (use of sold products) to ensure better alignment with GHG protocol definitions.

Energy efficiency action taken

The volume of electricity has continued to reduce because of the transition from halogen to LED lighting in the office and plant and equipment optimisation. The planned infrastructure changes in data centres have reduced energy use, this is expected to continue in the next reporting period.



Greenhouse gas emissions (GHG)

GHG Scope	Category	FY26 Emissions (tCO2e)	FY25 Emissions (tCO2e)
Scope 1	Natural gas	28.94	27.06
	Generator fuel	0.01	0.00
	Fugitives	6.43	31.51
Scope 2	Electricity (market-based)	0.00	0.00
	Electricity (location-based)	67.61	86.52
Scope 3	03. Fuel and energy related activities – fuel	4.97	4.47
	03. Fuel and energy related activities - electricity	8.59	22.02
	04. Post and couriers	7.51	9.84
	05. Waste	0.12	2.20
	06. Business travel	118.22	150.03
	07. Employee commuting	67.95	64.16
	07. Employee working from home	88.93	105.52
	08. Data centres	47.31	114.89
	08. Leased office	0.43	0.48
	09. DNS queries	0.00	104.40
	11. DNS queries	91.86	0.00
	Total Market-Based GHG Emissions (tCO2e)	**471.27**	636.56
	Total Location-Based GHG Emissions (tCO2e)	**538.88**	723.08

Energy use data

GHG Scope	Category	Unit	FY26 Energy Use	FY25 Energy Use
Scope 1	Natural gas	kWh	158,180.00	147,942.71
	Hydrotreated vegetable oil (HVO)	Litres	340.00	0.00
	Fugitives	KG	3.37	19.40
Scope 2	Electricity	kWh	381,901.20	417,875.90

Intensity metric

tCO2e per £1m revenue, for scope 1 & 2 only

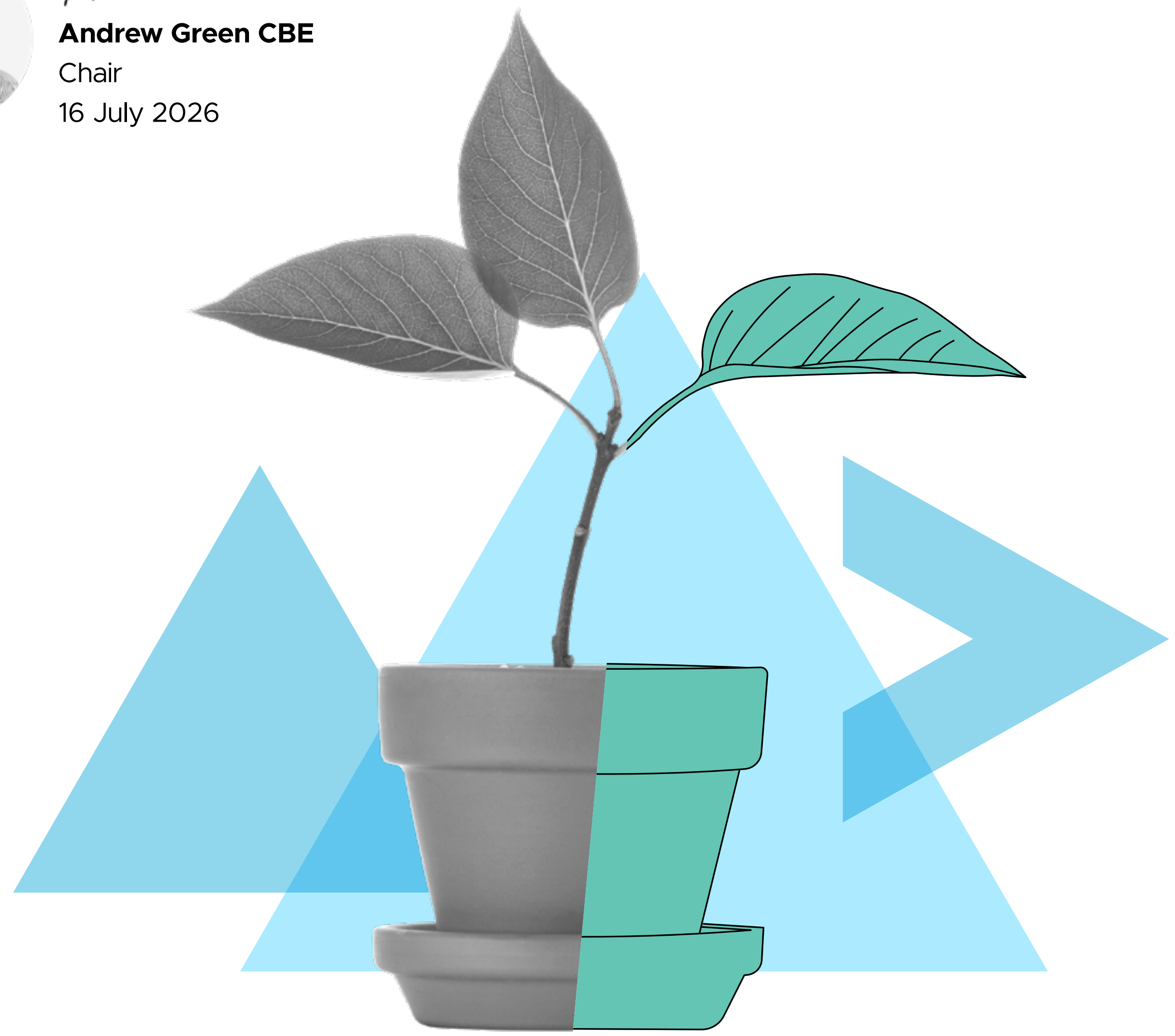
	Unit	FY26	FY25
Market-Based	tCO2e/£m	0.7	1.0
Location-Based	tCO2e/£m	2.1	2.6

Going concern

The directors continue to adopt the going concern basis of presentation for the Group and Company's financial statements. The directors have reached this opinion after reviewing the Group and Company's annual budget, cash balances and assets held within the investment portfolio. (See Principal Accounting Policies, Going Concern).

This report was approved by the Board and signed on its behalf.

