Real expertise. Real results.

FRP Advisory Group plc
Annual Report and Financial Statements 2024
For the year ended 30 April 2024

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 financial advisory, 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.

Contents

Our highlights

For the year ended 30 April 2024 (FY2024)

Financial highlights

£128.2m

Revenue +23%
(2023: £104.0m)

£37.1m

Adjusted underlying EBITDA* +37%
(2023: £27.0m)

£33.3m

Reported EBITDA +80%
(2023: £18.5m)

£33.7m

Adjusted profit before tax** +39%
(2023: £24.1m)

£29.9m

Reported profit before tax +92%
(2023: £15.6m)

9.94p

Adjusted total EPS*** +27%
(2023: 7.83p)

9.35p

Basic EPS + 67%
(2023: 5.58p)

5.0p

Total dividend relating to the year +9%
(2023: 4.6p)

£29.7m

Net cash position +30%
(2023: £22.9m)

- Another year of sustainable growth:
  - Revenue increased by 23% to £128.2 million (2023: £104.0 million) with 19% organic and 4% inorganic.
  - Adjusted underlying EBITDA* rose by 37% to £37.1 million (2023: £27.0 million).
  - £1.4 million average revenue per Partner for the year (2023: £1.3 million).
  - £29.9 million reported profit before tax for the year (2023: £15.6 million).
- Strong balance sheet maintained with year-end net cash of £29.7 million (2023: £22.9 million).
- Increased returns to shareholders:
  - Total dividends of 5.0p relating to FY2024 (2023: 4.6p), comprising three interim dividends of 0.9p per eligible Ordinary Share and a final proposed dividend of 2.3p per eligible Ordinary Share for the year ended 30 April 2024 recommended by the Board.

* Adjusted Underlying Earnings Before Interest Tax Depreciation and Amortisation (EBITDA) 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 26.

** Reported Profit before tax plus share-based payments and exceptional items.

*** Earnings adjusted by adding back share-based payments and related deferred tax. Earnings per total weighted shares in issue. See Note 12 for more details.

Operational highlights

- Delivering on our strategy to achieve strong organic growth, supplemented by selective acquisitions.
- Continued growth of the FRP team, supporting ongoing trading growth.
  - FRP team grew by 19% (additional 106 colleagues year-on-year) to 657 excluding Consultants (2023: 551).
  - Growth was driven by demand-led lateral hiring and two acquisitions (65 new colleagues via two acquisitions).
  - Colleague utilisation increased to 68% (2023: 65%).
  - As at 30 April 2024, the Group had 92 Partners (2023: 78), 430 other fee earners (2023: 361) and 135 support staff (2023: 112).
  - At year-end FRP's UK footprint covered 27 locations (2023: 25) plus two international and offshore offices in Cyprus and the Isle of Man.
  - During FY2024 15 colleagues were promoted to Partner across various locations and service lines, demonstrating the Group's commitment to supporting internal career progression and longer-term succession planning.
- Restructuring team continue to be the most active in the UK administration appointment market.
  - Market share in the number of administration appointments increased to 16% (2023: 14%).
- FRP Corporate Finance ranked as the 24th most active financial adviser in the UK M&A market.
  - Corporate Finance and Debt Advisory teams were involved in 76 successful transactions (2023: 73) with an aggregate deal value of £1.4 billion (2023: £1.8 billion) and £0.6 billion of debt raised (2023: £0.8 billion).
- Our Forensic Services team has been very active on a high number of confidential projects.
- Strengthened operational infrastructure to support further growth.
  - Launched a Project Management Office ("PMO") to oversee key projects including: key system changes, data governance, data strategy and implementing operational efficiencies leveraging the latest technological tools.
  - Managed Security Operations Centre (SOC), in place.
  - Network Transformation to CATO SASE (continued roll out).
  - Hired a new People Director on 1 May 2024 to help progress the Group's future people proposition.

Post balance sheet events

- A dividend of £2.2 million, equivalent to 0.9p per eligible Ordinary Share, was declared on 14 February 2024 and paid on 14 June 2024.
- On 13 May 2024, we announced our ninth acquisition since IPO in 2020, of Southampton based Hilton-Baird Group for a consideration of £7 million plus an amount for the net assets acquired on completion, and a three-year performance based earn-out linked to profit. The total consideration is split between cash of approximately £5.6 million, the issue of new ordinary shares worth £2.8 million and a performance based earn-out. Established in 1997, Hilton-Baird provides commercial finance and credit insurance brokerage, outsourced risk and receivables audit, as well as credit management and commercial debt collection services to a national client base.
- On 23 May 2024, we announced a secondary placing of approximately 20.4 million ordinary shares, pursuant to which new lock-in agreements were signed, providing that the selling shareholders (including Geoff Rowley, Chief Executive Officer and Jeremy French, Chief Operating Officer), are not permitted to dispose of further Ordinary Shares on or before 31 July 2026, save in certain limited circumstances (including with the consent of the Company's Remuneration Committee).
- In June 2024, the Board launched a Save As You Earn (SAYE) scheme which was available for all colleagues and we were pleased to see a strong level of colleague participation.
- On 19 July 2024 we announced the acquisition of Lexington Corporate Finance for a consideration of £3 million plus an additional amount for the net assets acquired on completion of approximately £0.5 million. The total consideration for the acquisition is split between cash of approximately £2.2 million and the issue of new ordinary shares with a value of approximately £1.3 million. The Group's first acquisition in Wales, Lexington is based in Cardiff and provides corporate finance services to clients, both locally and nationwide.

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.

522

Fee earners nationwide

Each with a wealth of experience navigating complex situations.

As at 30 April 2024.

657

Team members (excluding consultants)

Each with a wealth of experience navigating complex situations.

As at 30 April 2024.

27

UK locations

National coverage, International experience and local knowledge.

As at 30 April 2024.

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.

Financial Advisory

Our highly skilled experts work collaboratively to provide a holistic approach to give you the best possible advice in any situation.

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.

Chair's Statement

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I am pleased to present FRP Advisory Group plc ("FRP") and its subsidiaries' fifth Annual Report and my first as Chair.

Penny Judd
Non-Executive Chair

Overview

The financial year 2024 was challenging for businesses, with the impact of further increases in interest rates, inflationary pressure, higher costs of living and general market confidence weighing on sentiment. FRP's services support clients through their entire corporate lifecycle and this resilience enabled the Group to deliver another year of strong growth, both organically and through some selective acquisitions in Sheffield, the Isle of Man, and just after year-end, in Southampton and Cardiff.

In the new financial year there has been a change of government in the UK. The outcomes of this for business are yet to be seen. We therefore expect mid-market corporate finance activity to continue and demand for our restructuring services to also stay strong as FRP continues to support businesses facing challenges.

Continued profitable growth

We are pleased the Group has delivered another year of strong growth, with revenues of £128.2 million, up 23% from the previous year (2023: £104.0 million). This performance was driven by 19% organic growth with 4% coming from acquisitions. Following an acquisition by the Group we treat the first 12 months contribution as inorganic, with month 13 onwards becoming organic.

Adjusted underlying EBITDA of £37.1 million grew by 37% from the previous year (2023: £27.0 million). Reported EBITDA was £33.3 million (2023: £18.5 million). During the year we were pleased to welcome 106 new colleagues; the overall headcount grew 19% in the year to 657 (2023: 551) and the number of Partners increased by 14 to 92.

Strong balance sheet

The largest asset on FRP's balance sheet is unbilled revenue or Work in Progress (WIP). WIP days are typically four to seven months within the restructuring industry, and FRP maintains the discipline of a robust monthly WIP valuation process. Cash collections in the second half were particularly strong and as a result, WIP days were approximately five months (FY 2023: approximately five months). Going into FY2025 it is expected WIP will grow in the first half due to the Group's continuing growth.

The Group's balance sheet is strong with net cash balances at 30 April 2024 of £29.7 million (2023: £22.9 million), consisting of gross cash of £32.9 million less a balance remaining on a term loan of £3.2 million. The Group also has an undrawn £10 million revolving credit facility and an accordion acquisition facility that enables the Group to act swiftly on any acquisitions that meet FRP's criteria. These facilities were refinanced in July 2023 for 3 years on improved terms.

Consistently delivering on our growth strategy

Our strategy remains to seek steady and sustainable growth through organic initiatives and selective acquisition opportunities. During the year, the Group completed two restructuring acquisitions, and since year end has completed one debt advisory and one corporate finance acquisition.

FRP continues to seek acquisitions that meet the Group's strict criteria of cultural alignment, strategic fit and mutually acceptable economics. The Group has a healthy M&A pipeline and an active dialogue across a range of opportunities. The acquisitions strengthen the Group's pillars, footprint and broaden the referral network.

Further details are set out in the Strategic Report on pages 26 to 63.

+23%

Revenue growth

19% organic and 4% inorganic

+19%

Team growth

Dividend

In line with the dividend policy, the Group pays quarterly dividends, which have progressed yearly since IPO.

The Board recommends a final dividend of 2.3p per eligible Ordinary Share for the financial year ended 30 April 2024. Subject to approval by shareholders at the AGM, the final dividend will be paid on 25 October 2024 to shareholders on the Company's register at close of business on 27 September 2024. If the final dividend is approved, the total dividends paid by the Company relating to FY 2024 will be 5.0p per eligible Ordinary Share (FY 2023: 4.6p).

Robust corporate governance

The Board firmly believes that a robust governance structure is required to optimise decision making to the benefit of the business and its wider stakeholders. To support this, FRP adopted the Quoted Companies Alliance ("QCA") Corporate Governance Code on admission to AIM and shareholders can find more information on our governance arrangements in the Corporate Governance Statement on pages 71 to 74. Further information on our Corporate Governance structure is also available on our website at www.frpadvisory.com/investors/corporate-governance/.

Our Environmental, Social and Governance ("ESG") responsibilities include committing the Group to be carbon neutral by 2030.

Our people

As a people business, FRP recognises the importance of keeping our colleagues motivated, engaged and incentivised to perform at their best. We work hard to retain our friendly, collaborative, entrepreneurial and meritocratic culture.

To reflect the Group's increase in size, (FRP has doubled its team size since IPO) a new People Director was hired in order to support the business in its next stage of growth. A colleague engagement survey was recently completed with excellent feedback. Suggestions from colleagues will be combined with existing initiatives to support and improve colleague wellbeing, personal development and activities related to Equality, Diversity and Inclusion (ED & I).

In June 2024 the Board launched a Save As You Earn (SAYE) scheme which was available for all colleagues and we were pleased to see a strong level of colleague participation.

We believe that we are an attractive destination for qualified and skilled people, 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 continues.

Following the year end, we completed an oversubscribed secondary placing for certain Directors and Partners, which was well received by both new and existing investors, demonstrating ongoing faith in FRP. Under the terms of the placing, selling shareholders entered into new lock-in agreements which restrict the disposal of shares on or before 31 July 2026 (except under certain exceptional circumstances), aligning us even more closely with the interests of our wider shareholder base.

Board changes

On 2 January 2024, Nigel Guy retired from his role of Non-Executive Chairman. Nigel joined FRP shortly after the management buyout completed in 2010 and became Chair of FRP Advisory Group plc following the IPO in March 2020. He was instrumental in delivering our growth strategy, taking FRP from a small partnership to one of the UK's largest national independent advisory firms. As a result of this, on 2 January 2024, as part of the Board's succession planning, I was delighted to join the Board as Non-Executive Chair.

At the close of the financial year, Claire Balmforth retired as an independent Non-Executive Director and Louise Jackson was appointed as a new independent Non-Executive Director on 1 May 2024.

On behalf of the Board and everyone at FRP, I would like to thank Nigel and Claire for their contribution over the years and we wish them both a long and happy retirement.

Annual General Meeting

The Company's Annual General Meeting will be held on 26 September 2024. 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

In our new financial year, activity levels have been encouraging and trading is in line with the Board's expectations including the financial contribution of recently acquired businesses where integration is progressing as planned. The short and medium-term outlook for our business remains positive and we are confident of continued progress.

Penny Judd
Non-Executive Chair
23 July 2024

29.7m

Net cash

5.0p

Dividends
Total FY2024 Dividends

Chief Executive Officer's Report

We have achieved another strong set of results by staying focused on doing the basics well and giving clients honest, clear and considered advice.

Geoff Rowley
Chief Executive Officer

We have achieved another strong set of results by staying focused on doing the basics well and giving clients honest, clear and considered advice.

For another year, FRP has delivered growth in both revenues and profit, an excellent performance that is testament to the strength of our people, our business model and a strategy that consistently delivers for our clients and wider stakeholders.

We saw positive contributions from each of our five service pillars, Corporate Finance (currently 18 partners), Debt Advisory (9 partners), Financial Advisory (7 partners), Forensic Services (5 partners) and Restructuring Advisory (63 partners). This was delivered through the efforts of our teams, who continue to work collaboratively across the Group, an approach that underpins FRP's adaptability and success. Connectivity between our service pillars and geographic locations is a key differentiator which consistently enables us to achieve more for our clients.

During the year, we saw an uplift in revenue of 23% compared with the previous year, to £128.2 million (2023: £104.0 million), 19% of which was organic growth and 4% inorganic, including the first 12 months' revenue from new acquisitions. Adjusted underlying EBITDA was £37.1 million, up 37% on 2023 (2023: £27.0 million), reflecting focused cost control and considered investment to support growth. On a reported basis, EBITDA was £33.3 million (2023: £18.5 million).

We maintained our focus on the basics, applying the rigorous monthly valuation of our unbilled revenue ("work in progress" or "WIP") and turning this into cash. Overall our WIP days are comfortably in line with the industry range of 4 to 7 months, at year end approximately 5 months.

Investing for growth

Expanding the business through considered acquisitions has long been a key element of FRP's strategy.

Our overarching goal remains unchanged; to generate sustainable profitable growth through a combination of quality organic growth and selective acquisitions. We will only ever consider acquiring businesses that represent a strong cultural and strategic fit, on commercial terms that are mutually acceptable to both parties. Adhering to these strict selection criteria, we have expanded our Group significantly in recent years. We have established a bigger geographical footprint, gained market share, and widened our client service offering.

In line with this strategy, during FY 2024 we acquired two high quality firms to FRP - Wilson Field Group in September 2023, and GWC, in March 2024; our seventh and eight acquisitions since IPO, respectively.

Based in Sheffield, Wilson Field Group provides restructuring and debt advisory services to clients locally and across the UK. Through the acquisition, we have gained a channel through which we can deepen our referral relationships and also, a highly complementary digital platform. Two of the firm's Directors, Nick Wilson and Kelly Burton joined FRP as Partners on completion, with 61 further colleagues also joining the Group following completion.

GWC, based in Douglas, provides advisory and insolvency services across the Isle of Man. The acquisition strengthens our offshore presence and enables us to better support on international matters, complementing our existing work through global advisory organisation, Eight International. The firm's owner, Gordon Wilson joined FRP as a Partner following the deal, and brought a further 8 colleagues to the Group.

Since the year-end, we completed the acquisition of commercial finance and risk management specialist Hilton-Baird Group, which is based in Southampton and operates across the UK. Retaining the Hilton-Baird brand, the business sits within FRP's Debt Advisory pillar. Four of the firm's Directors, Alex Hilton-Baird, Evette Orams, Graham Bird, and Ian Tramaseur have joined FRP as Partners, with the rest of the Hilton-Baird team of 36 colleagues also joining the Group.

+37%

Growth in adjusted underlying EBITDA

16%

Market share of administration appointments in FY2024

Investing for growth continued

We have also completed the acquisition of Lexington Corporate Finance based in Cardiff which provides corporate finance services to clients both locally and nationwide. One of the firm's Directors and Founder, Gary Partridge, will join FRP as a Partner. All other members of the Lexington team will also join FRP, including 14 colleagues.

During the year, we grew our team by 19% overall, adding 106 colleagues across our network of offices, which at year end, comprised 27 in the UK, including a new office in Salisbury, which was opened in June 2023 to support team and business growth from Southampton, and two international offices.

The deeply collaborative culture of the business can only be facilitated by a strong group wide infrastructure and support. To support this, the Group launched a Project Management Office ("PMO") during the year to oversee key projects including key system changes, data governance, data strategy and implementing operational efficiencies leveraging the latest technological tools.

Navigating an uncertain and evolving world

Market sentiment continued to be fragile, as the challenges that have been facing businesses in recent years persisted through FY2024. However, there were also encouraging signs of improvement, with an increase in corporate M&A as a result of relative stability returning, particularly in the second half of the financial year. As a result, demand for services across all of our pillars remained very robust, clearly demonstrating FRP's ability to operate across the entire corporate lifecycle.

Financial Advisory

Our Financial Advisory pillar, a key growth area for the Group, comprises pensions advisory, valuation services, transaction services, lender services, board and c-suite advisory and financial modelling.

Trading for the first full year of the combined Financial Advisory pillar has been positive, with heightened activity across all service lines. As well as demand for due diligence services being high throughout the period due to the current risk environment, we have also seen more transactions take place as buyers and lenders become increasingly active.

Our valuation specialists have been very active, both with mainstream projects and preparing valuations which underpin restructuring plans and schemes of arrangement. Our pensions advisory specialists meanwhile continue to work with trustees and corporates, increasingly those moving towards buying-out schemes with insurers and assisting those navigating the changing regulatory environment.

FRP's Financial Advisory team now comprises 7 Partners.

Restructuring

During the year, the impact of sustained interest rate rises, inflationary pressures, higher costs of living and lack of market confidence continued to weigh on businesses. This caused the total number of company administrations to rise by 22%, with Construction and Retail ostensibly the most impacted sectors. One of the key challenges for companies in this environment has been the ability to raise finance, with lenders' appetite for risk changing. Whilst there are more positive signs emerging in the economy, we believe many businesses will continue to face challenges through the current year and beyond, as they navigate their way through higher costs of borrowing and an increased cost base.

