Real expertise. Real results.

FRP Advisory Group plc
Annual Report and Financial Statements 2021
For the year ended 30 April 2021

frpadvisory.com

FRP

Real expertise.
Real results.

At FRP we provide solutions to create, preserve and recover value.

Specialising in restructuring, corporate finance, debt, forensics and pensions, we deliver strategic solutions across a broad range of situations.

Our five pillar services complement each other. We draw on experts within each of our service areas to put the best people in place for each circumstance.

Strategic Report

Governance

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Our highlights

For the year ended 30 April 2021 (FY 2021).

Financial highlights

£79.0m

Revenue +25%
(2020: £63.2m)

£23.0m

Adjusted underlying EBITDA* +22%
(2020: £18.8m)

£16.6m

Report profit before tax
(2020: £2.9m c.2 months)**

7.11p

Adjusted EPS
(2020: 1p c.2 months)***

5.69p

Basic EPS
(2020: 0.87p c.2 months)

4.1p

Total dividend
(2020: 0.66p c.2 months)

£16.4m

Net cash position
(2020: £21.3m)

- £79.0 million revenue (2020: £63.2 million) an increase of 25%: 15% organic, 10% inorganic.
- Underlying adjusted EBITDA* rose by 22% to £23.0 million (2020: £18.8 million).
- Net cash of £16.4 million. Cash of £24.4 million less recent structured debt of £8 million (2020: £21.3 million cash and no debt) after
  - paying down 70% or £15.4 million of IPO liabilities relating to Cessation profits owed to Partners and related tax liabilities.
  - acquiring four businesses.
  - the Group also has an undrawn revolving credit facility ("RCF") of £10 million.
- £1.1 million average revenue per Partner as at year end (2020: £1.2 million) – reflecting an increase in Partners, with several joining close to year end.
- £16.6 million reported profit before tax for the year (2020: £2.9million** for c.2 month period post IPO).
- Total dividend of 4.1p (2020: 0.66p for c.2 month period as a plc), made up of two Interim dividends of 1.6p and 0.8p, and a final dividend of 1.7p per eligible Ordinary Share for the quarter ended 30 April 2021 recommended by the Board.

Operational highlights

- Delivering on our strategy to achieve both organic and inorganic growth
  - Four acquisitions completed during the period.
  - During the financial year Restructuring Advisory were able to help and advise on two large projects, Debenhams and Edinburgh Woollen Mill Group.
  - The FRP Corporate Finance team had a very busy year in a challenging, but ultimately active, UK M&A market. Notable transactions include advising The Goat Agency on its minority investment from Inflexion, Encore Group on its MBO backed by Queen's Park Equity, Vehicle Replacement Group on its sale to Davies, Everest Dairies on its sale to Vibrant Foods and Prezzo on its sale to Cain International.
- 30% increase in FRP team size, supporting ongoing growth
  - The FRP team grew by 106 colleagues year on year to 457 colleagues excluding consultants (30 April 2020: 351).

- Growth was driven by four acquisitions and demand-led lateral hiring. At 30 April 2021 we had 73 Partners (2020: 51), 288 other fee earners (2020: 230) and 96 support staff (2020: 70).
- At year end FRP's UK footprint had expanded to cover 22 locations (2020: 19).

> Significantly bolstered the Corporate Finance service pillar

- Gives FRP a key position in the mid-cap transactional market. FRP is now better positioned to support clients post Covid-19, in addressing both their strategic ambitions and being available to help as challenges arise.
- Nationally FRP's Corporate Finance and Debt Advisory teams now comprise 50 fee earners (including 19 Partners) across 9 locations.

> Seamless delivery of client service during the Covid-19 pandemic and no Government support taken

- The Group did not apply for any Covid-19 support, for example Government backed lending schemes or delayed tax settlements. None of our people were placed on furlough.
- During the Covid-19 pandemic period FRP have dedicated significant effort and resources to help businesses navigate the crisis. In addition to our appointments, we have offered pro bono advice and shared extensive business support resources through our website.

> Continued market share gains

- Market share grew in Administration appointments to 13% (2020: 11%) but this is a 14% decline in the number of FRP Administration appointments to 163 (2020:189). The total Administration market declined by 31% due to the Government support available.

> Board strengthened

- Recruitment of a Chief Financial Officer in June 2020 and independent Non-Executive Director in August 2020.

*Our underlying adjusted EBITDA compares the current model of Partner compensation on a like-for-like basis to the prior corresponding period, as the business was previously a full distribution Partnership. It also excludes exceptional costs and a share-based payment expense that arises from a) the Employee Incentive Plan ("EIP") funded on IPO and b) deemed remuneration amortisation linked to acquisitions. *See table on page 24.*

** Pre 6 March 2020 the business was a full distribution Partnership.

*** Earnings adjusted by adding back share based payments (non cash) and deferred tax.

Post balance sheet events

> Two new international alliances have been formed, Eight International and Alliance of International Corporate Advisors, which enable FRP to access new networks of highly experienced International advisers. FRP is also able to support on the UK component of International transactions.

- Eight International is a global advisory organisation that was set up to meet a growing demand for dedicated financial and operational support from businesses with an international footprint. Eight International's member organisations include Eight Advisory, JP Weber, Sincerius, New Deal Advisors, and FCG Partners. With the addition of FRP, its global headcount reaches more than 3,000 consultants and doubles the number of founding members' Partners to 160. *www.8-international.com*
- Spectrum Corporate Finance Limited were a member of the Alliance of International Corporate Advisors ("AICA"). Following the acquisition FRP Corporate Finance has joined AICA. Members are carefully selected on the basis of reputation, relationships, proven track record and knowledge of local markets. They have representation in Europe, Asia, North & Latin America and the Middle East and focus on cross border Mergers and Acquisitions ("M&A") and capital raises. *www.aicanetwork.com*

> Following the JDC Group and Spectrum Corporate Finance Limited acquisitions, we intend to rebrand our combined Corporate Finance offering to FRP Corporate Finance.

> The Board recommends a final dividend of 1.7p per eligible ordinary share for the financial year ended 30 April 2021. Subject to approval by shareholders, the final dividend will be paid on 29 October 2021 to shareholders on the Company's register at close of business on 1 October 2021. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2021 will be 4.1p per eligible ordinary share.

Basis of preparation
With regard to the prior year, the Company was admitted to trading on the AIM market of the London Stock Exchange on 6 March 2020 (the "IPO") and the Company was incorporated on 14 November 2019 specifically for the purposes of the IPO. For the year ended 30 April 2020, the consolidated figures represent the results of the underlying business for the whole financial period before and after acquisition by the Company at the time of the IPO. The Group financial statements have been compiled on this basis to provide useful comparative information to shareholders. Partner compensation has been treated as an expense in both the year and comparative.

FRP Advisory

At FRP, our approach is honest, clear and considered. It's how we get tangible results for our clients. We always give advice that helps clients make important decisions quickly.

We're all about being transparent.

Recognising a need for transparency in difficult situations is how FRP came about and it is integral to the solutions we provide.

Every client always receives clear, honest and strategic advice.

Each of our partners works directly with clients to make important decisions quickly.

They understand the intricacies of each situation and have the insights and expertise to find the right solution.

Above all, we focus on doing the right thing. We work with clients throughout their business lifecycle, and they rely on us to be both understanding and strategic in our next steps.

288

Fee earners nationwide

Each with a wealth of experience navigating complex situations.

As at 30 April 2021.

457

Team members (excluding consultants)

Each with a wealth of experience navigating complex situations.

As at 30 April 2021.

22

UK locations

National coverage, International experience and local knowledge.

As at 30 April 2021.

Corporate Finance

Our advice creates value. Whatever opportunities and challenges lay ahead, our independence and objectivity build solutions and get results.

Debt Advisory

No matter how complex the situation, our experience and expertise delivers straight answers and clear strategies.

Pensions Advisory

We take a straightforward approach to providing solutions that preserve and improve the strength of support for a company's pension scheme.

Forensic Services

You can't plan for every event, but we can help you react to the unexpected.

Restructuring Advisory

When businesses face challenges, we unravel the complexities, solve problems and aim to protect value.

Chairman's Statement

"

I am pleased to present FRP Advisory Group plc and its subsidiaries' (FRP) second annual report, from our first full year of trading as a plc.

Nigel Guy
Non-Executive Chairman

Overview

Since last year's Annual Report, many of the challenges created by the Covid-19 pandemic have remained.

As businesses have grappled with the operational and financial uncertainty this has created, I have been hugely impressed by the flexibility and dedication shown by our FRP colleagues who have adapted swiftly to new ways of working and continued to provide seamless client service in the most challenging of circumstances.

On behalf of the Board, I would like to thank the entire FRP team for their outstanding response to the crisis. In a people based, service business, this adaptability and professionalism is key to a successful and positive operating environment. In addition, the Group did not apply for any Government support. Recognising the challenges facing our clients throughout the last year or more, we have dedicated significant effort and resources to help businesses navigate the unfolding events relating to Covid-19, including pro bono advice and sharing extensive business support resources through the Corporate Resilience resources on our website.

Continued profitable growth

We are pleased with the levels of growth during the year, FRP generated revenues of £79.0 million, up by 25% from the previous year (30 April 2020: £63.2 million). The growth was mainly organic (15%), underpinned by the support offered on some larger projects, with 10% coming from the four acquisitions completed during the year. Within the Restructuring market, the Government's unprecedented levels of support for business during the Covid-19 crisis has resulted in far fewer insolvencies during the year.

In the market, the total formal company insolvency appointments were 26% down, year-on-year (source London and Regional Gazettes).

Underlying adjusted EBITDA of £23.0 million grew by 22% from the previous year (30 April 2020: £18.8 million). During the year we were pleased to welcome 106 new colleagues and the overall headcount grew 30% in the year, to 457 (30 April 2020: 351).

We also increased our number of operating locations by net three, with a new regional presence in Sidcup, Norwich, Milton Keynes and Reading. In addition, the Partner cohort expanded by 22 to 73.

We believe that we are becoming an increasingly attractive destination for qualified and skilled staff, with our regional office network and strong culture offering considerable appeal in the marketplace.

Retaining and developing our team in a world where the competition for talent will become more intense is a key priority and greater investment in this area will be made in the coming years.

Strong balance sheet

The balance sheet remains strong, despite completing four acquisitions and paying down 70% or £15.4 million of IPO liabilities relating to Cessation profits owed to Partners and related tax liabilities.

Net cash of £16.4 million (30 April 2020: £21.3 million), an undrawn £10 million revolving credit facility ("RCF") and the ability to issue equity, gives the Group sufficient options to act as acquisition opportunities arise, subject to our selective criteria of cultural and strategic fit and transaction economics. The Spectrum acquisition was financed by an £8 million five-year loan, repayable over 20 quarters.

I am pleased that with the bolstered corporate finance capabilities the Group is now even more resilient and better able to service clients throughout their entire lifecycle. FRP now has a key position in the UK mid-cap transactional marketplace, able to help clients both realise strategic ambitions, or help as challenges arise.

+25%

Revenue growth.
15% organic and
10% inorganic.

+30%

Team growth.

Strategy

Our strategy is to seek steady and sustainable growth through organic and acquisitive strategies and evidence of the continuation of this exists in abundance in our activities during the year. We also remain alert to opportunities created by ongoing restructuring within the business advisory sector.

FRP has formed two new strategic international alliances, one with Eight International and another with the International Association of Corporate Advisors (IACA). This will enable FRP to access new networks of highly experienced International advisers. FRP is also able to support on the UK component of International transactions. Further details are set out in the Strategic Report on pages 24 to 29.

Dividend

The dividend policy of the Group is to pay dividends quarterly, from 2021. The expected dividend pay-out ratio is c.70% of the Group's reported profit, after tax, to eligible shareholders. The FRP Staff Employee Benefit Trust which was seeded by Partners on IPO and holds shares that back employee options, has waived its right to dividends and the corresponding amount was retained by the Group.

Once the employee shares vest, on or after 6 March 2023, these shares will then attract dividend rights. The Board recommends a final dividend of 1.7p per eligible ordinary share for the financial year ended 30 April 2021. Subject to approval by shareholders, the final dividend will be paid on 29 October 2021 to shareholders on the Company's register at close of business on 1 October 2021. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2021 will be 4.1p per eligible ordinary share (2020: 0.66p for the c. 2 months post IPO).

Robust corporate governance and strengthened management team

The Board firmly believes that a robust governance structure and input from multiple viewpoints are necessary to arrive at the optimum decisions for the business and its wider stakeholders. During the year there were two Board changes; Gavin Jones joined as FRP's first Chief Financial Officer on 29 June 2020 and Claire Balmforth joined as an independent Non-Executive Director on 3 August 2020. I am delighted with the strong contribution that both Gavin and Claire have made to the Board.

Since the Company's IPO on 6 March 2020, FRP has adopted the Quoted Companies Alliance ("QCA") Corporate Governance Code and you can find more information on our governance arrangements in the Corporate Governance Statement on pages 47 to 50. Further information on our Corporate Governance structure is also available on our website at *www.frpadvisory.com/investors corporate-governance*

Our people

The health, safety and wellbeing of all of our colleagues remains our key priority. Since the onset of the Covid-19 pandemic we have operated without interruption and this continued during the periods of lockdown across the UK during the last financial year. Colleagues have adapted well to remote working and previous investments in our IT infrastructure have proven to be invaluable.

We recognise the importance of our people to our ongoing success, and the Board was delighted to be able to implement an Employee Incentive Plan (via the Employee Benefit Trust) as part of the IPO. The Plan enables all our people to share in the success of the business, alongside the Partners. All Partners or permanent colleagues who were part of the Group on 30 April 2021 have a current or future share in the ownership of the Group, via options or shares.

On behalf of the Board, I would again like to thank the whole of our team and our wider support network for their outstanding work across the financial year and beyond.

Annual General Meeting

The Company's Annual General Meeting will be held on 29 September 2021. The Notice of Annual General Meeting will be posted in due course to those shareholders who opted to receive hard copy communications and a copy will also be made available on our website at *www.frpadvisory.com/investors financials-documents*

Looking ahead

With a strong balance sheet, enlarged team and strengthened corporate finance capabilities, the Board is looking to the future with cautious optimism. While the nation continues to recover from the social and economic impacts of Covid-19, the FRP team will continue to deploy its highly professional skillset to seek opportunities which support business and our clients and also add value to FRP's stakeholders.

Nigel Guy
Non-Executive Chairman
26 July 2021

£16.4m

Net cash.
After funding four acquisitions and paying down 70% of IPO liabilities to Partners and related tax.

4.1p

Dividends.
Total FY 2021 Dividends

Chief Executive Officer's Report

Despite the challenges and uncertainties caused by the Covid-19 pandemic and subdued market conditions, I am pleased to report another year of significant profitable growth and strategic progress.

Geoff Rowley
Chief Executive Officer

Resilient and diversified business

With roots in restructuring, FRP has now evolved into a leading business advisory firm with specialists supporting businesses throughout the corporate lifecycle across our five service pillars.

The five service pillars are: Corporate Finance, Debt Advisory, Forensic Services, Pensions Advisory and Restructuring Advisory. We specialise in finding strategic solutions across a range of situations for clients of all sizes, from multinational organisations to small enterprises.

We believe our agile, collaborative and entrepreneurial-spirited approach sets us apart from our peers. We also continue to serve the full range of clients including personal clients, SME's, our core mid-market as well as high-profile complex, appointments.

Value enhancing acquisitions, in line with our strategy

Our focus is organic growth, supplemented with selective acquisitions that meet our strict criteria of: a cultural fit, a strategic fit within our five service pillars in a growth region with acceptable transaction economics.

We completed four acquisitions in the year:

- In June 2020 we acquired a restructuring team in Newcastle, comprising two Partners and 13 colleagues. These colleagues have integrated well with our existing Newcastle team and this gives us a strong presence in the North East region.
- In September 2020 we acquired the JDC Group, based in East Anglia comprising four Partners and 12 colleagues, who specialise in Corporate Finance and Forensics. This gave us an immediate presence in the Eastern region with a great team that shared our values.
- In September 2020 we acquired a restructuring team in Kent, comprising one Partner and 10 colleagues. We added an appointment taking Director to this team and they are well positioned to help clients in the region, including those impacted by Brexit.
- In February 2021 we acquired Spectrum Corporate Finance Limited, based in Reading and the South. This brought a team of seven Partners and 20 colleagues. The Spectrum team have earned themselves a great reputation, particularly within the UK private equity community and we are excited about the contribution they will make to FRP. This bolstered our Corporate Finance and Debt Advisory offering, following the JDC Group acquisition, as well as strengthening our UK footprint.

Nationally FRP's Corporate Finance and Debt Advisory teams will now comprise 50 fee earners (including 19 Partners) across 9 locations. This highly complementary combination will give us a key position in the UK mid-cap transactional advisory market; it will enable FRP to continue supporting clients post Covid-19, in addressing both their strategic ambitions and offering support as challenges arise.

Continued growth in UK footprint and team

We have also grown through demand-led hiring, have established a new office in Milton Keynes and hired a new team in Glasgow. At 30 April 2021, FRP had 22 offices and 457 colleagues, excluding consultants. The team grew 30% or by 106 colleagues year-on-year (30 April 2020: 351).

+22%

Growth in adjusted underlying EBITDA.

13%

Market share of administration appointments in FY 2021.

The new team members have increased FRP's referral network and bring new skillsets within our five service pillars, so that we can offer a broader range of specialist advice.

Following two acquisitions, the significantly bolstered corporate finance team has trebled, giving us a key position in the UK mid-cap transactional market. FRP is now better able to help in a broader range of transactions, from lead Mergers and Acquisitions ('M&A') advisory, through to assisting clients in more challenging situations.

Strong trading results

FRP's revenue grew 25% year on-year to £79.0 million (FY 2020: £63.2 million). Of this, 15% was organic growth helped by large high-profile appointments early in the financial year, including Debenhams and Edinburgh Woollen Mill Group. Inorganic growth was 10%, with strong contributions from our new teams in Newcastle, East Anglia and Kent. Adjusted underlying EBITDA grew 22% year-on-year to £23.0 million (FY 2020: £18.8 million). We maintain a focus on cost control, whilst modestly investing to build a sustainable business.

Market backdrop

FRP grew despite a subdued market backdrop, due to the unprecedented levels of Government support in response to the Covid-19 pandemic. Our restructuring market share grew, both in administration appointments and total formal company appointments. In the 12 months to 30 April 2021, total formal company insolvency appointments in the market were 26% down year-on-year. (source London and Regional Gazettes). Demonstrating the resilience of our business, and high quality service delivered to clients, FRP appointments only decreased 2%, and our market share increased from 4% to 5%. Within this, total market administrations appointments were down 31% and this was also reflected in administrations only appointments, which were down 14% (source London and Regional Gazettes) but again, FRP's administrations only appointments were resilient, outperforming the market by 17%, with 2% market share growth from 11% to 13%.

The M&A market was also impacted by Covid-19 related investment decision delays. In the 12 months to 30 April 2021, the UK M&A market has proven to be very resilient, recovering strongly from an inevitable slowdown in activity after the national lockdown at the end of March 2020. Our Corporate Finance team, including new colleagues in East Anglia that joined in September 2020, had a very busy year. The wider FRP Corporate Finance team had a very busy year in a challenging, but ultimately active, UK M&A market. Notable transactions include advising The Goat Agency on its minority investment from Inflexion, Encore Group on its MBO backed by Queen's Park Equity, Vehicle Replacement Group on its sale to Davies, Everest Dairies on its sale to Vibrant Foods and Prezzo on its sale to Cain International. Spectrum Corporate Finance Limited was acquired on 26 February 2021 and we look forward to them making a full annual contribution to the Group's results in FY 2022.

We continue to focus on the basics, giving clear and honest advice to achieve the best possible outcome for stakeholders. Across all offices there is a constant focus on accurate monthly WIP valuation and managing cash collections. I am pleased to report that after completing four acquisitions and after paying down 70% of Partner cessation profits and tax payments on account, we closed the year with net cash of £16.4 million (2020: £21.3 million). This strong balance sheet gives us the flexibility to move quickly should further value enhancing acquisition opportunities arise.

Responding to Covid-19

To support our clients, and the business community generally through this crisis, we quickly developed a Corporate Resilience hub on our website to provide practical, operational, and financial advice to businesses and their management teams. As well as a crisis toolkit and Covid-19 resources, we shared a range of insights and templates to help businesses navigate the unprecedented situation.

The follow up "Review. Adapt. Evolve." campaign offered a bespoke solution designed specifically to help business leaders take action and prepare for the future. FRP's team of specialist advisers were made available to support clients every step of the way, providing integrated and tailored guidance that empowered business leaders to prosper in the new economy.

Within FRP, we seamlessly transitioned to home-working arrangements and were pleased to be able to continue our business activities without interruption, during the periods of lockdown in the UK. None of our colleagues were placed on furlough and we have not taken advantage of any of the Government backed lending schemes. Thanks to the collective efforts of our colleagues, our operations have not been impacted by the pandemic.

Empowering our outstanding people

As a professional services business, we understand that our people are central to our success and our most valuable asset. As well as offering competitive financial rewards, we offer opportunities for our team members to grow within the business and reach their full potential.

Development programmes include internal coaching, leadership courses and extensive professional training support. Our people are key to our success and we view this as an important investment in the future of our business. We work hard to attract and retain highly skilled professionals by creating a rewarding, high-performance environment. We believe highly engaged colleagues deliver excellent client service and results, and, in turn, strengthen our reputation in the market.

I am immensely grateful for all the hard work and commitment of all colleagues, for their dedication during a year filled with challenges and uncertainties. The FRP team continued to seamlessly deliver the high-quality service clients expect from us and they quickly adapted to new ways of working when required. I would also like to welcome all new colleagues to FRP, many of whom I look forward to meeting in person as Covid-19 restrictions lift.

Outlook

FRP is a resilient business, with a track record of growth regardless of the economic conditions. We have a strong balance sheet and a structure that provides a good level of flexibility in our internal capacity, allowing us to be well positioned for an increase in demand for our services. Trading since 1 May 2021 is in line with the Board's expectations.

Uncertainties about the shape and scale of the UK's economic recovery remain as Government support continues to extend. However, our strengthened corporate finance offering gives the FRP Group a stronger position in the UK mid-cap transactional advisory market. Our specialist advisers are available to help clients post Covid-19 through their entire business cycle; in addressing both their strategic ambitions, as pent up capital is deployed and offering support as challenges arise.

Our trading performance over the last 12 months and post period end reinforces our confidence in the ability of FRP to deliver value throughout the economic cycle. Through an unprecedented period, we have outperformed the market and grown market share whilst simultaneously strengthening our offering and growing our team organically and through M&A. In short, we believe that FRP is in the best possible position moving forward to help continue to support our clients and wider stakeholders.

Geoff Rowley
Chief Executive Officer
26 July 2021

FRP secures fast-response private equity deal for The Goat Agency

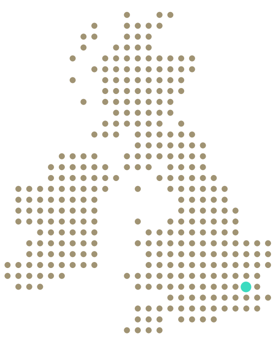
Social media marketing experts, The Goat Agency, have grown rapidly since launching in 2015, with revenues increasing at over 60% year-on-year. The agency works with blue-chip corporate clients such as Dell, King and Tesco, and employs 112 staff based in the UK, US and Asia.

