

# REVEALED : How Brexit actually saved Rachel from a £110bn 'black hole'

Rachel Reeves' "£22bn black hole" would have been dwarfed by £88bn paid by UK to EU

EU auditors' figures show Chancellor had better find another scapegoat for her tax rises

With Rachel Reeves laying the groundwork for her excuses of why she will break her and her government's pledges not to raise taxes in her budget next month, today CIBUK and Brexit Facts4EU, in association with GB News, can reveal just how much worse her "black hole" would have been if the UK had remained in the European Union.



If the UK were still a member of the EU, **(which Ms Reeves and the entire cabinet all campaigned vigorously for)**, it would have been the second-largest funder of its £650 billion budget

for 2021-2024. **The UK would have had to pay around £88bn** (GBP), plus additional monies for 'off-budget' EU funds.

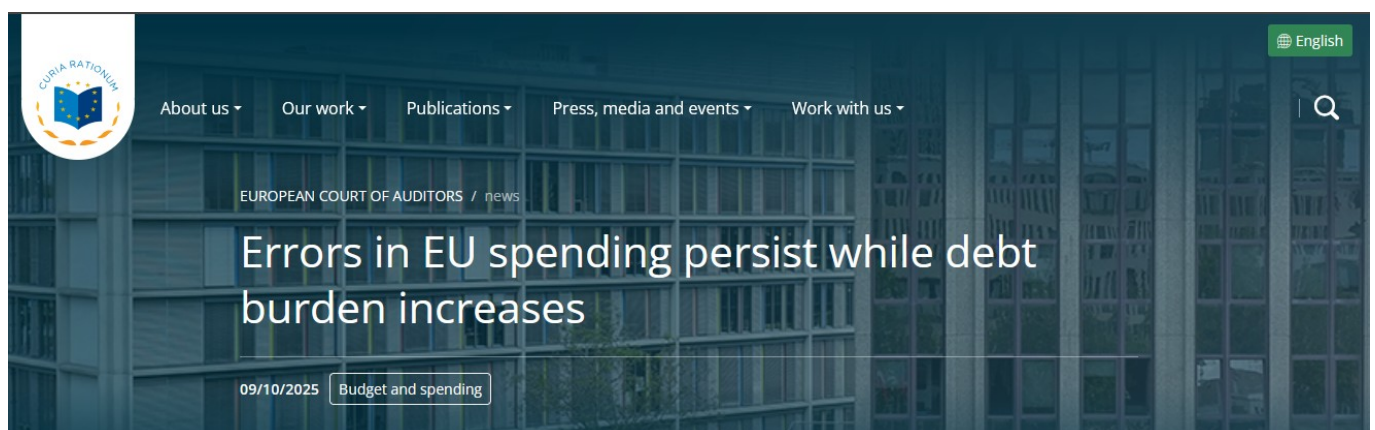
This dwarves Rachel Reeves' claimed "£22bn black hole" by a factor of four and would have meant she was having to face **five times the funding gap she says she inherited.**

## **A summary of rocketing errors, and debts, and outstanding payments, and liability exposures**

On Tuesday we published our revelations concerning the damning report from the EU's auditors on the overall spend of the EU last year, which we published in association with GB News. We recommend reading the GB News report [here](#).

Today we reveal the impact continued membership would have had on the UK, specifically in relation to Rachel Reeves' comments about Brexit and how she seems to be blaming our departure from the EU for her need to raise taxes in her budget next month.