FRP's Restructuring team, which provides corporate finance advisory, formal insolvency appointments, informal restructuring advisory and personal insolvency support, has been active nationwide, and across all sectors. Notable high-profile appointments include the Body Shop, WiggleCRC, Inland Homes plc, Just Cashflow and Readers Digest, and we have also been engaged on many mid-sized high quality projects across the UK. FRP strengthened its market leading position in the administrations market, remaining the most active administration appointment taker in the UK by volume of appointments, and growing its market share to 16% (2023: 14%), which includes group appointments (Source: London and Regional Gazettes).

Growth in the higher volume liquidations market, which are typically lower value and less complex, continues, including Creditors Voluntary Liquidation's and Compulsory Liquidations which increased by 3% in the financial year (Source: London and Regional Gazettes).

FRP's Restructuring team now comprises 63 Partners.

FRP Corporate Finance

FRP Corporate Finance is the brand which contains both the corporate finance and debt advisory pillars.

As economic conditions in the UK began to stabilise and market sentiment improved through the year, our Corporate Finance team, which works on M&A, strategic advisory and valuation, financial due diligence, capital raising, special situations M&A and partial exits, became more active, particularly in the second half. There is cautious optimism and momentum continuing into financial year 2025.

FRP Corporate Finance ranked as the 24th most active financial adviser in the UK M&A market (Source: Experian Market IQ). The team was involved in 76 successful transactions with an aggregate deal value of £1.4 billion and £0.6 billion of debt raised (FY2023: £1.8 billion deal value and £0.8 billion of debt raised), representing approximately 1% market share of the UK M&A market, by number of appointments (Source: Experian Market IQ). The average deal value of approximately £20 million for the year maintains FRP Corporate Finance's position in the heart of the lower mid-market.

The Corporate Finance team also continued its commitment to the private equity community with over half of the deals in the period involving private equity, including buy-side, sell-side, and debt advisory transactions.

The sectors where FRP Corporate Finance was most active in the year included:

- Business Services – 39% of transactions
- Industrials & Manufacturing – 14%
- Consumer Retail and Leisure – 14%
- Technology – 12%

There was also an increase in activity in the Automotive and Energy sectors.

Corporate Finance

Corporate Finance remains a UK member firm of Alliance of International Corporate Advisors ("AICA"), an integrated network of middle-market M&A advisory firms, and in the financial year over 40% of its disposals were to international buyers. FRP Corporate Finance Partner Simon Davies was elected as the Chairman of the AICA for a two-year term of 2023 and 2024 and in November 2023, FRP Corporate Finance hosted the AICA European conference in London.

The Corporate Finance team now comprises 18 Partners.

24th

FRP Corporate Finance ranked as the 24th most active financial adviser in the UK M&A market

85

Promotions

Across a wide range of senior and specialist roles

Debt Advisory

The Debt advisory team works closely with the Corporate Finance pillar, with cross collaboration on a number of projects. It also supports other service pillars and following year end the Debt Advisory team now comprises 9 Partners including 4 recently joined from Hilton-Baird.

Forensic Services

The Forensic Services team had a very busy year across a multitude of high-profile investigations and litigation / arbitration disputes. We hired new colleagues across multiple locations to meet the increase in demand for our services, including two lateral Partner hires to further increase our strength in investigations, and also to provide additional focus to serving private client assignments.

Forensic Services has seen a very busy year spanning a multitude of investigations and litigation/ arbitration disputes. We have been instructed on a number of investigations typically with an element of alleged fraud with clients requiring independent investigations, often driven by concerns from auditors. We have deployed both forensic accounting and forensic technology skills to many of our cases and utilised teams from across our offices. We have also seen an increase in contentious insolvency projects requiring our forensic accounting and technology expertise.

Our team has grown substantially in the last year: we hired forensic accounting professionals across multiple locations to meet the increase in demand for our services including two lateral partner hires to further increase our bench strength in investigations, and also to provide additional focus to serving the private client market. We announced a number of promotions across the team including promotion of a home-grown team member to Partner.

FRP's Forensic Services team now comprises 5 Partners.

Investing in our people

Fundamentally, it is our people who power FRP. It is their outstanding work every day that underpins the success that we have been delivering consistently for so many years. I would like to wholeheartedly thank all colleagues, including those who have joined us during the year, for their continued efforts.

In recognition of these efforts, during the year we promoted 15 colleagues to Partners, 13 to Directors and announced a further 72 promotions across a wide range of senior and specialist roles, from Office Managers to Associate Directors/Senior Managers. Immediately following the year-end, on 1 May 2024, 7 further promotions to Partner were announced, just one part of a total of 87 promotions across the Group.

This was a record number of promotions for FRP and when combined with our ongoing investment in Learning and Development (L&D), demonstrates clearly the Group's long-term commitment to developing talent and providing attractive career paths.

Our specialist L&D Senior Manager, Kevin Elliott, implemented more focused training options to reflect individual career progression, incorporating a flexible approach to development across our five service pillars. Continued support of colleagues in acquiring professional qualifications and supporting their career aspirations remains a priority, enabling promising young stars to become future Directors and Partners of the business.

Colleague engagement, developing talent and managing succession is a key focus of the Group. During the year, many new programmes were added to our Learning Management System and over a hundred colleagues participated in a leadership programme.

FRP has also been working on wellbeing initiatives through a partnership with the Charlie Waller Trust, the launch of a Balanced Minds Committee and launching a Mind. Set podcast series online. The Group made two senior hires on 1 May 2024, both with significant HR and people leadership experience. Claire Dale joined as new People Director to lead on FRP's "People proposition" and Louise Jackson, former Group Director of Talent and Leadership at Selfridges, joined as a new Non-Executive Director and Remuneration Committee chair.

To promote continued collaboration across the Group the senior leaders (all Directors and Partners), gather regularly, the last function being November 2023.

We are also delighted to see our people being recognised externally, with our Glasgow Restructuring partner, Michelle Elliot, winning 'Corporate Leader of the Year' at the Scottish Women's awards in September 2023.

Our Forensic Services team has been ranked in Band 2 in the 2023 Chambers and Partners Litigation Support Guide, marking the fifth consecutive year that the firm has been recognised by the international legal directory. In addition, Forensic Services Partner Faye Hall, was listed in Private Client Global Elite Directory 2024 for the first time.

We remain committed to ensuring FRP is an inclusive and diverse place to work, aiming to reflect the diversity we see across our client base in our workforce. To support this commitment, our recently appointed people director is leading on these.

Building a more sustainable business

As a responsible business, FRP continuously strives to carefully manage its impact on the environment, and the communities in which it operates. To see more details please see the ESG report on page 40.

In line with our efforts to maintain exemplary governance standards, on 2 January 2024, we welcomed Penny Judd to our Board as Non-Executive Chair, following the retirement of Nigel Guy. Penny brings more than 35 years' experience in compliance, regulation, corporate finance and audit. She currently holds non-executive positions at a number of AIM businesses, and has held several senior executive positions, including Managing Director and EMEA Head of Compliance at Nomura International plc, Managing Director at UBS and Head of Equity Markets at the London Stock Exchange. I would once again like to thank Nigel Guy for his many years of leadership of the Board, including through the Group's IPO process.

We also welcomed Louise Jackson as a Non-Executive Director and member of the Group's management board. Louise also brings extensive experience to the FRP Board, and as noted above has particular expertise in Human Resources across retail, travel, media and business services.

Outlook

Our strategy is built around steady and sustainable growth through both organic initiatives and selective acquisition opportunities. Part of the organic growth strategy is to ensure that FRP's offices, across its 28 locations in the UK and two international locations, are connected and work well together. This supports our delivery of sustainable profitable growth by drawing on specialists from our five service lines as necessary, in order to provide each assignment with the right team, to deliver the best possible service and outcome.

Our M&A pipeline remains healthy, and we are in active discussions at varying stages regarding a number of opportunities that will further enhance our ability to support clients through their entire corporate lifecycle.

Trading in the first few months of the current financial year has been positive, with good activity levels and is in line with the Board's expectations. This includes the financial contribution of recently acquired businesses where integration is progressing as planned.

We remain fully committed to retaining our healthy collegiate culture where we promote the development, health and well-being of our colleagues. As demand for our services continues to increase, and as a people business, this approach will be critical to meeting our goals.

Geoff Rowley
Chief Executive Officer
23 July 2024

Sale of property and asset refurbishment provider

Head-quartered in Southampton and operating across the UK, CLC Group was founded in 1969 as a small painting contractor and has grown into a large refurbishment and maintenance provider, with a turnover exceeding £200 million. CLC provides refurbishment, electrical and fire protection services to the social housing, local government, defence, hospitality and utilities end-markets.

FRP Corporate Finance were appointed as lead sell-side advisers on the deal, negotiating the transaction on behalf of shareholders and managing the due diligence process. The team gained significant levels of interest from both potential trade and private equity buyers.

CLC's strong market position and reputation, profitable growth and the opportunity for further expansion into new geographical areas and complementary services, fuelled by factors such as decarbonisation efforts and increasing property compliance regulations, secured a deal with H.I.G.

The successful transaction will enable H.I.G to work with CLC's highly experienced management team to build on their success to date through further service and geographic expansion, as well as add-on acquisitions.

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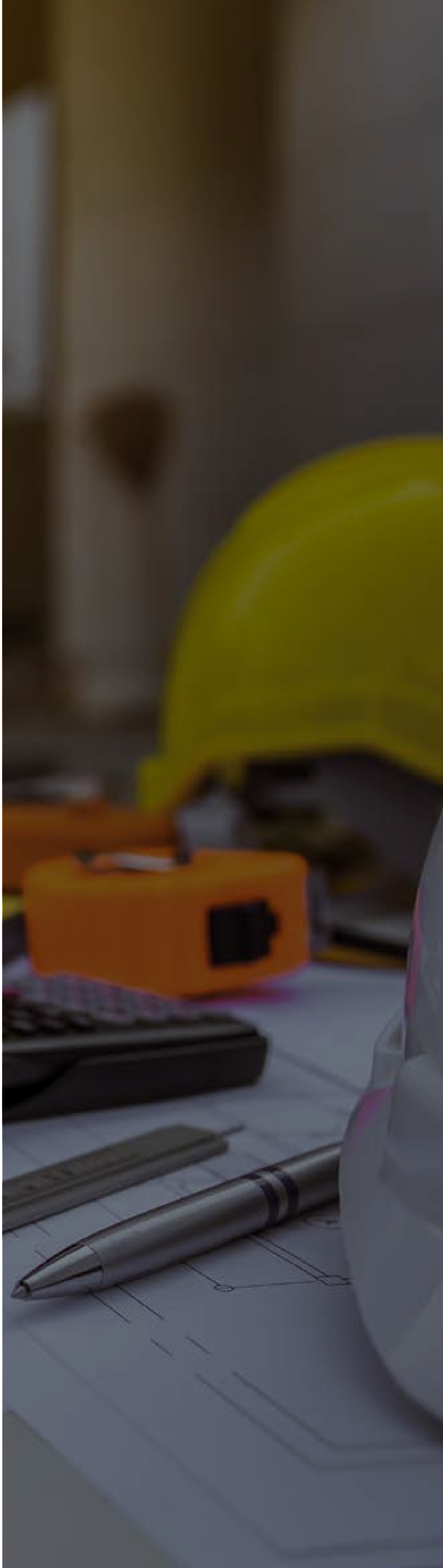
CLC are now well-placed to take advantage of growth opportunities from expected investment in the property refurbishment market.

Darren Miller and Simon Davies
Corporate Finance



Third property management sector transaction completed

Headquartered in Richmond, The Vegner Group provides property management and building surveying services to property professionals and their clients, including residential asset management companies, property owners, landlords and developers. The business has 20 offices across the UK and employs around 475 people, with an annual turnover of £35million.

Headquartered in Stockholm, Odevo is a fast-growing international company challenging the property management industry by leveraging the combined power of people and technology. The companies in the Odevo group provide traditional management services but also develop new services and products to more than a million homes across the UK, Finland, Sweden and USA.

FRP Corporate Finance were appointed as sell-side advisers by The Vegner Group in recognition of the significant experience gained in transacting high-profile property deals in recent years. The deal with Odevo was the third property management sector transaction completed by FRP Corporate Finance within the last few years. Each of the businesses sold by FRP Corporate Finance ranked in the top 10 biggest property management companies in the UK.

The acquisition further expands Odevo's UK presence following earlier acquisitions of Rendall & Rittner, Trinity Property Group and Premier Estates.

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The UK property management sector remains buoyant, with strong levels of consolidation and investor appetite.

Clive Hatchard
Corporate Finance

Debt Advisory

MBO of leading outsourced communications solutions provider

Established in 1994, near Bournemouth, Message Direct is a leading outsourced communications solutions provider to SMEs and large corporates - providing 24/7 support to over 7,400 customers. The business operates a number of brands and has achieved material organic and acquisitive growth during the last two years.

FRP Corporate Finance were appointed as exclusive debt advisers to private equity firm LDC, to support on their investment into Message Direct.

FRP secured senior debt facilities to support the acquisition and provide further committed facilities in support of Message Direct's continued buy and build strategy, within the fragmented market it operates.

Funding was provided by way of a senior banking club comprising Virgin Money and HSBC. This optimal financing solution will ensure funding capacity and provide a runway for future growth.

The successful transaction facilitated the founder realising the value created to the point of completion, while simultaneously giving the management team the chance to acquire an equity stake, enabling them to lead and propel the business forward. The bank financing not only played a significant role in funding the transaction but also stands ready to provide additional funding for the pursuit of future value-enhancing M&A opportunities.

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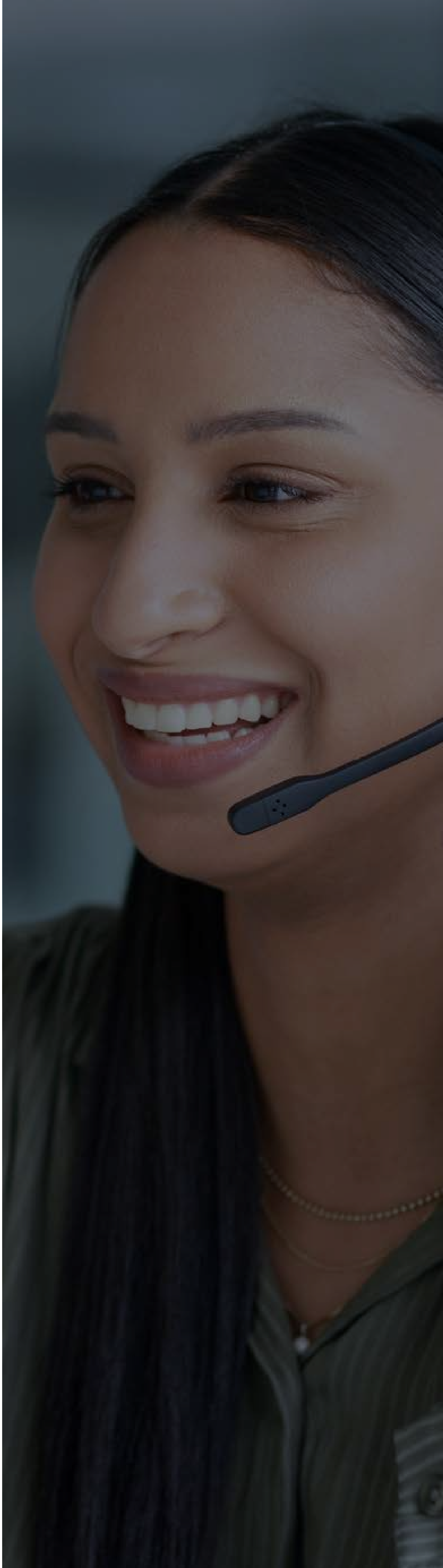
We were able to help secure a financing solution that will enable the business to continue its impressive track record of organic and in-organic growth.

Simon Sherliker
Debt Advisory



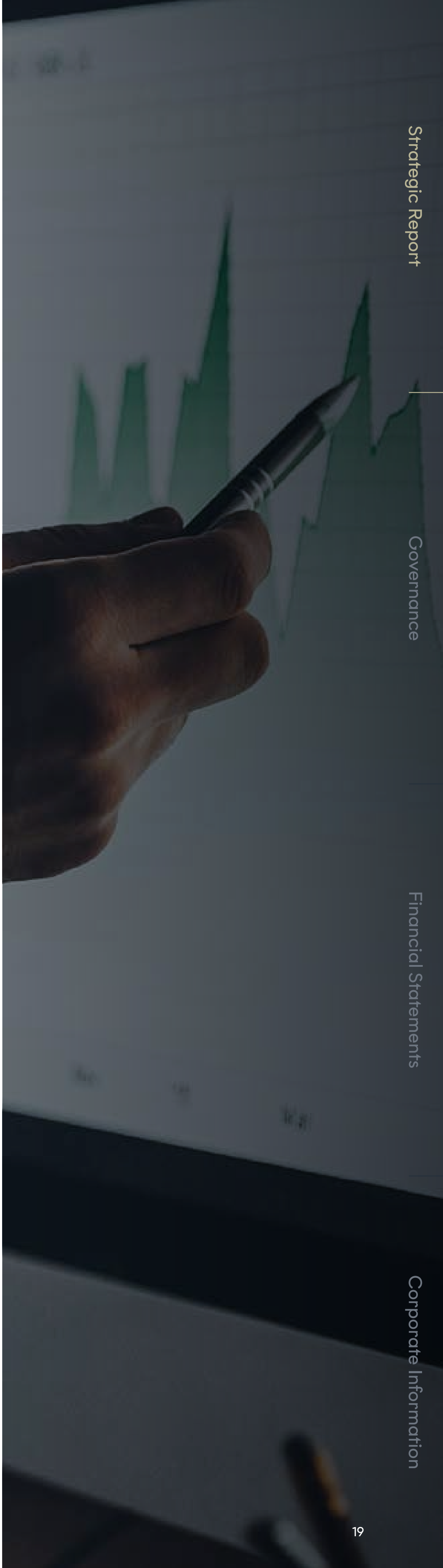
Financial Advisory

Travel operator achieves its recapitalisation

FRP were engaged by the financial advisors of a €1.5 billion debt, European-based travel operator, to assist with its recapitalisation amongst its existing lenders, as part of a wider transaction. The Group had been significantly impacted by the Covid-19 pandemic but benefited from a strong management team and asset base, as well as global brand recognition.