The founders challenged FRP to find the right private equity investor to buy a minority stake in the company within a tight deadline, and back the founders' vision for future business growth. Our Corporate Finance team identified an investor – who understood the business and the growth dynamics in social media and influencer marketing – as the preferred partner, and structured, project-managed and successfully completed the deal within just five weeks of meeting the company.

5

5 weeks

The number of weeks within which our Corporate Finance team were able to identify the right investor, structure and complete the deal for a minority sale of The Goat Agency.



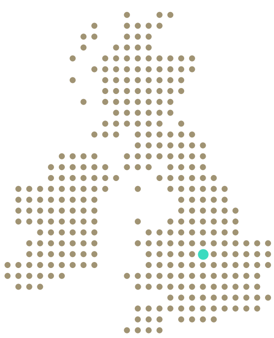
FRP team secures VRG's strategic sale to Davies

The Vehicle Replacement Group (VRG) provides vehicle solutions to the UK insurance market, with a strong industry reputation through its unique service to a blue-chip client base.

VRG's shareholders instructed FRP's Corporate Finance team to secure a buyer for the £16 million turnover company, to enable them to achieve an ambitious business plan. Our team managed a competitive process, approaching a number of strategically selected private equity funds and trade buyers before negotiating a successful deal with Davies, a leading specialist professional services and technology business that serves the insurance and other highly regulated markets. VRG provides Davies' with a strategic acquisition, complementing their established motor claims operations in the UK.

> Our team managed a competitive process and approached a number of strategically selected parties consisting of private equity funds and trade options.

Dave Howes
Corporate Finance



Debt Advisory

FRP secures new funding deal for TOFS retail chain

The Original Factory Shop (TOFS) is a UK-wide department retail chain selling high street brands at discounted prices across over 200 national stores.

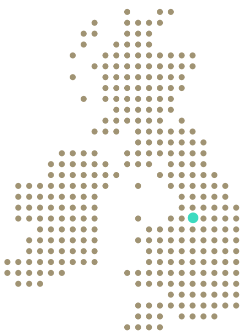
To support continued growth the company was seeking flexible funding and approached FRP to identify and secure new debt facilities for the business. During unprecedented market conditions our Debt Advisory team ran a highly competitive process to deliver a finance solution, managing the debt-raising process to optimise lender terms, and selecting a lender to complete the transaction.

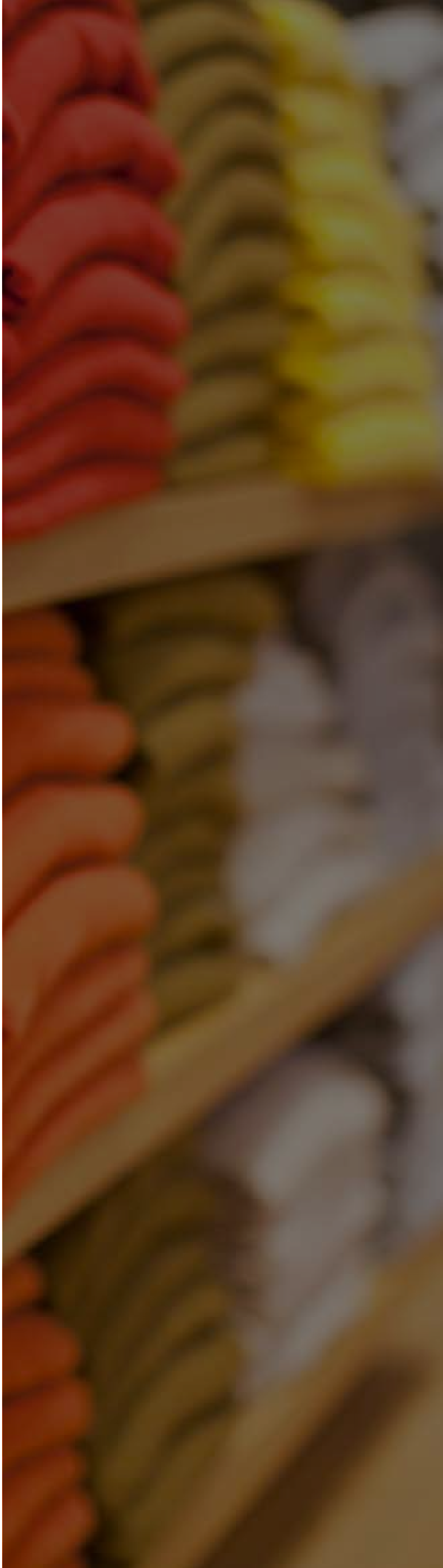
A £12 million facility was completed which will meet the ongoing working capital needs of the business, and supports TOFS future growth aspirations of opening 50 new stores over the coming years.

12

£12 million

The funding facility secured for The Original Factory Shop.





Debt Advisory

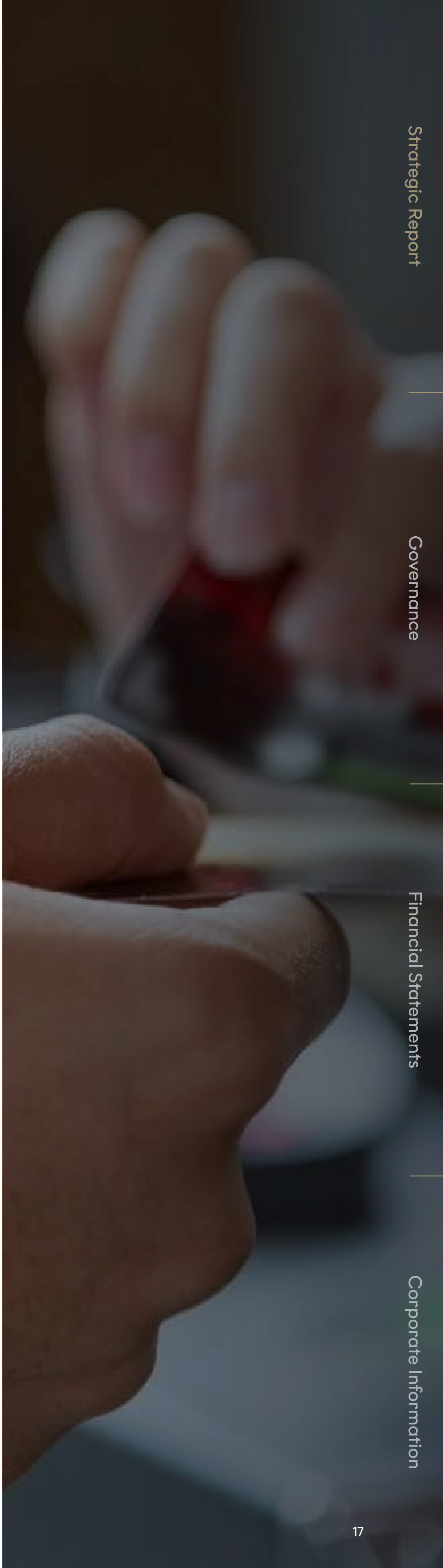
FRP negotiates financing deal to enable charity to weather Covid storm

A major international charity with iconic UK visitor attractions faced significant liquidity challenges prompted by the Covid-19 pandemic. The charity engaged FRP to help negotiate a finance package that would enable it to meet its funding needs, support essential expenditure, and weather the reduction in visitor numbers linked to the pandemic.

Our Debt Advisory team negotiated with the chosen finance provider – the charities and public sector department of a major UK bank – to secure highly cost-competitive terms, and also prepared a Charities Act Section 124 report on behalf of the Trustees to support the financing. The negotiated solution delivered a one-stop revolving financing structure providing the necessary mid-term liquidity, enabling the charity to continue its activities without significant operational restrictions.

> The negotiated solution delivered a one-stop revolving financing structure and more importantly a runway to recovery.

Tom Cox
Debt Advisory



Pensions Advisory

FRP supports pension fund trustees to negotiate £9 million settlement in business sale

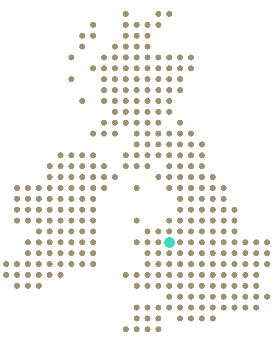
The Studio Retail Group Plc (SRG) were looking to sell Findel Education, one of its two principal trading divisions. The Trustees of the Findel Group Pension Fund are a key stakeholder in SRG, and hold joint security (with its debt funders) over the Plc.

The Trustees were already clients of FRP, and asked for support in understanding the impact of the sale on the Fund, and in negotiating an appropriate settlement. Our Pensions Advisory team had a detailed understanding of SRG and the Fund, and could assess the impact of the transaction on the Fund going forwards. Following the team's advice and support in negotiations with SRG, the Trustees received a £9 million settlement.

9

£9 million

The total settlement achieved for the Pension Fund Trustees following FRP's advice and support.

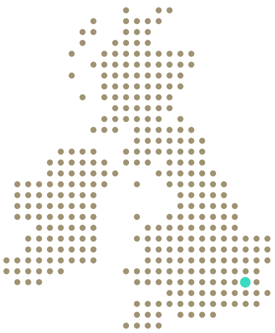


FRP's forensic collection and eDiscovery services assists law firm

FRP's Forensic Technology team has extensive experience in providing forensic collection and eDiscovery services, often to tight deadlines. The team were engaged by a law firm to collect and preserve data from multiple digital devices and cloud-based email accounts relating to a case that was subject to the Disclosure Pilot Scheme (DPS), and was one of the first DPS matters the client's legal team had worked on. FRP processed the data and hosted it for review within Relativity, an industry-leading eDiscovery review platform, meeting all of the court obligations and deadlines. FRP also facilitated the client's review of data received from the other side, assisting our client when the case was heard in court.

> Our Forensic Technology team met the firm deadlines for delivering the data, and facilitated the client's review of data received from the other side.

Christopher Osborne
Forensic Services



Restructuring Advisory

Administration sale saves over 400 jobs at Everest

Everest Limited, one of the UK's leading window, door and conservatory companies, had been facing challenging trading conditions and therefore embarked on a restructuring process, leading to revenues increasing to £100 million and forecast profits. However, the Covid-19 pandemic saw trading cease immediately. FRP undertook an accelerated M&A process while protecting the company's order book; a sale was essential to ensure that customer deposits used in the cashflow of the business were protected. With FRP Partners appointed as Joint Administrators, and following a complex series of negotiations, the team completed the sale of Everest to a secured creditor and investment company, in a pre-pack transaction which included existing customer contracts and the transfer of over 413 jobs.

413

413 jobs

The number of jobs saved by the sale of Everest out of administration.

Partial sale of manufacturer Tods Aerospace safeguards aviation jobs

Component manufacturer Tods Aerospace Limited had experienced significant losses from unprofitable contracts and problematic new projects, and although the parent company had funded those losses while talks with customers and clients were underway, with little progress the company was placed into administration. FRP negotiated with key customers to secure continued trading while marketing the business as a going concern. Initial interest was strong; however, the Covid-19 pandemic devastated the aviation sector as fleets were grounded worldwide. Despite those considerable challenges, FRP successfully completed the sale the company's defence division to Cobham Mission Systems, securing the future of half of the workforce and generating significantly higher realisations than the alternative break-up value of the assets.

126

126 jobs secured

The total number of jobs preserved in the aviation supply chain by the AVPE deals.

FRP deal secures future for Muffin Break brand

Foodco UK LLP was the UK franchise holder of international café and bakery brand Muffin Break, with 60 high street and shopping precinct sites across the country. Despite substantial growth since its launch in 2001, the company was fundamentally impacted by Covid-19 and FRP were appointed to sell the business or its assets as a going concern. Our team completed the sale within five weeks to Foodco UK Franchising Limited through a pre-pack process following our appointment as Joint Administrators. The deal saw the transfer of 59 of the 60 leasehold cafés, with the Muffin Break brand retaining its presence in the UK, and indirectly securing the jobs of almost 700 people employed across the franchise network.

700

700 jobs

The number of jobs indirectly secured by the successful sale of Muffin Break.

Restructuring Advisory

FRP-led M&A deal for high street fashion chain

Leading high street fashion retailers Monsoon and Accessorize had previously completed company voluntary arrangements (CVA) in 2019, but the heavy impact of Covid-19 lockdown measures set in March 2020 led to the companies closing all stores and furloughing associated staff.

The companies continued to incur substantial costs, and engaged FRP to prepare short-term cashflows, approach potential buyers, advise on a potential sale and prepare a contingency plan in the event that a sale of the business and/or assets as a going concern was not achieved. Following a special situations M&A process FRP were appointed Joint Administrators and concluded a sale of the business and assets which saw 156 stores taken on under an option arrangement, securing approximately 2,000 jobs.

2,000

2,000 jobs

The number of jobs saved by the accelerated mergers and acquisitions process (AMA) sale of Monsoon & Accessorize.

Strategic Report

For the year ended 30 April 2021

The Directors present their strategic report for the year ended 30 April 2021 ("FY 2021").

Principal activities

During the year under review, the principal activities of FRP Advisory Group plc (the "Company"), together with its wholly owned subsidiaries (the "Group") consisted of the provision of professional business and advisory services under the following five service pillars:

- **Corporate Finance:** mergers & acquisitions ("M&A"), strategic advisory and valuations, financial due diligence, capital raising, special situations M&A and partial exits.
- **Debt Advisory:** raising and refinancing debt, debt amendments and extensions, restructuring debt, asset based lending and corporate and leveraged debt advisory.
- **Forensic Services:** forensic investigations, compliance and risk advisory, dispute services and forensic technology.
- **Pensions Advisory:** pension scheme transaction advisory, pension scheme restructuring advisory, covenant advisory and corporate governance.
- **Restructuring Advisory:** corporate financial advisory, formal insolvency appointments, informal restructuring advisory, personal insolvency and general advice to all stakeholders.

The Group considers that it can optimally support clients through collaborating internally and drawing on expertise from specialist teams across different areas of the business. Accordingly, each of the Group's five service pillars and nationwide footprint of offices are available to work together in order to deliver the best possible client service.

The Group provides its professional services across multiple sectors and the full spectrum of all business sizes, however it principally services smaller and mid-market companies.

Financial review

Basis of preparation

With regard to the prior year, the Company was admitted to trading on the AIM market of the London Stock Exchange on 6 March 2020 (the "IPO") and the Company was incorporated on 14 November 2019 specifically for the purposes of the IPO. For the year ended 30 April 2020, the consolidated figures represent the results of the underlying business for the whole financial period before and after acquisition by the Company at the time of the IPO. The Group financial statements have been compiled on this basis to provide useful comparative information to shareholders. Partner compensation has been treated as an expense in both the year and comparative.

Revenue

FRP's revenue grew 25% year on-year to £79.0 million (FY 2020: £63.2 million). 15% was organic growth helped by large high-profile appointments early in the financial year, including Debenhams and Edinburgh Woollen Mill Group. 10% of the growth was inorganic, with strong contributions from new teams in Newcastle, East Anglia and Kent. Adjusted underlying EBITDA grew 22% year-on-year to £23.0 million (FY 2020: £18.8 million). We continue to maintain a focus on cost control while modestly investing to building a sustainable business.

Adjusted underlying Earnings Before Interest Tax Depreciation and Amortisation (EBITDA)

The Group grew profitably with underlying adjusted EBITDA rising by 22% to £23.0 million (2020: £18.8 million).

	2021 £m	2020 £m
Reported profit before tax (PBT)	16.6	2.9
Add back depreciation, amortisation and interest	1.8	1.5
Add exceptional items (IPO)	–	2.0
Add full distribution partner compensation	–	23.0
Deduct post IPO partner compensation	–	(10.9)
Add share based payment expense relating to the Employee Incentive Plan (EIP)	3.7	0.3
Add share based payment expense - Deemed renumeration	0.9	–
Underlying adjusted EBITDA	**23.0**	**18.8**

FRP team growth

We grew the team by 30% by both acquisition and demand-led lateral hiring and we opened four new offices, (Norwich, Sidcup, Reading and Milton Keynes) during the financial year and closed one in Glasgow. Recently we have hired a team and will open a new FRP Glasgow office.

The Group started the financial year with 351 colleagues, (excluding Consultants) operating out of 19 offices. By 30 April 2021, this number had increased to 457 colleagues (excluding Consultants), operating out of 22 offices, as set out in the table below:

Group's employee numbers at year-end:	FY 21	FY 20
Partners	73	51
Fee earners	288	230
Administration	96	70
Total	**457**	**351**
Number of offices	**22**	**19**

Balance sheet and cash flow

The Group's balance sheet remains strong with a net cash balance as at 30 April 2021 of £16.4 million (Cash of £24.4 million less recent structured debt of £8 million). The Group also has an undrawn revolving credit facility ("RCF") available of £10 million with Barclays Bank Plc.

This strong closing net cash position is after paying down 70% or £15.4 million of IPO liabilities relating to Cessation profits owed to Partners and related tax liabilities, plus using cash to partly fund the acquisition of four businesses. Conversion of profits into cash will significantly improve going forward, since the above significant proportion of IPO Cessation liabilities were satisfied in the financial year.

FRP acquired Spectrum Corporate Finance Limited on 26 February 2021 which required a temporary draw on the RCF. Post completion, on 25 March 2021, FRP entered into a structured acquisition finance term loan facility with Barclays Bank Plc. £8 million was drawn down from this facility, the temporary RCF draw was repaid and the term loan will be repaid over five years in 20 quarterly instalments.

The Group did not apply for any Covid-19 support, for example Government backed lending schemes or delayed tax settlements. During the Covid-19 pandemic period FRP have been dedicating significant effort and resources to help businesses navigate the crisis. In addition to our appointments, we have offered pro bono advice and shared extensive business support resources through our website.

Dividend

The dividend policy of the Group is to pay dividends quarterly, from 2021. The expected dividend pay-out ratio is 70% of the Group's reported profit after tax, to eligible shareholders.

The FRP Staff Employee Benefit Trust which was seeded by Partners on IPO and which holds shares that back employee options, has waived its right to dividends and the corresponding amount was retained by the Group. Once the employee shares vest, on or after 6 March 2023, these shares will then attract dividend rights. The Board recommends a final dividend of 1.7p per eligible ordinary share for the financial year ended 30 April 2021. Subject to approval by shareholders, the final dividend will be paid on 29 October 2021 to shareholders on the Company's register at close of business on 1 October 2021. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2021 will be 4.1p per eligible ordinary share(2020: 0.66p for the c. 2 months post IPO).

Business model and growth

The Group's objective is to deliver shareholder value in the medium to long-term while protecting the Group from unnecessary risk. The business model underpinning this objective is to generate revenues from selling professional services. Fees are charged on a basis suitable to the engagement.

How we create value

1

Growing our fee earning capacity through the recruitment of high-quality individuals, teams and businesses and integrating them into our model.

2

Developing our five service pillars – Corporate Finance, Debt Advisory, Forensic Services, Pensions Advisory and Restructuring Advisory, to create an integrated business able to take advantage of opportunities across the economic cycle and the lifecycle of individual businesses, as well as providing a broad range of expertise to deploy on any given engagement through service inter-pillar collaboration.

3

Investing in our team to enable them to provide the best possible service and fulfil their own ambitions.

4

Operational efficiency through the provision of shared central services, compliance, marketing, and strategy management to enable fee earners to focus on clients, business development and professional development.

Our charging structure

Restructuring Advisory:

For advisory assignments, fees are generally agreed either on a fixed fee basis or by reference to time spent as agreed with the client. For formal insolvency proceedings work, fees are charged on the basis of time costs, fixed fees or percentage of realisations and/or distributions or a combination of bases as approved by creditors. The Group's fees for acting in connection with formal insolvency proceedings are paid from the proceeds of the sale of the insolvent estate's assets and rank ahead of distributions to creditors.

Other service pillars:

Fee structures for the other service pillars are charged on a project appropriate basis. Fee structures include time charged (potentially with a cap), fixed fees and part committed/ part contingent success fees based on transaction value.

Our assets

Our primary asset is our team
Their experience, their expertise, and their relationships, all of which add value to our brand and reputation daily, as well as generating revenue.

Our multi-pillar practice model of complementary services which provides us with a broad knowledge base, the ability to draw on multiple sources of expertise on any given engagement and the ability to support businesses through their entire lifecycle.

Our investment in our employees is supported by robust finances - a strong cash balance and the availability of debt funding.

Our values

Straight forward

We are transparent, clear and honest with our advice.

Confident

We base our advice on reliable information and evidence, using our specialists across all five service pillars.

Pragmatic

We take a practical approach and focus on achieving tangible outcomes for clients.

Real

We are real people who understand our clients' situations. We listen to their needs and work with them to find the best solution.

These values form the basis of how we operate as a business and extend beyond our client work to guide how we treat our people, shareholders and other stakeholders.

Our method

- We adhere to our core values - to be straightforward, confident, pragmatic, and real.
- We value our people.
- Our culture is supportive, inspiring, empowering and collaborative.
- We recognise and reward individual excellence and team performance.
- Career progression and personal development initiatives are provided by the FRP Academy, which includes the First in Leadership Mastery programme ("FILM") and other learning providers.
- We maintain close relationships with our referral network and Panel Partners.
- We seek to help our clients through their full lifecycle, leveraging different specialist teams depending on the circumstance.

Growth strategy

The Group's primary growth strategy comprises a combination of seeking organic growth and making carefully selected lateral hires and acquisitions of small partner groups and related employees from specialist restructuring advisory, corporate finance and other related businesses.

The Board is seeking sustainable and well-managed growth as a significant multi-pillar nationwide independent professional services group, providing a long-term income opportunity for shareholders.

Due to the fundraising conducted at the time of the IPO and its debt facilities, the Company has significant cash resources available to support its growth strategy and invest in its business through acquisitions, recruitment, supporting organic growth, and infrastructure, marketing and central services enhancements.

Organic growth

Identified opportunities exist for the Group to grow organically, in particular:

- Attracting new and retaining existing talent who want to be part of an independent, prominent and growing advisory firm.
- Continuing to open offices in regions not currently covered by the Group's existing office network, thereby increasing the Group's geographic coverage in restructuring and advisory work
- Increasing the level of restructuring engagements from clients based outside of the UK.
- Continuing to serve the full range of clients including personal clients, SME's, our core mid-market and high-profile more complex, appointments.
- Integrate and develop the Corporate Finance pillar following the recent acquisitions
- Developing the Group's other service pillars: Debt Advisory, Forensic Services and Pensions Advisory.
- Ensure the five complimentary specialist pillars and office network works together to put the right team forward, on each assignment, in order to achieve the best possible outcome.

Acquisitive growth

Our four acquisitions contributed 10% revenue growth in the year to 30 April 2021. This supported our market share gains and strong organic growth of 15%, underpinned by two large project wins towards the start of the financial year (Debenhams, Edinburgh Woollen Mill Group).

The Group grew, despite a subdued underlying market as a result of the Government support that was made available following the Covid-19 pandemic.

Growth opportunity

Restructuring market growth

During the year, we have seen the restructuring team of KPMG separate and re-brand as Interpath, backed by HIG, a private equity group. We have also seen the restructuring team of Deloitte join Teneo, who are backed by CVC, another private equity group. We believe these firms, along with the US boutiques, will focus on winning the larger assignments. FRP serve the full range of clients, including personal clients, SME's, our core mid-market and high-profile, more complex, appointments. We believe our agile, collaborative and entrepreneurial approach sets us apart from our peers. We always aim to give clear and honest advice to help stakeholders achieve the best possible outcome.