We have gone through the EU's accounts for the last four years (2021-2024) since the UK left and read the verdicts of the EU's auditors for each these years. The European Court of Auditors is the official body for signing off these accounts and **its reports make for troubling reading.**



## **Summary 1 – Totals**

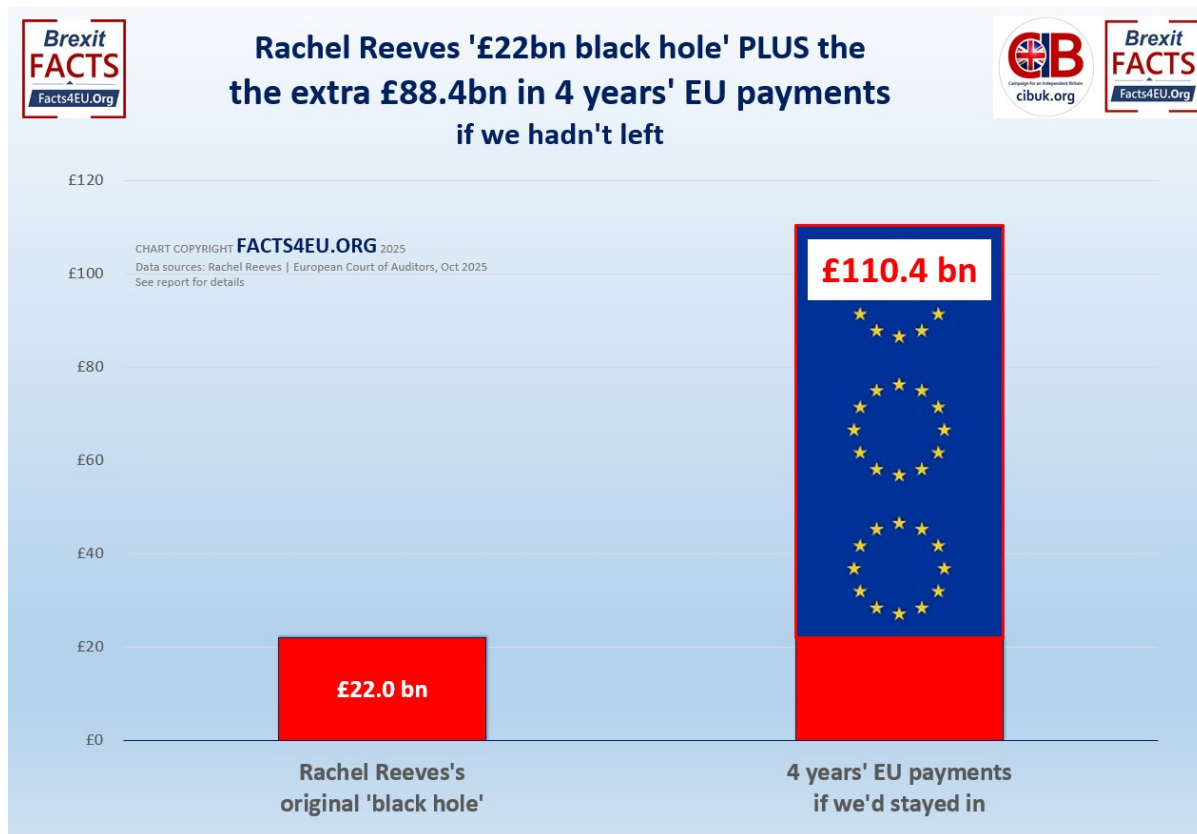
### **Total numbers from EU's accounts for 4 years since UK left, 2021-2024**

[Sources: European Court of Auditors reports, 2021, 2022, 2023, and 2024.]

#### **1. How much would the UK have had to pay in regular gross budget contributions to the EU?**

- Total EU official budget : €759.8bn (approx £655bn GBP)
- Estimated UK contribution : £88.4bn (last 4 years)

This would have made Rachel Reeves' UK budget funding gap 5 times what she says she is looking at, if her claim for a starting point of a '£22bn black hole' is included.



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## 2. What would have been the UK's overall liabilities from membership in the last 4 years?

- Payments into official EU budget : £88.4bn
- Liability for EU's post-Covid fund (RRF) budget : £23.0bn
- Liability for EU's debt : £70.0bn
- Liability for EU's budget exposure to future obligations : £39.8bn
- Total of UK's overall exposure to the EU, 2021-2024 : £221.2bn

## **Rachel Reeves' budget dilemma if the UK had had to commit £88bn to the EU**

From the overall summary above, it can be seen that Chancellor Rachel Reeves would have been facing accounts that were £88bn short of what she has in reality, thanks to the United Kingdom having left the European Union. If she, Sir Keir Starmer, and virtually all the MPs from Labour, the LibDems, the SNP, and the Greens had had their way, the UK would have remained a member and the UK would have had to pay approximately £88bn to the EU in the last four years for regular budget contributions.