Andrew Green CBE
Chair
16 July 2026



Independent auditor's report

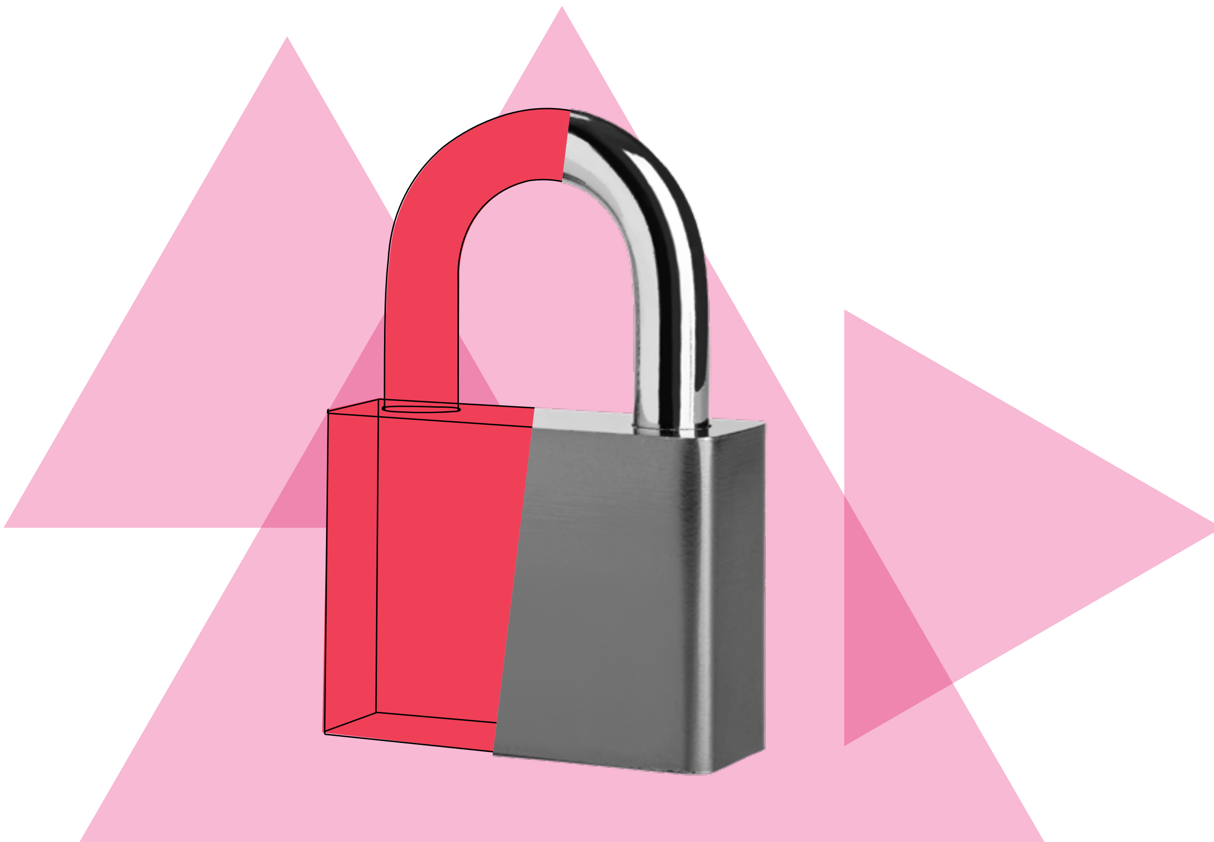
to the members of Nominet UK

Opinion

We have audited the financial statements of Nominet UK (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the consolidated Statement of Profit or Loss, the consolidated Statement of Comprehensive Income, the consolidated and company Statement of Financial Position, the consolidated and company Cash Flow Statements, the consolidated and company Statement of Changes in Equity and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards (UK-IAS).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2026 and of the company's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included review of management's forecasts of future performance and ability to meet its liabilities as they fall due.

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 Nominet UK'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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the report of the directors 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 group and parent 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 group and parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the group and parent company and the industry, we identified that the principal risks of non-compliance with laws and regulations related to reporting frameworks (IFRS and the Companies Act 2006 and relevant tax compliance regulations in the UK). We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing accounting journal entries, in particular those journal entries which exhibited the characteristics we had identified as possible indicators of irregularities; and
- Challenging assumptions and judgements made by management, particularly in relation to the recognition of contract revenue, the value of intangible assets and the recoverability of debtors.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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.

Thomas Wilson (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors
16 July 2026

10 Queen Street Place
London
EC4R 1AG

Principal accounting policies

The Group has adopted the accounting policies set out below in the preparation of these financial statements. These policies have been applied consistently throughout the period unless otherwise stated.

Basis of accounting

The financial statements of the Group and parent Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the UK and those parts of the Companies Act 2006 that are relevant to companies that report in accordance with IFRS. The Group and parent Company financial statements are presented in UK Pound Sterling.

Nominet UK is a company limited by guarantee and is incorporated in England & Wales. The address of its registered office is given earlier in this document.

Basis of consolidation

The financial statements consolidate the accounts of Nominet UK and all its subsidiary undertakings ("Subsidiaries"). Where appropriate, adjustments are made to the financial statements of subsidiaries to conform to Group accounting policies. All transactions and balances between group companies are eliminated on consolidation.

A separate profit and loss account for the parent Company is omitted from the Group financial statements by virtue of section 408 of the Companies Act 2006.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The cost of an acquisition is measured as the fair value of the assets transferred and liabilities incurred at the date of exchange. Where there is deferred consideration payable in cash, the amount is discounted to its present value. The fair value of deferred cash consideration is included within the Group's financial statements as a liability. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of the acquisition over the fair value of the Group's share of identifiable net assets acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statement of comprehensive income. Acquisition related costs are expensed as incurred.

Going concern

After reviewing the Group and Company forecasts, the directors have a reasonable expectation that the Group and Company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements.

This assessment is further supported by the strong balance sheet of the Group and Company, the availability of liquid assets held within the investment portfolio, the significant level of recurring income from both .UK domains and other services and the stability of the Group's cost base, which has been subject to inflationary assumptions in line with current and expected levels of inflation over the forecast period. As a result, the Group and Company continues to adopt the going concern basis in preparing its financial statements.

Adoption of new and revised International Financial Reporting Standards ('IFRSs')

There were no new standards or amendments or interpretations to existing standards that became effective during the year that were material to the Group.

No new standards, amendments or interpretations to existing standards having an impact on the financial statements that have been published and that are mandatory for the Group's accounting periods beginning on or before 1 April 2025, or later periods, have been adopted early.

Revenue recognition

Revenue represents fees for .UK domain name registration and renewal, and other registry and DNS services, excluding value added tax.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred income in the statement of financial position. Similarly, if the Group satisfies performance obligations before it receives the consideration, the Group recognises either a contract asset or receivable in its statement of financial position. The Group takes advantage of the practical expedients afforded by IFRS 15, where appropriate, with regard to timing of payments and incremental costs incurred in obtaining contracts as their effects are not material.

.UK domain registrations and renewals

The Group provides .UK domains to customers via domain registrars, who are entities authorised by Nominet to register and manage .UK domains on behalf of customers. Although several services are required to register or renew a domain and provide ongoing Domain Name System (DNS) services to that domain over its registration/renewal period, the Group has assessed that these services are inseparable and therefore constitute a single performance obligation. This performance obligation is transferred to the customer over time. The revenue for .UK domain registrations and renewals is therefore recognised on a straight-line basis over the domain registration or renewal period. Registration and renewal fees are charged in advance, and revenue relating to future accounting periods is reported in the balance sheet as deferred income.

The cost of registering or renewing a domain is non-refundable and no obligations therefore exist for returns or refunds.

The wholesale transaction price for a .UK domain registration or renewal has been set at £3.90 per year since January 2020. The price is determined with regard to the costs of running the registry services and the need to invest in the resilience and reliability of Nominet's systems.

DNS/PDNS

During the year the Group provided DNS services to public sector customers and PDNS services to the Australian government under a contract which ended on 30 September 2025. Performance obligations are assessed for each individual contract. If services are distinct, a separate performance obligation is assessed for each service. Depending on their nature, performance obligations may either be transferred to a customer over time, or at a point in time on a milestone basis. Revenue for DNS/PDNS is therefore recognised on either a straight-line basis or at a point in time based on attaining specified contract milestones.

There is no right to return or provision for refunds in relation to DNS or PDNS contracts, and no obligations therefore exist for returns or refunds.

The transaction price for DNS and PDNS services is determined with reference to the expected costs of delivering the service.

Operating expenses

Operating expenses are recognised in the statement of profit or loss upon utilisation of the service or as incurred.

Donations

Donations are recognised in the statement of profit or loss once they have been reviewed and approved by the relevant internal process and paid to the receiving party.

Public benefit initiatives

Payments are recognised in the statement of profit or loss on an accruals basis in line with commitments agreed by the Board.

Employee benefits

The Group has defined contribution plans under which fixed amounts are paid to employees' personal pension schemes. The employer's contributions are charged in the statement of profit or loss on an accruals basis.