FRP's Restructuring Advisory and Financial Advisory teams worked together to a tight deadline, to assess the implications for the business and its lenders if the recapitalisation could not be achieved consensually. FRP provided valuations of the Group and its key components, before and after the recapitalisation and produced an entity priority model to estimate the recoveries to lenders, under each scenario.

FRP were able to successfully demonstrate the benefits of the consensual recapitalisation against a detailed analysis of the likely alternatives, should a consensual outcome not be achieved, allowing the Group to agree to a solvent restructure of its debt.



FRP's teamwork enabled the business to continue trading solvently and position it well for future growth.

Richard Sanfourche
Financial Advisory

Independent accounting investigation for FTSE listed company

FRP's Forensic Services team was engaged by a FTSE listed company in the industrial transportation sector, to investigate a liability identified by the company's auditors, that had been on its balance sheet for several years.

The company's shares were suspended whilst FRP's investigation was conducted, which focussed on whether there was any fraud and/or corruption surrounding the deals that made up this liability.

FRP's Forensic Services team undertook an independent fact-gathering investigation, to establish the nature of the liability and why it had not been paid. Working closely with the company's solicitors and auditors, FRP conducted interviews with various individuals in senior positions at the company and those that had been involved in the deals that made up the liability.

FRP's Forensic Technology team assisted by imaging mobile devices and hosting email data on our e-Discovery platform, RelativityOne, to gain a better understanding of the facts.

The FRP team also reviewed the client's wider systems and controls, to determine whether these were adequate for purpose.

FRP provided a written report outlining the findings and the client's subsequent suspension of their shares was lifted.

> Our Forensic Technology team were critical to the success of the project, capturing a significant volume of data and facilitating a time and cost-efficient review of that data.

Christopher Osborne
Forensic Services

Forensic Services

High Court matter on alleged breach of warranty

FRP's Forensic Services team were engaged on behalf of the claimant in a High Court matter to quantify the damages associated with an alleged breach of warranty, following the claimant's acquisition of a rainwater attenuation tank business from the original owners, who were the defendants.

After acquiring the business, the claimant identified several sites in which attenuation tank failures led to depressions in car parks and on construction sites, which required remediation works. The claimant contended that the incorrect specification of attenuation tanks were installed.

FRP prepared a first draft expert report quantifying the damages associated with the defendant's alleged breach of warranty following the attenuation tank failures, by quantifying the fair market value of the attenuation tank business on the basis that the warranties were breached and comparing that value to the value of the business, assuming the warranties were not breached (being the actual consideration paid). FRP provided a written draft expert report outlining their findings. The matter ultimately settled.

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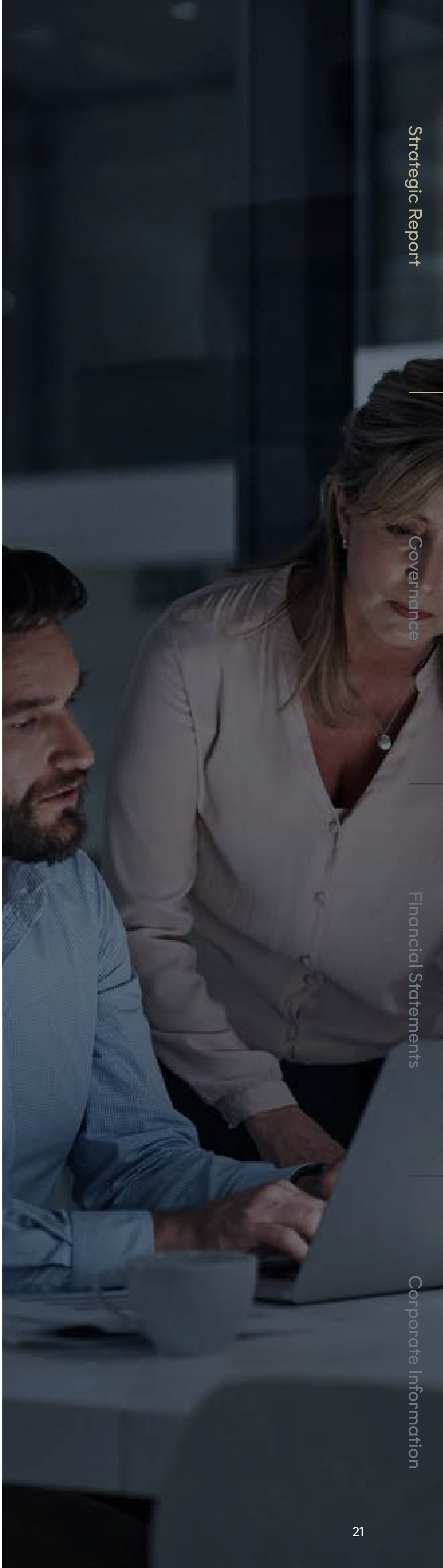
This year saw an uptick in transaction disputes and insurance claims. This case study showcases the type of work we have undertaken in that regard, both in litigation and in an advisory capacity.

Andrew Fingerett
Forensic Services



Restructuring Advisory

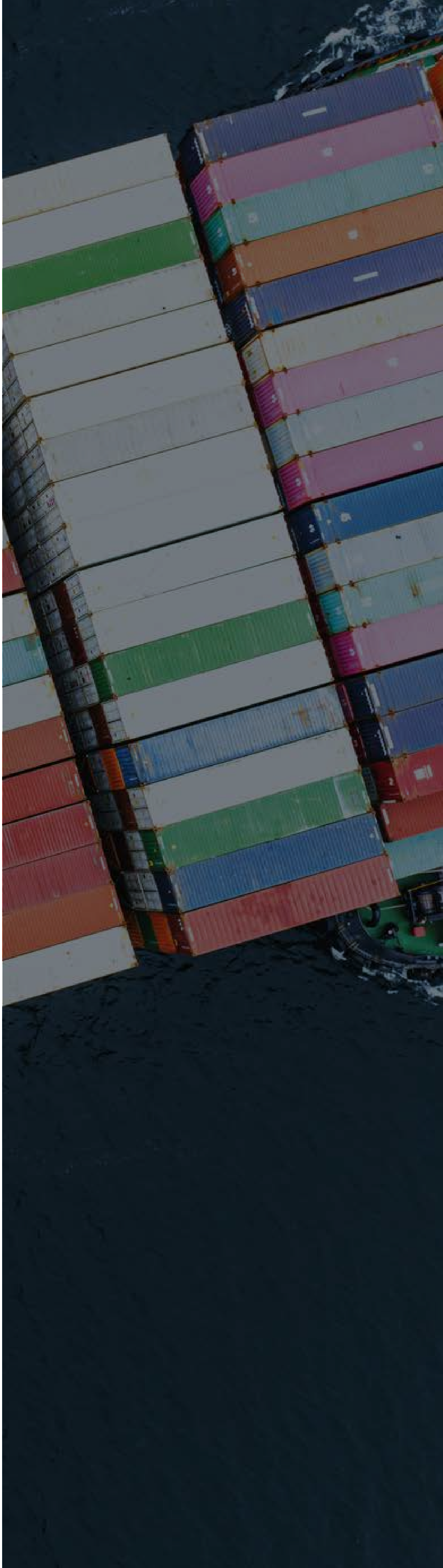
Transition to an employee-ownership model

The FRP Restructuring Advisory team provided financial due diligence to support the funder on a transaction that enabled a UK-based logistics business to transition to an employee-ownership model – making it the biggest employee-owned company of its kind in the world.

Launched in 1998 with a £15,000 business loan, Cardinal Global Logistics is an international firm with more than 40 offices, 6,000 clients and revenues exceeding £500 million. The group has earned recognition in the logistics sector for its tech-powered approach, transparency, innovation and determination to deliver exceptional service and value.

Cardinal's democratisation model means every member of staff now gets to share in the profits that the company generates each year. In addition to financial benefits, employees will have input regarding the future direction of the Cardinal Partnership, which includes the Far Logistics and Cardinal Global Logistics brands.

This move also represents an effort to preserve the employee-first company culture that Cardinal has worked hard to establish over the past 25 years.



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Employee ownership trusts have become an attractive succession tool for business owners and employees alike.

Anthony Collier
Restructuring Advisory

Sale prolongs battery cell manufacturing in Scotland

A multi-disciplinary team comprising FRP Restructuring Advisory, Financial Advisory and Corporate Finance specialists, completed the sale of the business and assets of a battery cell manufacture and production business in Thurso, Scotland.

AMTE Power Plc were considered to be one of the top five battery manufacturers in the UK, developing battery cell technology for energy storage in homes and electric vehicles.

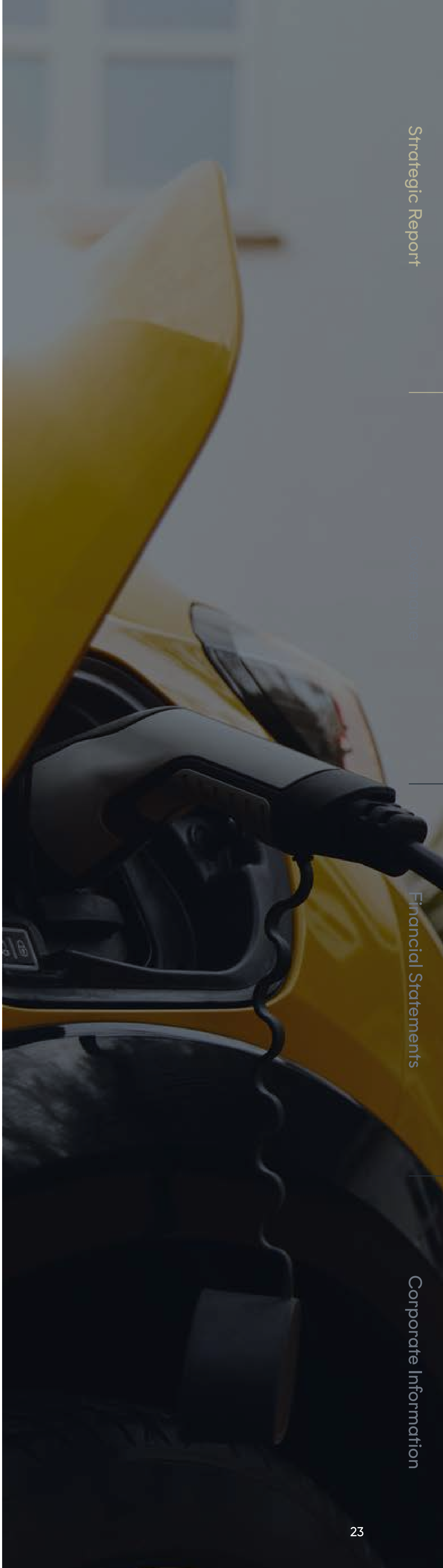
The Company put in every effort to raise additional finance to support its development of battery cell technology but due to continued delays in securing the necessary rescue funding and mounting financial pressures, had no alternative but to seek the protection of administration.

The combined FRP teams completed the sale of the business and assets of AMTE Power's battery cell manufacture and production business to LionVolt. who are a subsidiary of LionVolt B.V. based in the Netherlands.

The transaction enabled the battery production facility at Thurso to be repurposed to produce LionVolt's innovative '3D' solid-state batteries that aim to deliver high performance, fast charging, safety and sustainability.

> This was a complex matter supported by eight FRP offices and demonstrated real strength of the wider FRP team to achieve a positive result.

Richard Bloomfield
Restructuring Advisory



Accelerated M&A process saves helicopter emergency service

FRP Restructuring Advisory were appointed to run an accelerated M&A process with a strategic priority of finding a solution that facilitated the continuation of vital air ambulance operations, without disruption.

Based near Cheltenham, Specialist Aviation Services Ltd provided helicopter emergency medical services (HEMS) to numerous Air Ambulance Charities, primarily across the South of England. It also provided fleet management and servicing for a range of private organisations both in the UK and in the Middle East where it had operations in Kuwait and in Bahrain.

The Company had incurred operating losses for a number of years and had taken significant steps to address these financial challenges, including seeking new funding.

This was a complex transaction, in the heavily regulated aviation sector and key parties included aircraft financiers, global OEMs, overseas government contracts and the relevant air ambulance charities.

Following an exhaustive sales process, the FRP team completed a pre-pack sale of the business and assets of Specialist Aviation Services Ltd (the Company) to Gama Aviation – an AIM-listed business aviation specialist, headquartered in Farnborough.

"

Our goal was to ensure that the vital air ambulance operations continued without disruption, which they did.

Jonathan Dunn
Restructuring Advisory

Our Purpose

FRP's purpose is to support clients through times of change across the corporate lifecycle, from highly successful businesses to those facing significant stress or distress. Our specialist advice is honest, clear, and considered. Our teams are empowered to achieve the best possible outcomes by putting forward the right people for each project, drawn across different locations and service pillars.

We support our colleagues development, health, and well-being in order for them to achieve their personal goals and we ensure they operate in an inclusive, sustainable, and environmentally responsible workplace.

Strategic Report

For the year ended 30 April 2024

The Directors present their strategic report for the year ended 30 April 2024 ("FY2024").

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 complementary service pillars:

- Restructuring Advisory: corporate financial advisory, formal insolvency appointments, informal restructuring advisory, personal insolvency and general advice to all stakeholders.
- 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.
- Financial Advisory: buy and sell-side financial due diligence; lender services including pre-lending due diligence and independent business reviews; valuation services; financial modelling; board and C-suite advisory and pensions advisory services.
- Forensic Services: forensic investigations, compliance and risk advisory, dispute services and forensic technology.

The Group considers that it can support clients optimally through internal collaboration and by drawing expertise from specialist teams across different areas of the business. Accordingly, each of the Group's five service pillars and footprint of offices are connected and able to work together to deliver the best possible client service.

The Group provides professional services to all sectors and across the full spectrum of all business sizes.

FRP is a member of Eight International, 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.

FRP has been active in building relationships through physical meetings with member firms across Europe and engaged in joint marketing and the co-hosting of events with Eight International. This has increased FRP's brand presence, market profile and showcased combined cross-border and international collaboration capabilities across all of the countries in which the Eight International network operates.

Financial review

Revenue

FRP's revenue grew 23% year-on-year to £128.2 million (2023: £104.0 million). 19% was organic growth and 4% inorganic, the latter defined as an acquisition's first 12 months' contribution to the Group.

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

The Group grew profitably with adjusted underlying EBITDA* rising by 37% to £37.1 million (2023: £27.0 million). We continue to maintain a focus on cost control, while also investing in the business to support future sustainable growth.

	2024 £m	2023 £m
Reported profit before tax	29.9	15.6
Add back depreciation, amortisation and interest	3.4	2.9
Reported EBITDA	**33.3**	**18.5**
Add share-based payment expense relating to the Employee Incentive Plan (EIP)	2.2	6.3
Add share-based payment expense - Deemed remuneration	1.6	2.1
Add back exceptional items	-	0.1
Adjusted underlying EBITDA*	**37.1**	**27.0**

* Adjusted underlying EBITDA 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.

FRP team growth

The FRP team grew by 19% through both demand-led lateral hiring and acquisition. We opened a new UK office in Salisbury, to support continued team and business growth from our Southampton office. We also have a Sheffield office, following the acquisition of the Wilson Field Group in September 2023. In March 2024, we acquired GWC in Douglas, Isle of Man, providing another offshore office.

The Group started the financial year with 551 colleagues, (excluding Consultants) operating out of 25 UK offices and one international office, in Cyprus. By 30 April 2024, there were 27 UK offices and two international and offshore offices, while the colleague number had increased to 657 (excluding Consultants), as set out in the table below:

Team	FY2024	FY2023
Partners	92	78
Colleagues - fee earners	430	361
Total fee earners	**522**	**439**
Colleagues - support	135	112
Total (exc. Consultants)	**657**	**551**

Balance sheet and cash flow

The Group's balance sheet remains strong with a net cash balance as at 30 April 2024 of £29.7 million (2023: £22.9 million), consisting of gross cash of £32.9 million, less the balance remaining on a term loan of £3.2 million (2023: £27.7 million gross and £4.8 million loan). The Group also has an undrawn RCF of £10 million and an accordion acquisition facility with Barclays Bank. These facilities were refinanced in July 2023 for 3 years.

The Group has improved its staff utilisation rate to 68% (2023: 65%) against a target of approximately 60%. The Group monitors utilisation and capacity and has a culture of internal collaboration whereby colleagues can be utilised across different locations. Utilisation is calculated as the percentage of available hours that FRP colleagues spend on chargeable activities. Available hours being a standard 7.5 hour day multiplied by the number of working days, less hours taken for holidays, study days and sickness.

The largest asset on FRP's balance sheet is unbilled revenue or Work in Progress (WIP). The majority of WIP relates to restructuring cases and represents the value of work done which the relevant insolvency practitioner believes will be signed off by the relevant creditors as part of the fee process. WIP days are typically 4-7 months within the restructuring industry and FRP maintain the discipline of a robust monthly WIP valuation process. Cash collections in the second half were particularly strong such that WIP days were approximately 5 months (FY 2023: approximately five months). Going into FY2025 it is expected both WIP and WIP days will grow in the first half due to the Group's continuing growth.

The Group has repaid all IPO liabilities due to Partners and now carries a liability to partners on go forward profits. This represents the Group's largest payables as FRP maintains a general supplier payment policy whereby suppliers are paid within 30 days in the absence of any other agreement.