Not only that, but the country would be facing an extra overall liability to the EU of around £220bn, which would have affected the view of the market in valuing the government's creditworthiness and therefore the costs of paying interest on its high levels of debt.

The figures are gross contributions, but the amounts the UK used to get back were small, and would be smaller still now as the EU has increased its funding on elements of the budget from which the UK was prevented from benefiting as it was too wealthy. In addition, the UK would now be subject to carbon and other taxes which we have not included, and these figures comes on top of continued payments into the EU's 'off-budget' funds which were never counted by the Treasury as part of the UK's contributions.

In short, the overall effect would have been disastrous for Rachel Reeves when considering tax rises in her budget – caused by the EU, not Brexit.

**Reviewing our report, the most-respected former MP on**

such matters and former Secretary of State, the Rt Hon Sir John Redwood commented:



*“Brilliant analysis by Fact4EU reveals the huge bills the UK would be paying the EU if we had stayed in. The Rachel Reeves black hole would be five times her estimate. UK taxes would have to rise in a frightening way. We would be lashed to a sinking ship.*

*“There would be more low and no income migrants to support, more EU debts to take on and more rules and regulations driving business to the US and Asia. The UK has dodged a hail of EU financial bullets, including new carbon and other taxes. No wonder EU GDP per head has sunk to just half the level of the US whilst the EU is mired in industrial recession.”*

– The Rt Hon Sir John Redwood, 16 Oct 2025

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## **Brexit Facts4EU.Org Summary 2 – Breakdown**

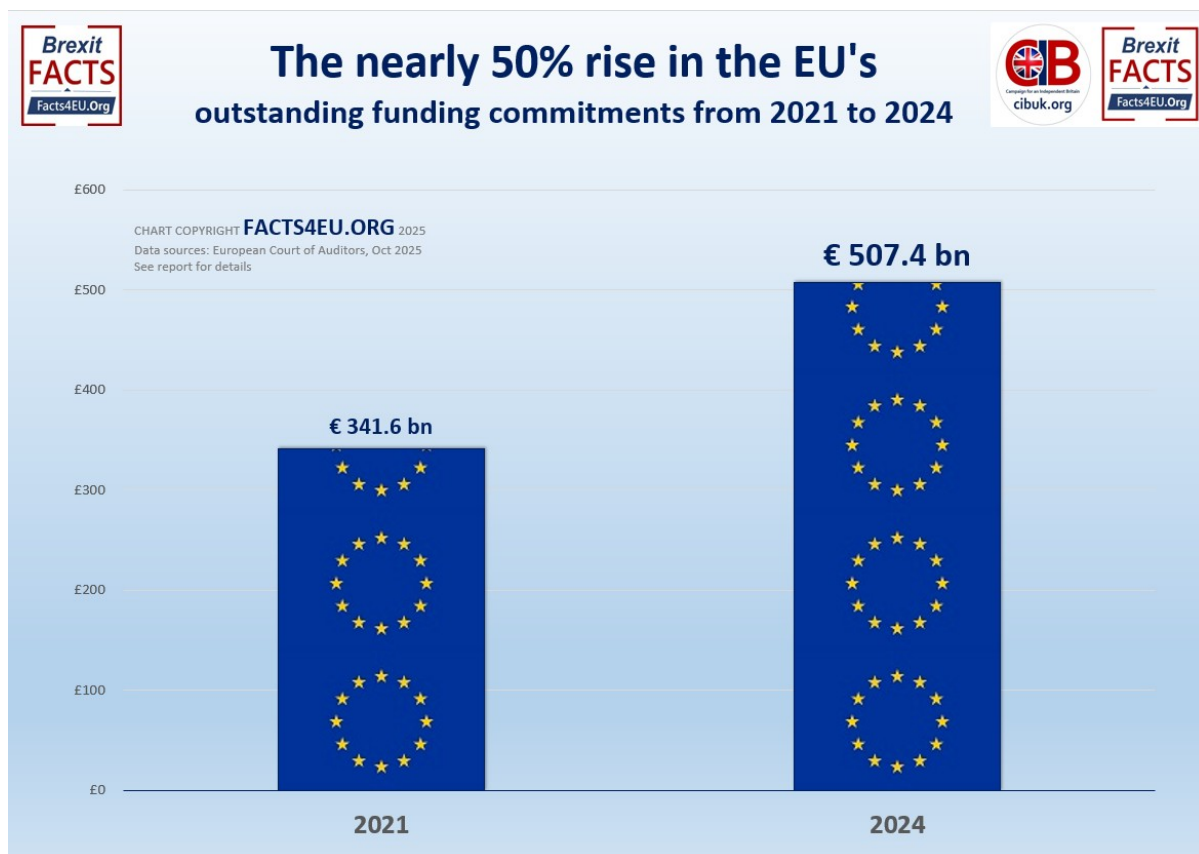
**Part of the breakdown of the last 4 years and some of the huge increases**