In 2010, approximately one third of administration appointments were completed by the "Top Six", with this figure closer to 17% in 2020. Any such sustained trend could considerably increase the Group's market share and revenues. The Directors believe that conflicts within full-service firms and the ongoing separation of advisory services and the related market changes, may present the Group with opportunities to acquire teams or experienced Partners from these firms. The Board continues to monitor developments in this area.

The past year has seen an unprecedented low level of activity due to the many forms of Government support available to businesses. In the 12 months to 30 April 2021, total formal company insolvency appointments were 26% down year-on-year, FRP's appointments were down 2% but we grew market share from 4% to 5%. Within this, total market for administration appointments were down 31%, FRP's administration appointments were down 14% but again, we grew market share from 11% to 13% (source London and Regional Gazettes).

As the Government support is withdrawn, combined with the impact on many UK businesses leaving the European Union, we believe there will be an increased demand for us to help clients. Our medium to long term outlook is positive.

The Company considers that the economic environment and outlook means that the services of insolvency and restructuring specialists are likely to increase, when Government support is withdrawn.

Corporate Finance market growth

In the 12 months to 30 April 2021, the UK M&A market has proven to be very resilient, recovering strongly from an inevitable slowdown in activity after the national lockdown at the end of March 2020. Based on data from Experian, the number of M&A deals involving UK companies in the 12 months to 30

April 2021 was 5,598, which is only marginally down on the prior year (5,675). However, that only partly explains the market dynamics, as activity levels remained well below the prior year in the first 4 months of our financial year and then rebounded strongly, as both corporate and private equity groups sought acquisition opportunities.

Transaction numbers were further boosted by a desire to complete transactions in the early part of 2020, ahead of an anticipated increase in the rate of Capital Gains Tax in the March budget, which ultimately failed to materialise but helped drive activity levels in the final quarter to the highest seen all year.

There remains significant liquidity in the UK market to support M&A activity, driven by the availability and cost of debt, significant levels of private equity and corporate cash reserves, such that we expect M&A activity to remain strong and continue the positive momentum from the final calendar quarter of 2020 as the economy recovers from the impact of the pandemic. At the same time, as the level of Government support for business tapers off we also expect to see an increase in the level of distressed M&A activity. Both these factors give us confidence that demand for the services of our enlarged Corporate Finance team will remain robust.

The highly complementary combinations with JDC Group and Spectrum Corporate Finance Limited gives us a key position in the UK mid-cap transactional advisory market; it enables FRP to continue supporting clients post Covid-19, in addressing both their strategic ambitions and being available to help as challenges arise. The teams have both earned themselves a great reputation and we are excited about the contribution they will make to FRP in FY 2022.

Following the JDC Group and Spectrum Corporate Finance Limited acquisitions, we intend to rebrand our combined Corporate Finance offering to FRP Corporate Finance.

Key performance indicators (KPIs)

Financial	**Year Ended 30 April 2021 £million**	Year Ended 30 April 2020 £million
Revenue	79.0	63.2
Underlying adjusted EBITDA (see table on page 24)	23.0	18.8
Adjusted Profit Before Tax*	21.2	3.3**
Cash collection (inc VAT)	86.2	72.9
Revenue per Partner***	1.1	1.2

*Reported Profit Before Tax is £16.6M, plus £4.6M share based payments..
**For the c.2 month period and adjusted for a £0.4 million element of the one-off exceptional costs associated with the IPO.
***Based on Partner numbers as at the financial year end. Seven Partners joined with Spectrum at the end of February 2021.

Non-Financial	**Year Ended 30 April 2021**	Year Ended 30 April 2020
Number of administration appointments	**163**	189
Number of fee earners, including Partners	**361**	281
Staff utilisation rate	**65%**	65%

Principal risks and uncertainties

The operations of the Group and the implementation of the Group's strategy involve a number of risks and uncertainties. The Board is responsible for developing a comprehensive risk framework and a system of internal controls. Control and mitigation measures to reduce risk are designed to manage rather than eliminate risk and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has identified the following as the principal risks and uncertainties facing the Group:

Risk	Mitigation and Control
Colleague risk	
For any professional services business, personnel are a particularly prominent asset contributing to the Group's continued growth and success. The Group is heavily reliant on its partners and employees to generate, manage, progress, and complete the Group's engagements. As part of this, the Group is reliant on its licensed insolvency practitioners to act on insolvency and restructuring matters (which account for the majority of the Group's revenue). In particular, the top 10 partners were responsible for approximately 49% of the Group's revenue (FY 2020: 50%). If the Group were to lose the services of either: (i) one or more key partners who are responsible for significant revenue generation; or (ii) a significant number of its partners or employees in a short timeframe, this could significantly impair the strategy and success of the Group from both a reputational and financial standpoint, as well as hinder the growth of the Group over the short to medium term. This could result in a material adverse effect on the Group, its business operations and financial condition, including its ability to generate revenue and to service its existing clients.	The Group recognises the value of its people as its key asset and prioritises them accordingly. The Group seeks to mitigate and manage its "Human Capital" risk generally through: › A competitive reward structure. › The employee share option scheme. › Providing support for our people to reach their potential through professional training programmes, coaching initiatives and the FRP Academy, which includes the First in Leadership Mastery programme ("FILM"). › Maintaining a corporate culture which keeps the team motivated and engaged. In the short to medium term, Partners at the time of the IPO will, save in certain circumstances, forfeit all or most of their shares in the Company if they give notice to leave the Group before the third anniversary of the IPO in 2023. This acts as a lock in mechanism for the Group. In addition, the Partners' compensation is linked to the success of the business both in terms of direct Partner drawings and in terms of dividends and share price. Accordingly, the Partners are significantly and directly incentivised to pursue the success of the business.
Reliance on senior management	
Since 2010, the Group's senior management has developed the business of the Group and its future success is, to an extent, currently dependent on a small number of individuals. These individuals include Geoff Rowley and Jeremy French. The continued involvement of the Group's senior management and Directors is therefore important and their replacement at short notice would be very challenging at present.	The Group has taken steps to ensure that the knowledge, skills, contacts and expertise of key individuals are shared, where possible. The appointment of an experienced CFO to the Board with full responsibility for the Group's financial matters improved the governance and added a new perspective on decision making. All Partners employed by the Group at 6 March 2020 are subject to lock-in for three years (see 'Colleague risk'). Acquired Partners are also subject to a lock in and demand-led lateral hire Partners have options which act as a retention tool. The Nomination Committee is responsible for ensuring that adequate focus is given to succession planning.

Risk	Mitigation and Control
Referral relationship risk The Group is heavily reliant on its referral network in order to generate business. These relationships are managed by the Group's Partners and are critical for revenue generation. The Group is on every major UK clearing bank's formal approved advisory panel together with those of numerous other regional and national lenders, such as asset-based lenders, investment banks, credit funds and peer-to-peer lenders. The Group also sits on the formal panels for other bodies such as the Department for Education. A failure to manage and grow these relationships (or the departure of key Partners that are responsible for maintaining these relationships) could result in the firm not being appointed to new advisory panel positions, or not being reappointed to the Group's existing positions (which could also negatively affect the Group's reputation). Either of these outcomes would have a detrimental effect on the Group's ability to generate revenue, which would, in turn, impact the Group's financial performance and position.	All Partners employed by the Group at 6 March 2020 are subject to a lock-in for 3 years until March 2023 (see 'Colleague risk'). Therefore, relationships between referrers and Partners will continue. FRP continues to focus on the basics which include providing clear honest advice to help achieve the best possible outcome. This high quality level of service should support continued referrals. Each office maintains a strong network of local referrers for example, lawyers and accountants. The Group believes the best way to maintain this network is to continue delivering a high-quality service to clients.
Reputational risk and negative publicity Negative publicity that can have an adverse impact on the Group's reputation could have a direct effect on revenue, brand, retaining key Partners/ employees, removal of clients from bank panel work, investor trust and future opportunities. There is a risk that a serious regulatory violation, or a major security incident (for example a reportable GDPR data breach or loss of client data) could impact the Group's reputation.	The Group's reputation comes from consistently delivering a high-quality service and achieving the best possible outcome for clients. As the Group continues to grow, it is committed to operating sufficient internal checks and controls to ensure each client receives the best of FRP. The Group has demonstrated its commitment to a Governance, Risk & Compliance framework through an effective Enterprise Risk Management, Information Security Management System & Cyber Security framework.
Cyber-crime risk The risk of cyber-crime to FRP could be devastating, affecting strategic objectives and posing significant financial risk to the Group's value, through regulatory fines and the impact of reputational damage.	The Group recognises the importance of protecting its assets with executive ownership and management responsibility for maintaining an effective Information Security Management System & Cyber Security framework.

Risk	Mitigation and Control
Acquisition risk Part of the Group's strategy is to acquire teams and businesses to join the Group. There is a risk that acquisitions either do not generate the returns that were anticipated and/or fail to embed properly within the culture and systems of the Group. This can lead to below expected returns on investment, excessive application of management time and ultimately failure of the acquisition resulting in potentially wasted costs, loss of opportunity and negative reputational impacts. There is also a risk that the Group will not be able to source appropriate acquisition opportunities at an acceptable valuation or at all.	The Group conducts financial and legal due diligence and financial modelling exercises to minimise the risk of overvaluing an acquisition and to understand any issues within the target. Potential joiners meet Board Members and key central services to ensure that the businesses are culturally aligned and operationally ready to join. Consideration structures including earn outs may be used to ensure that the acquired business is as expected and valued according to returns generated.
Operational gearing risk The business is operationally geared with a significant proportion of relatively fixed salary and property costs. Consequently, the Group's profitability is liable to short-term fluctuations dependent on activity levels.	The Group conducts regular extensive forecasting exercises to mitigate any potential short-term adverse fluctuations. It is noted that the majority of the workforce are qualified professionals, however, several costs are performance based. As the Group grows, we will continue to review the balance between increasing headcount on a permanent basis vs shorter term more flexible options (Consultants, Secondments). A material element of compensation is performance related, both bonuses for colleagues and profit allocations for Partners.

Risk	Mitigation and Control
Government policy, legal and regulatory risk Legal and regulatory changes and/or changes to Government policy may adversely impact the business. The Group will be affected by legal and regulatory changes within the areas in which it operates, such as insolvency and administration law, pension law and the laws and regulations governing equity and debt financing of corporate entities. The regulatory landscape impacts full-service competition firms, there are ongoing discussions to what extent auditors are able to offer non-audit services to their audit clients could change within the UK in the short to medium term as a number of reviews are concluded and their recommendations published or implemented, including those of the Financial Reporting Council and the Competition and Markets Authority. Any resulting changes may affect the degree and/or nature of competition between market participants, including through the emergence of new or specialist firms. Generally, it is difficult to predict the extent to which policy and regulatory changes that may come into force might affect the Group. Any such changes may detrimentally affect revenue and/or require increased expenditure or increase competition for clients or colleagues, impacting the Group's operating margin and business development plans. Any of these may have a materially adverse impact on the Group's operations and financial condition.	The Group has in place suitable professional indemnity insurance. The knowledge and expertise of colleagues ensures that the Group is aware of pending legal or regulatory changes. The Group has many of its employees as members of technical or expert panels within the various regulatory bodies that the Group's activities fall within. The Group has a dedicated resource to monitor legal and regulatory changes affecting its business. The Group routinely monitors the changing industry landscape and reacts accordingly.
Competition risk In the current macroeconomic environment, the Company considers that there is a risk that new entrants will seek to join the insolvency advisory market and existing participants will increase their investment and staffing levels in the space. This could lead to the Group facing increasing competition for engagements, downward pressure on its fee levels and difficulties in attracting and retaining talent.	The Group maintains strict internal risk management procedures, particularly high standards of Information Security which have assisted in appointment to all major bank panels. These standards may act as a barrier of entry to new entrants. In comparison to larger competitor firms, the group is not full service and as such is less exposed to potential conflicts of interest.
Potential claims against the Group The Group typically receives claims each year in relation to its engagements, with the majority of these relating to the Group's insolvency practice. These claims are typical of those received by the participants in the UK insolvency industry. As a result, the Group routinely notifies its professional indemnity insurers of these claims and they are generally defended. There is a risk that a claim could be successful (and an award made against the Group) or settled by the professional indemnity insurer as a result of a mistake or the negligence of one or more of the Group's Partners or employees.	Whilst it is likely that the majority of the cost of any successful claim will be covered by the Group's professional indemnity insurance, the Group may still be required to contribute an amount in respect of such a claim (being the insurance policy excess, a costlier sum agreed upon with the insurer or an amount beyond the cover provided the Group's insurance). The Group may also be at risk of reputational damage resulting from a successful claim, in addition to any financial cost. We have internal procedures and external advisors in place to effectively manage incidents like these.

Brexit

Since the UK has left the European Union, the Board has not seen any material adverse impact to the business, given that it is entirely focussed on the domestic market and does not have any material exposure to EU supply chains or staffing issues. Regulatory and legal changes that have resulted from Brexit have impacted many businesses in the UK and their client base. FRP's team of specialist advisors continue to be available to support clients as required.

Covid-19

The Covid-19 pandemic created challenges for many businesses, however the high levels of Government support have created a UK restructuring market that is currently at subdued levels. As Government support is withdrawn, FRP's five specialist service pillars are available to help support clients as necessary.

Risk management

The Audit and Risk Committee ("ARC") oversees the risk management processes of the Group, key risks are also elevated for discussion at the main Board.

FRP is evolving its approach to risk management and it is rolling out a new risk framework. The ARC will assist the Board in its oversight of FRP's risk management framework, by monitoring its effectiveness through oversight of an Operational Risk Committee ("ORC") which oversees the implementation and day to day management of the Risk Framework at an operational level and reports into the ARC and the senior executive leadership team. The ORC will manage the risk framework within the boundaries set by the ARC, reporting on top level risks. Risk ownership will be integrated into all business activities and form the input/feedback channel into the managed risk registers, reviewed within the ORC.

The ARC will also provide input to the Board in its assessment of enterprise risks and determination of risk appetite and tolerance levels, as part of the overall FRP risk management strategy.

Section 172 statement

This section serves as our Section 172 ("s172") statement and should be read in conjunction with the Strategic Report and the Company's Corporate Governance Statement.

The Directors are well aware of and comply with their duty under Section 172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The Board now ensures that the requirements of s172 are front of mind by including them on all Board meeting agendas and requiring s172 impact assessments for key Board decisions.

The Board recognises that the business is reliant on maintaining its reputation for high standards of conduct, professionalism and integrity and this is always given high priority. As a business with substantial numbers of regulated individuals in an industry where reputation is of paramount importance, the Board will not countenance any course of action that it considers may threaten its regulatory compliance or bring the business into disrepute. Key decisions are made by the Board, which contribute to the delivery of the Company's long-term strategy.

Engagement with our shareholders and wider stakeholder groups plays a valuable role throughout our business. The Board is aware that each stakeholder group requires a tailored engagement approach to foster effective and mutually beneficial relationships. Our understanding of stakeholders is then factored into boardroom discussions and decisions. The stakeholder voice is also brought into the boardroom throughout the annual cycle through information provided by management and also by direct engagement with stakeholders themselves. The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

The table across sets out our key stakeholder groups, their interests and how we have engaged with them over the reporting period. However, given the importance of our team, our clients and our referral network, these themes are also discussed throughout this Annual Report.

While the Covid-19 crisis has interrupted our regular physical face to face interactions with various stakeholders internally and externally, we do consider them to be important in maintaining open communications and team cohesion and will be reintroducing these gradually, provided it is safe to do so in line with Government guidelines and the needs of individual attendees. In the meantime, we have taken advantage of various video conferencing platforms where appropriate.

Stakeholder	Their interests	How we engage and react
Our Investors	› Comprehensive review of financial performance of the business. › Meeting financial expectations. › Business sustainability. › High standard of governance. › Success of the business. › Ethical behaviour. › Awareness of long-term strategy and direction.	› Annual Report and Accounts. › Stock exchange announcements. › Press releases. › Paid for research available via Nomad (post financial year end). › Feedback from the Company's broker. › Company website. › Retained financial PR Firm. › Meetings with external investors. › More than 50% of shares are owned by Partners actively involved in the business and nearly 8% are owned by the Employee Benefit Trust. › Annual General Meeting ("AGM").
Our Clients	› High quality advice. › Professional delivery. › Competitive fees. › Data security.	› Project meetings. › Detailed advice notes, project plans and regular progress updates. › Client management teams. › Online Service Portals for case specific creditors. › Corporate resilience support tools for Covid-19 on website – "Review. Adapt. Evolve". › Professional comment and updating via LinkedIn, website and professional publications.

Stakeholder	Their interests	How we engage and react
Our Team	> Job satisfaction. > Appropriate incentivisation and reward. > Career progression. > Professional development and training support. > Enjoyable working environment. > Management accessibility.	> The FRP Academy, which includes the First in Leadership Mastery programme ("FILM") and other learning providers. > Internal coaching programmes. > Internal training courses. > A colleague Portal. > A colleague newsletter. > A Marketing newsletter. > An Information Security newsletter. > An online Cyber Security platform. > An online Policy document library. > The roll-out of Ideadrop, a system to receive ideas from colleagues, being piloted in FRP London. > Colleague conferences (pre-Covid-19). > Board visits to regional offices (pre-Covid-19). > Annual performance reviews. > Whistleblowing policy in place to report wrongdoing. > Location Directors and the local Partner group have liaised with colleagues on managing local working arrangements based on the prevailing Government advice and what works best for each location. It will be important to strike a balance between enabling an appropriate level of ongoing flexibility with a gradual and safe return to the office. Humans are social animals, team meetings and safe physical gatherings are important to maintain a strong team ethic particularly around wellbeing and training.

Stakeholder	Their interests	How we engage and react
Panel Partners and Referrers	› Responsiveness. › Competitive fees. › High quality advice. › Maximising returns for all. › Reputation protection. › Compliance with practice standards.	› Panel audit processes. › Periodic compliance certifications. › Regular relationship meetings. › Regular project updates. › Dedicated panel support teams. › Company website.
Regulatory Bodies	› Regulatory compliance. › Integrity of the profession.	› Membership of regulatory bodies. › Colleagues regularly part of and contribute to technical groups of regulatory bodies. › Regulatory visits every three years as well as interim visits. › Supervised by ICAEW AML legislation. › Regular and ad-hoc submissions (i.e. Survey on Covid-19 impact) to the FCA as required, for FRP Corporate Finance Limited (FCA regulated entity).
Local Communities	› Community participation. › Support of local businesses. › Charitable initiatives. › Work opportunities.	› Corporate resilience support tools for Covid-19 on website – “Review. Adapt. Evolve”. › Professional comment and updating via LinkedIn, website and professional publications. › Press comment. › Support charities local to the offices. › Apprenticeships and work experience placements.
Environment	› Energy usage and efficiency. › Recycling. › Waste management.	› Workplace recycling processes and policies. › SECR energy use monitoring and reporting.

On behalf of the Board

Geoff Rowley
Chief Executive Officer
26 July 2021

Board of Directors

The Board of Directors of the Company comprises three Executive Directors, two independent Non-Executive Directors, a further Non-Executive Director and the Chairman.

Further details about the Board and its role are set out in the Corporate Governance Report on pages 47 to 50.

Nigel Guy

Non-Executive Chairman

Nigel Guy is a Chartered Accountant and has spent the majority of his executive career in private equity where he has over 20 years' experience. During this time, he held leadership positions both in the UK regions and in London, with firms including 3i plc and Baird Capital Partners Europe Limited. Since then he has developed a portfolio career and has sat on a number of private and public company boards either as Non-Executive Director or Chairman, often representing strategic financial investors. He joined the business as Chairman, shortly after the management buyout in 2010. Nigel became chairman of FRP Advisory Group plc following the IPO in March 2020.

Geoff Rowley

Chief Executive Officer

Geoff is the Group Chief Executive Officer, following the IPO in March 2020 and is a Partner Director. He was a joint founder of the business as part of the Vantis plc management buyout in 2010. Geoff is a Partner in the London restructuring advisory team, dealing with corporate restructuring assignments acting for a range of stakeholders including boards, lenders and investors. Recent UK and international assignments have included BHS, Force India Formula One Team, Patisserie Valerie, Koovs plc, London Capital & Finance and a significant PFI project arising from the failure of Carillion. He is a Chartered Certified Accountant and Licensed Insolvency Practitioner with 30 years' experience including at firms RSM Robson Rhodes and PKF.

Jeremy French

Chief Operating Officer

Jeremy is the Group Chief Operating Officer, following the IPO in March 2020 and is a Partner Director. He was a joint founder of the business as part of the Vantis plc management buyout in 2010 and was the Group's Managing Partner from inception until admission to AIM. While Jeremy manages the operations of the Group, a proportion of his time is spent on restructuring engagements and dealing with stakeholders. Jeremy is a Chartered Accountant and Licensed Insolvency Practitioner with more than 35 years' experience.

Gavin Jones

Chief Financial Officer

Gavin is the Group Chief Financial Officer, he joined in June 2020. Gavin is responsible for all of the Group's finance activities, investor relations and supporting the Partners and employees to deliver FRP's growth strategy. He also oversees a number of the Group's shared service functions. Gavin previously held executive roles within financial services, including a Divisional CFO at Marsh, Regional Financial Controller at Aon and an Executive Director at ABN AMRO's Investment Banking division. He is a Chartered Accountant and a member of the Chartered Institute for Securities and Investment.

David Chubb

Senior Independent Non-Executive Director

David joined the business as an independent Non-Executive Director in 2019 and became a Non-Executive Director of FRP Advisory Group plc in March 2020. He had a career in banking at Standard Chartered and Hambros, and as a restructuring Partner at PwC. Spanning a period of over 20 years with PwC, he covered a wide range of insolvency and restructuring cases, with one of his final appointments being as a Special Manager of Carillion. Following retirement as a Partner at PwC, David has undertaken consulting roles and project work for both boards and shareholders of businesses in financial distress.
David is a Chartered Certified Accountant and until recently, also held a license as an Insolvency Practitioner, with experience across a range of sectors.

David Adams

Non-Executive Director

David has been a Non-Executive Director of the business since 2010 and a Non-Executive Director of FRP Advisory Group plc since March 2020. David spent the majority of his career as a Partner in the corporate law team at Travers Smith LLP. Since then David has run his own corporate advisory business and held a number of non-executive directorships of private and listed companies. David helped establish the Group's corporate finance division and sits on the Board of FRP Corporate Finance Limited.

Claire Balmforth

Independent Non-Executive Director

Claire joined the Board as an independent Non-Executive Director in August 2020. Claire has significant listed company experience in both executive and non-executive roles, having previously held senior commercial and operational positions at FTSE250 companies. Claire has significant knowledge of organisational leadership and employee engagement in founder-led businesses and is currently a Non-Executive Director and Chair of the Remuneration Committee of both Safestore Holdings plc and Trifast plc.

Directors' Report

For the year ended 30 April 2021

The Directors present their report with the financial statements of the Group for the year ended 30 April 2021.

Principal activities and business review

The principal activities of the Group during the period under review are detailed in the Strategic Report.

The business review has been considered within the Strategic Report.

Results and Dividends

An analysis of the Group's and Company performance is contained within the Strategic Report. The Group's statement of comprehensive income is set out on page 65 and shows the results for the year.