Dividend

Given the Group's trading performance and strong balance sheet, the Board recommends a final dividend, in line with its stated dividend policy to pay quarterly dividends. Since IPO dividends paid have increased year-on-year.

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. As the employee share options became exercisable from 6 March 2023, these shares will attract dividend rights when converted. The Board recommends a final dividend of 2.3p per eligible Ordinary Share for the financial year ended 30 April 2024.

Subject to approval by shareholders, the final dividend will be paid on 25 October 2024 to shareholders on the Company's register at close of business on 27 September 2024. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2024 will be 5.0p per eligible Ordinary Share (2023: 4.6p).

Business review

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, Financial Advisory, Forensic Services and Restructuring Advisory, to create an integrated business able to take advantage of opportunities across the economic life cycle 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 typically 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, contingent success fees based on transaction value or an agreed mix of these basis.

Our assets

Our primary asset is our team

The experience, the expertise and the relationships of our people, all of which add value to our brand and reputation daily, as well as generate revenue.

Our multi-pillar practice model of five complementary service pillars provides us with a broad knowledge base, the ability to draw on multiple sources of expertise for any given engagement and the ability to support businesses through their entire life cycle.

Our investment in our employees is supported by robust finances - a strong balance sheet and the availability of further 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 strictly 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 retain our place on specific panels
- We seek to help our clients through their full life cycle, 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 independent professional services group, providing a long-term income opportunity for shareholders.

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.
- Opening 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. The GWC acquisition further strengthens our international and offshore presence, adding to our Cyprus office, and assists our work with global advisory organisation Eight International, enabling us to better support our clients on international matters.
- Continuing to serve the full range of clients including personal clients, SMEs, our core mid-market and high-profile more complex, appointments.
- Developing new specialist services that meet client demand, such as our new financial advisory pillar.
- Ensuring the five complementary service pillars and office network combine together to put the right team forward, on each assignment, in order to achieve the best possible outcome.

Acquisitive growth

The Group's growth strategy is to focus on organic growth supported by selective inorganic opportunities where there is a cultural, strategic and mutually acceptable transactional economics fit. The Group made two acquisitions in the year and these both strategically fit into the Group's five service pillars and we expect revenue synergies from the combinations.

Following an acquisition FRP treats the first 12 months' contribution to the Group as inorganic, revenue from month 13 onwards becomes organic.

Key markets overview and growth opportunities

Restructuring market growth

Within our financial year, the higher volume and typically less complex liquidation market (including Company Voluntary Liquidation's ("CVLs") and Compulsory Liquidations) increased by 3%. The more complex administration market, where FRP is particularly active, increased by 22% year-on-year. The Group increased its administration market share to 16% (FY2023: 14%) (Source: London and Regional Gazettes).

Our Restructuring team continued to serve the full range of UK clients across all sectors, including personal clients, and SMEs, along with core mid-market and high-profile appointments.

The Group has also undertaken many confidential advisory assignments during the financial year.

Our Restructuring team is well-positioned to service the expected increase in demand stemming from the continuing challenges and disruption corporates face, including ongoing inflationary pressures and increased costs of borrowing.

Corporate Finance market growth

FRP Corporate Finance had a busy and successful year, significantly growing its market share. It now ranks as the 24th most active financial adviser in the UK M&A market (Source: Experian Market IQ).

The team was involved in 76 successful transactions in the financial year with an aggregate deal value of £1.4 billion and £0.6 billion of debt raised. This level of activity gives FRP Corporate Finance a approximately. 1% market share of the UK M&A market, by number of appointments (Source: Experian Market IQ). An average deal value of approximately £20 million for the year maintains FRP Corporate Finance's position in the heart of the lower mid-market.

FRP Corporate Finance also continued to strengthen its commitment to the private equity community, with just under half (43%) of the deals in the period involving private equity: including buy-side, sell-side, and debt advisory transactions.

At their Annual Global Meeting on 10 May 2023, FRP Corporate Finance Partner Simon Davies was elected as the Chairman of the Alliance of International Corporate Advisors (AICA), for a two-year term. The AICA comprises more than 41 member firms across 39 countries and connects 250+ experienced professionals globally.

The Corporate Finance team won a number of awards during the year: Corporate Finance Partner, Adrian Alexander won 'Corporate Finance Adviser of the Year' at the Insider South East Dealmakers Awards 2024 and at the same event, the sale of CLC Group to H.I.G. Capital won 'Deal of the Year (£40m+)', which was managed by Corporate Finance Partners Darren Miller and Simon Davies. Darren was named 'Corporate Finance Advisor of the Year' at the Solent Deals Awards 2024 where FRP once again won 'Deal of the Year (£50m+).

Our Corporate Finance team has an excellent pipeline as it helps clients realise their strategic ambitions. Despite softening in the capital markets, mid-market M&A activity levels remains strong with institutional lenders and private equity well financed with significant capital to deploy; there is also considerable overseas interest in UK assets.

Further detail on FRP's pillars is available in the Chief Executive Officer's Report.

Key performance indicators ("KPIs")

The Board regularly reviews the KPIs of the Group as an indicator of the Group's performance across various fields. The KPIs cover a range of performance indicators, from work winning and billing, to colleague performance and attrition. The KPIs are reviewed against a backdrop of the market and businesses as a whole and as such specific targets are not used. We are pleased with the performance of the Group on the KPIs.

Financial	**Year Ended 30 April 2024 £million**	Year Ended 30 April 2023 £million
Revenue	**128.2**	104.0
Adjusted underlying EBITDA (see table on page 26)	**37.1**	27.0
Reported EBITDA	**33.3**	18.5
Adjusted profit before tax*	**33.5**	24.1
Profit before tax	**29.9**	15.6
Cash collection (inc VAT)	**135.9**	108.1
Revenue per Partner**	**1.4**	1.3

* Reported profit before tax plus share-based payments and exceptional items
** Based on Partner numbers as at the financial year-end

Non-Financial	**Year Ended 30 April 2024**	Year Ended 30 April 2023
Number of administration appointments	**270**	194
Number of fee earners, including Partners	**522**	439
Staff utilisation rate	**68%**	65%
Attrition rate	**11%**	9%

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 overseeing 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:

1. Colleague risk
2. Reliance on senior management risk
3. Referral relationship risk
4. Reputational and negative publicity risk
5. Environment, Social and Governance (ESG) related risks
6. Cyber-crime and information security risk
7. Acquisition risk
8. Growth risk
9. Operational gearing risk
10. Government policy, legal and regulatory risk
11. Geopolitical risk
12. Competition risk
13. Potential claims against the Group risk
14. Communication risk
15. Business Continuity Plan risk
16. New Partner/Appointment Taking Director risk

Likelihood \ Impact	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain					
Likely					
Possible		14	15		
Unlikely		9, 10	11, 12, 13	2, 3, 6	1, 4, 7, 8
Rare		5	16		

Risk management

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

FRP has adopted ISO 31000 as its Risk Management Framework and achieved alignment in July 2022 and was certified as complying with ISO 27001:2013 in November 2023. This enables the business to identify, evaluate, control and monitor risks which are reviewed by their risk owners. This risk process is overseen by the Operational Risk Committee ("ORC"), who in turn, report to the Senior Executive Leadership Team on a regular basis and the ARC. Risk ownership has been integrated into all business activities and forms 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.

Risk	Mitigation and Control
1. 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, whose composition changes each year, were responsible for approximately 37% of the Group's revenue (2023: 41%). 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 colleague risk generally through: › A competitive reward structure. › Ongoing investment in HR, Learning and Development to support colleague careers within FRP. › An 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"). › Developing and maintaining a corporate culture which keeps the team motivated and engaged, facilitating communication and alignment of staff and FRP expectations. 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 grow the business. During the year, Partner shareholders were invited to sell 25% of their holding in return for signing an extended lock-in, so they cannot sell shares without agreement before July 2026. There has also been investment in the HR department to support colleagues. The Group made two senior hires on 1 May 2024, both with significant HR and people leadership experience. Claire Dale joined as new People Director to lead on FRP's "People proposition" and Louise Jackson joined as a new non-executive Director and Remuneration Committee chair.
2. Reliance on senior management risk	
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 Nomination Committee is responsible for ensuring that adequate focus is given to succession planning. In the year Penny Judd joined as the non-executive chair following the retirement of Nigel Guy. Louise Jackson has also joined the board as a independent non-executive director in May 2024 following Claire Balmforth's retirement. Key personnel are identified as part of the Group's risk management framework and mitigations are in place to ensure loss of key personnel could be appropriately managed with the use of both internal and external support.

Risk	Mitigation and Control
3. 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 has been accepted onto many Government panels. 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.	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 the best possible service to clients. Mandatory use of FRP's CRM system also ensures all contact information is shared amongst FRP colleagues and every effort is made to ensure relationships are formed with multiple members of the FRP team.
4. Reputational and negative publicity risk	
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. This may come from an IT failure, reduced quality of work, or inappropriate behaviour from staff.	The Group has always recognised the importance of its reputation and that is the foundation of its success to date. 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 Governance, Risk & Compliance by implementing and continuously developing its Enterprise Risk Management, Information Security Management System & Cyber Security frameworks. The Group retains press agents to help manage its image and communicate with the wider press.

Risk	Mitigation and Control
5. Environment, Social and Governance (ESG) related risks	
As the Group makes progress on ESG related matters, there will be significant opportunities, however there are also risks in not complying with regulations. There is also a risk that progress on FRP's positive commitment to the environment and society not being met would cause reputational damage. There are also risks facing the Group related to the pace of change in technology and costs of replacing inefficient technology earlier, severe weather, ESG policy and ESG considerations impacts decision making and buying behaviours more now than it used to.	The Group has an ESG Committee tasked with ensuring ongoing progress is made. These risks are discussed further in the corporate governance section. While we are closely monitoring these risks, we do not believe they have a significant impact on the Group at present. The risks that the Group faces also provide opportunities for the Group to provide services to other companies that may be facing these risks and not adapting suitably.
6. Cyber-crime and information security risk	
The risk of cyber-crime, information security violations and system interruption 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. It is an area of consistent investment made by the Group to keep current given rapid changes in threats. Staff undertake regular compulsory training on recognising potential cyber-attacks. The Group has a recovery process and business continuity plan if a large scale cyber attack did happen. FRP is ISO 27001:2013 certified, an international standard on information security. Certification requires an external audit on the robustness of the Group's Information Security Management Systems and Controls.

Risk	Mitigation and Control
7. 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.	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 and clawbacks that may be used to ensure that the acquired business operates as expected and valued according to returns generated. Acquired Partners are also subject to a lock-in and demand-led lateral hire Partners have options which act as a retention tool. A post-acquisition review is undertaken after each acquisition, with lessons learnt being recorded for the Group to consider in the future.
8. Growth risk	
There is a risk that FRP fails to execute its growth strategy due to a fall in revenue, reduction in the size of the market, loss of market share, lack of appropriate acquisition opportunities at an acceptable valuation or lack of cost management, leading to a loss of investor confidence and impact on share price.	The Group is continuously looking for suitable investment opportunities and several additions /transactions of high-profile Partners, teams and mergers have taken place which demonstrates the Group's attractiveness to targets. The Group's diversified referral network reduces reliance on any organisation for new opportunities. The Group focuses on ensuring central services remain operationally efficient. All Partners and senior fee earners work on business development activities to enable FRP to help on new opportunities.
9. Operational gearing risk	
The business is operationally geared with a significant proportion of relatively fixed salary and modest lease 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 identify and mitigate any potential short-term adverse fluctuations. A material element of compensation is performance related, both bonuses for colleagues and profit allocations for Partners. The Group operates five service pillars, its diversity mitigates fluctuations in revenue mix. As the pillars complement each other, there is additional scope to move resources between pillars.

Risk	Mitigation and Control
10. 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 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 regarding to what extent auditors are able to offer non-audit services to their audit clients which 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 both clients and 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 knowledge and expertise of colleagues ensures that the Group is aware of pending legal or regulatory changes. Many of the Group's employees are members of technical or expert panels within the various regulatory bodies that the Group's activities fall within. The Group has dedicated resources to monitor legal and regulatory changes affecting its business, together with a number of policies addressing regulatory or legal obligations of the Group. Policies are reviewed and updated annually if necessary and controls to ensure they are being followed are in place where appropriate. The reading of these policies in a timely manner by the relevant colleagues is monitored. The Group routinely monitors the changing industry landscape and reacts accordingly. Despite the legal and regulatory framework the Group believe there will always be companies that get into difficulties and require advice from restructuring firms. The Group has in place suitable professional indemnity insurance. The Group is not full service and as such is less exposed to potential conflicts of interest.
11. Geopolitical risk	
FRP is exposed to both operational risks and commercial opportunities with regard to the geopolitical landscape. As a mainly UK focused business there is limited exposure. FRP and FRP's clients may be exposed to impacted supply chains, including those outside the UK. Events can also affect the UK in general such as energy security issues leading to power blackouts, state sponsored cyber-attacks attacking UK infrastructure and financial market crashes. Sanctions and restrictions could prevent the Group undertaking certain work and impact our core pillars.	The Group identifies any suppliers/outsourced services operating in high risk areas and carry out contingency planning. The Group ensure our sanction compliance policies and procedures are robust and adhered to by staff. We maintain our diversity of pillars to ensure a pillar failure does not impact the whole business

Risk	Mitigation and Control
12. Competition risk	
In the current macroeconomic environment, the Group 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. There is also a risk that competitors are able to perform the work more efficiently and therefore more profitably due to using newer technology, Artificial Intelligence, Robotic Process Information with fully integrated systems. The Group operate in a people focused market so there is a risk of colleagues leaving the Group to join a competitor. As the Group contests winning clients with other companies, there is a risk of downward pricing pressuring being forced onto the Group.	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 to entry to new entrants or smaller organisations which are unable to meet the evolving and ever increasing regulatory burden. In comparison to larger competitor firms, the Group is not full service and as such is less exposed to potential conflicts of interest as faced by some of our competitors. Many of the Group's Partners have extensive experience within larger firms and are therefore able to demonstrate their credentials to undertake the larger and/or high-profile assignments within a specialist and more flexible organisation, with a lower cost base for the Group to compete favourably on price. The Group has a Business Transition Team which undertakes a detailed assessment process to ensure new technology will meet the needs of the stakeholders. The Business Transition Team also ensures stakeholders are ready to utilise new technology appropriately, to realise desired benefits and efficiencies. Colleagues are an important part of the Group and as such competitively remunerated and motivated. There are many policies in place in order to retain staff. The Group deliver quality work for clients. The outcomes the Group attains for clients is a differential and is good value.
13. Potential claims against the Group risk	
The Group typically receives a number of complaints each year in relation to its engagements, with the majority of these relating to the Group's insolvency practice. These complaints 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 complaints, who provide legal support in responding to the complaint at an early stage, to reduce the risk of the matter escalating to a legal proceeding. A small number do escalate. There is a risk that a claim could be successful, and an award made against the Group, as a result of a mistake or the negligence of one or more of the Group's Partners or employees.	The Group has in place professional indemnity insurance. It is likely that the majority of the cost of any successful claim would be covered by the Group's 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 by 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 robust internal procedures and external advisors in place to effectively manage incidents like these, such as complaints procedures and risk management. There have been no successful claims made against the Group to date.

Risk	Mitigation and Control
14. Communication risk	
There is a risk that as the business grows there is a lack of, or breakdown in, effective timely communication to all relevant internal stakeholders. This could result in sub-optimal decisions being made or a lack of cohesion between different parts of the business.	There are regular internal meetings with members of the Senior Executive Leadership team, Location Heads and Central Services Group Heads, where all are encouraged to actively engage and disseminate relevant information to their teams. There are also regular updates to the Group via newsletters and video recordings, including from members of the Group's Board of Directors.
15. Business Continuity Plan risk	
There is a risk of an event occurring where the Business Continuity Plan ("BCP") fails and business as usual is significantly interrupted, due to a lack of business readiness (BCP Testing), leading to an inability to deliver client work. There is a risk that a scenario arises which we could not have foreseen and are not therefore explicitly covered by the BCP.	We review our BCP on a regular basis to ensure procedures are up to date. This includes scheduled tabletop exercises to gauge and improve readiness. In addition, colleagues receive relevant training on BCP and how it should be deployed. We have good people and our skills include being flexible and working in difficult situations so we will be able to adapt.
16. New Partner/Appointment Taking Director risk	
There is a risk to our reputation if there is insufficient due diligence carried out in relation to new Partner and Appointment Taking Director engagements.	We perform extensive due diligence before an offer is made for a new senior position. In addition, 360 degree Partner vetting takes place with the Group's CEO, COO, CFO and Non-Executive Directors. This includes market soundings taken prior to making an offer and ongoing Partner performance monitoring.

Environmental, Social and Governance ("ESG") Report

The Board is mindful of the Group's responsibility to protect the environment, support colleague workplace ethics and manage risk, both internally and externally, via our supply chain and referral networks.

We recognise that improvements have to be made and after the appointment of a specialist Sustainability Manager, Alexis Ioannidis in June 2023 our EcoVardis rating was upgraded to Silver, putting FRP in the 87th percentile of companies. We have seen a 55% reduction in our Scope 1 emissions compared to the prior year sourced from the use of a company car fleet and we have committed to curbing our Scope 2 emissions, those stemming from the generation of purchased electricity, heat, and steam, by 20% by 2025 and 100% by 2030. We have also improved our emissions estimate calculations to account for all Scope 3 categories; please refer to our Carbon Reduction Plan for further details. In FY2025, we are launching a waste reduction initiative, to reduce our office printing numbers.

In addition, Alexis works within our Financial Advisory pillar as a sustainability consultant and is currently advising a small portfolio of EU based companies on how to improve their ESG activities and reporting.

We offer an electric car scheme for colleagues to negotiate terms to lease or purchase electric cars and we continue to offer flexible working arrangements, which reduces colleague commuting. For further details please see our website: www.frpadvisory.com/about/approach/corporate-social-responsibility/environmental-social-and-governance/

The following report is considered the non-financial and sustainability information statement of the Group.