[Sources: European Court of Auditors reports, 2021, 2022, 2023, and 2024.]

## 1. EU's outstanding commitments

- 2021 : € 341.6bn
- 2022 : € 452.8bn
- 2023 : € 543.0bn
- 2024 : € 507.5bn

**Percentage rise over 4 years : 66.9%**

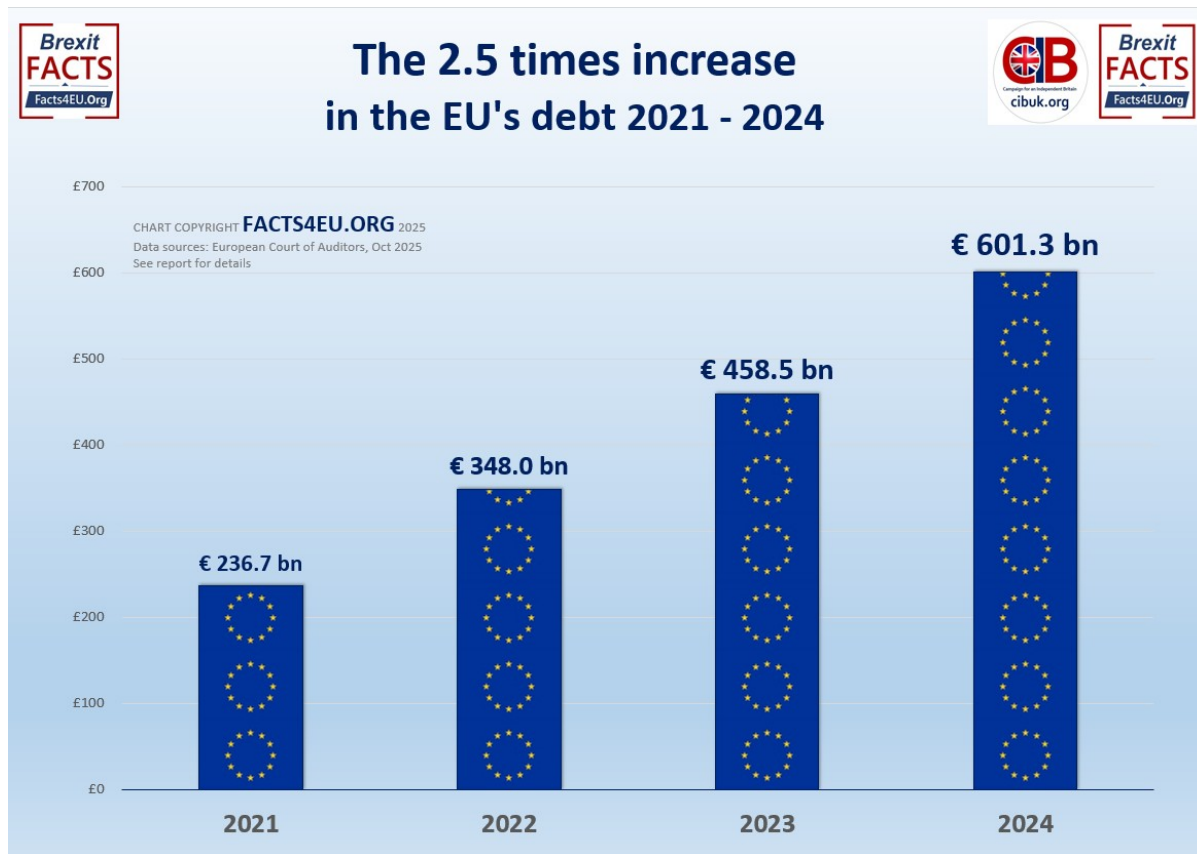


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## 2. The EU's burgeoning debt burden