Accrual is made for holiday pay, based on a calculation of the number of days holiday earned during the year, but not yet taken.

Property, plant and equipment (PPE)

PPE are stated at cost less accumulated depreciation and impairment losses. Depreciation is provided at rates calculated to write off the cost of property, plant and equipment, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold buildings	-	2% per annum – straight line
Computer equipment and software	-	20%-33% per annum – straight line
Fixtures, fittings and other equipment	-	20% per annum – straight line
Fit out costs	-	10% per annum – straight line
Right-of-use assets	-	Earlier of the useful life and lease term – straight line

Depreciation is charged to operating charges in the consolidated statement of profit or loss.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds, less any selling expenses, and the carrying amount of the asset. The difference is recognised in operating charges in the statement of comprehensive income.

Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses.

An intangible asset acquired as part of a business combination is recognised outside of goodwill if the asset can be separately identified or arises from contractual or other legal rights and its fair value can be measured reliably.

Development expenditure is recognised as an intangible asset only where the Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits. Among other things, the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The types of cost capitalised include employee and subcontractor costs directly associated with the development activity. The amount initially recognised for internally generated assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated asset can be recognised, development expenditure is recognised in the statement of profit or loss in the period in which it is incurred.

Other intangible assets are tested annually for impairment and carried at cost less accumulated amortisation and impairment losses. Any impairment is charged to operating charges in the statement of profit or loss.

Amortisation is charged to operating charges in the consolidated statement of profit or loss. Intangible assets with a finite life are amortised on a straight-line basis over their expected useful lives, as follows:

Generic top-level domain (gTLD) development costs	-	10 years
Other development costs	-	3-5 years

Useful economic lives (UELs) are amended if a change in the expected life of an asset becomes apparent—for example, where the asset is linked to a specific contract that has ended. In such cases, amortisation is accelerated to reflect the revised shorter UEL.

Impairment testing of intangible assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level. Any goodwill is allocated to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which any goodwill has been allocated (determined by the Group's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate to calculate the present value of those cash flows.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount so long as it does not exceed the original carrying value prior to the impairment being recognised. A reversal of impairment loss is recognised as income immediately in the income statement.

Advance land lease payment

Advance land lease payments, representing payments to secure long leasehold land, are reflected in the financial statements as non-current assets.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- Amortised cost;
- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVTOCI).

The classification is determined by both:

- The Group's business model for managing the financial asset;
- The contractual cash flow characteristics of the financial asset.

At initial recognition, investments are irrevocably designated FVTOCI on the basis that they are not held for trading or as contingent consideration in a business combination.

Trade and other receivables are initially recognised at amortised cost.

Subsequent measurement of financial assets

Investments are included in the balance sheet at their fair value at each balance sheet date. Any changes in fair value arising during the period are recognised in the consolidated statement of comprehensive income (within other comprehensive income) net of the associated deferred tax liability/asset and are never recycled to profit or loss, even if the investment is sold, impaired or otherwise derecognised.

When investments are disposed of, the cumulative gain or loss recognised in other comprehensive income is reclassified from the investments held at fair value reserve to retained earnings.

Dividends receivables are recognised in the statement of profit or loss within income from investments held FVTOCI.

After initial recognition, trade and other receivables are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss' (ECL) model. The Group uses its historical experience to calculate the expected credit losses. Management have determined the fair value of any expected credit loss to be immaterial on this basis.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include trade and other payables. Financial liabilities are recognised initially at FVTPL and subsequently measured at amortised cost using the effective interest method.

Leases

For any new contracts entered into, the Group considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use

The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used.

Measurement and recognition of leases

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in the statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office equipment.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or statement of profit or loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been disclosed separately.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and term deposits with an original maturity of no more than three months.

Provisions and contingent liabilities

Provisions for legal disputes, onerous contracts or other claims are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group, and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

Taxation

Taxation on the statement of profit or loss for the periods presented comprise current and deferred tax. Taxation is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the period, using tax rates and laws enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

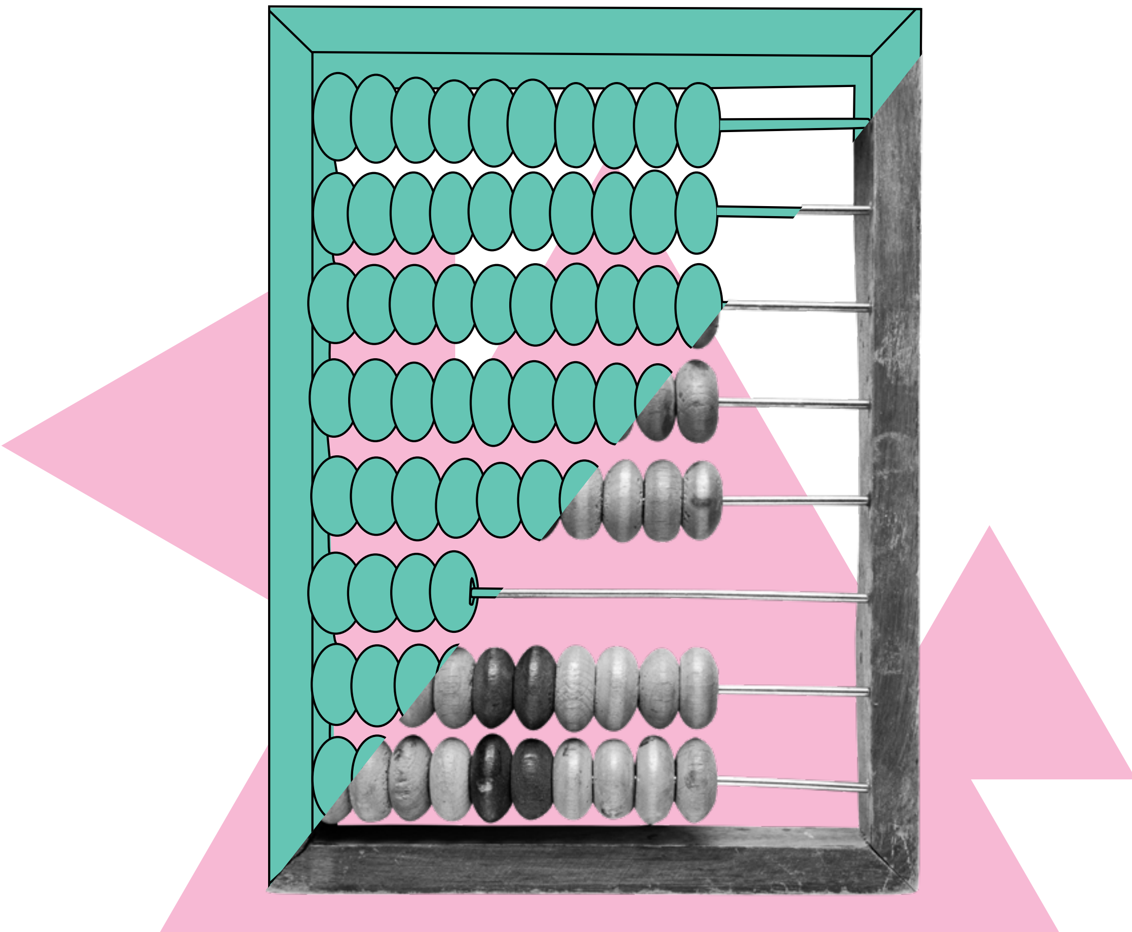
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is measured and calculated applying the tax rates and laws of the relevant jurisdiction, that are enacted or substantively enacted at the balance sheet date and are expected to apply in the periods in which temporary differences reverse.