The Directors recommend the payment of a final dividend of 1.7p per eligible Ordinary Share in respect of the quarter ended 30 April 2021. It is proposed the final FY 2021 dividend, subject to shareholder approval, will be paid on 29 October 2021 to shareholders on the register on the record date of 1 October 2021.

Interim dividends of 1.6p and 0.8p which have already been declared, including the above final dividend, which is subject to shareholder approval, the total dividends relating to the year to 30 April 2021 are 4.1p (2020: 0.66p for the c. 2 months post IPO).

Directors

The current Directors and their brief biographies are detailed on pages 38 to 39.

The Directors of the Company during the year and since the year end were:

Nigel Guy
Geoffrey (Geoff) Rowley
Jeremy French
David Chubb
David Adams
Gavin Jones *(Appointed 29 June 2020)*
Catherine (Kate) O'Neill *(Resigned 30 June 2020)*
Claire Balmforth *(Appointed 3 August 2020)*

Kate O'Neill resigned on 30 June 2020. Gavin Jones joined the Board on 29 June 2020 as Chief Financial Officer. Claire Balmforth joined the Board on 3 August 2020 as an independent Non-Executive Director.

In accordance with the Articles of Association, each of the Directors will offer themselves for re-election at the Company's forthcoming AGM.

Directors' emoluments

Details of the Directors' emoluments and rewards during the year under review are set out in the Remuneration Committee Report on pages 52 to 55.

Share capital

Details of the changes in the share capital of the Company during the year are set out in note 21.

Directors' interests in shares

The beneficial interests of the Directors in the Ordinary Shares of the Company on 30 April 2021 are set out below:

Ordinary Shares as at 30 April 2021	
Nigel Guy	25,000
Geoff Rowley	9,454,663
Jeremy French	7,563,730
David Chubb	62,500
David Adams	312,500
Gavin Jones	Nil
Claire Balmforth	Nil

There has been no change to the Directors' share interests noted above, since 30 April 2021. Please see the Remuneration Committee Report for the share options held by directors.

Equal opportunities, diversity and inclusion

It is the Group's policy to ensure equal opportunity in employment and, accordingly, the Group maintains an Equal Opportunities Policy.

The Equal Opportunities Policy expresses the Group's commitment to equal opportunities and sets out a framework to assist the Group in delivering on that commitment. In particular, the Equal Opportunities Policy provides that:

- FRP will avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline, and selection for redundancy.

- Person and job specifications will be limited to those requirements that are necessary for the effective performance of the job. Candidates for employment or promotion will be assessed objectively against the requirements for the job, taking account of any reasonable adjustments that may be required for candidates with a disability. Disability and personal or home commitments will not form the basis of employment decisions except where necessary. The Group will also make reasonable adjustments to its standard working practices to overcome barriers caused by disability.

Employee engagement

Employee engagement is a key component in the way we operate to maintain our positive culture which, in itself, motivates our teams and attracts new talent.

The Covid-19 pandemic quickly highlighted the need for increased online connectivity. We are proud that colleagues fully embraced working from home, whilst managing childcare, home schooling, maintaining continual personal development and studying for professional qualifications.

During the year, the business seamlessly engaged with its Partners and employees on an ongoing basis and through multiple channels to ensure that their views were taken into account appropriately and the business was able to communicate its strategy, priorities, values and goals effectively throughout the organisation.

These regular interactions included:

- A colleague newsletter.
- A National Marketing newsletter.
- An Information Security newsletter.
- Video updates for Group announcements from members of the plc Board.
- Enhanced availability of access to news, R&D, learning and development, tutorials, location updates, well-being support and team on team gatherings.
- A colleague Portal.
- Continual Performance Reviews.
- Partner video conferences.
- Regional Partner presentations to the Board continued according to schedule, via video conferencing.
- An online Cyber Security platform.
- An online Policy document library.
- We postponed physical meetings in the Financial year to April 2021 but there is a planned, safe and socially distanced, Partner and Director conference planned for September 2021.
- The roll-out of Ideadrop, a system to receive ideas from colleagues, being piloted in FRP London.
- The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) consultations for acquired colleagues transitioning onto FRP contracts of employment.

Either through direct share ownership or share option awards that vest three years after joining, 100% of the permanent colleagues and Partners have a share in the ownership of FRP at 30 April 2021.

IPO Partners and acquired Partners own c. 50% of FRP. c. 8% of the shares sit in a Trust, on IPO the Partners gifted £15 million worth or 18,750,000 shares, which supports an Employee Incentive Plan. This was used to give options to colleagues on IPO but also subsequently new hires and new lateral hire Partners in the financial year to 30 April 2021. The share options also act as a tool to retain staff as they vest 3 years after being granted.

The Board will take employee interests into account in principal decisions through its s172 compliance procedure.

Corporate social responsibility

As a Company we do not have a nominated charity that colleagues are obliged to raise funds for, as, in line with our ethos of entrepreneurism, we have found that it proves more rewarding for individual colleagues to support charities that provide a more personal connection to them.

Individuals' choices therefore tend to support smaller, independent charities in their local area that do not have the benefit of a national presence or extensive, large capacity event calendars.

As a direct result of the Covid-19 pandemic, we have seen an increase in volunteer commitment, supporting the NHS and donations to foodbanks, for example.

We actively support our professional network's charity programmes and although activities of this kind were reduced due to Covid-19, we were able to donate £3,241 with colleagues raising an additional £10,000 for their chosen charities.

Statement of engagement with suppliers, customers and others in a business relationship with the Company

The primary business relationships of the Group are with its client businesses, referral network and Panel Partners, bankers and landlords.

The Group maintains external property consultants to ensure its leased estate is managed in accordance with lease terms and any issues are properly and professionally managed and resolved.

The Group finance function maintains regular contact with the Company's bank and supplies regular financial information to the bank to ensure compliance with the terms of its loan facilities. The business has a long established and productive relationship with its bankers. Where relevant to the matter under consideration the bank is consulted in line with the terms of the facilities.

The Company maintains a general supplier payment policy whereby suppliers are paid within 30 days in the absence of any other agreement.

The Board will take the interests of those with whom it is in a significant business relationship (either individually or as a category) into account in principal decisions through its s172 compliance procedure.

Energy and carbon reporting

Under the Streamlined Energy and Carbon Reporting Regime, the Company is required to report its energy consumption and greenhouse gas emissions arising in the UK (including offshore UK) from:

- the annual quantity of energy consumed in the UK resulting from the purchase of electricity by the Company for its own use, including for the purposes of transport;
- the annual quantity of energy consumed from stationary or mobile activities for which business is responsible involving the combustion of gas; and
- the annual quantity of energy consumed from activities for which the Company is responsible, involving the consumption of fuel for the purposes of transport (where the Company is responsible for purchasing the fuel).

Our disclosures are set out in the table and include energy and emissions from the entire Group, regardless of whether individual companies would be required to report.

Overall emissions have reduced, predominantly due to the reduction in travel in line with the Government guidelines to stay at home unless travel is essential. As all offices have remained open, albeit with skeleton staff, no significant reduction in electricity and gas consumption has been possible.

Basis of preparation

Electricity - (Scope 1)

The electricity consumed by the Group relates solely to the routine power requirements of its offices – lighting, heating, IT, air conditioning etc. To calculate the tCO_2e figure we have taken our overall electricity spend for the year and divided it by our average price paid per kWh to derive a kWh figure to which a $kgCo_2e$ factor of 0.23314 was applied, being the UK Government's Conversion Factor 2020 for this type of electricity use.

Gas - (Scope 2)

The gas consumed by the Group relates solely to the use of natural gas for the running of boilers for heating and hot water in its offices. To calculate the tCO_2e figure we have taken our overall gas spend for the year and divided it by our average price paid per kWh to derive a kWh figure to which a $kgCo_2e$ factor of 0.18387 was applied, being the UK Government's Conversion Factor 2020 for this sort of natural gas use.

Fuel Consumption - (Scope 3)

The GHG emissions related to fuel combustion derive solely from the payment to employees of mileage allowances where they use their private vehicles for Group business. We do not keep records of our employees' vehicle makes, models and fuel type. To arrive at a reasonable estimate of distribution across petrol, diesel and other vehicles, we used

UK Energy use	Year ended 30 April 2021		Year ended 30 April 2020		
	Consumption	Greenhouse Gas (GHG) Emissions (tCO_2e)	Consumption	Greenhouse Gas (GHG) Emissions (tCO_2e)	Notes
Electricity	441.596 kWH	102,954	449,243 kWH	114,873	Electricity consumed relates to routine office power requirements *(Scope 1)*
Gas	52,134 kWH	9,586	40,154kWH	7,382	Gas used to fuel heating and hot water boilers in office locations *(Scope 2)*
Vehicle Fuel	38,408 miles	10,511	147,287 miles	41,797	Fuel relates to the Group employees for mileage related to the use of their private vehicles for the business of the Group *(Scope 3)*
Total		123,051	**Total**	164,052	

the DVLA licensed car statistics from 2020 of that distribution to create our model (petrol – 58.9%, diesel – 37.6% and other – 3.5%). We applied those figures to our total mileage claimed to calculate estimated mileage figures for each of diesel, petrol and other fuels. The UK Government Conversion Factors 2020 for an average vehicle in respect of each fuel type (and using the hybrid vehicle factor for the other fuels category) were then applied to the relevant mileage figure to obtain the tCO_2e figures.

Intensity Ratio
Tonnes of CO_2e per total £ million sales revenue during the year to 30 April 2021: 0.0016.

Energy Efficiency Activity
The business did not undertake any particular energy efficiency activities over the year. Given the business is office-based and primarily operates from leased premises, there are few opportunities to significantly impact energy efficiency. However, the Company is mindful of its environmental obligations and will examine opportunities to further cut its carbon emissions.

Branches

The Company has no branches outside of the UK.

Political and charitable donations

The Company made charitable donations totalling £3,241 during the year ended 30 April 2021 (2020: £4,842); physical gathering charity activities were reduced due to Covid-19 in the year. The Company made no political donations during the year ended 30 April 2021 (2020: £nil).

Post-Balance Sheet Events

- Two new international alliances have been formed, Eight International and Alliance of International Corporate Advisors, which enable FRP to access new networks of highly experienced International advisers. FRP is also able to support on the UK component of International transactions.
  - Eight International is a global advisory organisation that was set up to meet a growing demand for dedicated financial and operational support from businesses with an international footprint. Eight International's member organisations include Eight Advisory, JP Weber, Sincerius, New Deal Advisors, and FCG Partners. With the addition of FRP, its global headcount reaches more than 3,000 consultants and doubles the number of founding members' Partners to 160. *www.8-international.com*
  - Spectrum Corporate Finance Limited were a member of the Alliance of International Corporate Advisors ("AICA"). Following the acquisition FRP Corporate Finance has joined AICA. Members are carefully selected on the basis of reputation, relationships, proven track record and knowledge of local markets. They have representation in Europe, Asia, North & Latin America and the Middle East and focus on cross border Mergers and Acquisitions ("M&A") and capital raises. *www.aicanetwork.com*
- Following the JDC Group and Spectrum Corporate Finance Limited acquisitions, we intend to rebrand our combined Corporate Finance offering to FRP Corporate Finance.
- The Board recommends a final dividend of 1.7p per eligible ordinary share for the financial year ended 30 April 2021. Subject to approval by shareholders, the final dividend will be paid on 29 October 2021 to shareholders on the Company's register at close of business on 1 October 2021. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2021 will be 4.1p per eligible ordinary share.

Research and Development

The Group did not undertake any research & development during the year under review.

Financial Instruments

Disclosures in respect of the Company policy regarding financial instruments and risk management are contained in notes 2 and 4 to the financial statements.

Statement of disclosure to auditor

So far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware.

Each Director has taken all the steps that they ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Mazars LLP has expressed its willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

Going Concern Basis

The business has been, and is currently, both profitable and cash generative. It has consistently grown year on year for 11 years and has proved to be resilient, growing in both periods of economic growth and recession.

At year end the Group had net cash of £16.4m. The Group entered into an £8m structured term loan repayable over five years, during the year. The Group also has available an undrawn £10m committed revolving credit facility (RCF). Ongoing operational cash generation and this cash balance mean we have sufficient resources to both operate and move swiftly should acquisition opportunities arise.

With specific regard to the 2020 coronavirus (Covid-19) virus pandemic, the Group was well prepared to work remotely, clients were continually serviced without interruption. Consequently, our cash generation and profitability were not significantly impacted by Covid-19. Given our strong financial position no Colleagues of the firm have so far been made redundant or furloughed and none of the other Government assistance schemes available (grants, emergency loans, tax settlement delays) were utilised.

Throughout the 'lockdown' period we have continued to win new client appointments, retain existing employees and attract new employees.

The quality of client service, strong referral network and barriers to enter the market, together with the strong cash position, make the Board confident that the company will continue to grow. In terms of diversification, offices can adapt quickly to supporting each other and work on both higher value assignments or higher volume lower value jobs. Pension Advisory, Forensic Services, Corporate Finance and Debt Advisory can both support the Restructuring Advisory offering but also earn fees autonomously. The two Corporate Finance acquisitions make FRP even more resilient and they give us a key position in the UK mid-cap transactional advisory market. We are able to help a broader range of clients post Covid-19, to either realise their strategic ambitions via solvent M&A transactions or our Restructuring Advisory team is available to help as challenges arise.

Management have conducted sensitivity analysis by reducing revenue by 20% and separately increasing costs by 20%: both scenarios shows FRP to be in a strong financial position with available cash resources.

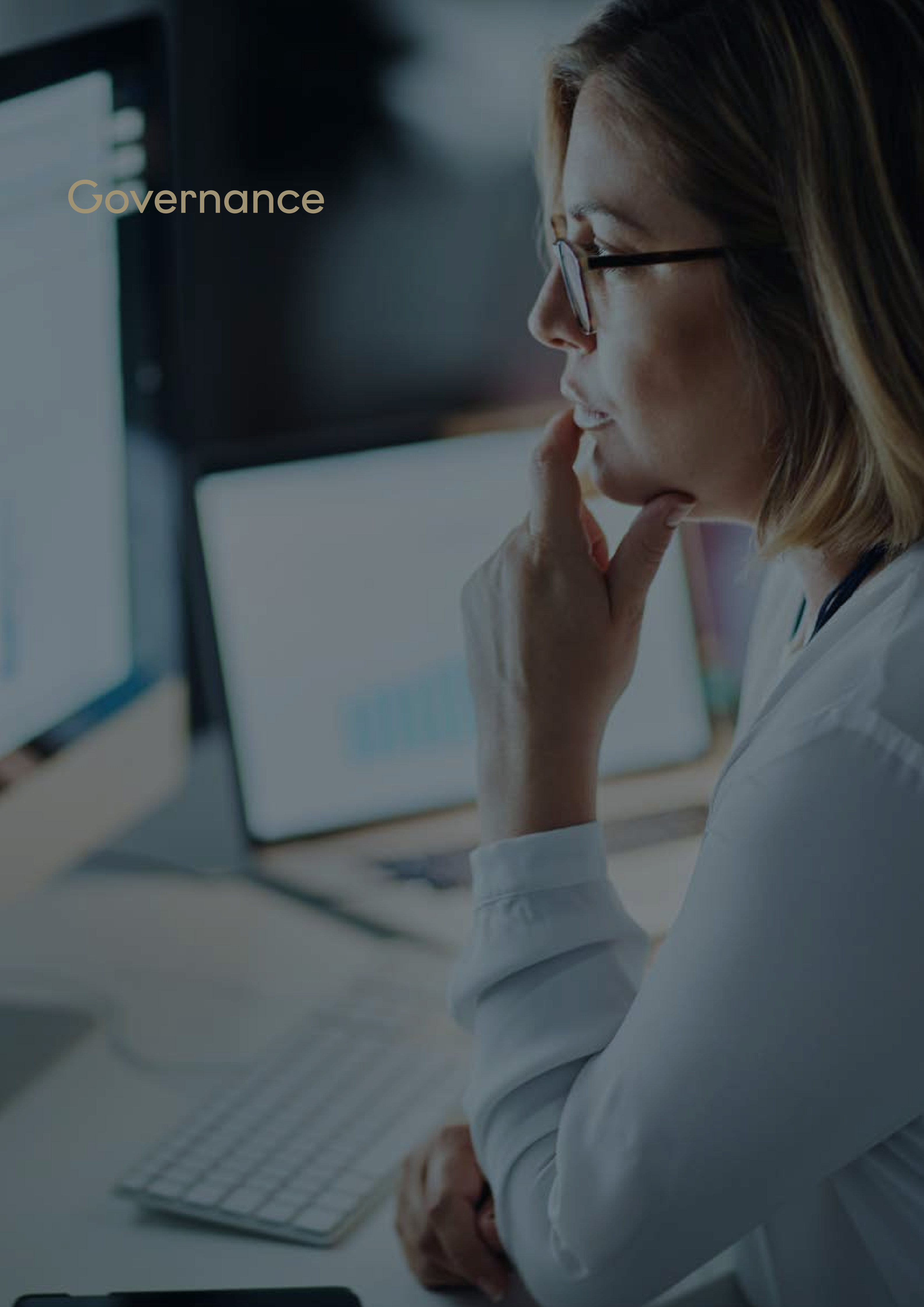
In the unlikely event that the business had a significant slowdown in cash collections the business has a number of further options available to preserve cash.

Having due consideration of the financial projections, the level of structured debt and the available facilities, it is the opinion of the directors that the group has adequate resources to continue in operation for a period of at least 12 months from signing these financial statements and therefore consider it appropriate to prepare the Financial Statements on the going concern basis.

The report of the Directors was approved by the Board on 26 July 2021 and signed on its behalf by:

Geoff Rowley
Chief Executive Officer
26 July 2021

Governance



Corporate Governance Statement

For the year ended 30 April 2021

As Chairman of the FRP Board of Directors, I am responsible for leading the Board to ensure it functions effectively, setting its agenda and monitoring its effectiveness.

The current corporate governance framework was put in place at the time of the Company's IPO on the AIM Market of the London Stock Exchange on 6 March 2020.

We recognise the benefits that good corporate governance and diverse opinion brings to a business and have worked (and will continue to work) to develop and embed processes, cultures and practices that position us to reap the benefit of robust governance. We also recognise the importance of the Board displaying and embodying the ethics and behaviours we expect from our team at large.

Compliance

We comply with the Quoted Companies Alliance ("QCA") Corporate Governance Code ("Code") in all material respects and have become members of the QCA.

Set out below are the 10 principles of the QCA Code and where to find further information on how we apply them.

Principle	Information	Page Number
1. **Establish a strategy and business model which promote long-term value for shareholders**	See the "Business model and growth" section in the Strategic Report.	*26*
2. **Seek to understand and meet shareholder needs and expectations**	See the Section 172 Statement in the Strategic Report.	*34*
3. **Take into account wider stakeholder and social responsibilities and their implications for long-term success**	See the Section 172 Statement in the Strategic Report.	*34*
4. **Embed effective risk management, considering both opportunities and threats, throughout the organisation**	See the "Principal risks and uncertainties" section in the Strategic Report. See also the Audit Committee Report.	*30* *51*
5. **Maintain the Board as a well-functioning, balanced team led by the chair**	See "The Board" section.	*49*

Principle	Information	Page Number
6. **Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities**	See the "Principal risks and uncertainties" section in the Strategic Report.	*30*
	See also the Audit Committee Report.	*51*
7. **Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**	See "The Board" section.	*49*
8. **Promote a corporate culture that is based on ethical values and behaviours**	See "The Board" and "Nomination Committee" sections.	*49 and 56*
	Also see the Director Biographies.	*38 and 39*
9. **Maintain governance structures and processes that are fit for purpose and support good decision-making by the board**	See "The Board" section.	*49*
10. **Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**	See "Culture" section.	*41 and 49*
	See "The Board", "Board Committees" and "Internal Control".	*49* *50 and 51*
	See "The Board" and "Board Committee" sections.	*49, 51, 52 and 56*
	See also the Corporate Governance Report and the Section 172 Statement in the Strategic Report.	*47 and 34*

We consider that the application of the 10 principles of the QCA Code will support the Company's medium to long term success through establishing and maintaining an effective, balanced and appropriately skilled Board and committees which benefit from diverse and independent viewpoints, challenging and supporting the executive to set and deliver the Group's strategy within an agreed system of risk tolerance and management and in accordance with the expectations and needs of our shareholders.

We consider that the clarity of purpose in setting out a strategy and business model and risk management processes creates an environment whereby the executives are empowered to deliver the Group's objectives but remain subject to appropriate oversight and review. To develop and, when necessary, amend strategy the Group is best served through multiple sources of experience and expertise provided by a diverse Board with a range of experience to lend to the enterprise.

In turn, the Board expects that in delivering its strategy in line with shareholder expectations, in an ethical way and taking into account the wider stakeholder group, this will generate trust between the Group, its shareholders and wider stakeholder group, reinforce its brand, motivate team members (through their own share ownership and options), attract new talent and make the Group's investment proposition more attractive.

The Board

The Board is responsible for setting the vision and strategy for the Group to deliver value to shareholders by effectively implementing its business model. The Board members are collectively responsible for defining corporate governance arrangements to achieve this purpose, under my leadership.

The Board has a schedule of matters formally reserved to it and this is available on the Company's website. The matters reserved include setting strategy, budget approval, approval of major capital expenditure and material contracts and Partner hires and promotions.

A biography of each of the Directors is set out on pages 38 to 39. The Board has significant experience in professional advisory services environments supplemented by expertise in the private equity, public markets and legal arenas.

The Directors keep their skills up to date through various channels. As practising regulated professionals, the Executive team update their professional knowledge through professional journals and in-house and external training materials and seminars. The Non-Executive Directors work with other businesses and bring their learning from those roles to the business and all subscribe to newsletters, bulletins and journals relevant to their areas of interest. The Company is also a member of the QCA which gives the Directors access to a range of materials and training opportunities relevant to the Company's quoted status, corporate governance issues and investor relations.

During the year, Kate O'Neill was replaced by Claire Balmforth. Both Claire and David Chubb are considered by the Board to be independent Non-Executive Directors. Details of all the Directors' shareholdings and options are set out in the Director's Report and Remuneration Report respectively.

The Chief Executive Officer, Chief Operating Officer and Chief Financial Officer all work in the business full time with Geoff Rowley and Jeremy French's roles also encompassing client facing work as practising Insolvency Practitioners. The Non-Executive Directors (including the Chairman) are expected to devote as much time as necessary to the business for the proper performance of their duties and at least one to two days per month.

During the financial year, there were 13 scheduled Board meetings at which all Directors were present, except one, which David Chubb did not attend.

The Board anticipates conducting an effectiveness performance review in the current financial year and thereafter, annually. The Nominations Committee is tasked with keeping the Board composition under review.

Culture

The Group's culture is supportive, inspiring, empowering and collaborative. This positive workplace culture acts to both attract and retain talent within the Group. Leadership continue to promote the four core values of being straightforward, confident, pragmatic and real. The Board monitors and acts to promote a healthy corporate culture.

Board committees

The Board has four standing committees. Terms of reference for each of the Audit and Risk Committee ("ARC"), Remuneration Committee and Nomination Committee ("Principal Committees") are available on the Company's website. A report from the Chair of each of the Principal Committees detailing their activities follows this report.

Audit and Risk Committee

The ARC has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. It received and reviewed reports from the Company's management and auditor relating to the Interim and Annual Accounts and the accounting and internal control systems in use throughout the Group. The ARC meets at least three times a year at appropriate times in the reporting and audit cycle.