- 2021 : € 236.7bn
- 2022 : € 348.0bn
- 2023 : € 458.5bn
- 2024 : € 601.3bn

The EU's debt has ballooned by an astonishing 154% in just the last four years since the UK left.



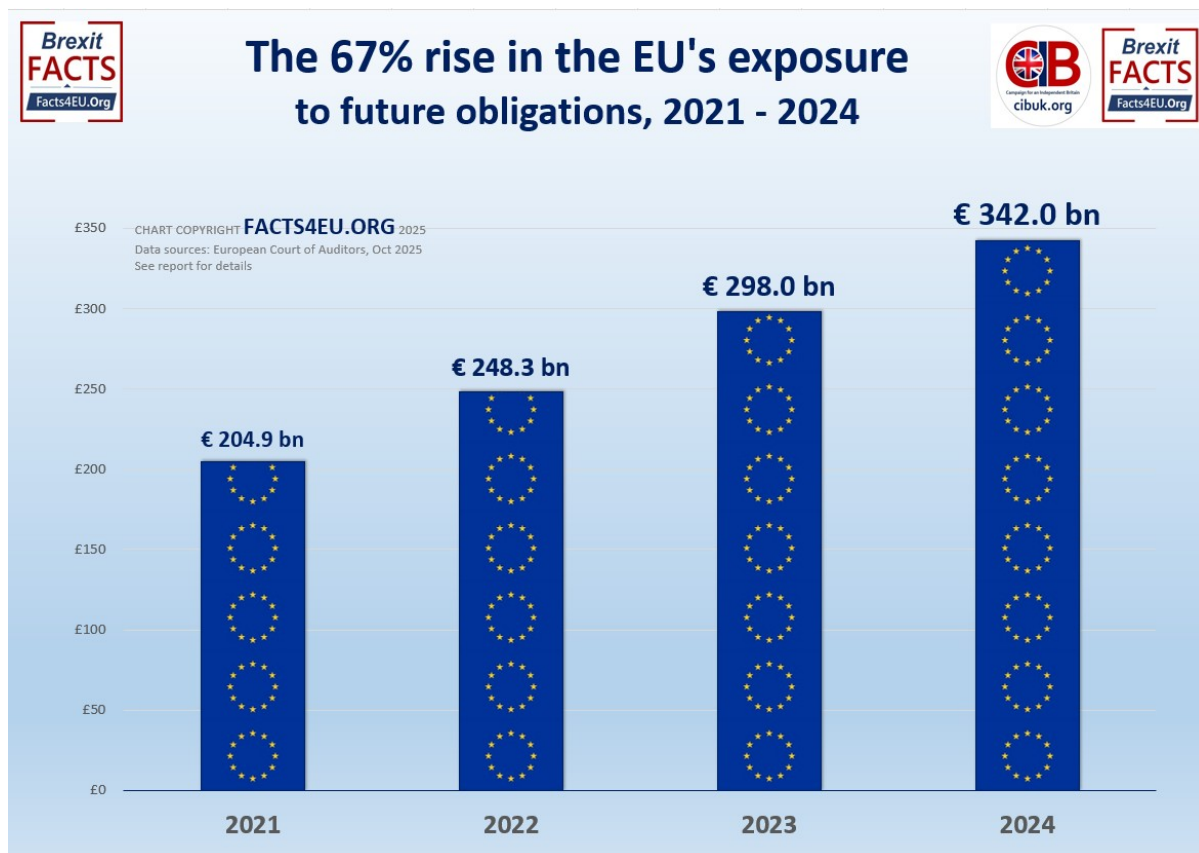
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## 3. EU budget exposure to future obligations