Deferred tax assets related to carry-forward losses are valued on a discounted basis to reflect the time period over which the losses are expected to be recovered.



Foreign currency translation

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates. For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in UK Pound Sterling which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Gains and losses arising on retranslation are included in the net profit or loss for the period.

Results of the overseas subsidiaries are translated into UK Pound Sterling at the weighted average rates for the accounting period, which is effected by translating each overseas subsidiary's monthly result at exchange rates applicable to each of the respective months. Assets and liabilities denominated in foreign currencies at the balance sheet date are translated into UK Pound Sterling at the foreign exchange rate ruling at that date. Differences on exchange resulting from the translation of overseas assets and liabilities are recognised in the consolidated statement of comprehensive income.

Significant accounting estimates and judgements

When applying the Group's accounting policies, management must make assumptions and estimates concerning the future that affect the carrying amounts of assets and liabilities at the balance sheet date and the amounts of revenue and expenses recognised during the accounting period. Assumptions and estimates are based upon factors including historical experience, the observance of trends in the industries in which the Group operates, and information available from the Group's customers and other outside sources.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Capitalisation of development expenditure. Management makes judgements as to whether development expenditure has met the criteria for capitalisation or whether it should be expensed in the year. Development expenditure is capitalised only after its reliable measurement, technical feasibility and commercial viability can be demonstrated. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired;
- Recognition of contract revenues – recognised amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion. This includes the assessment of the profitability of on-going contracts. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty.

Other estimates and assumptions include the useful lives of depreciable assets (notes 7 and 8).

These areas of estimates and judgements are not considered significant on the basis that the judgement and estimation methods used have not materially affected the carrying value of assets and liabilities at the balance sheet date.

Financial statements

Consolidated statement of profit or loss

	Note	31 March 2026 £000	31 March 2025 £000
Revenue	1	**49,643**	55,897
Other operating charges	2	**(47,116)**	(50,434)
Public Benefit Initiatives		**(3,565)**	(10,979)
Total operating charges		**(50,681)**	(61,413)
Operating profit before Public Benefit Initiatives		**2,527**	5,463
Operating loss		**(1,038)**	(5,516)
Income from investments held at fair value through OCI	10	**2,444**	2,271
Finance income	3	**208**	67
Finance costs		**(3)**	-
Profit/(Loss) before taxation		**1,611**	(3,178)
Taxation	4	**(1,651)**	470
Loss for the year		**(40)**	(2,708)

All operations relate to continuing activities

Consolidated statement of comprehensive income

	Note	31 March 2026 £000	31 March 2025 £000
Loss for the year		**(40)**	(2,708)
Other comprehensive income (OCI):			
Items that will not be subsequently reclassified to profit or loss			
Gains on investments held at fair value through OCI net of associated deferred tax		**6,278**	1,018
Items that will be subsequently reclassified to profit or loss			
Exchange differences on translating foreign operations		**30**	(57)
Total comprehensive profit/(loss) for the year		**6,268**	(1,747)

The accompanying accounting policies and notes form part of these financial statements.

Consolidated statement of financial position

As at 31 March 2026	Note	2026 £000	2025 £000
ASSETS			
Non-current assets			
Property, plant & equipment	7	**8,658**	11,509
Intangible assets	8	**19,988**	19,075
Advance land lease payment		**1,473**	1,484
Investments held at fair value through OCI	10	**97,820**	88,613
		127,939	120,681
Current assets			
Trade and other receivables	12	**15,485**	11,985
Current income tax asset		**-**	1,166
Contract asset		**118**	140
Cash and cash equivalents		**6,082**	6,701
		21,685	19,992
Total assets		**149,624**	140,673
LIABILITIES			
Current liabilities			
Trade and other payables	13	**7,863**	7,338
Current income tax liability	15	**443**	-
Lease liabilities	14	**21**	-
Deferred income	16	**24,819**	23,853
		33,146	31,191

The accompanying accounting policies and notes form part of these financial statements.

Consolidated statement of financial position

As at 31 March 2026	Note	2026 £000	2025 £000
Non-current liabilities			
Deferred tax liability	11	**4,323**	3,774
Lease liabilities	14	**28**	-
Deferred income	16	**9,816**	9,665
		14,167	13,439
Total liabilities		**47,313**	44,630
Net assets		**102,311**	96,043
EQUITY AND RESERVES			
Retained earnings		**91,283**	87,543
Translation reserve		**(1,666)**	(1,696)
Investments held at fair value through OCI		**12,694**	10,196
Total funds		**102,311**	96,043

These financial statements were approved by the Directors and authorised for issue on 16 July 2026, and are signed on their behalf by:

Andrew Green CBE
Chair

Company Registration Number: 03203859

The accompanying accounting policies and notes form part of these financial statements.

Company statement of financial position

As at 31 March 2026	Note	2026 £000	2025 £000
ASSETS			
Non-current assets			
Property, plant & equipment	7	**8,658**	11,508
Intangible assets	8	**19,988**	19,073
Advance land lease payment		**1,473**	1,484
Investments held at fair value through OCI	10	**97,820**	88,613
		127,939	120,678
Current assets			
Trade and other receivables	12	**15,481**	11,832
Current income tax asset		**-**	828
Contract asset		**118**	140
Cash and cash equivalents		**5,671**	6,529
		21,270	19,329
Total assets		**149,209**	140,007
LIABILITIES			
Current liabilities			
Trade and other payables	13	**7,937**	7,052
Current income tax liability	15	**466**	-
Lease liabilities	14	**21**	-
Deferred income	16	**24,804**	23,837
		33,228	30,889

The accompanying accounting policies and notes form part of these financial statements.

Company statement of financial position

As at 31 March 2026	Note	2026 £000	2025 £000
Non-current liabilities			
Deferred tax liability	11	**4,326**	3,779
Lease liabilities	14	**28**	-
Deferred income	16	**9,816**	9,665
		14,170	13,444
Total liabilities		**47,398**	44,333
Net assets		**101,811**	95,674
EQUITY AND RESERVES			
Retained earnings		**89,117**	85,478
Investments held at fair value through OCI		**12,694**	10,196
Total funds		**101,811**	95,674

As permitted by section 408(3) of the Companies Act 2006, no profit or loss account of the Company is presented. The loss for the financial year dealt with in the financial statements of the Company is £141k (FY25:£2,866k).

These financial statements were approved by the Directors and authorised for issue on 16 July 2026, and are signed on their behalf by:

Andrew Green CBE
Chair

Company Registration Number: 03203859

The accompanying accounting policies and notes form part of these financial statements.

Consolidated cash flow statement

	Note	31 March 2026 £000	31 March 2025 £000
Cash flows from operating activities			
Cash generated from operations	18	**4,694**	7,272
Income taxes paid		**(259)**	(879)
Net cash generated from operating activities		**4,435**	6,393
Cash flows from investing activities			
Income received from investments held at fair value through OCI		**2,444**	2,271
Income re-invested in investments held at fair value through OCI	10	**(2,444)**	(2,271)
Realised gains on investments held at fair value through OCI		**3,780**	1,752
Realised gains re-invested in investments held at fair value through OCI	10	**(3,780)**	(1,752)
Management charges and foreign exchange movements	10	**341**	252
Disposal of available for sale investments	10	**-**	5,000
Interest received on cash balances		**162**	67
Purchase of property, plant and equipment	7	**(462)**	(558)
Purchase of intangible assets	8	**(5,083)**	(7,111)
Net cash used in investing activities		**(5,042)**	(2,350)

The accompanying accounting policies and notes form part of these financial statements.