Remuneration Committee
The Remuneration Committee reviewed the performance of the Executive Directors and the Chair and made recommendations to the Board on matters relating to their remuneration and terms of service. The Remuneration Committee meets at least twice a year.

Nomination Committee
The Nomination Committee has an ongoing responsibility for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board and giving full consideration to succession planning. The Nomination Committee meets at least twice a year at appropriate times in the reporting cycle.

Disclosure Committee
The Disclosure Committee is responsible for supporting the Board in relation to compliance with the Market Abuse Regulation, the Disclosure, Guidance and Transparency Rules and the AIM Rules for Companies and the identification, control and disclosure of "inside information". The Disclosure Committee comprises all of the Directors but has a quorum of any three Directors provided at least one Executive Director and at least one Non-Executive Director is present. I chair the Disclosure Committee, which meets when appropriate.

Members of the Principal Committees during the year under review were:

Committee	Audit and Risk	Remuneration	Nomination
Chair	David Chubb	Kate O'Neill**	Nigel Guy* Claire Balmforth***
Other Members	Kate O'Neill** Claire Balmforth*** Nigel Guy*	David Chubb	Kate O'Neill** David Chubb Claire Balmforth***

*Non-independent director.
**Resigned on 30 June 2020.
***Appointed independent Non-Executive Director on 3 August 2020.

Board Committee attendance

Attendee	Audit and Risk - attended	Remuneration - attended	Nomination - attended	Board - attended
Nigel Guy	5/5	_	3/3	13/13
Geoff Rowley	_	_	_	13/13
Jeremy French	_	_	_	13/13
David Chubb	5/5	4/4	3/3	12/13
David Adams	_	_	_	13/13
Gavin Jones	_	_	_	12/12
Claire Balmforth	4/4	4/4	1/1	10/10
Kate O'Neill	1/1	_	2/2	2/2

On 30 June 2020, Kate O'Neill resigned as a director and accordingly stepped down from the Committees. Claire Balmforth has since joined each of the Principal Committees and has taken over the role of Chair of the Remuneration Committee.

The work undertaken by each of the Committees and any external advice sought is set out in the reports of the Committee Chairs.

Internal Control
David Chubb acts as the Board's Senior Independent Non-Executive Director. The role of the Senior Independent Non-Executive Director is to act as a sounding board and intermediary for the Chair or other Board members as necessary and provide an alternative route of access for shareholders and other Directors who have a concern that cannot be raised through the normal channels.

The Board is advised and supported by the Company Secretary, ONE Advisory Limited, which provides professional company secretarial and MAR compliance services. The services of the Company Secretary are available to all Directors.

Nigel Guy
Non-Executive Chairman
26 July 2021

Report of the Audit and Risk Committee

For the year ended 30 April 2021

Introduction

The Audit and Risk Committee ("ARC") has three members. I Chair the Committee and am considered an independent Non-Executive Director. I am joined by Nigel Guy and Claire Balmforth. Nigel has worked with the business for over 11 years and brings significant institutional knowledge and background to the Committee, as well as his professional skills. Following the resignation of Kate O'Neill in June 2020, we appointed Claire Balmforth as a committee member in August 2020 and Claire is considered an independent Non-Executive Director.

The ARC has had a busy year, meeting five times and with the CFO and COO giving updates and input when invited. A Partner and Senior Manager from the external auditor were also invited to attend several meetings.

Duties

The ARC has had a busy year, meeting five times. Its primary duties, as set out in the Terms of Reference, include:

Financial Statements

- Reviewing the integrity and content of the financial statements and underlying financial controls of the Company, including its annual and interim reports, reviewing significant financial reporting issues and judgements contained in them.
- Advising the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.
- Overseeing the relationship with the external auditor.

Risk

- To review the Group's risk management procedures.
- Overseeing and advising the Board on the Company's overall risk exposures and strategy.
- Keeping under review the adequacy, effectiveness and independence of the Company's internal risk assessment processes, internal controls and risk management systems.

Activities of the Committee during the year

During the year, the Committee work covered three main areas:

External auditor

- The IPO necessitated a change of auditor. This was affected just prior to the last financial year end.
- The Committee were satisfied with the appropriateness and independence of Mazars LLP, although there was a Partner and Senior Manager change during the financial year.
- Mazars LLP have attended ARC meetings, where appropriate, to discuss their audit plan and to report back on their audit findings.
- The initial timetable for audit, covering the year ending 30 April 2021, was considered by the Committee in May 2021.
- Post the annual audit, Mazars LLP also met the Committee to present their Audit Completion Report, which provided a review of the audit process and discussion of their observations as auditor.
- The Committee was satisfied with the overall process of the audit and considered that the FRP finance team and the Mazars LLP audit team had worked well together, albeit liaising remotely.
- The Committee recommended the re-appointment of Mazars LLP as auditor for the financial year to 2022.

Financial results

- The Committee met to review the Annual and Interim figures prior to them being released to the Market and reviewed the process and reporting of the accounts prior to recommending them to the Board.
- The Committee discussed the estimated outlook for the financial year and the basis for this assessment.
- The Committee discussed the arrangements for ensuring compliance with the inside information and MAR requirements.
- The Committee also considered FRP's dividend policy and processes.

Risk management

- The business is implementing a risk management framework to achieve ISO 31000 and during this financial year significant progress was made.
- A Risk Framework Road Map was presented to the Committee, which enables ongoing monitoring and review of progress in implementing the new Framework.
- The Committee is being kept appraised of ongoing development of the Risk Framework.

Overall, FRP continues to improve its risk management processes and the Committee is please with the progress that is being made in order to achieve an Enterprise Risk Management framework (ISO 31000), which is supported by the introduction of an Integrated Risk Management platform, to provide a company-wide view of all enterprise risks.

The Committee expects to remain busy as the Group continues to grow and evolve.

David Chubb
Chairperson,
Audit and Risk Committee
26 July 2021

Report of the Remuneration Committee

For the year ended 30 April 2021

This report is for the year ended 30 April 2021 and sets out the remuneration policy and the detailed remuneration for the Executive and Non-Executive Directors of the Company. As an AIM-quoted company, the information is disclosed to fulfil the requirements of AIM Rule 19. FRP Advisory Group plc is not required to comply with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013.

Chairperson's Introduction

I am pleased to introduce the Group's remuneration report for the year ended 30 April 2021, covering the first full year since the company completed its IPO on 6 March 2020. At the start of the year, the membership was Kate O'Neill (as Chair) and David Chubb, both independent Non-Executive Directors. Kate O'Neill left the Committee on 30 June 2020. I joined on 3 August 2020 and took over the Chair. David and I are both independent Non-Executive Directors.

The role of the Committee is set out in its Terms of Reference, a copy of which is available on the Company's website. Its primary responsibilities are to:

- Determine and agree on behalf of the Board, the Group's policy and framework for the remuneration of the Chair, Chief Executive and other Executive Directors including pension rights and compensation payments, including any such remuneration, rights and/or payments as arise from any such persons' engagement as a member of FRP Advisory Services LLP;
- Review the on-going appropriateness and relevance of the remuneration policy;
- Approve the design of, and determine targets for, any performance-related remuneration schemes operated by the Group and approve the total annual payments made under such schemes, save to the extent such matters are expressly reserved to the Board;
- Review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made to Executive Directors or other colleagues, and if so, the overall amount of such awards, the individual awards to Executive Directors. and other designated senior executives and the performance targets to be used; and determine the policy for, and scope of, pension arrangements for each Executive Director and other senior executives.

Remuneration policy

The Committee's overall approach is focused on ensuring the Group's remuneration policy is aligned with shareholders' interests whilst also enabling the Group to attract, retain and motivate high quality executive management. It is intended that this policy conforms with best practice standards.

Activities of Remuneration Committee during the year and following the year end

The number of meetings held by the Remuneration Committee are set out in the Board Committee attendance table, detailed in the Corporate Governance Statement on page 50.

During the year and following the year end, the Committee's work has included:

- Developing an appropriate remuneration package for the Chief Financial Officer, Gavin Jones, who was appointed on 29 June 2020.
- Developing the Remuneration Policy for the Executive Directors.
- Salary changes for Executive Directors to be effective 1 May 2021.
- Workings and operation of annual bonus for Executive Directors.

During the second half of the year, the company appointed an external Remuneration Committee and Compensation consultant H2 Glenfern, to provide advice on the development of a longer-term remuneration strategy linked to the overall company strategy for its Partners with a focus on long term share incentive awards. Following the advice, a new Employee Incentive Plan (EIP) was put in place after the year end.

The Group will continue to consider its long-term remuneration strategy and policy.

Company performance during year to 30 April 2021

The Group had a strong year and grew profitably with £79.0 million revenue (2020 £63.2 million) an increase of 25% and £23.0 million of underlying adjusted EBITDA (2020: £18.8 million). The Group also completed four acquisitions and adapted well to working remotely and serving clients seamlessly. Overall, in the circumstances, particularly given the high levels of Government support creating a subdued market, FRP grew market share and made significant progress and is well positioned for the future.

Decisions taken on remuneration relating to the year ended 30 April 2021

The Board is comprised of three groups. Each are remunerated slightly differently and this is discussed below for each of the Partner Directors, the CFO and the Non-Executive Directors.

Partner Director pay structure

Geoff Rowley (CEO) and Jeremy French (COO) are Partner Directors and remunerated in the following ways:

- *Base Salary:* £12,000 per year. This derives from their employment by FRP Advisory Trading Limited.
- *Partner Base Profit Share:* Geoff and Jeremy will each receive basic drawings in their capacity as Partners of FRP Advisory Services LLP of £315,000 per year.

- *Discretionary Profit Share:* There is an annual variable profit-sharing pool available for Partners in respect of each financial year equivalent to 25% of the Group's consolidated EBITDA. Payments from the annual profit-sharing pool will generally be paid in four quarterly tranches following the publication of the Company's audited accounts in respect of the relevant year in four equal tranches of 25%. Distribution of the annual profit-sharing pool is determined by the Remuneration Committee of FRP Advisory Services LLP and, in relation to Geoff and Jeremy, reviewed and approved by the Remuneration Committee of the Board.
- *Share Options:* To reward and incentivise exceptional performance, Partners may also be made awards of options or Ordinary Shares under the EIP (which may in each case be subject to vesting and/or performance criteria). No options have been awarded to Partner Directors at this point.

Geoff and Jeremy maintain Life Assurance Cover, Critical Illness Cover, Private Medical Insurance and Permanent Health Insurance through the Partnership Scheme but these are paid for by them personally. Pension Contributions are also paid personally from Partnership profit allocations. In addition, Geoff and Jeremy will be entitled to receive dividends arising from their shareholdings in the Company. Neither Geoff nor Jeremy participate in the company's long-term incentive arrangements.

The Remuneration Committee approved the FY 2021 profit allocations payable to Geoff and Jeremy. In addition to their base profit shares, Geoff and Jeremy were allocated £1,026,290 and £362,463 respectively from the discretionary profit share pool.

CFO pay structure

Gavin Jones was appointed Chief Financial Officer effective 29 June 2020 with an annual salary of £180,000, a pension contribution of 10% and a first-year annual bonus maximum target of up to 100% of annual salary. On appointment, Gavin Jones received an award of 146,044 nil cost share option awards that vest after 3 years. These awards had a value at the prevailing share price of £179,999 in line with the options granted on IPO. In the first year the Remuneration Committee reviewed the Group's and Gavin's performance against financial targets and personal objectives and awarded him a bonus of £141,000 (78% of annual salary). Other benefits include Life Assurance Cover, Critical Illness Cover, Private Medical Insurance and Permanent Health Insurance.

Non-Executive Director annual fees

The Annual Fees currently payable to the Non-Executive Directors are set out below. They were originally determined on completion of the IPO in March 2020.

Single total figure of remuneration

The tables below detail the total remuneration earned by each Director from the Group in respect of the financial year ended 30 April 2021 and the previous financial year ended 30 April 2020, which was effectively only March and April, the c. 2 month period since the IPO, as they received no remuneration from the newly formed plc prior to that date.

The Chief Executive Officer and Chief Operating Officer are rewarded primarily through their Partnership interests in FRP Advisory Services LLP in the same way as all the other Partners of the business. They also hold significant equity stakes in the Company and will receive dividends paid in respect of those shareholdings.

Details of the remuneration of the Executive and Non-Executive Directors during the year is set out in the Single Figure remuneration table below.

2021	Salary & fees £	Bonus £	Partner Profit Allocation £	Taxable Benefits £	Share Options £***	2021 Total £
Executive directors						
Geoff Rowley, CEO	12,000	Nil	1,341,290	n/a	n/a	1,353,290
Jeremy French, COO	12,000	Nil	677,463	n/a	n/a	689,463
Gavin Jones*, CFO	151,363	141,000	n/a	15,795	179,999	488,157
Non-Executive Directors						
Nigel Guy	75,000	Nil	n/a	335	n/a	75,335
David Chubb	55,000	Nil	n/a	2,434	n/a	57,434
David Adams	55,000	Nil	n/a	245	n/a	55,245
Kate O'Neill	9,167	Nil	n/a	n/a	n/a	9,167
Claire Balmforth	41,247	Nil	n/a	n/a	n/a	41,247
Total remuneration	**410,777**	**141,000**	**2,018,753**	**18,809**	**179,999**	**2,769,338**

2020	Salary & fees £	Bonus £	Partner Profit Allocation £	Taxable Benefits £	Share Options £***	Post IPO 2020 c. 2 months Total £
Executive directors						
Geoff Rowley, CEO	2,000	Nil	276,179	**	Nil	278,179
Jeremy French, COO	2,000	Nil	107,151	**	Nil	109,151
Gavin Jones*, CFO	Nil	Nil	n/a	Nil	Nil	Nil
Non-Executive Directors						
Nigel Guy	12,500	Nil	n/a	65	55,000	67,565
David Chubb	9,167	Nil	n/a	412	5,000	14,579
David Adams	9,167	Nil	n/a	48	50,000	59,214
Kate O'Neill	9,167	Nil	n/a	47	5,000	14,214
Total remuneration	**44,000**	**Nil**	**383,330**	**572**	**115,000**	**542,902**

*Gavin Jones was appointed on 29 June 2020.
**See "Partner Director Pay Structure" above.
***The share options are the market value at grant date. These options vest three years after being granted.

Director Share Options

Details of the Directors' share options at the year end and currently are set out below.

	At 30 April 2021	At the date hereof
Executive directors		
Geoff Rowley	Nil	Nil
Jeremy French	Nil	Nil
Gavin Jones (appointed 29 June 2020)	146,044	146,044
Non-Executive Directors		
Nigel Guy	68,750	68,750
David Chubb	6,250	6,250
David Adams	62,500	62,500
Kate O'Neill (resigned 30 June 2020)	Nil	Nil
Claire Balmforth	Nil	Nil
Total number of Share Options	**283,544**	**283,544**

The 146,044 share options granted to Gavin Jones on his appointment are nil cost options which vest on 29 June 2023. There are no performance conditions attached to these options in line with the other options granted at the time of the IPO.

The share options granted to the Non-Executive Directors at IPO have an exercise price of 0.1p per share (nominal value), vest on 6 March 2023 and carry no performance conditions.

Director's interests in shares

The interests of the Directors as at 30 April 2021 and 30 April 2020 in the shares of the Company were:

Name	30 April 2021 Number	30 April 2021 % of issued shares	30 April 2020 Number	30 April 2020 % of issued shares
Nigel Guy	25,000	0.01	25,000	0.01
Geoff Rowley	9,454,663	3.89	9,454,663	3.98
Jeremy French	7,563,730	3.11	7,563,730	3.18
Gavin Jones	Nil	Nil	Nil	Nil
David Chubb	62,500	0.03	62,500	0.03
David Adams	312,500	0.13	312,500	0.13
Claire Balmforth	Nil	Nil	Nil	Nil

Remuneration for FY 2022

The Remuneration Committee approved a 2.5% fee increase for Non-Executive Directors and the Chief Financial Officer, in line with the general pay rise given to the workforce.

Partner Directors
The pay structure for the Partner Directors, Geoff Rowley (CEO) and Jeremy French (COO), remains the same as last year.

Chief Financial Officer
The CFO salary is £184,500 from 1 May 2021. The bonus target is up to 150% and based on both personal and Company Financial performance.

The Remuneration Committee is developing a Long-Term Incentive Plan ("LTIP") for the CFO.

Non-Executive Director annual fees
The Annual Fees currently payable to the Non-Executive Directors are set out below. The Board (without the Non-Executive Directors present) increased by 2.5% from 1 May 2021 in line with a workforce increase, as follows;

	Fees £
Nigel Guy	76,875
David Chubb	56,375
David Adams	56,375
Claire Balmforth	56,375
Total remuneration	**246,000**

Claire Balmforth
Chairperson,
Remuneration Committee
26 July 2021

Report of the Nomination Committee

For the year ended 30 April 2021

The Committee was formed on the Company's IPO in March 2020. It comprises myself as Chair and the two independent Non-Executive Directors, David Chubb and Claire Balmforth. (who replaced Kate O'Neill in June 2020).

The role of the Committee is set out in its Terms of Reference, a copy of which is available on the Company's website. Its primary responsibilities are to:

- Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes.
- Give full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future.
- Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.
- Keep under review the leadership needs of the organisation, both Executive and non-Executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.

Committee Activities

Three formal meetings of the Committee were held during the financial year, with a fourth meeting taking place after the reporting period.

In the first half of the year, the Committee's work focussed on the recruitment of Gavin Jones as Chief Financial Officer and the recruitment of a new independent Non-Executive Director, Claire Balmforth. Details of the background and processes behind these two hires was set out in the Committee's report last year.

Since then, the Committee has started to turn its attention to longer term, strategic topics and will continue to keep these under review in accordance with its Terms of Reference.

The Company is fully committed to the elimination of unlawful and unfair discrimination and values the differences that a diverse workforce brings to the Group. The Group will not discriminate because of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. It will not discriminate because of any other irrelevant factor and has built a culture that values openness, fairness and transparency.

Nigel Guy
Chairperson,
Nomination Committee
26 July 2021

Statement of Directors' responsibilities

For the year ended 30 April 2021

The Directors are responsible for preparing the strategic report, annual report and the financial statements in accordance with applicable laws 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 financial statements in accordance with International Accounting Standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework". 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 of the Group and company, and of the profit or loss of the 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 they have been prepared in accordance with International Accounting Standards, subject to any material departures disclosed and explained in the financial statements; and
- 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's 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 requirements of 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 are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

Independent auditor's report

to the Members of FRP Advisory Group plc
For the year ended 30 April 2021

Opinion

We have audited the financial statements of FRP Advisory Group plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2021 which comprise the:

- Consolidated Statement of Comprehensive Income;
- Consolidated Statement of Financial Position;
- Consolidated Statement of Changes in Equity;
- Consolidated Statement of Cash Flows;
- Parent Company Balance Sheet;
- Parent 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 the preparation of the group financial statements is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice), as applied in accordance with the provisions of the Companies Act 2006.

In our opinion, the group and parent company financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2021 and of the group's profit for the year then ended; and
- the group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- The parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, as applied in accordance with the provisions 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 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 as applied to listed entities, 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our audit procedures to evaluate the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls relating to the directors' going concern assessment;
- Evaluating the directors' method to assess the group's and the parent company's ability to continue as a going concern;
- Reviewing the directors' going concern assessment, including sensitivity analysis;
- Evaluating the key assumptions used and judgements applied by the directors in forming their conclusions on going concern; and
- Reviewing the appropriateness of the directors' disclosures in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our scope addressed this matter
Revenue recognition and the value of unbilled revenue (contract assets) (Group) The group's accounting policy in respect of revenue recognition is set out in note 2.11 'Revenue recognition' on page 71 of the financial statements. Under this policy, the amount of revenue recognised in a period will represent the fair value of the group's entitlement to consideration in respect of professional services provided in that period. In determining the entitlement to non-contingent consideration, which represents approximately 2.3% of the group's revenues, the group's engagement team considers the nature of the fee arrangements for each engagement. These arrangements may include the requirement for credit committee approval, and the assessment may require an estimate of both the proportion of each engagement that is complete at the period end, and the total consideration expected to be received under the engagement. The directors' commentary on the related judgements and estimates is set out in note 3 page 76. Unbilled revenue is included in the consolidated statement of financial position within trade and other receivables. Reflecting the complex nature of some fee arrangements and the judgemental nature of the assessments required by the group's engagement teams, we have identified revenue recognition and the associated value of unbilled revenue as a key audit matter.	Our audit procedures included consideration of the methodology adopted and the related control environment, testing of the operating effectiveness of controls, and substantive testing on a sample of engagements. In particular, our audit procedures included, but were not limited to: > Testing the operating effectiveness of controls relating to timesheets, specifically those controls we identified as key controls in the determination of revenue to be recognised; > Considering the appropriateness of the methodology adopted, with reference to IFRS 15; and > Reviewing the recovery of a sample of prior year contract assets by reference to recorded outcomes in the current year. Our substantive procedures performed on a sample of cases ongoing at the year-end included, but were not limited to: > Assessing the right to consideration by reference to fee arrangements and/or contractual terms; > Evaluating the judgements and estimates made by the group's engagement teams, including contract completion point, costs yet to be incurred and the potential outcome of the contract in determining the level of and the value of contract assets recorded in the financial statements; and > Reviewing post year end time booked and invoices raised. In addition, we performed analytical procedures to review provisioning by partner and by office in order to identify any anomalies or unusual trends that could be indicative of inappropriate provisioning at the year end. We also considered the reasonableness of the related disclosures. **Our observations** Based on our audit procedures, we consider that the revenue recognised and the value of the contract assets, and the associated disclosures, to be reasonable.

Key audit matter	How our scope addressed this matter
Acquisition accounting During the year ended 30 April 2021, the Group made four acquisitions for a total consideration of £14.6 million. Two of these acquisitions resulted in recognition of goodwill of £8.9 million. These transactions fall under the scope of IFRS 3 Business Combinations which requires significant management judgement in determining the fair value of the consideration, identification and measurement of fair value of the assets acquired, liabilities assumed, and allocation of the purchase consideration between identifiable assets, liabilities and goodwill. The purchase agreements for three of the acquisitions also comprised equity payments of £6.2 million contingent on continuing employment; management has treated these amounts as remuneration for post combination services. Given the significant level of judgement involved, we identified acquisition accounting as a key audit matter. Refer to page 11 of the Chief Executive's Report for management's discussion of the acquisitions, note 3 for critical accounting judgements made in accounting for the acquisitions and note 24 for the financial disclosures.	We performed the following procedures in response to the key audit matter identified: › Inspected the shareholder's agreements and other relevant contracts to independently assess the accounting treatment applied; › Validated the opening balance sheets for the acquired businesses where material; › Obtained the purchase price allocation report (PPA) for the JDC group acquisition and engaged our valuation expert to review the PPA for reasonableness. Our work included independent discussions with the expert to understand and challenge the valuation methodology, review key underlying assumptions and understand the impact of subsequent adjustments made to the purchase consideration; › Reviewed the PPAs for the other acquisitions in the year and challenged the appropriateness of management's conclusion that there are no separately identifiable intangible assets that meet the criteria for recognition; and › Reviewed and assessed the presentation and disclosures in the financial statements. **Our observations** Based on our audit procedures, we are satisfied with the judgements made around accounting for the acquisitions and that the valuation and completeness of the intangible assets identified by management are reasonable.