	FRP standard policy	Basis for control
Environmental	FRP's environmental impact is low, however the Group is mindful of the need as a business to engage in energy efficient solutions	
Recycling/ Streamlined Energy and Carbon Reporting (SECR)	› FRP is committed to providing mixed recycling outlets in all locations and will provide a paper lite working environment by the end of FY2025 › FRP is also working on introducing a document management system in FY2025 to minimise paper consumption	› FRP recycles paper, glass, plastics, food, cardboard and general waste › FRP uses re-usable glassware, ceramics and cutlery in place of single use plastics
Energy ratings/efficiency	› The electricity consumed by FRP relates solely to the routine power requirements of its offices › The gas consumed by FRP relates solely to the running of boilers for heating and hot water in its offices	› 91% of FRP's company energy needs are met with renewable energy. FRP is working towards converting the remainder to fully renewable tariffs › When undertaking office refurbishments, FRP install more efficient heating and lighting systems

	FRP standard policy	Basis for control
Environmental continued		
Travel/vehicles	› FRP's GHG emissions related to fuel combustion are derived solely from the payment to colleagues of mileage allowances where they use their private vehicles for Group business	› FRP encourage all client related journeys/commuting to be by public transport where possible › Subject to client commitments and where appropriate, FRP offers a flexible working environment. The impact of some colleague commuting is reduced by remote working › FRP offers the opportunity for colleagues to negotiate terms to lease or purchase electric cars, as part of their flexible benefits package
Air *Carbon emissions/ Carbon neutral & improving the climate*	› FRP is committed to being Carbon Neutral in respect of its Scope 1 and Scope 2 emissions, by 2030	› Tonnes CO_2e per colleague during FY2024: 7.06 (2023: 8.02)
Water *Waste*	› FRP's water consumption relates solely to sewage disposal and standard kitchen/bathroom waste	› FRP's consumption is low impact
Use of water in a business process	› FRP is not a provider of any services that require the use of water in a business process	› FRP's use is low impact
Land *Impact on quality of land*	› FRP is not a provider of any services/equipment that impact the quality of the land used during a business process or activity	› FRP's activity is low impact
Leased office space within multi-use buildings	› FRP is an office-based business and primarily operates from leased premises	› FRP's land footprint is small

	FRP standard policy	Basis for control
Social	FRP works hard to attract and retain highly skilled professionals by creating a rewarding, inclusive and meritocratic high performance environment FRP has a robust succession programme which highlights numerous ways to progress within the business with the aim to attract, retain & develop colleagues FRP understand that the Group's people are central to its success and are a valuable asset	
Diversity & upward mobility	› FRP is committed to continued investment in learning and development › FRP maintains an Equal Opportunities Policy and recruits the right people offering the right skills that are required for a professional services business, regardless of ethnicity, race, sexual preference or disability › FRP's total attrition rate for both voluntary and involuntary leavers is 14.8% to end FY2024 (2023: 14%). The UK average is approximately 14.9% (Source: Xpert HR labour turnover rates private-sector services). The voluntary attrition rate is 11.0% (2023: 9%)	› FRP offers the same route to recruitment whether candidates are from schools, academies, universities or a market sector outside of the professional services industry › FRP encourages diverse recruitment panels and works with recruitment agencies who provide CVs to include a balance of gender, skills and ability according to the role advertised › FRP supports continuing professional development and provides time in lieu and funding for further professional qualifications › FRP promotes colleague membership of professional forums and related associations and to those that offer ethnic or diverse opportunities › FRP encourages ideas and recommendations that support all colleagues. FRP has formed various working groups to discuss, monitor and help implement diversity and inclusion initiatives across the Group › FRP employs AAT, ACA, ACCA, IT and Marketing apprentices, as well as working with various apprentice providers and offers a graduate programme › FRP's Gender Pay Gap information is available on the Company's website

	FRP standard policy	Basis for control
Social continued		
Diversity & upward mobility continued		› FRP is a member of Inclusive Employers, who are the leading membership organisation for employers committed to prioritising inclusion and creating truly inclusive workplaces. In inclusive workplaces, all employees are valued and contribute to the success of their organisation .
Employee Health and Safety	› FRP adheres to relevant safety, health and welfare at work legislation, as appropriate	› FRP maintains qualified first aiders, H&S training, defibrillators and fire marshals at every location
Well-being	› FRP maintains a culture of regular engagement with its colleagues through multiple channels to ensure their views are taken into account appropriately	› FRP offer colleague flexible benefits which include discounted leisure activities, buying and selling of holiday, cash plan insurance (dental, optical, health screening, alternative therapies), private medical, permanent health insurance, critical illness insurance and life cover, flu vaccinations or vouchers and childcare vouchers, with some as core benefits so they are nil cost to colleagues › FRP offers a 24-hour Employee Assistance Programme for everyday challenges such as money or legal matters, buying/selling a house, health concerns and family advice, in addition to bereavement and other forms of counselling › FRP has qualified mental health first aiders across the UK and provides development documentation, explaining how MHFA and HR work together. › FRP provide access to the Health Assured Wisdom app to support all locations with mental health and guidance › FRP are working in partnership with the Charlie Waller Trust, on reviewing our company-wide wellbeing activities and programmes

	FRP standard policy	Basis for control
Social continued		
Community relationships	› FRP supports integration with local communities › FRP is committed to supporting charities or similar organisations that provide aid for those who are homeless, in poverty, for children's education, well-being and health, and for environmental issues	› Community engagement includes but is not limited to: sponsorship, charitable donations, fund-raising, foodbank & emergency relief donations, volunteering, recycling office furniture and equipment and supporting client initiatives

	FRP standard policy	Basis for control
Governance	FRP has an Enterprise Risk Management, Information Security Management System & Cyber Security framework FRP adheres to the QCA (Quoted Company Alliance) Corporate Governance Code	
Customer privacy, Data security	› FRP has adopted ISO 31000 as its Risk Management Framework and achieved alignment in July 2022 › FRP seeks annual certification by a government backed cyber security scheme, which includes an independent specialist testing of Group defences against the most common cyber-attacks › For all vendors, FRP evaluates both data privacy assurance & security resiliency in line with regulatory, contractual and certification requirements. › FRP maintains its privacy programme through central compliance tools that provide one place for privacy, security, marketing, and third-party risk management in line with commitment to the UK GDPR, Data Protection Act 2018 and Privacy and Electronic Communications Regulation › FRP's robust systems and procedures have prevented any reportable incident to the Information Commissioners Office › FRP has robust policies and procedures with respect to health & safety, data protection, supply chain, compliance and regulatory issues	› FRP perform proactive policy management and compliance through a centralised platform, supported by a Policy Review Group providing policy oversight and assurance and determining sign-off authority › All FRP policies are being updated to ensure full inclusivity › FRP uses security ratings scoring of third parties cybersecurity performance, which is also used for internal review to benchmark against industry comparisons › FRP is certified as complying with ISO 27001:2013
Product Quality & Safety	› FRP's Modern Slavery & Human Trafficking statement is available on the Company's website › FRP expects all external suppliers and professional services advisers to be similarly opposed to slavery and human trafficking	› FRP suppliers are subject to a due diligence on-boarding process which includes confirmation of their slavery and human trafficking policy › FRP provides internal training courses that include modern slavery, human trafficking and associated risks in the business and supply chains

	FRP standard policy	Basis for control
Governance continued		
Selling, advertising & product labelling	› FRP primarily secures work through its referral network, rather than advertising externally › FRP ensures the relationship-based referral network is maintained successfully through partner lock-ins and strong office networks with local referrers	› FRP has no physical products, except a limited amount of sales and marketing collateral, and does not have a need for product labelling in the course of its business activities › FRP referrers complete a GDPR process and are advised of FRP's responsibilities as the Data Controller in accordance with the UK GDPR, Data Protection Act 2018 and Privacy and Electronic Communications Regulation
Ethics & Transparency	› FRP publishes an audited Annual Report & Accounts, an unaudited Interim Report and trading updates as appropriate, in line with other UK listed professional services firms and in accordance with Companies House reporting deadline dates	› FRP's Group accounts are presented on an IFRS basis
Culture	› FRP's culture is supportive, inspiring, empowering and collaborative › FRP offer a rewarding, high performance environment to attract and retain highly skilled professionals › Senior Executive Leaders promote the four FRP core values of being straightforward, confident, pragmatic and real	› The Board monitors and acts to promote a healthy corporate culture and are directly responsible for defining corporate governance arrangements
Diversity	› FRP uses HR analytics to monitor diversity amongst all colleagues	› FRP is committed to employing skilled and qualified colleagues, regardless of age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief, sex or sexual orientation
Shareholder Protection		
Capital Discipline	› FRP pays quarterly dividends and has a high dividend payout ratio › FRP uses its capital to invest in M&A and organic growth opportunities	› FRP has a strong balance sheet and a good equity/debt mix › FRP has a well-balanced capital allocation strategy which is well communicated

	FRP standard policy	Basis for control
Governance continued		
Shareholder Protection continued		
Ownership Structure	› At year-end FRP Partners owned 34% of the Company's Ordinary Shares and they are actively involved in the business. A further 4% was owned by the Employee Benefit Trust. › The biggest individual partner shareholding held approximately 6%, hence no one person or persons, have an undue influence over business decisions › In May 2024, Partners participated in a partial sell down but remain significant shareholders and committed to the long-term objectives of the Group	› There is one class of share, which has full voting rights. The Employee Benefit Trust which holds shares that back employee options, has waived its rights to dividends
Risk Management	› FRP's strategic, operational & project risks are managed centrally as part of an integrated approach to governance, risk & compliance, providing visibility of all risks the business faces › FRP holds membership of relevant regulatory bodies › FRP is supervised by the ICAEW in relation to anti-money laundering ("AML") legislation › FRP has a group money laundering reporting officer ("MLRO") and a deputy MLRO, with assistant MLROs at every office › FRP's Enterprise Risk Management Framework aligns to ISO 31000 with ownership and accountability at all levels within the business	› FRP's risk framework is the responsibility of the Operational Risk Committee, which meets on a monthly basis › Regulatory visits take place every three years, as well as interim visits › Each office has a Technical Officer responsible for ensuring Technical updates are available on a timely basis and Technical reading time is allocated to colleague working hours › All colleagues receive monthly AML newsletters and induction training, which is renewed on an annual basis › FRP perform proactive policy management and compliance through a centralised platform, supported by a Policy Review Group providing policy oversight & assurance and determining sign-off authority

	FRP standard policy	Basis for control
## Governance continued		
Shareholder Protection continued		
Risk Management continued	› A Disclosure Committee is responsible for supporting the FRP 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 "insider information" › FRP has suitable professional indemnity insurance › FRP employs an internal legal counsel	› Overall responsibility for the Risk Framework is provided by FRP's Audit & Risk Committee, with the Senior Executive Leadership team accountable for FRP's risk position and who act as a decision point for escalated risks › FRP submits regular and ad-hoc submissions to the FCA as required, for FRP Corporate Finance Limited (an FCA regulated service line pillar)
Board Oversight		
Independence	› A Nomination Committee, comprising FRP Board members has 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 Board consists of three Executive Directors three independent Non-Executive Directors and the Chair › As vacancies arise, the Board will review the market, giving consideration to the competence, value and experience a candidate brings to FRP and take into consideration a balanced and diverse representation of Board members
Business Relevance	› FRP's Board of Directors offer a wide breadth of experience across Private Equity, Insolvency, Banking, Legal Services and Retail	› The FRP Board are directly responsible for defining corporate governance arrangements
Track Record	› FRP's objective is to deliver shareholder value in the medium to long-term while protecting the business 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	› FRP is delivering on a clear growth strategy both organically and through acquisitions › FRP is operationally geared with a significant proportion of relatively fixed salary and property costs

	FRP standard policy	Basis for control
Governance continued		
Management Accountability	› The Statement of Directors' responsibilities is detailed within this Annual Report & Accounts and failure to execute this strategy would impact executive remuneration › FRP 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	› FRP's profitability is liable to short-term fluctuations dependent on activity levels within the markets FRP operates › In the unlikely event that FRP had a significant slowdown in cash collections the business has a number of further options available to preserve cash
Tenure	› The FRP Board has a good reputation and can demonstrate a mixture of skill sets and backgrounds relevant to the business	› The FRP Board includes a mixture of more recent NEDs and NEDs with greater knowledge of the business. Board members have experience including managing PLCs, financial and professional service companies, restructuring and corporate advisory
Board compensation	› Full details are published in this Annual Report & Accounts, within the Remuneration Committee report	
Group Resources	› FRP website www.frpadvisory.com › FRP plc Board www.frpadvisory.com/investors/board/ › FRP Annual Report & Accounts www.frpadvisory.com/investors/financials-documents/ › FRP Corporate Governance www.frpadvisory.com/investors/corporate-governance/ › FRP Privacy Notices www.frpadvisory.com/legal-and-regulatory-notices/privacy-notices/	› FRP Modern Slavery & Human Trafficking Statement www.frpadvisory.com/modern-slavery-statement/ › FRP Gender Pay Gap Report www.frpadvisory.com/about/approach/corporate-social-responsibility/equal-opportunities/ › FRP Carbon Reduction Plan www.frpadvisory.com/about/approach/corporate-social-responsibility/environmental-social-and-governance/

Task Force on Climate-Related Financial Disclosures Statement ("TCFD")

FRP Advisory Group plc and its subsidiaries, collectively known as 'FRP,' present the TCFD statement for FY2024. The Group aims to fully comply with the evolving TCFD framework disclosures and s414CB.

FRP operate in an industry that has been deemed a low environmental impact. One of the impacts of an increased focus on environmental impact is that many clients in particular sectors will face increased pressures around their impact and this could result in opportunities for FRP to assist.

In this report we address the recommended disclosures as per the below table.

Core Element	Recommended Disclosure	Disclosure
Governance (Section 1)	Describe the Board's oversight of climate-related risks and opportunities.	1.a
	Describe management's role in assessing and managing risks and opportunities.	1.b
Strategy (Section 2)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	2.a and 2.b
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	2.a and 2.b
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2.c
Risk Management (Section 3)	Describe the organisation's processes for identifying and assessing climate-related risks.	Risk section, see page 33
	Describe the organisation's processes for managing climate-related risks.	Risk section, see page 33
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Risk section, see page 33
Metrics and Targets (Section 4)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	4
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	4
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	4

This is our second TCFD report, reflecting our ongoing commitment to transparency and accountability in addressing climate-related risks and opportunities.

In this report, we evaluate the climate-related risks and opportunities we identified last year, assess their impacts on our business, and outline our progress in managing these risks and opportunities.

1.a Board's oversight of climate-related risks and opportunities

The FRP Board is accountable for the long-term stewardship of the Group and has acknowledged the impact of climate change on our strategy. In early 2022, we created an ESG committee to manage climate-related risks, which reports directly to the Board quarterly, providing updates on our strategic environmental initiatives and progress towards sustainability goals.

The Board reviews these updates, offering strategic guidance and ensuring alignment with our overall risk appetite. Notable actions include publishing a Carbon Reduction Plan, updating our Environmental, Social and Governance Policy to support our targets and establishing an Environment dedicated team that meets twice a month to oversee environmental issues and track relevant policies. The Board ensures adequate resources are allocated to the ESG committee, supporting effective implementation of our climate strategy.

1.b Management's role in assessing and managing climate-related risks and opportunities

The ESG committee is chaired by the Chief Financial Officer ("CFO") and comprises eight senior executives from various departments including Business Transition and Projects, Business Development, Operations, Human Resources, Corporate Finance and the Financial Advisory service line. One of its key responsibilities is to provide strategic direction for managing the Group's environmental impacts. This includes the ongoing development of comprehensive risk assessments to identify and evaluate potential climate-related financial risks.

The ESG committee also seeks to identify opportunities associated with the transition to a low-carbon economy, such as potential efficiencies, innovations, or new services that could enhance our business whilst also reducing our environmental impact. These assessments are integrated into the Group's overall risk management processes and strategic planning. It leverages its broad range of expertise and perspectives to effectively address the challenge of climate change.

To ensure that we stay ahead of evolving climate-related risks and opportunities, the ESG committee meets quarterly to review progress, update risk assessments, and adjust strategies as necessary. All significant decisions and recommendations made are reported to the Board.

In 2023, we also formed an Environmental Management Team, which oversees environmental specific related targets and goals. This team meets twice a month to ensure continuous progress and alignment with our sustainability objectives and reports back to the ESG committee members.

2.a Climate related risks and potential financial impacts

Although FRP, as a specialist advisory firm, does not fall within the priority sectors specified by TCFD, our scope of service touches upon each of those sectors through our portfolio of clients. We believe our role is crucial in supporting our clients to achieve sustainable growth by integrating sustainability considerations into their strategies.

At FRP, we follow guidelines set out by the Intergovernmental Panel on Climate Change (IPCC) in assessing the temporal scope of our climate-related risks. In alignment with the IPCC's categorization, we define short-term as a period of 1 to 5 years, medium-term as a period of 5 to 15 years, and long-term as a period extending beyond 15 years. This framework allows us to strategically plan and implement our risk management measures to address both imminent and future challenges effectively.

FRP operate in an industry that has been deemed a low environmental effect and impact, and as such do not believe there are significant risks facing the Group from climate change. We have highlighted a number of risks that still face the Group, such as reputation, increased costs of replacing inefficient technology earlier, severe weather, ESG policy and regulatory changes and large scale market changes with buying behaviours increasing by ESG consideration. More details can be found on Page 33 in the Strategic Report.

2.b Climate-related opportunities and potential financial impacts

As a forward-thinking advisory firm, FRP acknowledges the wide array of opportunities that arise in the evolving landscape of climate change. Guided by the TCFD guidelines, we identify these opportunities within four domains: resource efficiency, energy source, products/services, and resilience.