Consolidated cash flow statement

	Note	31 March 2026 £000	31 March 2025 £000
Cash flows from financing activities			
Adjustments relating to prior year payments		**-**	7
Principal elements of lease payments		**(23)**	-
Net cash used in financing activities		**(23)**	7
Net (decrease)/increase in cash and cash equivalents		**(630)**	4,050
Cash and cash equivalents at start of year		**6,701**	2,870
Effect of foreign exchange rate changes		**11**	(219)
Cash and cash equivalents at end of year		**6,082**	6,701

The accompanying accounting policies and notes form part of these financial statements.

Company cash flow statement

	Note	31 March 2026 £000	31 March 2025 £000
Cash flows from operating activities			
Cash generated from operations	18	**4,636**	6,908
Income taxes paid		**(429)**	(493)
Net cash generated from operating activities		**4,207**	6,415
Cash flows from investing activities			
Income received from investments held at fair value through OCI		**2,444**	2,271
Income re-invested in investments held at fair value through OCI	10	**(2,444)**	(2,271)
Realised gains on investments held at fair value through OCI		**3,780**	1,752
Realised gains re-invested in investments held at fair value through OCI	10	**(3,780)**	(1,752)
Management charges and foreign exchange movements	10	**341**	252
Disposal of available for sale investments	10	**-**	5,000
Interest received on cash balances		**162**	67
Purchase of property, plant and equipment	7	**(462)**	(558)
Purchase of intangible assets	8	**(5,083)**	(7,111)
Net cash used in investing activities		**(5,042)**	(2,350)

The accompanying accounting policies and notes form part of these financial statements.

Company cash flow statement

	Note	31 March 2026 £000	31 March 2025 £000
Cash flows from financing activities			
Adjustments relating to prior year payments		**-**	7
Principal elements of lease payments		**(23)**	-
Net cash used in financing activities		**(23)**	7
Net (decrease)/increase in cash and cash equivalents		**(858)**	4,072
Cash and cash equivalents at start of year		**6,529**	2,457
Cash and cash equivalents at end of year		**5,671**	6,529

The accompanying accounting policies and notes form part of these financial statements.

Consolidated statement of changes in equity

	Retained earnings	Translation reserve	Investments held at fair value through OCI	Total
	£000	£000	£000	£000
Balance at 1 April 2025	87,543	(1,696)	10,196	96,043
Loss for the year	(40)	-	-	(40)
Gains on investments held at fair value through OCI	-	-	3,780	3,780
Associated deferred tax	-	-	(826)	(826)
Unrealised gain on revaluation	-	-	3,324	3,324
Transfer of realised gains on investments held at fair value through OCI	3,780	-	(3,780)	-
Exchange differences on translating foreign operations	-	30	-	30
Balance at 31 March 2026	**91,283**	**(1,666)**	**12,694**	**102,311**
Balance at 1 April 2024	88,499	(1,638)	10,930	97,791
Loss for the year	(2,708)	-	-	(2,708)
Gains on investments held at fair value through OCI	-	-	1,752	1,752
Associated deferred tax	-	-	419	419
Unrealised loss on revaluation	-	-	(1,153)	(1,153)
Transfer of realised gains on investments held at fair value through OCI	1,752	-	(1,752)	-
Exchange differences on translating foreign operations	-	(58)	-	(58)
Balance at 31 March 2025	87,543	(1,696)	10,196	96,043

The accompanying accounting policies and notes form part of these financial statements.

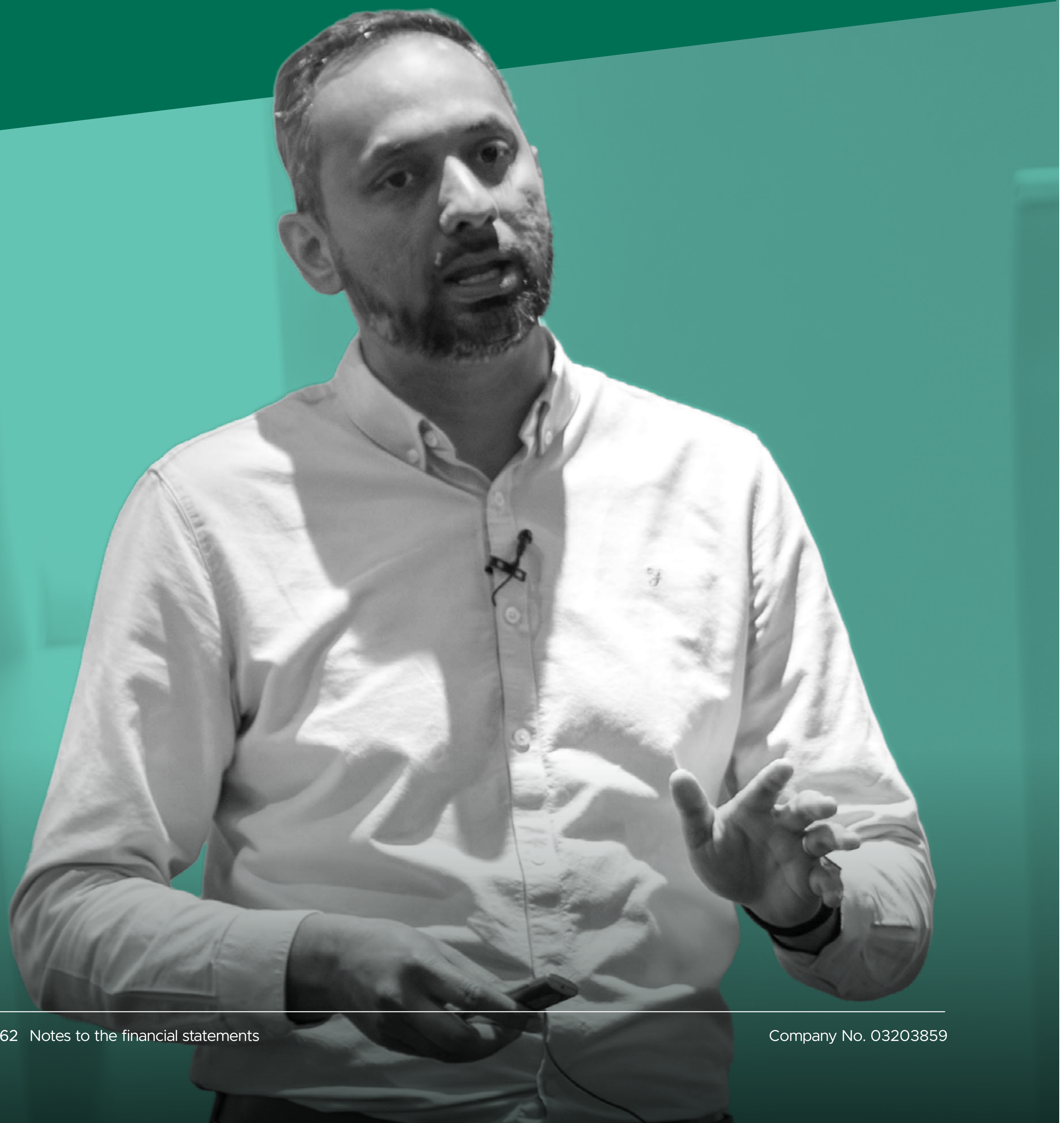
Company statement of changes in equity

	Retained earnings	Investments held at fair value through OCI	Total
	£000	£000	£000
Balance at 1 April 2025	85,478	10,196	95,674
Loss for the year	(141)	-	(141)
Gains on investments held at fair value through OCI	-	3,780	3,780
Associated deferred tax	-	(826)	(826)
Unrealised gain on revaluation	-	3,324	3,324
Transfer of realised gains on investments held at fair value through OCI	3,780	(3,780)	-
Balance at 31 March 2026	**89,117**	**12,694**	**101,811**
Balance at 1 April 2024	86,592	10,930	97,522
Loss for the year	(2,866)	-	(2,866)
Gains on investments held at fair value through OCI	-	1,752	1,752
Associated deferred tax	-	419	419
Unrealised gain on revaluation	-	(1,153)	(1,153)
Transfer of realised gains on investments held at fair value through OCI	1,752	(1,752)	-
Balance at 31 March 2025	85,478	10,196	95,674

Nominet UK's constitution does not allow any profit to be distributed to members. Instead, funds are retained to develop on-going operations, future investments and to support public benefit initiatives.