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	**Group materiality:** £1.5 million **Parent company materiality:** £0.8 million
How we determined it	**Group materiality:** 9% of profit before tax **Parent company materiality:** We have used 2.2% of net assets as the basis for materiality.
Rationale for benchmark applied	We consider profit before taxation to be the most appropriate benchmark for group overall materiality, as this is a key focus for the users of the financial statements. As the parent company operates solely as a holding company, we consider net assets to be the most appropriate basis for determining overall materiality for the parent company.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. Having considered factors such as the group's and parent company's control environment, we set group and parent company performance materiality at 70% of group and parent company overall materiality (£0.79 million and £0.55 million, respectively).
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £45k for the group and £24k for the parent company (representing 3% of overall materiality) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

An overview of the scope of our audit

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the group and parent company, their environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included the audit of the group and parent company financial statements of FRP Advisory Group plc. Based on our risk assessment, the parent company and four components of the group were subject to full scope audit. The audits of these five components were conducted by the group audit team. For the remaining components of the group, we performed analytical procedures to respond to any potential risks of material misstatement to the group financial statements.

The table below sets out an overview of the scope of our audit:

Scope	Number of components	Revenue	Profit before tax	Net assets	Total assets
Full audit scope	5	97%	98%	89%	96%
Review at group level	8	3%	2%	11%	4%

At the parent company level, we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept 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 set out on page 57, 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's and the 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 or the 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.

Based on our understanding of the group and the parent company and their industry, we identified that the principal risks of non-compliance with laws and regulations related to employment regulation, health and safety regulation, data protection and General Data Protection Regulation (GDPR) and breaches of applicable regulatory requirements of the FCA, and 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, UK tax legislation and the AIM Rules for Companies.

We evaluated the directors' and 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 manual journal entries to manipulate financial performance, and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition and the value of contract assets.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

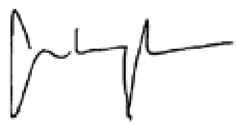
The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit, including due to fraud, are discussed under "Key audit matters" within this report.

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 the audit report

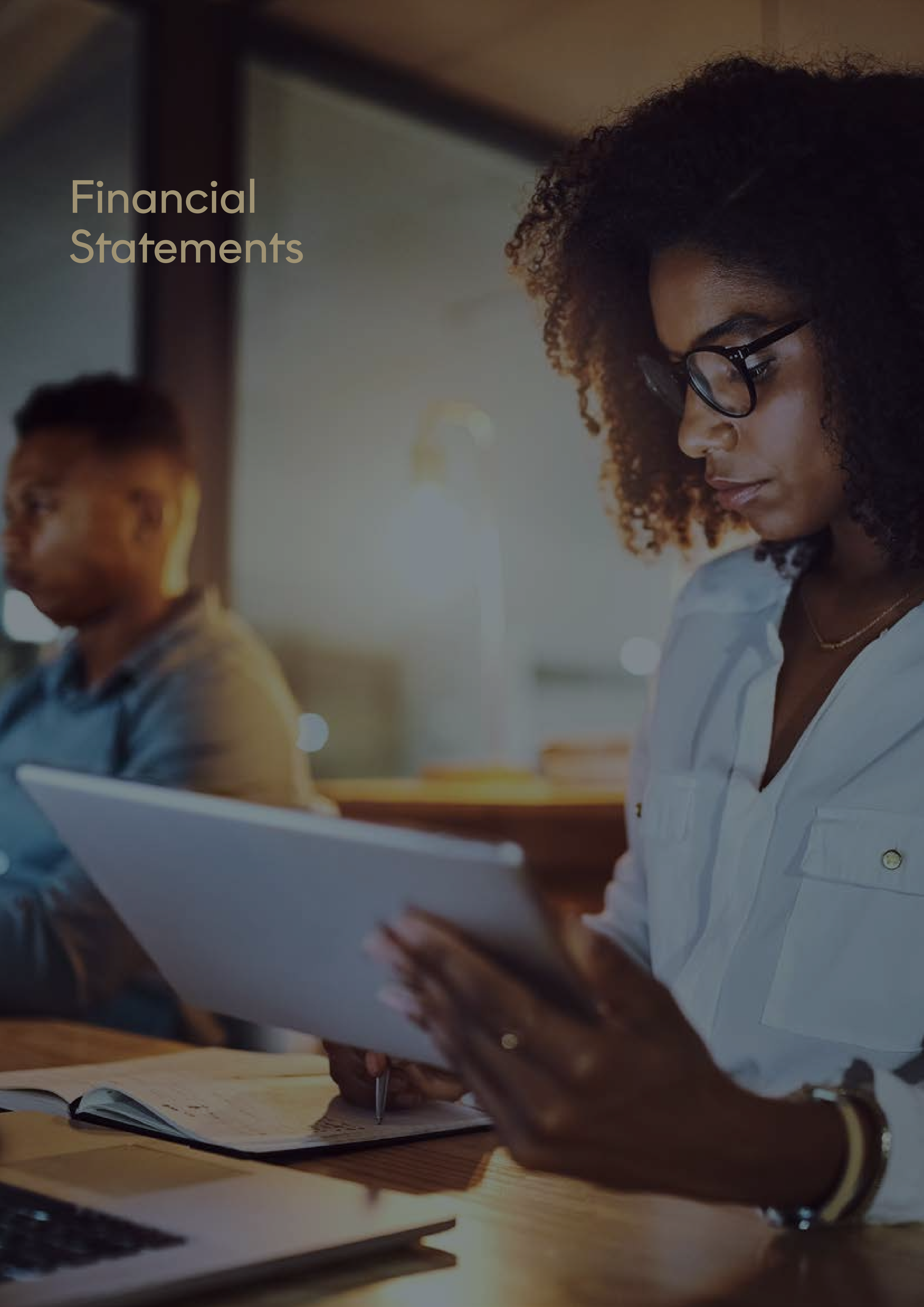
This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. 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.



Claire Larquetoux
Senior Statutory Auditor

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD
United Kingdom
26 July 2021

Financial Statements



Consolidated statement of comprehensive income

For the year ended 30 April 2021

	Notes	Year Ended 30 April 2021 £'000	Year Ended 30 April 2020 £'000
Revenue		**78,987**	63,187
Personnel costs	8	**(46,572)**	(42,692)
Depreciation and amortisation		**(1,551)**	(1,359)
Other operating expenses		**(14,027)**	(14,086)
Exceptional costs	7	**–**	(1,974)
Operating profit	6	**16,836**	3,076
Finance income		**–**	7
Finance costs		**(233)**	(177)
Net finance costs	10	**(233)**	(170)
Profit before tax		**16,604**	2,906
Taxation	11	**(2,993)**	(829)
Profit for the year		**13,611**	2,077
Other comprehensive income		**–**	–
Total comprehensive income for the year		**13,611**	2,077
Earnings per share (in pence)			
Basic and diluted	12	**5.69**	0.87

All results derive from continuing operations.

FY 2020 prior year: The Group reorganised on 6 March 2020 and listed on AIM. Before the listing the business was a full distribution partnership, all profits for the c. 10 month period to IPO were allocated to Partners, as presented in personnel costs above.

The notes on pages 69 to 92 form part of these financial statements.

Consolidated statement of financial position

As at 30 April 2021

	Notes	Year Ended 30 April 2021 £'000	Year Ended 30 April 2020 £'000
Non-current assets			
Goodwill	13	**9,600**	750
Other intangible assets	13	**794**	–
Property, plant and equipment	14	**2,241**	1,994
Right of use asset	14	**3,527**	3,995
Deferred tax asset	19	**925**	–
Total non-current assets		**17,087**	6,739
Current assets			
Trade and other receivables	15	**42,373**	33,576
Cash and cash equivalents	16	**24,383**	21,311
Total current assets		**66,756**	54,887
Total assets		**83,843**	61,626
Current liabilities			
Trade and other payables	17	**34,684**	27,276
Loans and borrowings	18	**1,600**	–
Lease liability	18	**872**	925
Total current liabilities		**37,156**	28,201
Non-current liabilities			
Other creditors	17	**5,531**	9,528
Loans and borrowings	18	**6,400**	–
Lease liability	18	**2,768**	3,271
Deferred tax liabilities	19	**–**	124
Total non-current liabilities		**14,698**	12,923
Total liabilities		**51,855**	41,124
Net assets		**31,988**	20,502
Equity			
Share capital	21	**243**	238
Share premium	26	**23,730**	18,975
Treasury shares reserve	26	**(19)**	(19)
Share based payment reserve	26	**(4,135)**	361
Merger reserve	26	**1,287**	(90)
Retained earnings	26	**10,882**	1,037
Shareholders equity		**31,988**	20,502

Approved by the Board and authorised for issue on 26 July 2021.

Jeremy French
Director

Gavin Jones
Director

Company Registration No. 12315862

Consolidated statement of changes in equity

For the year ended 30 April 2021

	Called up share capital £'000	Share premium account £'000	Treasury share reserve £'000	Share based payment reserve £'000	Merger reserve £'000	Retained earnings £'000	Total Total equity £'000
Balance at 30 April 2019	–	–	–	–	–	(855)	**(855)**
Year ended 30 April 2019							
Profit and total comprehensive income for the year	–	–	–	–	–	2,077	**2,077**
Other movements	–	–	–	–	–	(185)	**(185)**
Group restructuring	–	–	–	–	(90)	–	**(90)**
Issue of share capital	238	19,975	–	–	–	–	**20,213**
Issue costs	–	(1,000)	–	–	–	–	**(1,000)**
Acquisition of treasury shares	–	–	(19)	–	–	–	**(19)**
Share based payment expenses	–	–	–	361	–	–	**361**
Balance at 30 April 2020	**238**	**18,975**	**(19)**	**361**	**(90)**	**1,037**	**20,502**
Profit and total comprehensive income for the year	–	–	–	–	–	13,611	**13,611**
Other movements	–	–	–	–	–	20	**20**
Issue of share capital	5	4,755	–	–	1,377	–	**6,137**
Dividends	–	–	–	–	–	(6,786)	**(6,786)**
Share based payment expenses	–	–	–	3,700	–	–	**3,700**
Deemed remuneration	–	–	–	(5,196)	–	–	**(5,196)**
Transfer to retained earnings	–	–	–	(3,000)	–	3,000	**–**
Balance at 30 April 2021	**243**	**23,730**	**(19)**	**(4,135)**	**1,287**	**10,882**	**31,988**

Consolidated statement of cash flows

For the year ended 30 April 2021

	Year Ended 30 April 2021 £'000	Year Ended 30 April 2020 £'000
Cash flows from operating activities		
Profit before taxation	**16,604**	2,906
Depreciation, amortisation and impairment (non cash)	**1,551**	1,359
Share based payments (non cash)	**4,643**	361
Net finance expenses	**232**	170
Increase in trade and other receivables	**(2,833)**	(2,510)
(Decrease)/increase in trade and other payables	**(4,982)**	360
Tax paid	**(4,447)**	(18)
Net cash from operating activities	**10,768**	2,628
Cash flows from investing activities		
Purchase of tangible assets	**(1,114)**	(707)
Acquisition of subsidiaries less cash acquired	**(10,599)**	–
Acquisition of trade and assets	**(1,610)**	–
Interest received	**–**	7
Net cash used in investing activities	**(13,322)**	(700)
Cash flows from financing activities		
Proceeds from share sales	**3,760**	20,106
Less issue costs	**–**	(1,000)
Dividend	**(4,990)**	–
Principal elements of lease payments	**(911)**	(850)
Drawdown of new loans	**8,000**	–
Repayment of loans and borrowings	**–**	(3,642)
Interest paid	**(233)**	(177)
Net cash used in financing activities	**5,626**	14,437
Net increase in cash and cash equivalents	**3,072**	16,365
Cash and cash equivalents at the beginning of the year	**21,311**	4,946
Cash and cash equivalents at the end of the year	**24,383**	21,311

Notes to the Financial Statements

For the year ended 30 April 2021

1. General information

FRP Advisory Group plc (the "Company") and its subsidiaries' (together "the Group") principal activities include the provision of specialist business advisory services for a broad range of clients, including restructuring and insolvency services, corporate finance, debt advisory, forensic services and pensions advisory.

The Company is a public company limited by shares registered in England and Wales and domiciled in the UK. The address of the registered office is 110 Cannon Street, London, EC4N 6EU and the company number is 12315862.

2. Significant accounting policies

The following principal accounting policies have been used consistently in the preparation of the consolidated financial statements:

2.1 Basis of preparation

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the presentational currency of the Company. Amounts in these financial statements are rounded to the nearest £'000.

2.2 Historic cost convention

The financial statements have been prepared under the historical cost convention.

2.3 Basis of consolidation

The financial statements incorporate the results of FRP Advisory Group plc and all of its subsidiary undertakings as at 30 April 2021.

FRP Advisory Group plc was incorporated on 14 November 2019 and on 6 March 2020 it acquired the entire issued share capital of FRP Advisory Trading Limited from FRP Advisory LLP by way of a share-for-share exchange. The shareholding of FRP Advisory Group plc owned by FRP Advisory LLP as a result of the exchange was subsequently distributed to its members in the same proportion to their equity holdings. FRP Advisory Trading Limited had three wholly owned subsidiaries, FRP Debt Advisory Limited, FRP Corporate Finance Limited and Litmus Advisory Limited, as well as being a member of FRP Advisory Services LLP and Apex Debt Solutions LLP.

The accounting treatment in relation to the addition of FRP Advisory Group plc as a new UK holding company of the Group falls outside the scope of IFRS 3 'Business Combinations'. The re-organisation constituted a common control combination of the entities. This was a result of the shareholders of FRP Advisory Group plc being issued shares in the same proportion to their equity holdings in FRP Advisory LLP and the continuity of ultimate controlling parties.

The reconstructed Group was consolidated using merger accounting principles, as outlined in Financial Reporting Standard FRS 102 ("FRS"), and the reconstructed Group treated as if it had always been in existence. The Directors believe that this approach presents fairly the financial performance, financial position and cash flows of the Group.

During the year the Group completed four acquisitions, two asset and trade transactions and two share transactions. The assets, liabilities and entities acquired have been consolidated within these Financial Statements, in accordance with IFRS 3. The newly acquired entities are:

JDC Group

- JDC Accounts and Business Advisors Ltd
- JDC Holdings Ltd
- Jon Dodge & Co Ltd
- Walton Dodge Forensic Ltd

Spectrum Corporate Finance Limited

2.4 New and amended standards adopted by the Group

The Group has applied the following new standards and interpretations for the first time for the annual reporting period ending 30 April 2021:

- *IAS 1 Presentation of financial statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors:* Amendments in relation to the definition of material
- *Conceptual framework:* Amendments to references to the conceptual framework in IFRS standards
- *IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments:* Disclosures: Amendments arising from the Interest Rate Benchmark Reform – Phase 1
- *IFRS 3 Business Combinations:* Amendments in relation to the definition of a business

The adoption of the other standards and interpretations listed above has not led to any changes to the Group's accounting policies or had any other material impact on the financial position or performance of the Group.

2. Significant accounting policies continued

2.5 Standards issued but not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in the financial statements, were in issue but were not yet effective.

The Group's and Company's management have reviewed the application of the amendments and have concluded that there is no expected impact on the Group and Company financial statements.

Standard	Effective date, annual period beginning on or after
IFRS 16 Leases: Amendments in relation to Covid-19-related rent concessions	1 June 2020
IFRS 4 Insurance Contracts: Amendments in relation to the temporary exemption from applying IFRS 9	25 June 2020
IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases: Amendments arising from the Interest Rate Benchmark Reform–Phase 2	1 January 2021
IFRS 16 Leases: Amendments in relation to Covid-19-related rent concessions beyond 30 June 2021	1 April 2021
IAS 16 Property, Plant and Equipment: Amendments in relation to proceeds before intended use	1 January 2022
IAS37 Provisions, Contingent Liabilities and Contingent Assets: Amendments in relation to the cost of fulfilling a contract when assessing onerous contracts	1 January 2022
IFRS 3 Business Combinations: Amendments to update references to the Conceptual Framework	1 January 2022
Annual Improvements to IFRSs (2018 –2020 cycle)	1 January 2022
IAS 1 Presentation of Financial Statements: Amendments in relation to the classification of liabilities as current or non-current	1 January 2023
IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements: Amendments in relation to the disclosure of accounting policies	1 January 2023
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Amendments in relation to the definition of accounting estimates	1 January 2023
IAS 12 Income Taxes: Amendments in relation to deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
IFRS 17: Insurance Contracts	1 January 2023
Amendments to IFRS 17 Insurance Contracts	1 January 2023

2.6 Going concern

The business has been, and is currently, both profitable and cash generative. It has consistently grown year on year for 11 years and has proved to be resilient, growing in both periods of economic growth and recession.

At year end the Group had net cash of £16.4m. The Group entered into an £8m structured term loan repayable over five years, during the year. The Group also has available an undrawn £10m committed revolving credit facility (RCF). Ongoing operational cash generation and this cash balance mean we have sufficient resources to both operate and move swiftly should acquisition opportunities arise.

With specific regard to the 2020 coronavirus (Covid-19) virus pandemic, the Group was well prepared to work remotely, clients were continually serviced without interruption. Consequently, our cash generation and profitability were not significantly impacted by Covid-19. Given our strong financial position no Colleagues of the firm have so far been made redundant or furloughed and none of the other Government assistance schemes available (grants, emergency loans, tax settlement delays) were utilised. Throughout the 'lockdown' period we have continued to win new client appointments, retain existing employees and attract new employees.

2. Significant accounting policies continued

2.6 Going concern continued

The quality of client service, strong referral network and barriers to enter the market, together with the strong cash position, make the board confident that the company will continue to grow. In terms of diversification, offices can adapt quickly to supporting each other and work on both higher value assignments or higher volume lower value jobs. Pension Advisory, Forensic Services, Corporate Finance and Debt Advisory can both support the Restructuring Advisory offering but also earn fees autonomously. The two Corporate Finance acquisitions make FRP even more resilient and they give us a key position in the UK mid-cap transactional advisory market. We are able to help a broader range of clients post Covid-19, to either realise their strategic ambitions via solvent M&A transactions or our Restructuring Advisory team is available to help as challenges arise.

Management have conducted sensitivity analysis by reducing revenue by 20% and separately increasing costs by 20%; both scenarios show FRP to be in a strong financial position with available cash resources.

In the unlikely event that the business has a significant slowdown in cash collections the business has a number of further options available to preserve cash.

Having due consideration of the financial projections, the level of structured debt and the available facilities, it is the opinion of the directors that the group has adequate resources to continue in operation for a period of at least 12 months from signing these financial statements and therefore consider it appropriate to prepare the Financial Statements on the going concern basis.

2.7 Deemed Remuneration

Deemed remuneration arises during acquisitions, where an element of the consideration has an equity component and is subject to a lock in period, in order to retain the fee earnings post acquisition. This equity compensation is not treated as part of the cost of acquisition but is reflected in the share based payment reserve and amortised through the statement of comprehensive income as a share-based payment staff cost, over the lock in period.

2.8 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The financial statements of trading subsidiaries are included in the consolidated financial statements from the date control is achieved until the date that control ceases. The date of acquisition accounting policies of the subsidiaries are changed when necessary to align them with the policies adopted by the Group.

2.9 Transactions eliminated on consolidation

Intra-Group balances, and any gains and losses or income and expenses arising from Intra-Group transactions, are eliminated in preparing the historical financial information. Losses are eliminated in the same way as gains, but only to the extent that there is no evidence of impairment.

The Group has been consolidated under merger accounting principles set out in Section 19 of FRS 102 as described in 'basis of consolidation' above.

2.10 Foreign currencies

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2.11 Revenue recognition

Revenue is recognised when control of a service or product provided by the group is transferred to the customer, in line with the Group's performance obligations in the contract, and at an amount reflecting the consideration the Group expects to receive in exchange for the provision of services.

Revenue from contracts with customers is recognised when the Group satisfies a performance obligation for a contracted service. The Group applies the following five step model:

- Identify the contract with a customer;
- Identify the individual performance obligations within the contract;
- Determine the transaction price;
- Allocate the price to the performance obligations; and
- Recognise revenue as the performance obligations are fulfilled.

The Group considers the terms of engagement, either through court appointment or otherwise agreed, issued to customers to be contracts.

There are no significant judgements required in determining the Group's performance obligations in its contracts as the significant majority of contracts contain only one performance obligation.

Transaction price is determined by agreed hourly rates or a fixed fee stated within the letters of engagement or court appointment. If the fee basis is fixed or time based, the provisioning method is based on estimated recoverability of the current unbilled revenue with reference to the billing to date and future billing to be performed as a proportion of costs

2. Significant accounting policies continued

2.11 Revenue recognition continued

to date and estimated costs to complete the contract.

Where work is contingent and not based on time-cost, fees are fully provided until performance obligations are satisfied as at this point there is no risk of a material reversal of revenue.

Contingent work generally includes investigations, corporate finance services, some forensic work, and other assignments where the outcome is determined by either a judge, pre-trial agreement or completion of a transaction. The Group adopts a prudent approach in only recognising revenue on cases that have been resolved with all costs incurred expensed in the relevant month.

The Group recognises revenue from the following activities:

- insolvency and advisory services;
- debt advisory services; and
- corporate finance services.

Insolvency and advisory services
For the Group's formal insolvency appointments and other advisory engagements, where remuneration is typically determined based on hours worked by professional partners and colleagues, the Group transfers control of its services over time and recognises revenue over time if the Group:

- provides services for which it has no alternative use or means of deriving value; and
- has an enforceable right to payment for its performance completed to date, and for formal insolvency appointments has approval from creditors to draw fees which will be paid from asset realisations.

Progress on each assignment is measured using an input method based on costs incurred to date as a percentage of total anticipated costs.

In determining the amount of revenue and the related balance sheet items (such as trade receivables, unbilled income and deferred income) to recognise in the period, management is required to form a judgement on each individual contract of the total expected fees and total anticipated costs. These estimates and judgements may change over time as the engagement completes and this will be recognised in the consolidated statement of comprehensive income in the period in which the revision becomes known. These judgements are formed over a large portfolio of contracts and are therefore unlikely to be individually material.

Invoices on formal insolvency appointments are generally raised having achieved approval from creditors to draw fees. This is typically settled on a timely basis from case funds. On advisory engagements, invoices are generally raised in line with contract terms.

Where revenue is recognised in advance of the invoice being raised (in line with the recognition criteria above) this is disclosed as unbilled revenue within trade and other receivables.

Unbilled revenue
Unbilled revenue recognised by the Group falls into one of three categories: insolvency & advisory services, corporate finance services and debt advisory services.

When FRP are engaged to work on large and complex administration assignments it can take longer to negotiate final fees with creditors and therefore our appointment on these more complex cases can increase our unbilled revenue and extend the cash conversion cycle. Within our sector work in progress days (unbilled revenue) can range from five to seven months.

Debt advisory services
Revenue will typically be recognised at a point in time following satisfaction of the performance obligation(s) in the contract, at which point the Group is typically entitled to invoice the customer, and payment will be due.

Corporate finance services
Revenue is recognised at a point in time on the date of completion of the transaction or when unconditional contracts have been exchanged. For non-refundable retainer fees, these are recognised upon signing of the contract. Fees typically comprise a non-refundable retainer and a success fee based on a fixed percentage of the transaction value. Retainer fees are invoiced to the client and are payable in the first three to four months. Success fees are deferred and recognised on completion.