The Group has a robust balance sheet and by proactively monitoring market trends, adapting our offerings and staying ahead of changing consumer preferences, FRP can navigate these risks and position ourselves as a resilient and agile advisory firm in a transitioning market landscape.

FRP believes that client exposure to environmental risk presents opportunities for the business, as clients seek the Group's support in establishing their own decarbonisation solutions. In line with this, the company enhances its offering by incorporating ESG services into its Financial Advisory pillar, supporting companies to reduce its emissions and tackling climate change. While no material financial risks have been identified to date, as a proactive looking firm we continue monitoring climate related risks closely, as part of our overall risk assessment process.

In addition, mitigating against ESG risk by maintaining robust policies and delivering against our commitments is likely to support the Group's ability to access funding.

2.c IPCC qualitative scenario analysis

In this report, we've undertaken a qualitative analysis of the potential impacts of climate change on our organisation, aligning our research with the guidelines set out by the Task Force on Climate-related Financial Disclosures (TCFD). Central to our analysis are the four Representative Concentration Pathways (RCPs), established by the Intergovernmental Panel on Climate Change (IPCC).

The four pathways are named after their possible range of radiative forcing values in the year 2100, measured in Watts per square meter, ranging from 2.6 to 8.5 Watts. RCP 2.6 is the most optimistic scenario, aiming to keep the likely global warming increase to below 2°C. RCP 4.5 and RCP 6.0 are stabilisation scenarios where total radiative forcing is stabilised before 2100. The highest emission scenario, RCP 8.5, could result in a temperature increase exceeding 4°C by the end of the century, under certain climate response assumptions. Detailed below is how the Group would adapt and withstand these scenarios with resilient planning.

Qualitative scenario analysis under the IPCC Representative Concentration Pathways (RCPs)

RCP Scenario	Drivers	Risks	Opportunities	Strategies
RCP 2.6 Strong Mitigation	Significant regulatory changes to reduce greenhouse gas emissions both on national and international levels, lead to increased demand for advisory services related to sustainability, energy transition and regulatory compliance.	Transition to low–carbon technologies and switch to green tariffs potentially results in higher upfront costs and utility bills in the short term.	Potential for long-term benefits with reduction of climate-related damages and health costs. Significant increase in demand for advisory services related to ESG services especially in the short and medium term. Demand for services related to the other pillars of the company might benefit from companies finding difficulties to cope with green transition.	Developed an advisory service focused on corporate sustainability. This includes advising clients on regulatory compliance, sustainable finance, and strategies for reducing emissions. Investing in training to build expertise in these areas and form strategic partnerships to enhance service offerings.

RCP Scenario	Drivers	Risks	Opportunities	Strategies
RCP 4.5 Intermediate Mitigation	Balanced and moderate regulatory changes to reduce greenhouse gas emissions. Continued focus on energy efficiency and adaptation measures. Increased societal concerns for climate change and sustainability practices due to insufficient policy regulations.	Transition to low-carbon technologies is expected to be more graduate spreading the cost over time. Benefits from the reduction of climate – related damages and health costs will be moderate	A steady increase in demand for advisory services related to sustainability. Remaining pillars remain unaffected from climate change.	Expand service offerings to include sustainability-related advisory services. This could include advising clients on how to navigate regulatory changes, incorporate sustainability into their business strategies, and leverage opportunities related to the energy transition. Continuously monitor regulatory developments and societal trends to ensure service offerings remain relevant.
RCP 6.0 Intermediate Emissions	Initially moderate to weak policy interventions. Inadequate Policy leads to growing societal concern about climate change and climate risk management and adaptation.	Higher costs associated with climate adaptation and disaster response in the medium term.	Possible increase in demand for restructuring and debt advisory services due to business disruption. Possibility to provide additional services on adaptation and mitigation of climate change along with the company's restructuring and debt advisory services.	Incorporate an advisory service focused on climate risk management and adaptation. This could include advising clients on how to assess and manage climate risks, develop resilience strategies, and adapt to changing climate conditions. Invest in training to build expertise in these areas and form partnerships with climate science institutions to ensure access to the latest climate risk data and models. Demand for such services are anticipated to exist in the medium and long term.

RCP Scenario	Drivers	Risks	Opportunities	Strategies
RCP 8.5 High Emissions	Failure to achieve significant emissions reductions could lead to a shift of focus on reactive adaptation measures rather than proactive mitigation. Absence of effective climate mitigation strategies leads to increased societal concern about climate change, risk management and adaptation.	Possibility of very high costs due to climate-related damages and adaptation measures initially.	Significant physical climate impacts lead to widespread business disruption and increased, short-term demand for restructuring and debt advisory services. Possibility to provide additional consulting services on adaptation and mitigation of climate change effects in the medium and long term.	Enhance the capacity of restructuring and debt advisory services to manage increased demand, with a focus on supporting businesses affected by physical climate impacts. Increase investment in physical resilience to protect the company's own operations from climate impacts. Avoid exposure of premises considered to have high exposure to climate change physical risks. The focus of the ESG service line of the company will be on advising clients on how to navigate the challenges and opportunities of a high-emissions scenario rather than regulatory compliance.

Economic Impact

Scenario	Time Horizon		
	Short	Medium	Long
RCP 2.6	High	Medium	Medium
RCP 4.5	Medium	Medium	Medium
RCP 6.0	High	Medium	Medium
RCP 8.5	High	Medium	Medium

The table provides a visual representation of the financial performance estimates, emphasising the varying degrees of positive and negative impacts over different time horizons and scenarios.

Blue = Positive impact
Red = Negative impact

3. Risk management and integration of climate-related risks at FRP

At FRP, we are committed to effectively managing and integrating climate-related risks within our overall risk management framework, following the principles of the ISO 31000 risk management standard. More detailed information can be found within the risk section of the Strategic Report.

Emissions	FY2024 TCO_2e	FY2024 CO_2e/C	FY2023 TCO_2e	FY2023 CO_2e/C
Vehicle Fleet	0.8	0.001		
Heating & Cooling	4.9	0.007		
Scope 1	5.7	0.008	8.9	0.020
Electricity	9.6	0.015		
Scope 2	9.6	0.015	5.1	0.009
Cat 1 - Purchased Good & Services	3,612.7	5.499		
Cat 6 - Business Travel	179.3	0.273		
Cat 6 - Hotel Accommodation	13.8	0.021		
Cat 7 - Commuting	728.9	1.109		
Cat 7 - Teleworking	87.9	0.134		
Scope 3	4,622.6	7.036	4,618.5	7.990

4. Climate metrics and targets

In our commitment to addressing climate change and aligning with global sustainability goals, we have diligently measured and tracked our greenhouse gas (GHG) emissions across all scopes. This comprehensive approach allows us to identify and mitigate our carbon footprint effectively. The following table outlines our Scope 1, 2, and 3 emissions for the fiscal years 2023 and 2024, providing a detailed overview of the sources and magnitude of our emissions. Emissions are measured in Tonnes of Carbon dioxide equivalent (T CO2e) and then T CO2e per colleague (CO2e/C) for a consistent comparison due to the Group's growth.

Scope 1 Emissions: There is a reduction in Scope 1 emissions from FY2023 to FY2024, indicating improved efficiency or reduced usage of direct emission sources.

Scope 2 Emissions: An increase in Scope 2 emissions suggests a rise in the consumption of purchased electricity.

Scope 3 Emissions: Scope 3 emissions remain relatively stable, with a slight increase in FY2024.

Detailed comparative data is not available, data capture and reporting continues to evolve.

Under the SECR (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 the 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 UK Energy Use disclosures include energy and emissions from the entire Group, regardless of whether individual companies would be required to report.

Overall emissions have increased in the last year. This is due to increased business travel being carried out by staff and our calculation methods improving to give a more accurate calculation of emissions. When undertaking office refurbishments, an initiative to install more efficient heating and lighting is in place. Where we have no information to the contrary, we assume a building is being supplied under a non-renewable contract.

UK Energy use	FY2024 Consumption	FY2023 Consumption	FY2024 Greenhouse Gas (GHG) Emissions (TCO_2e)	Notes
Gas	26,644 kWH	49,002 kWH	4.87	Gas used to fuel heating and hot water boilers in office locations and company owned cars *(Scope 1)*
Vehicle Fuel (Company)	589.5 kWH	N/A	0.75	Fuel relates to the Group owned cars
Electricity	527,756 kWH	379,363 kWH	9.63	Electricity consumed relates to routine office power requirements *(Scope 2)*
Vehicle Fuel (Employees)	442,638 kWH	248,316 kWH	57.82	Fuel relates to the Group reimbursing employees for mileage related to the use of their private vehicles for the business of the Group *(Scope 3, Category 6)*

Basis of preparation

Gas

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 CO2e (Carbon Dioxide Equivalent) figure we have taken our kWH usage figure to which a kgCO2e factor of 0.18256 was applied, being the UK Government's Conversion Factor 2023 for natural gas gross calorific value.

Electricity

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 CO2e figure we have totalled our kWH usage for all locations. For all tariffs that are not from renewable sources (9%, FY23: 7%) a kgCO2e factor of 0.207074 was applied, being the UK Government's Conversion Factor 2023 for this type of electricity use. The increase in non-renewable energy is due the fact that we moved offices towards the end of the year in two locations and the new landlord has been unable to provide details of the tariff used for these buildings. Where we have no information to the contrary, we assume the building is supplied on a non-renewable contract. Our new location in Sheffield is locked into a non-renewable contract and will be moved when the contract expires.

Fuel Consumption

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 carried out a staff survey and extrapolated the results to create our model (petrol – 53.04%, diesel – 31.84%, hybrid – 8.29% and electric – 6.82%). Each type of vehicle was also split into engine size. 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 2023 for each size vehicle in respect of each fuel type were then applied to the relevant mileage figure to obtain the CO2e figures. We use a conversion factor of 0.2627 as per 2023 DEFRA reporting.

Intensity ratio

The chosen intensity metric for setting the company's KPIs was the number of employees, as it is considered more appropriate for a financial advisory firm compared to revenue, given the direct relationship between employee activities and energy consumption.

CO2e per colleague during the year to 30 April 2024: 7.06 Tonnes CO2e per colleague (CO2e/C).

Key emission / energy related performance indicators	FY2024 CO_2e/C	FY2023 CO_2e/C	FY2019 CO_2e/C (Baseline)	Movement compared to baseline	Movement compared to FY2023
Emissions / Employee					
Scope 1	0.008	0.020	0.03	(70)%	(55)%
Scope 2	0.015	0.009	0.32	(95)%	67%
Scope 3	7.036	7.990	9.64	(27)%	(12)%
Total	7.059	8.019	9.99		
Consumption					
Total Electricity Consumption	527.76	428			
Renewable Energy Consumption	91%	93%			

Energy Efficiency Activity

The Group has committed to becoming Carbon Neutral by 2030 in regarding its Scope 1 and Scope 2 emissions. As our energy contracts come up for renewal they will be, or have been, switched to a fully renewable tariff and we are working with our landlords to switch tariffs for the contracts we do not control.

As part of our carbon reduction programme, we offer an option for colleagues to negotiate terms to lease electric cars, providing an opportunity to use greener vehicles for personal and commuting use. A detailed analysis of our energy efficiency initiatives can be found in our Carbon Reduction Plan.

Our commitment to environmental sustainability is reflected in our climate-related targets, goals, and strategies. To achieve a reduction in greenhouse gas emissions, FRP has set targets for each emission scope and our detailed plan for reducing our carbon emissions is outlined in our Carbon Reduction Plan.

As part of our commitment to a sustainable future, we set goals for the reduction of our direct emissions in FY2023. We managed to reduce our Scope 1 emissions intensity, (those arising from use of natural gas for the running of boilers for heating and hot water in its offices) and company owed cars by 70%, compared to our baseline year (2019) and by 55% compared to last year. We aim to achieve Net Zero for our scope 1 emissions by 2030.

Similarly, we have committed to curbing our Scope 2 emissions, those stemming from the generation of purchased electricity, heat, and steam, by 20% by 2025 and 100% by 2030. Although our Scope 2 emissions per employee have increased this year, this is mainly attributed to the fact that we moved offices towards the end of the year in two locations and the new landlord has been unable to provide details of the tariff used for these buildings. Where we have no information to the contrary, we assume the building is supplied on a non-renewable contract. Our new location in Sheffield is locked into a non-renewable contract and will be moved when the contract expires. Thus, there is an increase on our non-renewable contract. However, there are policies in place, as outlined in our Carbon Reduction Plan, to support our Net Zero goal for 2030.

In line with our commitment to sustainability, we are developing strategies to reduce our Scope 3 emissions significantly.

Scope 3 encompasses emissions that are not produced by the Group itself, but by those that it is indirectly responsible for, such as colleague commuting and traveling. One of our key initiatives involves minimising unnecessary travel. We are committed to promoting the use of digital collaboration tools, reducing the need for both commuting and business travel, which are significant contributors to our carbon footprint.

Overall, our CO2e per colleague during the year to 30 April 2024 were 7.06 compared to 8.41 from FY2023, indicating a decrease of 16.06%.

Climate Change targets and policies

To complement our efforts for reducing our emissions we have created a comprehensive plan of targets and policies which we plan to implement before 2030.

Scope 1–2 Emissions

- Constantly enhancing the energy of buildings and equipment can significantly reduce the amount of electricity and heat required. This includes upgrading lighting systems to LEDs, improving insulation, and installing energy-efficient appliances and heating/cooling systems.
- Developed systems to monitor our energy consumption per office and evaluate the indices per employees and per square meter.
- We have been audited in connection with the Energy Savings Opportunity Scheme and will be looking to implement any relevant suggestions made by the lead assessor.

Initiatives - Policies under Implementation

- Educating employees about energy conservation practices and encouraging energy saving behaviours in the workplace can contribute to reducing energy use.
- Installation of solar panels where the option is applicable, and we can control the source of electricity.

Scope 3 Emissions

Initiatives - Policies in Place

- Produced a full carbon emissions inventory according to GHG emissions protocol to incorporate all 15 Scope 3 categories.
- Introduced a cycle to work scheme.
- Introduced an electric car scheme for our employees.
- In FY2025, we aim to initiate the 'Printing Reduction Champions' challenge to reduce our printed waste.

Initiatives - Policies under Implementation

- Reviewing our Business Travel Policy to encourage staff to use more sustainable travel methods where travel is necessary.
- Reviewing our Business Travel Policy to encourage our staff to stay in hotels with established Net Zero goals.
- Our suppliers are being reviewed in regarding their carbon footprints. We are currently sourcing lower carbon alternatives, where available, from our suppliers.
- Updating our Suppliers Code of Conduct to include ESG considerations and encourage our suppliers to adopt and publish Net Zero goals.
- Developing a set of requirements for all suppliers that reflects the organisation's Net Zero and decarbonisation goals.
- Providing support to suppliers, particularly smaller enterprises, in meeting the company's carbon emissions reduction requirements, whether in the form of guidelines or mentoring.
- We also plan to intensify our engagement with our suppliers to improve the carbon footprint of our supply chain. This involves working collaboratively with them to implement sustainable practices, and prioritising suppliers who demonstrate strong environmental performance.
- Educating employees about sustainable waste practices.

Moving forward

As we navigate the complexities of the present and look to the future, we remain committed to improving our sustainability and climate resilience efforts. Our alignment with the Task Force on Climate-related Financial Disclosures ("TCFD") guidelines serves as evidence of our dedication to understanding and effectively managing climate-related risks and opportunities.

We have made progress already, notably in achieving a substantial 91% use of renewable energy for our energy consumption and an overall decrease in our Scope 1-2-3 total emissions per employee of 16.06% This accomplishment is due to our strategic approach in reducing our carbon footprint, which remains a critical part of our sustainability efforts. With a view to providing a greater account of our greenhouse gas emissions, we have expanded our Scope 3 emissions reporting, to include purchased goods and services, business travel, commuting and teleworking. We are also working to enhance our reporting to detail emissions across all upstream and downstream Scope 3 emissions relevant to the Group and improve our methodology on calculating purchased good and services using industry specific emission factors.

We appreciate the continued support and engagement of all our stakeholders as we journey towards enhanced sustainability and climate resilience.

Status of the policies/ targets/ initiatives implemented within our company

In place	Implementing	To be achieved
Resource Reduction Policy	Policy Water Efficiency	Environmental Supply Chain Management
Policy Energy Efficiency	Green Buildings	Land Environmental Impact Reduction
Resource Reduction Targets	Environmental Supply Chain Partnership Termination	Biodiversity Impact Reduction
Targets Energy Efficiency	Transition Plan Offsets	Environmental Partnerships
Environment Management Team	Targets Water Efficiency	Hybrid Vehicles
Environment Management Training		
Environmental Materials Sourcing		
Renewable Energy Use		
Climate Related Risks Assessment Process		
Transition Plan Financial Planning		
Financial Exposure to Transition Risk		
Financial Exposure to Physical Risk		
GHG Emissions Scope 1,2,3 Paris Agreement Aligned		
Policy Emissions		
Targets Emissions		
Waste Reduction Initiatives		
e-Waste Reduction		
Environmental Restoration Initiatives		
Staff Transportation Impact Reduction		
Take-back and Recycling Initiatives		
Climate Change Commercial Risks/ Opportunities		
Environmental Supply Chain Monitoring		

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 ensures that the requirements of s172 are front of mind by including them on all Board meeting agendas.

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. In decision making, consideration is given to act fairly towards each group of members including: FRP Partner shareholders, institutional shareholders and retail investors. The Board also considers employees, who will become future shareholders when their options vest. Stakeholders were consulted during the year on key decisions such as bank facility refinancing, dividend declaration and key colleague engagement. The Group is in regular contact with stakeholders throughout the year.

The Board continue to monitor acquisitions, with a focus on selective acquisitions that meet our strict criteria of: a cultural fit, a strategic fit within our five service pillars in a growth region and acceptable transaction economics.

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 opposite 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.