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements



1. Revenue

The revenue and profit before tax are attributable to the two business units Registry and DNS. An analysis of revenue by these categories and the geographical location of the customers is given below:

	31 March 2026			31 March 2025		
	UK	**Overseas**	**Total**	UK	Overseas	Total
	£000	**£000**	**£000**	£000	£000	£000
Registry	**18,271**	**21,588**	**39,859**	18,504	21,643	40,147
DNS	**6,190**	**3,594**	**9,784**	8,063	7,687	15,750
Total	**24,461**	**25,182**	**49,643**	26,567	29,330	55,897

Revenue for the year ended 31 March 2026 includes a release of £24,819k of prior year deferred revenue.

2. Other operating charges

	31 March 2026	31 March 2025
	£000	£000
Staff and other personnel costs	**20,178**	21,077
Restructuring costs	**54**	1,449
Technical systems and infrastructure	**14,235**	15,222
Other administrative	**1,994**	2,202
Exchange rate movements	**21**	285
Depreciation of owned property, plant & equipment	**3,379**	3,652
Depreciation of non-current asset	**11**	11
Amortisation of intangible assets	**3,982**	3,092
Loss on disposal of intangible assets	**188**	1,191
Loss on disposal of owned property, plant & equipment	**2**	79
Gain on early termination of ROU lease	**-**	(107)
Operations	**1,783**	975
Facilities	**1,034**	1,094
Communications and marketing	**150**	122
Auditor's remuneration:		
Audit fees – Company and Group	**71**	69
Non-audit fees – taxation services	**34**	21
	47,116	50,434

3. Finance Income

	31 March 2026 £000	31 March 2025 £000
Group & Company		
Interest receivable on cash balances	**208**	67
	208	67

4. Income tax expense

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of Nominet UK at 25% (FY25: 25%) and the reported tax expense/(credit) in profit or loss are as follows:

Note 11 provides information on deferred tax assets and liabilities.

	31 March 2026 £000	31 March 2025 £000
Profit/(Loss) before taxation	**1,611**	(3,178)
Domestic tax rate for Nominet UK	**25%**	25%
Expected tax charge/(credit)	**403**	(795)
Adjustment for:		
Fixed asset differences	**(454)**	(2)
Expenses not deductible for tax purposes	**(75)**	95
Income not taxable	**(2)**	(366)
Amounts charged directly to OCI or otherwise transferred	**-**	(6)
Capital gains	**1,379**	385
Adjustment to deferred tax charge in respect of previous periods – current tax	**141**	32
Adjustment to current tax charge in respect of previous periods – deferred tax	**247**	171
Difference in overseas tax rates	**12**	16
Actual tax expense/(credit)	**1,651**	(470)

The tax charge based on the loss for the year is analysed as follows:

	31 March 2026 £000	31 March 2025 £000
Tax expense comprises:		
Current tax expense:	**1,792**	186
Adjustment to current tax charge in respect of previous periods	**142**	32
	1,934	218
Deferred tax credit:		
Adjustment to prior period (note 11)	**247**	**171**
Origination and reversal of temporary differences (note 11)	**(530)**	**(859)**
Tax expense/(credit)	**1,651**	(470)

Deferred tax expense/(credit)	**826**	(419)

5. Particulars of employees

The average number of staff employed by the Group during the year amounted to:

	31 March 2026	31 March 2025
	No.	No.
Operations	**223**	239
Management	**15**	15
	238	254

Aggregate payroll costs were:

	31 March 2026	31 March 2025
	£000	£000
Wages and salaries	**19,834**	22,054
Social security costs	**2,548**	2,328
Other pension costs	**1,244**	1,331
	23,626	25,713
Other personnel related costs	**1,581**	2,022
Less: payroll costs capitalised in intangible assets or contract asset	**(4,516)**	(4,775)
Total staff and personnel costs included in statement of profit or loss	**20,691**	22,960
Of which:		
Included in Public Benefit Initiatives – Operating Costs	**319**	337
Included in Restructuring in Other operating charges	**47**	1,411
Included in Operations in Other operating charges	**147**	135
Staff and other personnel costs in Other operating charges	**20,178**	21,077

6. Directors

Remuneration in respect of directors, as set by the Remuneration Committee, was as follows:

	31 March 2026	31 March 2025
	£000	£000
Emoluments receivable	**1,251**	1,242
Company pension contributions to defined contribution pension schemes	**24**	22
	1,275	1,264

The information above is expanded by director in the table below:

	Salary/ fees	Bonus	Pension	Other costs and benefits*	**31 March 2026**	31 March 2025
	£000	£000	£000	£000	**£000**	£000
Andrew Green	101	-	-	-	**101**	96
Simon Blackler	-	-	-	-	**-**	20
Ashley La Bolle	41	-	-	1	**42**	39
Eva Lindqvist	50	-	-	1	**51**	47
Kieren McCarthy	41	-	-	-	**41**	41
Sally Tilleray	55	-	-	-	**55**	52
Rex Wickham	41	-	-	1	**42**	19
Patsy Wilkinson	41	-	-	1	**42**	40
Steven Wright	41	-	-	-	**41**	39
Non-Executive Directors	**411**	**-**	**-**	**4**	**415**	393
Executive Directors						
Paul Fletcher	312	150	-	58	**520**	547
Carolyn Bedford	213	82	24	21	**340**	324
Year to 31 March 2026	**936**	**232**	**24**	**83**	**1,275**	1,264

*Other costs and benefits consist of taxable expense reimbursements, pension allowances paid in cash, company car allowances and private health insurance.

Emoluments of highest paid director:

	31 March 2026	31 March 2025
	£000	£000
Salary	**312**	308
Bonus	**150**	194
Contractual benefits	**58**	45
Total for year	**520**	547

7. Property, plant and equipment

Group

	Leasehold buildings	Computer hardware & software	Fixtures, fittings and equipment	Total
	£000	£000	£000	£000
Cost				
At 1 April 2025	6,771	30,744	3,748	41,263
Additions	-	377	153	530
Disposals	-	(896)	(40)	(936)
At 31 March 2026	**6,771**	**30,225**	**3,861**	**40,857**
Accumulated Depreciation				
At 1 April 2025	2,386	24,309	3,059	29,754
Charge for the year	135	3,076	168	3,379
Disposals	-	(894)	(40)	(934)
At 31 March 2026	**2,521**	**26,491**	**3,187**	**32,199**
Net Book Value				
At 31 March 2026	**4,250**	**3,734**	**674**	**8,658**
At 31 March 2025	4,385	6,435	689	11,509

Fixtures, fittings and equipment includes £68k additions of right-of-use assets with a net book value at 31 March 2026 of £47k (FY25: NIL).

The Oxford office is built on land owned by Magdalen College, Oxford and leased by the Company over 150 years. The advance land lease payment is reflected as a non-current asset. The lease has a remaining period of 128.5 years. £11k of depreciation was charged in the year (FY25: £11k).