2.12 Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The goodwill is tested annually for impairment irrespective of whether there is an indication of impairment. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether

2. Significant accounting policies continued

other assets or liabilities of the acquiree are assigned to those units.

2.13 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, being 12.5% on a straight-line basis.

2.14 Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses.

Cost comprises purchase cost together with any incidental costs of acquisition.

Depreciation is provided to write down the cost less the estimated residual value of all tangible fixed assets by equal instalments over their estimated useful economic lives on a straight-line basis. The following rates are applied:

Computer software	25%
Computer equipment	25%
Fixtures and fittings	15%
Leasehold improvements	Over the term of the lease
Right of use assets	Over the term of the lease
Motor vehicles	25%

2.15 Financial instruments

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised on trade date when the Group becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus, in the case of a financial instrument not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue 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

2.16 Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables. All financial instruments held are classified financial assets or liabilities held as at amortised cost.

Trade and other receivables and trade and other payables
Trade and other receivables are recognised initially at transaction price less attributable transaction costs. Trade and other payables are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any expected credit losses in the case of trade receivables. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings
Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

2.17 Impairment of tangible and intangible assets

At each reporting end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. The impairment indicator assessment applies to all assets excluding assets with indefinite useful lives including goodwill for which an impairment assessment is performed annually regardless of whether an impairment indicator exists or not. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2. Significant accounting policies continued

2.17 Impairment of tangible and intangible assets continued

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognised immediately in profit or loss.

2.18 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on 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 recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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 calculated at the tax rates that are enacted or substantively enacted when the liability is settled, or the asset is realised. Deferred tax is charged or credited to the consolidated statement of comprehensive income except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

2.19 Employee benefits

The Group operates defined contribution plans for its employees. A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the periods during which services are rendered by employees.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.20 Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cashflows at a pre-tax rate that reflects risks specific to the liability.

In common with comparable businesses, the Group is involved in a number of disputes in the ordinary course of business which may give rise to claims. Provision is made in the financial statements for all claims where costs are likely to be incurred and represents the cost of defending and concluding claims. The Group carries professional indemnity insurance and no separate disclosure is made of the cost of claims covered by insurance as to do so could seriously prejudice the position of the Group.

2.21 Leases

The Group leases a number of properties in various locations around the UK from which it operates. All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

In accordance with IFRS16 Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by

2. Significant accounting policies continued

reference to the rate inherent in the lease at the commencement date.

Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

2.22 Financing income and expenses

Financing expenses comprise interest payable, finance charges on leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the statement of comprehensive income.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in the statement of comprehensive income as they accrue, using the effective interest method.

2.23 Share capital

Ordinary shares are classified as equity. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.24 Share based payments

Equity settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of comprehensive income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to other reserves. Where equity settled share-based payments of the parent company have been issued to employees of its subsidiaries this is recognised as a cost of investment in the parent company financial statements and as an expense and capital contribution in the subsidiary.

The Employee Benefit Trust has been consolidated.

2.25 Dividends

Interim dividends are recognised in the financial statements when they are declared. Final dividends which are recommended for shareholder approval, after the yearend balance sheet date, are disclosed as a post year end event.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

3. Critical accounting judgements and key sources of estimation uncertainty continued

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimates (which are dealt with separately below), that have been made in the process of applying the Group's accounting policies and that have had the most significant effect on amounts recognised in the financial statements, as listed below:

Deemed remuneration

Deemed remuneration arises during acquisitions, where compensation in the form of equity is subject to a lock in period, it in order to retain the key fee earners post acquisition. This is a judgement area but the guidance in IFRS 3 Business Combinations is followed. As the equity compensation is restricted until the key fee earners have completed the required lock in period, is not considered to be part of the cost of the acquisition and it is initially recognised in the share based payments reserve as a debit to the reserve and amortised through the statement of comprehensive income over the lock in period. Compensation for three of the acquisitions made in the year was in the form of equity subject to a lock in period. The directors have made the judgement that this equity compensation is deemed remuneration. Note 24 provides further detail on the acquisitions in the year.

Purchase price allocation (PPA)

When acquiring a business FRP perform a purchase price allocation exercise, with specialist assistance if required.

Any identified intangibles are amortised over their useful economic life. The Group applies judgement in determining the fair value of net assets acquired and in evaluating whether there are separately identifiable intangible assets that require recognition. Please refer to Note 24 for further detail on the acquisitions made in the year.

Key source of estimation uncertainty

The judgements involving estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Impairment of goodwill

The Group records all assets and liabilities acquired in business combinations, including goodwill, at fair value. Goodwill is not amortised but is subject, at a minimum, to annual tests for impairment. The initial goodwill recorded, and subsequent impairment review require management to determine appropriate assumptions (which are sources of estimation uncertainty) in relation to cash flow projections over a five year period, the terminal growth rate and the discount rate used to discount the cash flows to present value. See note 13 for further details on the Group's assumptions.

Unbilled revenue

Time recorded for chargeable professional services work is regularly reviewed to ensure that only what the Directors believe to be recoverable from the client is recognised as unbilled revenue within prepayments and accrued revenue.

Estimates are made with allocating revenue to the performance obligation and the valuation of contract assets. The Group estimates the contract completion point, costs yet to be incurred and the potential outcome of the contract.

Significant assumptions are involved on a case by case basis in order to estimate the time to complete an assignment and the resultant final compensation, where variable consideration is involved, and which results in the recognition of unbilled revenue.

Management base their assumptions on historical experience, market insights and rational estimates of future events. Estimates are made in each part of the business by engagement teams with experience of the service being delivered and are subject to review and challenge by management.

Share based payments

The charge related to equity settled transactions with employees is measured by reference to the fair value of the equity instruments at the date they are granted, using an appropriate valuation model selected according to the terms and conditions of the grant. Judgement is applied in determining the most appropriate valuation model and in determining the inputs to the model. Third-party experts are engaged to advise in this area where necessary. There is estimation uncertainty in the determination of assumptions related to the number of options which are expected to vest, by reference to historic leaver rates and expected outcomes under relevant performance conditions. Refer to Note 23 for further detail on share based payments.

4. Financial risk management

The Group is exposed to a variety of financial risks through its use of financial instruments which result from its operating activities. All of the Group's financial instruments are classified as financial assets or liabilities measured at amortised cost.

The Group does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below.

Credit risk

Credit risk associated with cash balances is managed by transacting with major global financial institutions and periodically reviewing their creditworthiness. The Group mainly banks with Barclays Bank plc and Natwest whose credit ratings are A-1 short term, (*Standard & Poor's*) and A-2 short term, (*Standard & Poor's*) respectively. Accordingly, the Group's associated credit risk is limited.

Generally, the Group's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised at the balance sheet date, as summarised below.

Credit risk is the risk of financial risk to the Group if a counter party to a financial instrument fails to meet its contractual obligation. The nature of the Group's debtor balances, the time taken for payment by clients and the associated credit risk are dependent on the type of engagement.

Credit Risk	As at 30 April 2021 £'000	Restated 30 April 2020 £'000
Trade receivables	**4,855**	3,391
Cash and cash equivalents	**24,383**	21,311
	29,238	24,702

On formal insolvency appointments (which form the majority of the Group's activities), invoices are generally raised having achieved approval from creditors to draw fees. This is typically settled on a timely basis from case funds. The credit risk on these engagements is therefore considered to be extremely low.

The Group's trade receivables are actively monitored by management on a monthly basis. The Group provides a variety of different professional services in line with its pillars to spread credit risk over its service lines. The Group also controls cash collection of its insolvency assignments in line with the terms of appointment.

The ageing profile of trade receivables that were not impaired is shown within Note 15. The Group does not believe it is exposed to any material concentrations of credit risk.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with its financial liabilities. The Group seeks to manage financial risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The contractual maturities of borrowings, trade payables and other financial liabilities are disclosed below.

Liquidity Risk	As at 30 April 2021 £'000	Restated 30 April 2020 £'000
Within 1 year	**31,424**	**24,921**
Within 2-5 years	**13,994**	**12,342**
Beyond 5 years	**935**	**753**
	46,352	**38,016**

4. Financial risk management continued

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest bearing assets including cash and cash equivalents are considered to be short term liquid assets. It is the Group's policy to settle trade payables within the credit terms allowed and the Group does therefore not incur interest on overdue balances.

FRP has a £8m term loan with an interest base rate plus 3%. The company has an interest risk management risk strategy and reforecasts cashflow whenever the base rate changes, base interest rates are currently low and in the medium term it is expected that this will remain stable.

In terms of sensitivity analysis, if interest rates increased by 200 basis points or 2% the incremental FY 2022 impact would reduce the profit before tax by £0.2m. If base rates (prevailing at the date of signing 0.1%) reduced there would be a negligible impact on FRP's FY 2022 profit before tax.

Foreign currency risk

There is no material risk associated with foreign currency transactions or overseas subsidiaries.

5. Operating segments

The Group has one single business segment and therefore all revenue is derived from the provision of specialist business advisory services as stated in the principal activity. The Chief operating Decision Maker (CoDM) is the Chief Executive Officer. The Group has five service pillars which individually do not meet the definition of a disclosable operating segment.

The Group's assets are held in the UK and all its capital expenditure arises in the UK. The Group's operations and markets are located in the UK.

All revenue is recognised in relation to contracts held with customers. No customer contributed 10% or more of the Group's revenue.

6. Operating profit

Operating profit has been arrived at after charging:

	Year ended 30 April 2021 £'000	Restated 30 April 2020 £'000
Depreciation of owned assets	**677**	542
Depreciation of right-of-use-assets	**835**	815
Fees payable to the Group's auditor for the audit of the group accounts	**80**	100
Fees payable to the auditor for other services:		
the auditing of Subsidiary accounts	**20**	40
Expenses relating to short term leases	**52**	35

7. Exceptional costs

Items that are material, either because of their size or their nature, or that are non-recurring are considered as exceptional items and are presented within the line items to which they best relate.

An analysis of the amount presented as exceptional items in these financial statements is given below.

	Year ended 30 April 2021 £'000	Restated 30 April 2020 £'000
Operating items		
Costs in relation to the IPO	–	1,974
Total exceptional costs	–	1,974

8. Director and employee information

The average number of Directors and employees during the year was:

	Year ended 30 April 2021 Number	Year ended 30 April 2020 Number
Directors	**7**	5
Fee earning employees (including Partners)	**314**	279
Non fee earning employees	**77**	67

The aggregate payroll costs of these persons were as follows:

	£'000	£'000
Wages, salaries and Partner compensation charged as an expense	**38,426**	40,735
Social security costs	**2,892**	1,202
Pension costs – defined contribution scheme	**611**	394
Share-based payment expense	**4,643**	361
	46,572	42,692

9. Directors' Remuneration and emoluments (including Partner profit allocations)

Details of emoluments paid to the key management personnel (including Partner profit allocations in respect of Messrs Rowley and French) are as follows:

	Year ended to 30 April 2021 £'000	14 November 2019 to 30 April 2020 £'000
Directors' emoluments	**2,571**	427
Benefits in kind (inc. pension contributions)	**19**	1
Share option award	**180**	115
	2,769	543

Remuneration (including Partner profit allocation) disclosed above include the following amounts paid to the highest paid Director:

	£'000	£'000
Remuneration for qualifying services	**1,353**	278

Key management are defined as the Board of Directors as disclosed above.

10. Finance income and expense

	Year ended 30 April 2021 £'000	Year ended 30 April 2020 £'000
On short term deposits and investments	–	7
Total finance income	**–**	7

On bank loans and overdrafts measured at amortised cost	**93**	148
On lease liability	**140**	29
Total finance expense	**233**	177

11. Taxation

	Year ended 30 April 2021 £'000	Year ended 30 April 2020 £'000
Current tax		
UK corporation tax	**4,194**	705
Deferred tax		
(Reversal)/origination of temporary differences	**(1,201)**	124
Total tax charge	**2,993**	829

Reconciliation of tax charge:

	Year ended 30 April 2021 £'000	Year ended 30 April 2020 £'000
Profit before tax	**16,604**	2,906
Corporation tax in the UK at 19%	**3,155**	552
Effects of:		
Non-deductible expenses	**26**	132
Other Permanent differences	**(188)**	145
Total tax charge	**2,993**	829

The UK Budget 2021 announcements on 3 March 2021 included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023.

These changes were not substantively enacted at the balance sheet date and hence have not been reflected in the measurement of deferred tax balances at the period end. If the Group's deferred tax balances at the period end were remeasured at 25% this would result in a deferred tax asset increase of £0.4m.

12. Earnings per share

The earnings per share has been calculated using the profit for the year and the weighted average number of ordinary shares outstanding during the year, as follows:

£m	Basic and diluted EPS 2021	Adjusted EPS 2021	Basic and diluted EPS 2020	Adjusted EPS 2020
Reported Profit after tax	**13.6**	**13.6**	2.1	2.1
Add Share based payments	**–**	**4.6**	–	0.3
Less deferred tax	**–**	**(1.2)**	–	–
Adjusted profit after tax	**13.6**	**17.0**	2.1	2.4
Weighted average shares in issue	**239,393,684**	**239,393,684**	237,500,560	237,500,560
Earnings per share (pence)	**5.69**	**7.11**	0.87	1.00

The potential ordinary shares which arise as a result of the options in issue are not dilutive under the terms of IAS 33 because the share options are backed by shares already in issue. Accordingly, there is no difference between the basic and dilutive loss per share.

The Employee Benefit Trust has waived its entitlement to dividends. It holds 18,750,000 shares of the 243,191,489 shares in issue at 30 April 2021.

13. Goodwill and other intangible assets

	Computer software £'000	Client List £'000	Goodwill £'000	Total £'000
Cost				
At 1 May 2019	10	–	750	760
At 30 April 2020	10	–	750	760
At 1 May 2020	10	–	750	760
Additions	–	833	8,850	9,683
At 30 April 2021	**10**	**833**	**9,600**	**10,443**
Amortisation				
At 1 May 2019	(8)	–	–	(8)
Charge for the period	(2)	–	–	(2)
At 30 April 2020	(10)	–	–	(10)
At 1 May 2020	(10)	–	–	(10)
Charge for the period	–	(39)	–	(39)
At 30 April 2021	**(10)**	**(39)**	**–**	**(49)**
Net book value				
At 30 April 2020	–	–	750	750
At 30 April 2021	**–**	**794**	**9,600**	**10,394**

Additions to goodwill and intangible assets in the year relate to acquisitions as set out in note 24.

Following initial recognition, goodwill is subject to impairment reviews, at least annually, and measured at cost less accumulated impairment losses. Any impairment is recognised immediately in the consolidated statement of comprehensive income and is not subsequently reversed.

There are three steps to performing an impairment review:

- Allocating the goodwill to the relevant cash generating unit (CGU) or multiple CGUs.
- Determining the recoverable amount of the CGU to which the goodwill belongs.
- Recognising any impairment losses after performing an impairment review of the CGU or CGUs.

13. Intangible assets continued

Goodwill acquired in a business combination represents future economic benefits arising from assets that are not capable of being individually identified and separately recognised. Goodwill does not generate cash flows independently from other assets or groups of assets and so the recoverable amount of goodwill as an individual asset cannot be determined. However, goodwill often contributes to the cash flows of individual or multiple CGUs. Therefore, goodwill acquired in a business combination must be allocated from the acquisition date to each of the acquirer's CGUs or groups of CGUs that are expected to benefit from the synergies of the business combination.

The definition of a CGU is "the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets" (per IAS 36).

For FRP the CGU is represented by:

- A net cash inflow stream from a group of acquired partners
- A net cash inflow from an entire location
- An entire entity (parent or subsidiary entities within a group)
- Departments or business units within an entity

In accordance with IAS 36, a CGU to which goodwill has been allocated shall be tested for impairment annually and whenever there is indication of impairment by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit.

If the recoverable amount of the unit exceeds the carrying amount of the unit, the unit and the goodwill allocated to that unit shall be regarded as not impaired. If the carrying amount of the unit exceeds the recoverable amount of the unit, the entity shall recognise an impairment loss.

Goodwill
At 30 April 2021

- Debt Advisory £750k
- JDC Group £3,210k
- Spectrum £5,640k

The recoverable amount is the higher of a CGU's fair value less costs to sell and its value in use. In brief the fair value less costs to sell is likely to involve a valuation of the CGU if sold at an arm's length and deducting the costs of disposal.

The value in use will involve a discounted cash flow ('DCF') calculation estimating the future cash inflows and outflows to be derived from the continuing use of the CGU. The DCF calculation would include the estimated net cash flows, if any, to be received for the disposal of the CGU at the end of its useful life.

Key assumptions used in value in use calculation
The key assumptions for the value in use calculation are those regarding:

- number of years of cash flows used and budgeted EBITDA growth rate;
- discount rate; and
- terminal growth rate.

Number of years of cash flows used
The recoverable amount of the CGU is based on a value in use calculation using specific cash flow projections over a 5-year period and a terminal growth rate thereafter. The cashflow projections for the 5-year period assume a conservative growth rate of 7.5% (2020: 7.5%).

The 5-year forecast is prepared considering members' expectations based on market knowledge, numbers of new engagements and the pipeline of opportunities.

Discount rate
The Group's post-tax weighted average cost of capital has been used to calculate a group pre-tax discount rate of 12.9% (2020: 12.9%), which reflects current market assessments of the time value of money for the period under review and the risks specific to the Group.

Terminal growth rate
A terminal growth rate of 1.0% (2020: 1.0%) is used. This is derived from members' expectations based on market knowledge, numbers of new engagements, and the pipeline of opportunities.

Sensitivity to changes in assumptions
With regard to the assessment of value in use for Debt Advisory, JDC and Spectrum CGU, the directors believe that reasonably possible changes in any of the above key assumptions would not cause the carrying value of the unit to exceed its recoverable amount.

14. Property, plant and equipment

	30 April 2021 Property, Plant and Equipment					
	Right of use asset £'000	Computer equipment £'000	Fixtures and fittings £'000	Leasehold improvements £'000	Motor vehicles £'000	Group Total £'000
Cost						
At 1 May 2019	7,209	1,405	532	1,398	7	10,551
Additions	24	310	90	283	–	707
Disposals	–	–	–	–	–	–
At 30 April 2020	7,233	1,715	622	1,681	7	11,258
At 1 May 2020	7,233	1,715	622	1,681	7	11,258
Arising on acquisitions	–	74	5	145	–	224
Additions	413	401	181	120	–	1,114
Disposal	(46)	–	–	–	–	(46)
At 30 April 2021	**7,600**	**2,190**	**808**	**1,946**	**7**	**12,550**
Depreciation						
At 1 May 2019	(2,423)	(750)	(198)	(539)	(2)	(3,912)
Depreciation charge for the period	(815)	(292)	(83)	(166)	(1)	(1,357)
Disposals	–	–	–	–	–	–
At 30 April 2020	(3,238)	(1,042)	(281)	(705)	(3)	(5,269)
At 1 May 2020	(3,238)	(1,042)	(281)	(705)	(3)	(5,269)
Depreciation charge for the period	(835)	(339)	(110)	(227)	(1)	(1,512)
Disposals	–	–	–	–	–	–
At 30 April 2021	**(4,073)**	**(1,381)**	**(391)**	**(932)**	**(4)**	**(6,781)**
Net book value						
At 30 April 2020	3,995	673	341	976	4	5,989
At 30 April 2021	**3,527**	**807**	**417**	**1,013**	**3**	**5,769**

15. Trade and other receivables

Trade and other receivables	Group as at 30 April 2021 £'000	Group as at 30 April 2020 £'000
Trade receivables	**4,855**	3,391
Other receivables	**2,466**	1,900
Unbilled revenue	**35,052**	28,285
	42,373	33,576

The ageing profile of non-related party trade receivables is as follows:

Due in:	As at 30 April 2021 £'000	As at 30 April 2020 £'000
<30 days	**2,286**	1,305
30-60 days	**1,182**	434
60-90 days	**309**	485
>90 days	**1,078**	1,167
Total	**4,855**	3,391

All of the trade receivables were non-interest bearing and receivables under normal commercial terms. The Directors consider that the carrying value of trade and other receivables approximates to their fair value.

The acquisitions completed during the year fall within FRP's five service pillars, and therefore the treatment of providing or writing off acquired receivables follows FRP Group policy.

All trade receivables and unbilled revenue are derived from contracts with customers. Unbilled revenue constitutes income recognised based on stage of completion but not yet billed to the customer. Write offs happen on a case by case basis immediately followings the receipt of information implying irrecoverability.

The gross receivables have increased in line with the growth of the business. During the Covid-19 pandemic our receivables from HMRC increased due to a delay in settlements. FRP believes these amounts to be recoverable.

The expected loss provision for trade receivables is calculated on the gross carrying amount of trade receivables less any specific loss allowance, and is detailed below as follows:

As at 30 April 2020	<30 days £'000	<60 days £'000	<90 days £'000	<180 days £'000	>180 days £'000	Total £'000
Expected loss rate	0%	0%	0%	4%	49%	11%
Gross carrying amount	1,305	434	485	785	822	3,831
Expected credit loss provision	–	–	–	(34)	(406)	(440)

As at 30 April 2021	**<30 days £'000**	**<60 days £'000**	**<90 days £'000**	**<180 days £'000**	**>180 days £'000**	**Total £'000**
Expected loss rate	**0%**	**0%**	**5%**	**2%**	**59%**	**13%**
Gross carrying amount	**2,286**	**1,182**	**324**	**601**	**1,210**	**5,603**
Expected credit loss provision	**–**	**–**	**(15)**	**(15)**	**(718)**	**(748)**

16. Cash and cash equivalents

	Group as at 30 April 2021 £'000	Group as at 30 April 2020 £'000
Cash at bank and in hand	**24,383**	21,311

Cash at banks earn interest at floating rates based on daily bank deposit rates.

17. Trade and other payables

Current liabilities	Group as at 30 April 2021 £'000	Restated 30 April 2020 £'000
Trade payables	**877**	1,064
Other taxes and social security costs	**5,849**	3,416
Liabilities to Partners go forward	**9,074**	1,393
Liabilities to Partners cessation profits at IPO	**5,440**	15,422
Deferred Consideration	**813**	–
Other payables and accruals	**12,631**	5,981
	34,684	27,276

Non-current liabilities	Group as at 30 April 2021 £'000	Restated 30 April 2020 £'000
Other payables and accruals	**–**	109
Liabilities to Partners go forward	**245**	139
Liabilities to Partners cessation profits at IPO	**1,114**	6,554
Partner capital	**3,833**	2,726
Deferred Consideration	**339**	–
	5,531	9,528

The liabilities to Partners mentioned in both of the above tables includes tax due to HMRC on their behalf.

18. Loans and borrowings

	Group as at 30 April 2021 £'000	Group as at 30 April 2020 £'000
Current borrowings		
Bank loan	**1,600**	–
Lease liability	**872**	925
	2,472	925

Non-current interest-bearing loans and borrowings		
Bank loan	**6,400**	–
Lease liability	**2,768**	3,271
	9,168	3,271

Bank loan is repayable:		
Within one year	**1,600**	–
Within two to five years	**6,400**	–
	8,000	–

The above £8 million five year term loan is with Barclays Bank plc ("Barclays") and is repayable over 20 quarterly instalments. Interest rate is, the Bank of England base rate plus 3%. The Group also has a £10 million revolving credit facility with Barclays that was undrawn at 30 April 2021. Barclays have security over FRP entities for both the RCF and the term loan, in the form of both a fixed and floating charge over the Group's assets.