Given the trading performance and strong balance sheet, the Board intends to propose a final dividend, in line with its stated dividend policy to pay quarterly dividends. Since IPO the dividends have progressed year-on-year.

Throughout its history, FRP has grown on a resilient basis, with a focus on delivering sustainable growth and the Board are focused on delivering long term returns for shareholders.

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 › At year-end c.34% of shares were owned by Partners actively involved in the business and 4% are owned by the Employee Benefit Trust › Annual General Meeting ("AGM") › Dividend payment policy as an income stock
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 › Professional comment and news via LinkedIn, Company website, press 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 > In-house Learning & Development specialist > Learning Management System > Internal coaching programmes > Internal training courses > Annual performance reviews with tailored training, identified and actioned from this process > Competency framework > A colleague Portal > A colleague newsletter > An internal newsletter > A Corporate Finance newsletter > A quarterly Pillar newsletter > An online Cyber Security platform > An online Policy document library > The roll-out of Wazoku, a system to send and receive ideas from colleagues > Well-being initiatives through a partnership with the Charlie Waller Trust > A Balanced Minds Committee > A Mind.Set podcast series online > Colleague conference > Regional Partner presentations to the Board > Whistleblowing policy in place to report wrongdoing > Introduction of an independent Whistleblowing helpline > The Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") consultations for acquired colleagues transitioning onto FRP contracts of employment

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 › Many colleagues are members of and contribute to, technical groups of regulatory bodies › Regulatory visits every three years as well as interim visits › Regular and ad-hoc submissions 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	› Professional comment and news via LinkedIn, Company website, press and professional publications › Supporting National charities and those local to our offices › Apprenticeships and work experience placements › Volunteering activities supported in our London office › Support for Reservists
Environment	› Energy usage and efficiency › Recycling › Waste management	› Workplace recycling processes and policies › SECR energy use monitoring and reporting › Further details set out in our ESG and TCFD report on Page 40

On behalf of the Board

Geoff Rowley
Chief Executive Officer
23 July 2024

Board of Directors

The current Board of Directors of the FRP Advisory Group plc comprises three Executive Directors, three independent Non-Executive Directors, and the Chair

Further details about the Board and its role are set out in the Corporate Governance Statement on pages 71 to 74.

Penny Judd

Non-Executive Chair

Penny joined FRP in January 2024 as Non-Executive Chair and will lead the Board as we continue to execute our growth strategy. She is a Chartered Accountant with over 35 years' experience in compliance, regulation, corporate finance and audit.

Penny is currently a Non-Executive Director of a number of AIM quoted companies, including LendInvest plc, Alpha Financial Markets Consulting plc, TruFin plc and Team17 Group plc. Between 2016 and 2021, she was Non-Executive Chair at Plus500 Ltd, a FTSE 250 retail CFD provider, where she managed the company through a period of extreme regulatory change and a move from AIM to a premium listing on the Main Market.

Prior to this, Penny was EMEA Head of Compliance at UBS Investment Bank and Nomura International plc, where she also acted as Managing Director. Penny also acted as Head of Equity Markets at the London Stock Exchange, worked in Corporate Finance at Cazenove and is a qualified Chartered Accountant.

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 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 The Body Shop, Horizonte Minerals, Henry Construction Group, Just Cash Flow Group, Palace Revive Developments and Debenhams. He is a Chartered Certified Accountant and Licensed Insolvency Practitioner with over 30 years' experience including at firms RSM Robson Rhodes and PKF.

Jeremy French

Chief Operating Officer

Jeremy is the Group's 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 40 years' experience.

Gavin Jones
Chief Financial Officer

Gavin is the Group's Chief Financial Officer and 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 joined the business in June 2020, having formerly held executive roles within financial services, including as Divisional CFO at Marsh, Regional Financial Controller at Aon and 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 worked in banking at Standard Chartered and Hambros, and then in restructuring at PwC. Spanning a period of over 20 years with PwC, he led 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 a wide variety of businesses in the middle market and has taken multiple board appointments where appropriate. David is a Chartered Certified Accountant and a qualified insolvency practitioner, although he no longer holds a licence to take appointments.

Kathryn Fleming
Independent Non-Executive Director

Kathryn joined the Board in April 2023 as an independent Non-Executive Director and has extensive operational experience and significant knowledge of strategy, finance, transformation, technology and global operations within professional services firms. She has held board and executive positions across leading global law firms and is currently Chief Financial Officer and a board member of Control Risks, a global risk consultancy helping leaders manage risk and create opportunities in a volatile world. Kathryn is also a Non-Executive Director and Chair of the Audit and Remuneration Committee for Seerist inc. who provide augmented analytics technology for security and threat intelligence professionals. She also has sector experience of retail, technology and automotive having held senior finance positions at Marks and Spencer, Johnson Controls and BT.

Louise Jackson
Independent Non-Executive Director

Louise joined the Board in May 2024, as a Non-Executive Director. She has significant Board and leadership experience, with particular expertise in Human Resources across retail, travel, media and business services. Louise also has further experience in professional services having previously worked within a Big Four firm in management consultancy.

Alongside her role at FRP, Louise is a Non-Executive Director and Chair of the Remuneration Committee at AIM quoted M&C Saatchi plc and is Senior Vice President of People and Talent for the Tony Blair Institute for Global Change.

Directors' Report

For the year ended 30 April 2024

The Directors present their report with the financial statements of the Group for the year ended 30 April 2024.

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 and Company's performance is contained within the Strategic Report. The Group's statement of comprehensive income is set out on page 93 and shows the results for the year.

The Directors recommend the payment of a final dividend of 2.3p per eligible Ordinary Share in respect of the quarter ended 30 April 2024. It is proposed the final FY2024 dividend, subject to shareholder approval, will be paid on 25 October 2024 to shareholders on the register on the record date of 27 September 2024.

Three Interim dividends of 0.9p each have already been declared and paid in respect of the financial year ended 30 April 2024. These, combined with the above final dividend, which is subject to shareholder approval, will take the total dividends relating to the year to 30 April 2024 to 5.0p per eligible Ordinary Share (2023: 4.6p).

Directors

The current Directors and their brief biographies are detailed on Pages 65 to 66.

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

- Nigel Guy (Retired 2 Jan 2024)
- Penny Judd (Appointed 2 Jan 2024)
- Geoffrey (Geoff) Rowley
- Jeremy French
- David Chubb
- Louise Jackson (Appointed 1 May 2024)
- Gavin Jones
- Claire Balmforth (Retired 30 Apr 2024)
- Kathryn Fleming

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 77 to 81.

Directors' indemnity

The Group provides, subject to the provisions of UK legislation, an indemnity for Directors and officers of the Group in respect of liabilities that they may incur in the discharge of their duties or in the exercise of their power, including any liability related to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Group.

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 2024 are set out in the Remuneration Committee Report on page 80.

Growth and development

Details of the growth and development plan for the Group is set out within the Strategic Report on Page 30.

Environmental, Social and Governance ("ESG")

The ESG committee ensures the Group has a focus on relevant and proportionate value creative ESG initiatives, including those below and those set out in the ESG report (Page 40). To that end, FRP Advisory Group plc and its subsidiaries are committed to becoming Carbon Neutral regarding its Scope 1 and Scope 2 emissions, by 2030.

FRP is a member of the UN Global Compact, whose aim is to strengthen corporate sustainability worldwide. Over 24,000 companies in 167 countries participate and membership will assist FRP to commit to, assess, define, implement, measure and communicate our sustainability strategy.

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 states 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 of the way we operate to maintain our positive culture which, in itself, motivates our teams and attracts new talent.

During the year, the Group 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 Group was able to communicate its strategy, priorities, values and goals effectively throughout the organisation. A colleague engagement survey was recently completed with excellent feedback. Suggestions from colleagues will be combined with existing initiatives to support and improve colleague wellbeing, personal development and activities related to Equality, Diversity and Inclusion (ED & I).

These regular interactions and more details are included in the s172 statement on page 60.

On IPO in March 2020, the Partners gifted £15 million worth (at the time) or 18,750,000 shares into an Employee Benefit Trust (EBT), which supports an Employee Incentive Plan (EIP). Share options were granted to colleagues at IPO, with a vesting period of 3 years. On 6 March 2023 the first tranche of Share options became exercisable and now there is a regular process in place for colleagues to exercise options either on or after the vesting date.

As the EBT had headroom and the ability to be replenished if IPO Partners left, the Board has been able to make additional awards to new joiners (including Partners) since IPO to ensure colleagues have an ownership stake (including indirectly via options) in the business.

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

The health, safety and wellbeing of all of our colleagues remains a key priority. We feel that colleague interactions within an office environment are important for learning and development, teambuilding and mental wellbeing.

Corporate social responsibility

The Group has committed to support charities or similar organisations that provide aid for those who are homeless, in poverty, for children's education, well-being and health and for environmental issues but we do not have a nominated charity that colleagues are obliged to raise funds for.

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 can therefore support a mix of smaller, independent charities in their local area and national charities who provide large capacity fund-raising events.

In FY2024, we were able to support our professional network's charity programmes by donating £32,032 with colleagues raising an additional £61,815 for their chosen charities.

Notable colleague achievements included Manchester's Josh Richmond swimming the English Channel in a 6-person relay team, who collectively raised over £12,000 for the Children's Air Ambulance, Victoria Crutchley taking part in a 24-hour danceathon, during which the participating group raised over £10,000 for Leeds based charities St George's Crypt and St Gemma's Hospice. In addition, our London City office took part in the Lord Mayor's Appeal Charity 'City Giving Day', raising £6,400, which included a matched donation from FRP and our Manchester office raised £5,392 for Manchester mind, to which FRP added a further £2,500.

Manchester colleagues also volunteered for 99 hours throughout 2023 for Lifeshare and members of the London City team helped out in the kitchens during December 2023 and January 2024 at The Connection in St Martin's in the Fields. Brighton colleagues took time out in mid-July to help clean Brighton beach, in conjunction with Brighton and Hove City Council and helped at a food bank on behalf of The Brighton and Hove City Mission in April 2024.

Four colleagues from our Edinburgh and Glasgow offices are involved with Inspiring Scotland's specialist volunteer network, which connects over 500 professionals with Scotland's charities on a pro bono basis. The FRP volunteers have undertaken a variety of roles such as mentoring, provision of a risk review, financial reviews and specialist advice either on a one-to-one basis or via webinars.

Corporate social responsibility continued

In 2021, we established a relationship with Carney's Community (registered charity number 1150650) who provide mentoring for disadvantaged young people aged 11 to 30 from deprived backgrounds in Wandsworth, Lambeth and the surrounding areas. During our Senior Team Conference that year, we built 17 bikes which were gifted to Carneys to support a training programme they provide, which ultimately delivers a bike maintenance service for their locality.

At the end of FY2024, ten FRP bikes have been awarded to deserving young people in the Carney's programme who have demonstrated good attendance and a favourable attitude. The Group receives regular updates on how these gifts have changed their day-to-day lives, maintaining an ongoing relationship with the charity.

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

For energy and carbon reporting please see the ESG report on Page 40.

Branches

The Group has two offices outside of the UK, in Limassol, Cyprus and one office in Douglas, Isle of Man (acquired in March 2024).

Political and charitable donations

The Company made charitable donations totalling £32,032 during the year ended 30 April 2024 (2023: £144,806);

The Company made no political donations during the year ended 30 April 2024 (2023: £nil).

Post balance sheet events

- The Board recommends a final dividend of 2.3p per eligible Ordinary Share for the financial year ended 30 April 2024. Subject to approval by shareholders, the final dividend will be paid on 25 October 2024 to shareholders on the Company's register at close of business on 27 September 2024. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2024 will be 5.0p per eligible Ordinary Share.
- On 13 May 2024 the Group announced the acquisition of Hilton-Baird Group for consideration of £7 million plus an amount for the net assets acquired on completion, and a three-year performance based earn-out linked to profit. The Hilton-Baird Group is based in Southampton and operates nationally. The business provides commercial finance and credit insurance brokerage, outsourced risk and receivables audit, as well as credit management and commercial debt collection services. Further detail on the fair value of assets and liabilities acquired has not been included as it was not available at the date of signing these accounts.
- In June 2024, the Board launched a Save As You Earn (SAYE) scheme which was available for all colleagues and we were pleased to see a strong level of colleague participation.
- On 19 July 2024 we announced the acquisition of Lexington Corporate Finance for a consideration of £3 million plus an additional amount for the net assets acquired on completion of approximately £0.5 million. The total consideration for the acquisition is split between cash of approximately £2.2 million and the issue of new ordinary shares with a value of approximately £1.3 million. The Group's first acquisition in Wales, Lexington is based in Cardiff and provides corporate finance services to clients both locally and nationwide. Further detail on the fair value of assets and liabilities acquired has not been included as it was not available at the date of signing these accounts.

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 Note 4 to the financial statements.

Statement of disclosure to auditor

As 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.

Forvis 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

FRP Group has had a successful year, building on previous growth to deliver another year of profitable growth, and exceeding market expectations. The Group also maintained a positive cash inflow while also completing two acquisitions. At year end there was an undrawn RCF of £10 million and accordion loan facility of £15 million available, and the term loan balance had reduced to £3.2 million.

All five service pillars made positive contributions. The FRP team grew by 19% representing an additional 106 colleagues. FRP's offices, across 27 locations in the UK and 2 international and offshore locations, continue to work well together, drawing on specialists from different service lines as necessary, in order to provide each assignment with the right team to deliver the best possible service and outcome.

On 23 May 2024, we announced a secondary placing of approximately 20.4 million ordinary shares, pursuant to which new lock-in agreements provide that the selling shareholders, securing the Groups continuity further.

Management has conducted sensitivity analysis on forecast FY25 and FY26 performance, including reducing revenue, billing and recovery. The conclusion was that the Group has available cash resources to be able to continue in operation if exceptional items had a significant impact on the Group's performance.

The Group has a comprehensive risk review process and have put in place processes and controls to mitigate potential outcomes. This includes the risk of key work winners leaving the business, changes to legislation or failure to IT systems.

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 23 July 2024 and signed on its behalf by:

Geoff Rowley
Chief Executive Officer
23 July 2024

Governance

Corporate Governance Statement

For the year ended 30 April 2024

As Chair 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 and is reviewed at regular intervals.

We recognise the benefits that good corporate governance and diverse opinion bring 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 benefits 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 are a member of the QCA. During the current financial year, we will be working to implement the updated 2023 QCA Code recommendations.

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 promotes long-term value for shareholders**	See the "Business model and strategy" section in the Strategic Report.	*28*
2. **Seek to understand and meet shareholder needs and expectations**	See the Section 172 Statement in the Strategic Report.	*60*
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.	*60*
4. **Embed effective risk management, considering both opportunities and threats, throughout the Group**	See the "Principal risks and uncertainties" section in the Strategic Report. See also "Report of the Audit & Risk Committee"	*33* *74*
5. **Maintain the Board as a well-functioning, balanced team led by the Chair**	See "The Board".	*73*

Principle	Information	Page Number
6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities	See "The Board". See also the "Nomination Committee" section in "Board Committees". Also see the Director Biographies.	*73* *73* *65*
7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	See "The Board".	*73*
8. Promote a corporate culture that is based on ethical values and behaviours	See "Culture".	*73*
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board	See "The Board". See also "Board Committees". See "Internal control".	*73* *73* *74*
10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	See "The Board". See also "Board Committees". See the "Corporate Governance Statement". See the "Section 172 Statement" in the Strategic Report.	*73* *73* *71* *60*

We consider that the application of the 10 principles of the QCA Code supports 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. These should challenge and support 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 groups, it will also 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 65 to 66. The Board has significant experience in professional advisory services environments supplemented by expertise in the public markets, human resources and risk management areas.

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. The Company Secretary also provides regular updates to the Board on developments in the corporate governance and compliance space.

All the current non-executive directors, David Chubb, Kathryn Fleming, Louise Jackson and myself are considered by the Board to be Independent Non-Executive Directors. In addition, during the year under review, Nigel Guy (who retired on 2 January 2024) Claire Balmforth (who retired on 30 April 2024) was also considered independent. Details of all the Directors' shareholdings and options are set out in the Director's Report and Remuneration Committee 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 Chair) 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 year, an internal evaluation of the effectiveness of the Board and its Committees concluded that the they continue to operate effectively. Anonymous questionnaires are used to promote disclosures with the results being collated and returned to the Board for consideration, discussion and action where appropriate. The areas addressed by the evaluation were skills and structure, operating and meeting effectiveness, quality of information, culture, monitoring performance and ongoing development. The feedback received provided a useful insight into areas that the Board was doing well, together with areas where the work of the Board could be developed. This included a renewed focus on strategic issues, discussions of corporate purpose ahead of the new QCA code requirements, and closer interaction with the executive team. The Board proposes to review the feedback again later in the year to assess its progress

The areas covered are the Board structure, operating and meeting effectiveness, quality of information and culture. A similar process is followed for the Audit and Risk and Remuneration Committees. The outcomes have been shared with the Board and Committees, and the performance improvements are discussed throughout the year on an ad hoc basis.

The Board intends to undertake a further effectiveness evaluation during the current financial year. 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. The leadership team continues 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 three key 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 relating to the Interim and Annual Accounts and the accounting and internal control systems in use throughout the Group. The ARC also receive reports from the independent auditors on the annual audit. 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 every year at appropriate times in the reporting cycle.

Members of the Principal Committees are:

Committee	Audit and Risk	Remuneration	Nomination
Chair	David Chubb	Louise Jackson	Penny Judd
Other Members	Louise Jackson Penny Judd Kathryn Fleming	David Chubb Kathryn Fleming Penny Judd	Louise Jackson David Chubb Kathryn Fleming

Until his retirement on 2 January 2024, Nigel Guy chaired the Nomination Committee.
Until her retirement on 30 April 2024, Claire Balmforth chaired the Remuneration Committee and was a member of the Audit and Risk and Nomination Committees.