Company

	Leasehold buildings	Computer hardware & software	Fixtures, fittings and equipment	Total
	£000	£000	£000	£000
Cost				
At 1 April 2025	6,771	30,741	3,748	41,260
Additions	-	377	153	530
Disposals	-	(893)	(40)	(933)
At 31 March 2026	**6,771**	**30,225**	**3,861**	**40,857**
Accumulated Depreciation				
At 1 April 2025	2,386	24,307	3,059	29,752
Charge for the year	135	3,076	168	3,379
Disposals	-	(892)	(40)	(932)
At 31 March 2026	**2,521**	**26,491**	**3,187**	**32,199**
Net Book Value				
At 31 March 2026	**4,250**	**3,734**	**674**	**8,658**
At 31 March 2025	4,385	6,434	689	11,508

Fixtures, fittings and equipment includes £68k additions of right-of-use assets with a net book value at 31 March 2026 of £47k (FY25: NIL).

8. Intangible fixed assets

Group

	Development costs £000
Cost	
At 1 April 2025	23,789
Additions	5,083
Disposals	(2,085)
At 31 March 2026	**26,787**
Accumulated amortisation and impairment	
At 1 April 2025	4,714
Amortisation	3,982
Disposals	(1,897)
At 31 March 2026	**6,799**
Net book value	
At 31 March 2026	**19,988**
At 31 March 2025	19,075

Development costs relate to internally generated assets associated with capital investments into the core and gTLD infrastructure. Intangible assets have a remaining amortisation period of between 1 and 5 years.

Company

	Developmentcosts £000
Cost	
At 1 April 2025	23,781
Additions	5,083
Disposals	(2,077)
At 31 March 2026	**26,787**
Accumulated amortisation and impairment	
At 1 April 2025	4,708
Amortisation	3,980
Disposals	(1,889)
At 31 March 2026	**6,799**
Net book value	
At 31 March 2026	**19,988**
At 31 March 2025	19,073

9. Subsidiaries of the Group

The subsidiaries of the Group, all of which have been included in these consolidated financial statements, are disclosed below.

Name	Country of Incorporation	Proportion of ownership interest	Nature of business
Nominet Limited	UK	100%	Dormant. Company was incorporated to protect the Nominet name
Nominet Registrar Services Limited	UK	100%	ICANN accredited registrar
Nominet US Inc.	US	100%	Contracting entity for US based customer
Nominet Australia Pty Limited	Australia	100%	Contracting entity for provision of PDNS services to the Australian Government. Employment of Australian based employees

For the year ended 31 March 2026, Nominet Registrar Services Limited (company number 08158704) has taken the entitled exemption from audit under section 479A of the Companies Act 2006. Nominet UK has therefore given a guarantee under section 479C of the Companies Act 2006.

10. Investments held at fair value through other comprehensive income

Group and Company

	31 March 2026	31 March 2025
	£000	£000
At beginning of year	**88,613**	90,995
Sale of investments	**-**	(5,000)
Gains on disposal of investments held at fair value through OCI	**3,780**	1,752
Re-invested income	**2,444**	2,271
Management charges and foreign exchange movements	**(341)**	(252)
Unrealised gain/(loss) on revaluation	**3,324**	(1,153)
At end of year	**97,820**	88,613

11. Deferred tax

The following are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior year:

Group

	PPE & Intangible assets	Unrealised investment (losses)/ gains	Other temporary differences	Total
	£000	£000	£000	£000
At 1 April 2024	(1,607)	(3,616)	275	(4,948)
Adjustment to prior period	(155)	-	(16)	(171)
Deferred tax credit for year in profit or loss	869	-	(10)	859
Deferred tax credit for year in statement of OCI	-	419	-	419
Transferred to current tax	-	-	67	67
At 1 April 2025	(893)	(3,197)	316	(3,774)
Transferred from current tax brought forward	(7)	-	1	(6)
Adjustment to prior period	25	-	(272)	(247)
Deferred tax credit for year in profit or loss	455	-	75	530
Deferred tax charge for year in statement of OCI	-	(826)	-	(826)
At 31 March 2026	**(420)**	**(4,023)**	**120**	**(4,323)**

Company

	PPE & Intangible assets	Unrealised investment (losses)/ gains	Other temporary differences	Total
	£000	£000	£000	£000
At 1 April 2024	(1,613)	(3,616)	343	(4,886)
Adjustment to prior period	(155)	-	(16)	(171)
Deferred tax charge for year in profit or loss	869	-	(10)	859
Deferred tax charge for year in statement of OCI	-	419	-	419
At 1 April 2025	(899)	(3,197)	317	(3,779)
Adjustment to prior period	21	-	(272)	(251)
Deferred tax credit for year in profit or loss	455	-	75	530
Deferred tax credit for year in statement of OCI	-	(826)	-	(826)
At 31 March 2026	**(423)**	**(4,023)**	**120**	**(4,326)**

Deferred income tax assets are recognised against tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable.

12. Current trade and other receivables

Group

	31 March 2026	31 March 2025
	£000	£000
Trade receivables	**2,265**	2,938
Accrued income	**4,022**	3,838
Other receivables	**223**	74
Financial assets	**6,510**	6,850

	31 March 2026	31 March 2025
	£000	£000
Prepayments	**8,975**	5,135
Non-financial assets	**8,975**	5,135
Trade and other receivables	**15,485**	11,985

Company

	31 March 2026	31 March 2025
	£000	£000
Trade receivables	**2,265**	2,284
Accrued income	**4,022**	3,838
Other receivables	**221**	74
Amounts owed by group undertakings	**-**	540
Financial assets	**6,508**	6,736
Prepayments	**8,973**	5,096
Non-financial assets	**8,973**	5,096
Trade and other receivables	**15,481**	11,832

All amounts are short-term. The net carrying value of trade and other receivables is considered a reasonable approximation of fair value. The Group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component. In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared risk characteristics. They have been grouped based on the days past due. Trade receivables are written off when there is no reasonable expectation of recovery. On the above basis, the expected credit loss for trade receivables at 31 March 2026 has been determined at £nil. (FY25: £nil).

13. Current trade and other payables

Group

	31 March 2026 £000	31 March 2025 £000
Trade payables	**1,971**	647
Other creditors*	**946**	818
Accruals	**4,034**	4,938
Financial liabilities	**6,951**	6,403
Other taxation and social security	**912**	935
Non-financial liabilities	**912**	935
Trade and other payables	**7,863**	7,338

Company

	31 March 2026 £000	31 March 2025 £000
Trade payables	**1,970**	647
Other creditors*	**946**	813
Accruals	**4,026**	4,607
Amounts owed to Group undertakings	**81**	86
Financial liabilities	**7,023**	6,153
Other taxation and social security	**914**	899
Non-financial liabilities	**914**	899
Trade and other payables	**7,937**	7,052

*Balance comprises payments in advance from customers and pension contributions

All amounts are short-term. The net carrying value of trade and other payables is considered a reasonable approximation of fair value.