19. Deferred tax

	Group as at 30 April 2021 £'000	Group as at 30 April 2020 £'000
Deferred tax liability brought forward	**124**	–
Recognised in profit and loss for the period	**(1,200)**	124
Deferred tax on acquisition	**151**	
Deferred tax (asset)/liability	**(925)**	124

The deferred tax provision is analysed as follows:

	Group as at 30 April 2021 £'000	Group as at 30 April 2020 £'000
Accelerated capital allowances	**138**	138
Other temporary differences	**(14)**	(14)
Share based payments	**(1,200)**	–
Deferred tax on acquisition	**151**	–
	(925)	124

20. Financial instruments

	Group as at 30 April 2021 £'000	Restated 30 April 2020 £'000
Financial assets held at amortised cost	**29,238**	24,702
Financial liabilities held at amortised cost	**46,352**	38,016

21. Share capital

Reconciliation of movements in shares during the year	Ordinary number £0.001 shares
At 1 May 2020	237,500,560
Shares issued in the year	5,690,929
At 30 April 2021	**243,191,489**

22. Dividends

During the period a dividend of £1,457k, equivalent to 0.66p per eligible ordinary share, was paid out to shareholders on 13 November 2020. This related to FY 2020.

For FY 2021 a dividend of £3,533k, equivalent to 1.6p per eligible ordinary share, was declared on 16 December 2020 and paid on 18 March 2021. A further dividend of £1,796k, equivalent to 0.8p per eligible ordinary share, was declared on 12 February 2021 and paid on 11 June 2021. The Board recommends a final dividend of 1.7p per eligible ordinary share for the financial year ended 30 April 2021. Subject to approval by shareholders, the final dividend will be paid on 29 October 2021 to shareholders on the Company's register at close of business on 1 October 2021. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2021 will be 4.1p per eligible ordinary share.

23. Share based payments

	Number of share options April 2021
Outstanding at the beginning of the year	**11,398,469**
Granted during the year	**5,444,139**
Forfeited during the year	**(679,129)**
Outstanding at the end of the year	**16,163,479**
Exercisable at the end of the year	**–**

The weighted average life of outstanding options was three years was two years (2020: three years).
Details of the number of share options outstanding by type of company scheme were as follows:

	Employees	Non-executive directors	Total
Outstanding at the beginning of the year	**11,254,719**	**143,750**	**11,398,469**
Granted during the year	**5,444,139**	**–**	**5,444,139**
Forfeited during the year	**(672,879)**	**(6,250)**	**(679,129)**
Outstanding at the end of the year	**16,025,979**	**137,500**	**16,163,479**
Exercisable at the end of the year	**–**	**–**	**–**

Option arrangements that exist over FRP Advisory Group plc's shares at the end of the year are detailed below:

Date of grant	**April 2021**	**Vesting**
6 March 2020	**16,025,979**	**from 06/03/2023**
6 March 2020	**137,500**	**from 06/03/2023**

The majority of the options vest in March 2023.

23. Share based payments continued

The Group uses a Black Scholes model to estimate the fair value of share options. The options were issued over shares held by the FRP Advisory Group Employee Benefit Trust. The following information is relevant in the determination of the fair value of the above options. The assumptions inherent in the use of this model, at the time of issue, are as follows:

- The options are nil cost for the employee scheme established on IPO and nominal cost for the non-exec scheme.
- The option life is the estimated period over which the options will be exercised. The options have no expiry date to discount, so three years has been considered a reasonable expected life as those awarded are required to remain in employment for three years;
- No variables change during the life of the option (such as the dividend yield remaining zero);
- As the Group has limited trading history, the volatility rate has been based on other AIM support services entities. The volatility rate used was 21%;
- A risk-free interest rate of 0.6% has been used (2020: 0.7%); and
- 100% of the options issued under the employee scheme are expected to vest. 100% of the options issued to the non-executive directors are expected to vest.

The total recognised share-based payment expense during the year by the Group was £3,700k (2020: £361k)

24. Acquisitions

FRP's growth strategy is to focus organic growth supported by selective inorganic opportunities where there is a cultural, strategic and mutually acceptable transactional economics fit. The four acquisitions strategically fit into FRP's 5 service pillars and we believe there to be revenue synergies of the combinations.

Date	Name	Location	Type	Percentage bought	Pillars
15 June 2020	Team acquisition	Newcastle	WIP/Assets	100%	Restructuring Advisory
15 September 2020	JDC Group	East Anglia	Share	100%	Corporate Finance and Forensics Services
27 September 2020	Abbott Fielding assets	Kent	WIP/Assets	100%	Restructuring Advisory
26 February 2021	Spectrum Corporate Finance Limited	Reading/South	Share	100%	Corporate Finance and Debt Advisory

Acquisition costs of £0.4m relating to the four acquisitions have been expensed in the period but not adjusted for in adjusted underlying EBITDA.

24. Acquisitions continued

JDC Group

The Group was acquired to bolster two of FRP's pillars, Corporate Finance and Forensic Services and give FRP an immediate presence in the East Anglia region. FRP acquired 100% of the shares of JDC Holdings Limited, the JDC Group TopCo.

The fair values of JDC Group at the acquisition date of 15 September 2020, following the purchase price allocation exercise are detailed below:

	Fair value £'000
Intangible Asset - Customer Relationships	833
Property, plant and equipment	49
Trade Receivables	377
WIP	257
Prepayments	37
Cash	338
Deferred tax liability	(158)
Trade Payables	(58)
Accruals	(327)
VAT	(258)
Corporation tax	(246)
Total provisional fair value	**845**
Consideration	4,055
Goodwill	**3,210**

	£'000
Cash paid as consideration on acquisition	(2,959)
Less cash acquired at acquisition	338
Net cash outflow	**(2,621)**

	Fair value £'000
Consideration settled by cash	2,959
Deferred consideration	1,096
Total Consideration	**4,055**

During the acquisition equity compensation of £1,379k was also granted to certain vendor fee earners. As this is subject to a lock-in, this has not been included in the cost of the acquisition but as deemed remuneration within the share based payment reserve in the financial statements.

Goodwill arises due to intangible assets that do not qualify for separate recognition. The JDC Group team have a referral network of accountants and lawyers but this is not separately identifiable.

On acquisition fair value adjustments of £675k relating to the separate recognition of intangible assets were recorded.

The key shareholders who sold JDC joined FRP as Partners. Another Partner and colleagues who TUPEed to FRP received nil cost option awards, from the Employee Incentive Plan (EIP) funded on IPO.

In the financial year, the acquisition contributed £2,493k of revenue and £743k to the group's underlying EBITDA for the period between 15 September 2020 and 30 April 2021.

24. Acquisitions continued

Spectrum Corporate Finance Limited
The Company was acquired to bolster two of FRP's pillars, Corporate Finance and Debt Advisory. Regionally they are based in Reading and the South. This acquisition combined with the JDC acquisition gives FRP a key position in the UK mid cap transactional market place. FRP is now able to help on both advising clients to realise their strategic ambitions as lead advisor or the restructuring advisory team is able to assist as challenges arise. FRP acquired 100% of the shares of Spectrum Corporate Finance Limited.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed as at 26 February 2021 are set out below:

	Fair value £'000
Property, plant and equipment	175
Trade Receivables	1,471
Other Debtors	2,082
Prepayments	137
Cash	1,422
Trade Payables	(140)
Accruals	(560)
PAYE	(173)
VAT	(235)
Corporation tax	(908)
Total provisional fair value	**3,271**
Consideration	8,911
Goodwill	**5,640**

	£'000
Cash paid as consideration on acquisition	(9,400)
Less cash acquired at acquisition	1,422
Net cash outflow	**(7,978)**

	Fair value £'000
Initial Consideration - Cash	9,400
Consideration settled in cash in post year end	3,271
Share subscription income	(3,760)
Total Consideration	**8,911**

During the acquisition equity compensation of £3,760k was also granted to certain vendor fee earners. As this is subject to a lock-in, this has not been included in the cost of the acquisition but as deemed remuneration within the share based payment reserve in the financial statements.

Goodwill arises due to intangible assets that do not qualify for separate recognition. The Spectrum Corporate Finance team have a referral network of accountants and lawyers but this is not separately identifiable.

No fair value adjustments relating to the separate recognition of intangible assets were recorded.

The key shareholders who sold Spectrum, joined FRP as Partners. Other new FRP Partners and colleagues who TUPEed to FRP received nil cost option awards, from the Employee Incentive Plan (EIP) funded on IPO.

In the financial year, the acquisition contributed £479k of revenue and £5k to the group's underlying EBITDA for the period between 26 February 2021 and 30 April 2021.

24. Acquisitions continued

A restructuring team and assets in Newcastle

FRP had an existing operation in Newcastle to which we acquired two Partners and a team of 13. This combined hub is well positioned to service the North East region.

Partners and colleagues who TUPEed to FRP received nil cost option awards, from the Employee Incentive Plan (EIP) funded on IPO.

	£'000
Assets Acquired	**945**
Consideration - Cash	**(945)**
Goodwill	**–**

In the financial year, revenue contribution was £2,786k. EBITDA contribution to the Group since acquisition was £792k for the period between 15 June 2020 and 30 April 2021.

The assets and trade of Abbott Fielding Ltd, Kent

This transaction gives FRP presence in the Kent region. The team specialises in corporate recovery and turnaround strategies. One Partner and 10 colleagues joined FRP.

Colleagues who TUPEed to FRP received nil cost option awards, from the Employee Incentive Plan (EIP) funded on IPO.

	£'000
Assets Acquired	**665**
Consideration - Cash	**(665)**
Goodwill	**–**

During the acquisition equity compensation of £1,000k was also granted to the vendor fee earner. As this is subject to a lock-in, this has not been treated as part of the cost of acquisition but as deemed remuneration within the share based payment reserve in the financial statements.

In the financial year, revenue contribution was £1,227k. EBITDA contribution to the Group since acquisition was £294k for the period between 27 September 2020 and 30 April 2021.

25. Leases

	Group as at 30 April 2021 £'000	Restated 30 April 2020 £'000
Expenses relating to short term leases	**52**	35
Lease interest	**140**	170
Cash outflow for leases	**911**	850

The carrying value of right-of-use assets all relate to leasehold land and buildings.

Lease liabilities cashflows in relation to right-of-use assets fall due as follows:

	Group as at 30 April 2021 £'000	Restated 30 April 2020 £'000
Due within one year	**988**	1,061
Due within two to five years	**2,063**	2,814
Due after more than five years	**935**	753
	3,986	4,628

26. Reserves

Called up share capital
The called-up share capital reserve represents the nominal value of equity shares issued.

Share premium account
The share premium account reserve represents the amounts above the nominal value of shares issued and called up by the Company.

Treasury shares reserve
The Treasury shares reserve represents the shares of FRP Advisory plc that are held in Treasury or by the Employee Benefit Trust.

Share based payment reserve
The share-based payment reserve represents:

- The cumulative expense of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.
- Deemed remuneration arising from acquisitions, which is amortised over the lock-in period

Merger reserve
The merger reserve represents the difference between the nominal value of shares issued and the fair value of the assets received. The merger reserve arose following: a share for share exchange between FRP Advisory LLP and FRP Advisory Group plc as part of the group reorganisation in March 2020 and a FRP Advisory Group plc share for share exchange in the JDC Group acquisition.

Retained earnings
The retained earnings reserve represents the Group's cumulative net gains and losses less distributions. Transfers from the share based payment reserve to retained earnings are subject to board approval.

27. Related party transactions

During the year the Group recharged costs of NIL (2020: £19k) to Apex Debt Solutions LLP, an LLP in which the Group has a controlling interest.

FRP Advisory Services LLP provides services to FRP Advisory Trading Ltd, a subsidiary of FRP Advisory Group Plc.

Relating to the financial year FRP Advisory Trading Ltd contracted services valued at £17.1m from FRP Advisory Services LLP. Geoff Rowley and Jeremy French are directors of FRP Advisory Group plc, FRP Advisory Trading Ltd and designated members of FRP Advisory Services LLP.

28. Control

There is no one ultimate controlling party of FRP Advisory Group plc. It is listed on London Stock Exchange AIM market but the IPO vendor Partners are treated as a concert party with a holding of c. 49%.

29. Events after the reporting period

The Board of Directors proposed a final dividend of 1.7p for the final quarter to 30 April 2021. Subject to approval by shareholders, the final dividend will be paid on 29 October 2021 to shareholders on the Company's register at close of business on 1 October 2021.

30. Capital commitments

At the balance sheet date, the Group had no material capital commitments in respect of property, plant and equipment (2020: £nil).

31. Contingent liabilities

The Group is from time to time involved in legal actions that are incidental to its operations. Currently the Group is not involved in any legal actions that would significantly affect the financial position or profitability of the Group.

Parent Company balance sheet

As at 30 April 2021

	Notes	Company as at 30 April 2021 £'000	Company as at 30 April 2020 £'000
Non-current assets			
Investment in subsidiary	6	**4,203**	503
Total non-current assets		**4,203**	503
Current assets			
Trade and other receivables	7	**29,000**	8,499
Cash and cash equivalents	9	**5,304**	10,157
Total current assets		**34,304**	18,656
Total assets		**38,507**	**19,159**
Current liabilities			
Trade and other payables	9	**2,914**	–
Total current liabilities		**2,914**	–
Non-current liabilities			
Trade and other payables	8	**29**	–
Total non-current liabilities		**29**	–
Total liabilities		**2,943**	–
Net assets		**35,564**	19,159
Equity			
Share capital	11	**243**	238
Share premium		**23,730**	18,975
Share based payment reserve	12	**1,061**	361
Merger reserve		**1,377**	–
Retained earnings		**9,152**	(415)
Total Equity		**35,564**	19,159

Parent Company statement of changes in equity

For the year ended 30 April 2021

	Called up Share Capital £'000	Share premium account £'000	Share based payment reserve £'000	Merger Reserve £'000	Profit & loss account £'000	Total equity £'000
Incorporated on 14 November 2019						
Loss for the year	–	–	–	–	(415)	(415)
Issue of share capital	238	19,975	–	–	–	20,213
Issue costs	–	(1,000)	–	–	–	(1,000)
Share based payments expense	–	–	361	–	–	361
Balance at 30 April 2020	**238**	**18,975**	**361**	**–**	**(415)**	**19,159**
Profit for the year	–	–	–	–	13,353	13,353
Issue of share capital	5	4,755	–	1,377	–	6,137
Issue costs	–	–	–	–	–	–
Dividend	–	–	–	–	(6,786)	(6,786)
Share based payment expense	–	–	3,700	–	–	3,700
Transfer to retained earnings	–	–	(3,000)	–	3,000	–
Balance at 30 April 2021	**243**	**23,730**	**1,061**	**1,377**	**9,153**	**35,564**

Notes to the Parent Company financial statements

For the year ended 30 April 2021

1. General information

FRP Advisory Group plc's (the "Company") principal activity is that of a holding company.

The Company is a public company limited by shares registered in England and Wales and domiciled in the UK.

The address of the registered office is 110 Cannon Street, London, EC4N 6EU and the company number is 12315862.

2. Significant accounting policies

The following principal accounting policies have been used consistently in the preparation of consolidated financial statements:

2.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company.

Amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention.

The company meets the definition of a qualifying entity under FRS 101, The Financial Reporting Standard applicable in the UK and Republic of Ireland. These financial statements for the period ended 30 April 2021 are prepared in accordance with FRS 101.

Under Section 408(3) of the Companies Act 2006, the Company is exempt from the requirement to present its own income statement or statement of comprehensive income.

The Company made a profit of £13.4m in the year ended 30 April 2021 (2020: loss of £0.4m).

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Where required, equivalent disclosures are given in the group accounts of FRP Advisory Group plc.

The Company's accounting policies are the same as those set out in note 2 of the Group financial statements with the exception of the following:

2.2 Investment in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

The Company assesses the investment balances for impairment indicators annually to identify whether or not an impairment review is required.

2.3 Share based payments

Equity settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the income statement such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to other reserves. Where equity settled share-based payments of the parent company have been issued to employees of its subsidiaries this is recognised as a cost of investment in the parent company financial statements and as an expense and capital contribution in the subsidiary.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements
The following are the critical judgements, apart from those involving estimates (which are dealt with separately below), that have been made in the process of applying the Group's accounting policies and that have had the most significant effect on amounts recognised in the financial statements.

Investments in subsidiaries
The directors assess the recoverability of investments in subsidiaries at the reporting date by reference to the profitability and its net asset position. Where applicable, investments in subsidiaries are impaired down to the amount assessed as recoverable.

Key source of estimation uncertainty
The judgements involving estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows

Share based payments

The charge related to equity settled transactions with employees is measured by reference to the fair value of the equity instruments at the date they are granted, using an appropriate valuation model selected according to the terms and conditions of the grant. Judgement is applied in determining the most appropriate valuation model and in determining the inputs to the model. Third-party experts are engaged to advise in this area where necessary. Judgements are also applied in relation to estimations of the number of options which are expected to vest, by reference to historic leaver rates and expected outcomes under relevant performance conditions.

4. Auditors remuneration

Fees payable to the Company's auditor for the audit of the Company and Group financial statements are disclosed in Note 6 of the Group financial statements.

5. Director and employee information

The average number of employees during the year was:

	Period ended 30 April 2021 Number	Period ended 30 April 2020 Number
Directors	**7**	5

No amounts were paid to Directors through this Company.

6. Non-current asset investments

	Company £'000
Cost	
At 14 November 2019	–
Additions	503
At 30 April 2020	**503**
At 1 May 2020	503
Additions	3,700
At 30 April 2021	**4,203**
Net book value	
At 14 November 2019	–
At 30 April 2020	503
At 30 April 2021	**4,203**

Non-current asset investments consist of investments in subsidiaries, measured at cost.

Additions in the year ended 30 April 2021 of £3,700k (2020: £361k) are comprised of FRP Advisory Group plc equity settled share options awarded to employees of FRP Advisory Trading Limited (a subsidiary company).

During the previous year, the Company acquired the entire issued share capital of FRP Advisory Trading Limited, its sole directly owned subsidiary, via a share for share exchange as part of the group re-organisation. 141,940,560 Ordinary shares of £0.001 each were issued at a value of £0.80 per share. Merger relief was been applied under s615 of the Companies Act 2006. A £142k investment addition arose as a result of the acquisition.

The undertakings in which the company's interest at the year-end is 20% or more are as follows:

			Shareholding % Ordinary shares held	
Subsidiaries and Partnerships linked to the Group	**Country of Incorporation**	**Principal activity**	**Direct 2021**	**Indirect 2021**
Held directly:				
FRP Advisory Trading Limited	England & Wales	Professional Services	100%	0%
Apex Debt Solutions LLP	England & Wales	Professional Services	0%	99.60%
FRP Advisory Services LLP	England & Wales	Professional Services	0%	99.90%
FRP Corporate Finance Limited	England & Wales	Professional Services	0%	100%
FRP Debt Advisory Limited	England & Wales	Professional Services	0%	100%
Jon Dodge & Co Limited	England & Wales	Professional Services	0%	100%
JDC Holding Limited	England & Wales	Professional Services	0%	100%
Walton Dodge Forensic Limited	England & Wales	Professional Services	0%	100%
JDC Accountants and Business Advisors Limited	England & Wales	Professional Services	0%	*
Spectrum Corporate Finance Limited	England & Wales	Professional Services	0%	100%
Abbott Fielding Limited	England & Wales	Dormant	0%	100%
Litmus Advisory Limited	England & Wales	Dormant	0%	100%

*FRP Advisory Trading Limited owns 100% of the economic interest but does not have any shareholder voting control.
The Directors of the Company are all ICAEW members and either officers of or Partners in entities within the FRP Group.

6. Non-current asset investments continued

Despite not having legal ownership the Company has an interest in an Employee Benefit Trust, setup to hold shares in FRP in order to grant share options to employees. The trust is administered by JTC Employer Solutions Trustee Limited.

The recoverability of intercompany debtors and the cost of investment is dependent on the future profitability of those entities. No provision for impairment has been made in these accounts and this is a significant judgement but one that only affects the parent company and its distributable reserves. It does not affect the group results as the results of the subsidiaries have been consolidated.

UK registered subsidiaries exempt from audit

Under Section 479A of the Companies Act 2006, exemptions from an audit of individual accounts will be taken by the entities listed in the table below. The Company has provided a guarantee for all outstanding debts and liabilities to which the subsidiary companies listed above are subject at the end of the financial year, in accordance with Section 479C of the Companies Act 2006. The balance sheet liabilities of these entities total £2.9m. The Company has assessed the probability of loss under the guarantee as remote.

Name	Proportion of shares held by the Company (%)	Proporation of shares held by the subsidiary (%)	Company number
FRP Debt Advisory Limited	–	100	05209080
Jon Dodge & Co Limited	–	100	05177048
JDC Holding Limited	–	100	10452942
Walton Dodge Forensic Limited	–	100	05435145
JDC Accountants and Business Advisors Limited	–	*	09912247
Spectrum Corporate Finance Limited	–	100	11279788

* FRP Advisory Trading Limited owns 100% of the economic interest but does not have any shareholder voting control.
The Directors of the Company are all ICAEW members and either officers of or Partners in entities within the FRP Group.

7. Trade and other receivables

	As at 30 April 2021 £'000	As at 30 April 2020 £'000
Amounts owed by Group undertakings	**29,000**	8,499

The Company's other receivables are due from its subsidiaries and are interest free as well as repayable on demand.

8. Trade and other payables

	As at 30 April 2021 £'000	As at 30 April 2020 £'000
Current liabilities		
Other payables and accruals	**1,118**	–
Dividend payable	**1,796**	–
	2,914	–
Non-current liabilities		
Other payables and accruals	**29**	–
	29	–

9. Cash and cash equivalents

	As at 30 April 2021 £'000	As at 30 April 2020 £'000
Cash at bank and in hand	**5,304**	10,157

Cash at banks earn interest at floating rates based on daily bank deposit rates.

10. Financial instruments

	As at 30 April 2021 £'000	As at 30 April 2020 £'000
Financial assets held at amortised cost	**34,304**	18,656
Financial liabilities held at amortised cost	**2,943**	–

11. Share capital

Refer to Note 21 to the Group financial statements.

12. Share based payments

Refer to Note 23 to the Group financial statements.

13. Related party transactions

The Company has taken advantage of the exemption from reporting related party transactions with subsidiaries included within the consolidated financial statements of FRP Advisory Group plc.

14. Control

There is no one ultimate controlling party of FRP Advisory Group plc. It is listed on London Stock Exchange AIM market but the IPO vendor Partners are treated as a concert party with a holding of c. 49%.

15. Events after the reporting period

The Board recommends a final dividend of 1.7p per eligible ordinary share for the financial year ended 30 April 2021. Subject to approval by shareholders, the final dividend will be paid on 29 October 2021 to shareholders on the Company's register at close of business on 1 October 2021. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2021 will be 4.1p per eligible ordinary share.

16. Capital commitments

At the balance sheet date, the Company had no material capital commitments in respect of property, plant and equipment.

Directors and advisers

Directors

Nigel Guy
Non-Executive Chairman

Geoff Rowley
Chief Executive Officer

Jeremy French
Chief Operating Officer

Gavin Jones
Chief Financial Officer

David Adams
Non-Executive Director

David Chubb
Non-Executive Director

Claire Balmforth
Non-Executive Director

Corporate Information

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