- 2021 : € 204.9bn
- 2022 : € 248.3bn
- 2023 : € 298.0bn
- 2024 : € 342.0bn

**This represents a troubling 66.9% increase in the EU's budget exposure to future obligations.**



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**Finally, what does the EU's own Court of Auditors (ECA) have to say about all of this?**

In short, the ECA are not happy. They audited the EU's official budget as well as auditing the EU's relatively new RRF (the post-Covid recovery fund) and here is their verdict.



- EU budget : *"Adverse opinion"*
- RRF budget : *"Qualified opinion"*
- *"COVID recovery mechanism is affected by system weaknesses and irregular payments"*
- *"Growing debt places an increasing burden on EU finances"*
- *"The estimated level of error was material and pervasive"*

**What does all this mean? Are the EU's finances as sound as the EU Commission claims?**

The Commission's overall view is that it has been given **"a clean bill of health"**, as it puts it. As we pointed out in our report on Tuesday, eagle-eyed readers will note this referred to the EU's revenues – 'money in'. This is broadly true, but the fact the EU is diligent in extracting money from member countries should come as no surprise to anyone.

What most people are interested in is **what the EU Commission does with the hundreds of billions when it has them.**

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## **Observations**

### **On the relevance to Rachel Reeves and her budget**

The Chancellor was one of those who not only campaigned for Remain, she was also amongst that shamefully-large group of MPs who refused to accept the result of the EU referendum, following the greatest democratic vote in British history. On her own crowdfunding web page – which was still live this time last year – she wrote *"I have voted and campaigned for a People's Vote on Brexit, and for the UK to remain in the EU."*

Given this, it only seems fair to present to Ms Reeves just how much worse the country's finances would have looked if she had been successful in her desire to remain in the EU. No doubt she would contest our figures but we have all the evidence from the EU's Court of Auditors which we would happily provide to her. Contrast this with her claim that she inherited "a £22bn black hole" in the UK's accounts. Despite repeated demands from MPs and others, neither she nor HM Treasury have been able to provide any evidence of this whatsoever.

## **What Rejoiners need to answer**

There are of course wider implications of our report above, for all those who continue to campaign to rejoin the EU. They should face up to the fact that 'their' EU's costs have been going through the roof. At the same time, the ECA's reports clearly show that the EU Commission has proved unable to manage the expenditure of all this money in any kind of controlled manner.

Rejoiners should also take into account that the UK's contributions would be significantly higher than they were in previous years due partly to the fact that the UK's economy has been outperforming those of the major countries of the EU. Net contributions are a function of the economic size of a member country and the UK's percentage of the overall EU budgets would now be higher than the previous average of 12.5%. Rejoiners also need to explain why the British people should take on the liability for the EU's spiralling debts and liabilities.

## **The poor opinions from the auditors**

Most company directors would be deeply unhappy with reports like this, if received from their own auditors. "Adverse" is particularly bad when it's for the sixth year running.

When it comes to the RRF, it is living on enormous amounts of borrowed money in order to keep it away from having to be declared in the EU's standard annual budget. Previously the EU was never allowed to borrow money but as with so many aspects of the EU it seems that rules are there to be broken. And to receive a "qualified opinion" on a fund that has only been in existence for three years and which relies on investor confidence around the world to buy bonds in it is hardly a ringing endorsement.

For the avoidance of doubt, the auditors did NOT give the EU's accounts "*a clean bill of health*" as the Commission claims. Quite the contrary.

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