14. Leases

The statement of financial position shows the following amounts relating to leases:

Group and company

	31 March 2026 £000	31 March 2025 £000
Right-of-use assets*		
Fixtures, fittings and equipment	**47**	-
	47	-
Lease liabilities		
Current	**21**	-
Non-current	**28**	-
	49	-

*Included within the relevant category within note 7, Property, plant and equipment

The statement of profit or loss shows the following amounts relating to leases:

Group and company

	31 March 2026 £000	31 March 2025 £000
Depreciation charge of right-of-use assets	**21**	-
Interest on lease liabilities	**3**	-
Total	**24**	-

The undiscounted maturity analysis of lease liabilities at 31 March 2026 is as follows:

	Within 1 year £000	1-2 years £000	2-3 years £000	Total £000
Minimum lease payments due	23	23	6	52
Finance charges	(2)	(1)	-	(3)
Net present values	**21**	**22**	**6**	**49**

15. Income tax

Group

	31 March 2026 £000	31 March 2025 £000
Income tax (liability)/asset	**(443)**	1,166

Company

	31 March 2026 £000	31 March 2025 £000
Income tax (liability)/asset	**(466)**	828

16. Deferred income

Group

	31 March 2026 £000	31 March 2025 £000
Current deferred income	**24,819**	23,853
Non-current deferred income	**9,816**	9,665
	34,635	33,518

Company

	31 March 2026 £000	31 March 2025 £000
Current deferred income	**24,804**	23,837
Non-current deferred income	**9,816**	9,665
	34,620	33,502

Deferred income represents consideration received in advance of the meeting of performance obligations, primarily domain registration and renewal fees that relate to future accounting periods.

17. Related party transactions

The Company defines related parties as the directors of Nominet UK. There were no related party transactions during the years to 31 March 2025 and 31 March 2026.

Key Management Personnel

In our opinion, the key management personnel are the same as the directors whose emoluments are listed in note 6. The social security costs payable on their emoluments during the year to 31 March 2026 were £165k (FY25: £151k).

18. Notes to the cash flow statement

Group

	31 March 2026 £000	31 March 2025 £000
Loss for the year	**(40)**	(2,708)
Adjusted for:		
Income from investments held at fair value through OCI	**(2,444)**	(2,271)
Finance income	**(208)**	(67)
Taxation	**1,651**	(470)
Depreciation of property, plant & equipment	**3,379**	3,652
Amortisation of intangible assets	**3,982**	3,092
Depreciation of non-current asset	**11**	11
Loss on disposal of intangible assets	**2**	1,191
Loss on disposal of property, plant & equipment	**188**	79
Gain on early termination of ROU lease	**-**	(107)
Finance costs	**3**	-
Foreign exchange losses	**5**	(4)
Decrease/(increase) in trade and other receivables	**(3,500)**	7,340
(Decrease)/increase in trade and other payables	**526**	(1,694)
Increase/(decrease) in deferred income	**1,117**	(735)
Decrease/(increase) in contract asset	**22**	(37)
Cash generated from operations	**4,694**	7,272

Company

	31 March 2026 £000	31 March 2025 £000
Loss for the year	**(141)**	(2,866)
Adjusted for:		
Income from investments held at fair value through OCI	**(2,444)**	(2,271)
Finance income	**(206)**	(67)
Taxation	**1,489**	(538)
Depreciation of property, plant & equipment	**3,379**	3,651
Amortisation of intangible assets	**3,980**	3,088
Depreciation of non-current asset	**11**	11
Loss on disposal of intangible assets	**188**	1,191
Loss on disposal of property, plant & equipment	**1**	79
Gain on early termination of ROU lease	**-**	(107)
Finance costs	**3**	-
Decrease/(increase) in trade and other receivables	**(3,649)**	7,769
(Decrease)/increase in trade and other payables	**885**	(2,259)
Increase/(decrease) in deferred income	**1,118**	(736)
Decrease/(increase) in contract asset	**22**	(37)
Cash generated from operations	**4,636**	6,908

19. Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities are classified as follows:

	Lease liabilities £000
At 1 April 2025	-
New leases	69
Cash-flows: Repayment	(23)
Interest charge	3
31 March 2026	**49**

20. Company limited by guarantee

Nominet UK is limited by guarantee and each member's liability will not exceed £10. The number of members at 31 March 2026 was 2,257 (31 March 2025: 2,252).

21. Financial instruments risk

The Group's policy is to fund its operations from retained earnings and equity and place surplus cash into investments held at fair value through OCI and deposits. Given the level of cash and investments held at fair value through OCI the Group does not bear any significant liquidity risk. The main risks associated with the Group's financial instruments relate to changes in market conditions for investments held at fair value through OCI, changes in interest rate risk and to credit risk. The policies for managing these risks are kept under review by the Board.

Market conditions relating to the investments held at fair value through OCI

The Audit & Risk Committee monitors the development and application of Nominet's investment strategy to ensure investments are made in accordance with that strategy and related asset allocation limits. The Committee assesses the performance of Nominet's investment managers, Quilter Cheviot Limited, in matters of compliance with the strategy, service provision and value for money.

Sensitivity Analysis - all the Investments held at fair value through OCI are quoted in active markets and are sensitive to fluctuations in market value. If the average value of the investments held at fair value through OCI were to change by 5%, the effect on total comprehensive income would be £4.9m (FY25: £4.5m).

Interest rate profile of financial assets

The Audit & Risk Committee sets and reviews treasury policy, including monitoring the distribution of the Group's cash balances. Deposits are placed only after due consideration of the current creditworthiness of the counterparty.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience. The impact of macroeconomic factors has not been considered significant due to the nature of the markets that the Group operates in and its customer base. Credit risk of trade receivables has not increased significantly since initial recognition.

Credit risk of new customers is assessed before entering contracts. Trade receivables are considered in default and written off (i.e. derecognised) when there is no reasonable expectation of recovery.

The entry of a counterparty into administration where receivables are unsecured would be considered an indicator of no reasonable expectation of recovery. These definitions have been selected based on experience; entry into administration is the only situation that has resulted in default.

At 31 March 2026, 96% of trade receivables related to current month debt (31 March 2025: 89%).

Financial liabilities

As at 31 March 2026 the Group had no financial liabilities other than those of a trading nature..

Fair value measurement of financial assets and liabilities

Investments held at fair value through OCI are recorded at each balance sheet date at market value, with the value for each individual holding obtained from quoted prices in active markets for identical assets. A provision is made for the associated deferred tax liability on any unrealised gains.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by the Group in currencies other than the companies' operating (or 'functional') currency, and from the conversion into sterling of the results of the subsidiaries Nominet Australia Pty Ltd and Nominet US Inc. The Group has not taken out hedges as the exposure to foreign currency fluctuations at any one time is not deemed to be material.

22. Financial instruments

Categories of financial assets and financial liabilities

Principal accounting policies provide a description of each category of financial asset and financial liability and the related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Group	Group	**Company**	Company
	31 March 2026	31 March 2025	**31 March 2026**	31 March 2025
	£000	£000	**£000**	£000
Financial assets				
Classified as loans and receivables:				
Trade and other receivables	**6,510**	6,850	**6,508**	6,736
Cash and cash equivalents	**6,082**	6,701	**5,671**	6,529
Classified as available for sale:				
Investments held at FVTOCI	**97,820**	88,613	**97,820**	88,613
	110,412	102,164	**109,999**	101,878
Financial liabilities				
Classified as financial liabilities held at amortised cost:				
Trade and other payables	**6,951**	8,520	**7,023**	8,423

Fair value measurement

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three specific levels of a fair value hierarchy which are defined based on the observability of significant inputs to the fair value measurements undertaken, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

All of the investments held at FVTOCI fall into the Level 1 category.

23. Capital management policies and procedures

Nominet UK's constitution does not allow any profit to be distributed to members. The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to retain sufficient funds to ensure the continuation of the on-going operations and future investments. The Group has no borrowings.

24. Capital commitments

At 31 March 2026 the Group and Company had capital commitments of £778k (31 March 2025: £153k) relating to capital expenditure contracted but not provided for in the financial statements. Of these commitments, £398k related to intangible assets and £380k to PPE (31 March 2025: £73k intangible assets and £80k PPE).

25. Contingent liabilities

There were no contingent liabilities at 31 March 2026 or at 31 March 2025.

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