Board and Committee attendance

During the financial year, there were 9 scheduled Board meetings, with attendance records as follows.

Attendee	Audit and Risk - attended	Remuneration - attended	Nomination - attended	Board - attended
Nigel Guy (Retired 2 Jan 2024)	–	–	0/1	7/7
Penny Judd (Appointed 2 Jan 2024)	1/1	2/2	1/1	2/2
Geoff Rowley	–	–	–	9/9
Jeremy French	–	–	–	9/9
David Chubb	4/4	6/6	2/2	8/9
Kathryn Fleming	4/4	6/6	2/2	7/9
Gavin Jones	–	–	–	9/9
Claire Balmforth (Retired 30 Apr 2024)	4/4	6/6	2/2	9/9

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 Director. The role of the Senior Independent 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 market abuse regulation compliance services. The services of the Company Secretary are available to all Directors.

Penny Judd
Chair
23 July 2024

Report of the Audit and Risk Committee

For the year ended 30 April 2024

I am pleased to present the Committee's report for the year ending 30 April 2024.

Introduction

The Audit and Risk Committee ("ARC") members during the year were, Claire Balmforth, who retired on 30 April 2024, Penny Judd who joined on her appointment to the Board in January 2024, Kathryn Fleming and myself as Chair. Since the year end, Louise Jackson has also joined the Committee and it is now comprised of four non-executive directors, all of whom are considered to be independent.

The biographies of the current membership are set out on Page 65. I am a Chartered Certified Accountant, Kathryn is an Associate of the Chartered Institute of Management Accountants, as well as CFO of Control Risks and Penny is a qualified Chartered Accountant. We are each considered by the Board to have recent and relevant financial experience to enable the Committee to effectively discharge its duties. In addition, Louise brings particular expertise in relation to human resources-related risk issues.

The CFO and COO are invited to meetings where appropriate. A Partner and Senior Manager from the external auditor are also invited to attend meetings when audit matters are discussed. Where appropriate, relevant colleagues are also invited to meetings to discuss risk and control matters.

There were four Committee meetings during the year and the attendance record is set out at Page 74.

Duties

The Terms of Reference were updated during the year and approved by the Board on 29 April 2024. These can be viewed on the Company's website.

Activities of the Committee during the year and following year end

External auditor

- Forvis Mazars LLP ("Forvis Mazars") presented a report to the Committee which set out their plan for their audit work and the Committee reviewed the key aspects including the overall approach, key focus areas and materiality levels. Following discussions initiated at Committee, we welcomed back Neale Bussey as the Forvis Mazars LLP Audit Partner in FY24. Neale Bussey was the audit partner at the time when the Group listed on AIM.
- The Committee considered in particular the following key areas of judgement and estimate in the preparation of the Company's financial statements:
  - Revenue recognition and work-in-progress valuation
  - Impairment of intangible assets and goodwill
  - Provision for professional negligence claims and regulatory issues
- The Committee also discussed and considered the new requirements for disclosure on climate change and TCFD reporting. Other areas of discussion included the approach to subsidiaries in the audit and the risk disclosures in the Annual Report.
- The Committee were satisfied with the appropriateness and independence of Forvis Mazars. Forvis Mazars did not provide any non-audit services during the year. Forvis Mazars has been the Company's auditor since FY2020. The Company is not subject to any contractual restrictions on its choice of auditor.
- Post the annual audit, Forvis Mazars LLP also met the Committee to present their Audit Completion Report, which provided the Committee with the opportunity to discuss how work had progressed and in particular, the methodology and testing of work-in-progress and the approach to the assessment of goodwill. The Committee was advised that the audit had gone well with no complex or contentious issues.
- The Committee received updates relating to the auditors control observations and recommendations and the resultant actions taken by the business.
- The Committee reviewed the performance of Forvis Mazars as the external auditor taking into account feedback from management, the wider audit market, cost effectiveness and audit quality, and recommended the re-appointment of Forvis Mazars for the financial year to 30 April 2025.

Financial results

- The Committee met to review the process and reporting of both the annual and interim accounts prior to recommending them to the Board and subsequently being released to the market.

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

Risk management

- The Committee reviewed the effectiveness of the Operational Risk Committee, set up as part of an Enterprise Risk Management (ERM) framework. It noted good progress in how risk management was becoming embedded in the business and the key areas of work undertaken by that committee to ensure continued progress and enhancement.
- The Committee considered areas of potential risk in the integration of acquisitions made during the year and received updates from management on areas of particular focus.
- The Committee initiated a review of the internal policies applied in the business to ensure that there was appropriate focus on the key areas. Other areas of discussion included compliance with Health & Safety regulations across the business and a review of client contracts.
- The Committee received a report on IT and Cyber Risk and discussed the challenges presented by the external environment. It was noted that the Group has obtained Cyber Essential Plus and ISO27001 certification and that continuous improvement was required to retain the latter. The Committee was satisfied that the business was investing the appropriate level of resources to address this critical area.

Governance

During the year, the Committee members undertook an evaluation questionnaire in order help review the composition, responsibilities, effectiveness and approach of the Committee. This provided some helpful focus to aid the continuing development of the Committee. We have also benefitted from recently joined members who bring wide experience which will further enhance the development and expertise of the ARC.

David Chubb
Chair
Audit and Risk Committee
23 July 2024

Report of the Remuneration Committee

For the year ended 30 April 2024

This report is for the year ended 30 April 2024 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.

Chair's introduction

I am pleased to introduce the Group's remuneration report for the year ended 30 April 2024. The Remuneration Committee is made up of myself as Chair, Kathryn Fleming, Penny Judd and David Chubb and we are all considered to be independent Non-Executive Directors. I took over the Chair following my appointment to the Board on 1 May 2024.

The Committee's Terms of Reference were updated during the year and approved by the Board on 29 April 2024. These can be viewed 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 Non-Executive 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;
- Set and manage all aspects of the remuneration of these individuals within the Group's policy and framework, taking into account pay and employment conditions across the Company or Group;
- 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 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;
- Determine the policy for, and scope of, pension arrangements for each Executive Director and other designated senior executives;
- Ensure that contractual terms on termination, and any payments made, are fair; and
- Oversee any major changes in employee benefits structures throughout the Company or group.

Activities of the 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 74.

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

- Determining the CFO salary and bonus package for FY2025 and reviewing the process and proposals for colleague salary increases.
- Determining the level and structure of long-term incentive awards made to the CFO.
- Reviewing and approving the Discretionary Profit Share for the Partner Directors and determining the workings, operation and payout of annual bonus for the CFO.
- Reviewing the terms of departure of Partners leaving the business.

The Remuneration Committee intends to make a change to the structure of the annual long term incentive award for the Company's CFO from FY25 as detailed below.

Up to FY24, our CFO has received an annual long term incentive award at 125% of his basic salary, with 80% of this award subject to performance conditions with 20% granted without performance conditions, as detailed in the annual report on remuneration below. The Committee considers that this structure of award strikes an appropriate balance to incentivise and retain our CFO, to align the award to Company performance and with shareholders over the long term and including a portion granted on terms similar to those made to Partners within the Group. The Committee believes this award to be fair and effective and in the best interests of the Company and its shareholders.

Nevertheless, the Committee recognises that investors are concerned by share option grants which do not include performance conditions, and this was reflected in a 19.74% vote against the Remuneration Report (which reflected the grant referred to above) at the 2023 Annual General Meeting. Accordingly, having consulted with its advisers and external shareholders, the Committee has decided in principle that 100% of future ordinary course option grants to the CFO will be subject to performance conditions.

During the year, h2glenfern Remuneration Advisory provided advice to the Committee on the level and structure of the long-term incentive award made to the CFO and provided ad hoc advice and support including benchmarking. h2glenfern Remuneration Advisory is a member of the UK Remuneration Consultants Group.

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

The Group will continue to consider its long-term remuneration strategy and policy and is reviewing long-term incentive arrangements for non-Partners throughout the coming year.

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.

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

Partner Director pay structure

The Chief Executive Officer and Chief Operating Officer are Partner Directors and 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 hold significant equity stakes in the Company and receive dividends paid in respect of those shareholdings.

The Partner Directors are remunerated in the following ways:

- *Base Salary:* This derives from their employment by FRP Advisory Trading Limited and is set at a modest level.
- *Partner Base Profit Share:* Partner Directors each receive fixed basic drawings in their capacity as Partners of FRP Advisory Services LLP.
- *Discretionary Profit Share:* There is an annual variable profit-sharing pool available for all Group Partners in respect of each financial year equivalent to 25% of the Group's net profit. Amounts are allocated to Partners based on their contribution to the business. Payments from the annual profit-sharing pool will generally be paid in four quarterly tranches following the publication of the Group's audited accounts. Distribution of the annual profit-sharing pool is determined by the Remuneration Committee of FRP Advisory Services LLP and, in relation to the Partner Directors, reviewed and approved by the Remuneration Committee.
- *Share Options:* To reward and incentivise exceptional performance, Partners may also be awarded options or Ordinary Shares under the EIP (which may in each case be subject to vesting and/or performance criteria). No options had been awarded to Partner Directors at year end.

The Partner Directors 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. The Partner Directors receive dividends arising from their shareholdings in the Company.

CFO pay structure

The Chief Financial Officer receives an annual salary, benefits, an entitlement to an annual bonus based on Group and personal performance up to 150% of salary paid in cash, and an annual long term incentive award in the form of nominal cost share options up to 125% of salary. This annual long term incentive award vests three years from grant.

Benefits include a pension contribution of 10% as part of the Company scheme, Life Assurance Cover, Critical Illness Cover, Private Medical Insurance and Permanent Health Insurance.

Non-Executive Director annual fees

Non-Executive Directors receive flat fees payable in cash. Any increases are agreed by the executive directors following advice from the retained remuneration consultants. One Non-Executive Director also received a pension contribution, which has now ceased.

Partner Directors

The Partner Directors' Base Salary and Base Partner Profit Share during the year were £12,000 and £315,000, respectively, amounting to total basic remuneration of £327,000 each.

Reflecting Group and individual performance, the Remuneration Committee approved the FY2024 profit allocations payable to Geoff and Jeremy of £1,193,469 and £452,463, respectively, from the discretionary profit share pool

CFO

The CFO's base salary in the year was £225,000. Reflecting strong individual and company performance, the CFO was awarded a bonus of £317,250 in respect of FY2024, being 141% of his base salary.

During the year, the CFO was granted a long-term incentive award of 236,345 nil cost options with a gross value equivalent to 125% of his salary. 80% of this award (being 100% of salary) is subject to meeting two, three-year performance conditions set by the Remuneration Committee. 50% of this portion of the award is subject to a compound annual EPS growth performance target, using FY2023 EPS of 7.8p as a baseline. The other 50% of this portion of the award is subject to a total shareholder return performance condition, using 108.5p as the baseline (being the closing mid-market price of the Ordinary Shares on 30 April 2023). 20% of the award (25% of salary) is granted without performance conditions. The award will normally vest, subject to the meeting of performance conditions as applicable, during or shortly after July 2026. The award lapses on the tenth anniversary from the date of grant.

The Committee considers that this structure of award strikes an appropriate balance to incentivise and retain our CFO, to align the award to Company performance and with shareholders over the long term and including a portion granted on terms similar to those made to Partners within the Group. The Committee believes this award to be fair and effective and in the best interests of the Company and its shareholders.

Nevertheless, the Committee recognises that investors are concerned by share option grants which do not include performance conditions, and this was reflected in a 19.74% vote against the Remuneration Report (which reflected the grant referred to above) at the 2023 Annual General Meeting. Accordingly, having consulted with its advisers and external shareholders, the Committee has decided in principle that 100% of future ordinary course option grants to the CFO will be subject to performance conditions.

Remuneration during the year ended 30 April 2024

Directors' emoluments

The tables below detail the total remuneration earned from the Group in respect of the financial year ended 30 April 2024 by each Director who held office during the year under review and the previous financial year ended 30 April 2023. This excludes long-term incentives, which are covered separately.

2024	Salary & fees £	Partner base profit share £	Bonus £	Partner Profit Allocation £	Taxable Benefits £	Pension £	Total £
Executive directors							
Geoff Rowley, CEO	12,000	315,000	-	1,193,469	-	-	1,520,469
Jeremy French, COO	12,000	315,000	-	452,463	-	-	779,463
Gavin Jones, CFO	225,000	-	317,250	-	5,272	22,500	570,022
Non-Executive Directors							
Penny Judd	33,333	-	-	-	-	-	33,333
David Chubb	61,251	-	-	-	281	-	61,532
Kathryn Fleming	52,000	-	-	-	238	-	52,238
Claire Balmforth***	61,251	-	-	-	-	-	61,251
Nigel Guy*	76,565	-	-	-	383	-	76,948
Total remuneration	**533,400**	**630,000**	**317,250**	**1,645,932**	**6,174**	**22,500**	**3,155,256**

2023	Salary & fees £	Base Partner profit share £	Bonus £	Partner Profit Allocation £	Taxable Benefits £	Pension £	Total £
Executive directors							
Geoff Rowley, CEO	12,000	315,000	-	1,057,205	-	-	1,384,205
Jeremy French, COO	12,000	315,000	-	383,253	-	-	710,253
Gavin Jones, CFO	200,000	-	261,000	-	6,009	20,833	487,842
Non-Executive Directors							
Nigel Guy*	78,797	-	-	-	361	-	79,158
David Chubb	57,784	-	-	-	265	1,869	59,918
David Adams**	57,784	-	-	-	265	-	58,049
Claire Balmforth***	57,784	-	-	-	-	-	57,784
Kathryn Fleming	4,333	-	-	-	-	-	4,333
Total remuneration	**480,483**	**630,000**	**261,000**	**1,440,458**	**6,900**	**22,702**	**2,841,543**

* Nigel Guy retired 2 January 2024
** David Adams retired 30 April 2023
*** Claire Balmforth retired 30 April 2024

Executive Director LTIP awards

Details of the nil-cost option awards, not yet vested and exercised, made under the LTIP are disclosed in the table below:

	Date of award	As at 1 May 2023	Share price at grant	Granted during year	Lapsed during year	Vested during year	As at 30 April 2024	Vesting date	Lapse date
Gavin Jones	29 Jun 2020	146,044	121.5p	-	-	146,044	-	Jun 2023	Jun 2030
	16 Dec 2021	185,988	124.0p	-	-	-	185,988	Jul 2024	Jul 2031
	31 Aug 2022	155,764	160.5p	-	-	-	155,764	Jul 2025	Aug 2032
	15 Aug 2023	-	-	236,345	-	-	236,345	Jul 2026	Aug 2033

Gavin Jones exercised nil-cost 146,044 options granted on 29 June 2020 during the year as announced on 28 July 2023, with 68,882 resulting shares sold to settle tax liabilities. These options were originally granted on 29 June 2020 and vested in June 2023.

The 185,988 awards granted to Gavin Jones in December 2021 are due to vest on 30th July 2024. 80% of this award was subject to performance conditions for the three-year period ended 30 April 2024, of which half were subject to an EPS performance condition and half subject to an absolute TSR performance condition. 20% of this award was not subject to performance conditions. The EPS target was met at the maximum level, the TSR threshold target was not met. As such, it is anticipated that 60% of this award will vest and 40% will lapse.

Non-Executive option awards

None of the Non-Executive Directors or Partner Directors hold options.

AGM

As it did last year, the Company will include an advisory resolution on this remuneration report at its AGM in September 2024. Information on the voting outcome on the advisory resolution on our 2023 remuneration report at our 2023 AGM is set out earlier in this remuneration report.

Directors' interests in shares

The interests of the Directors who held office during the year in the shares of the Company were:

	30 April 2024		30 April 2023	
Name	Number	% of issued shares	Number	% of issued shares
Nigel Guy*	N/A	N/A	93,750	0.04
Penny Judd	39,995	0.02	N/A	N/A
Geoff Rowley	7,563,730	3.01	7,563,730	3.03
Jeremy French	6,050,984	2.41	6,050,984	2.43
Gavin Jones	145,343	0.06	68,181	0.03
David Chubb	68,750	0.03	68,750	0.03
Claire Balmforth**	Nil	Nil	Nil	Nil
Kathryn Fleming	Nil	Nil	Nil	Nil

* Nigel Guy retired 2 January 2024
** Claire Balmforth retired 30 April 2024

Louise Jackson who joined the Board on 1 May 2024 holds no shares in the Company.

In the share placing announced on 24 May 2024, Geoff Rowley and Jeremy French sold 1,890,933 and 1,512,746 shares, respectively, reducing their holdings to 5,672,979 and 4,538,238 shares, respectively. Alongside this sale, the lock-in agreement entered into at the point of IPO between these Directors and the Company was amended to extend the lock-in on the balance of their Ordinary Shares until 31 July 2026.

Post year end both Geoff Rowley and Gavin Jones elected to be part of the FRP Advisory Group Save As You Earn scheme.

Remuneration for the year ending April 2025

Salaries

Partner Directors

The pay structure for the Partner Directors, Geoff Rowley (CEO) and Jeremy French (COO), remains the same in FY2025 with £12,000 salary and £315,000 base profit shares with additional earnings derived from the discretionary and bonus profit share pools elements to be determined by reference to the Company's results and individual performance.

Chief Financial Officer

The CFO's salary is £234,000 effective 1 May 2024. This represents an increase of 4% against FY24 in line with average colleague increases, following a market benchmarking exercise and advice from the Remuneration Committee consultant. The CFO's annual bonus will operate in a similar way to FY24 with a maximum opportunity of 150% of salary and based on company financial performance and personal performance.

It is anticipated that further LTIP awards will be made to the CFO shortly following the results announcement for the year ended 30 April 2025. The entirety of any such awards will be subject to performance conditions.

Non-Executive Director annual fees

The Board (without the Non-Executive Directors present) determined to increase fees by 4% from 1 May 2024, in line with the overall workforce increase. The Annual Fees currently payable to the Non-Executive Directors are set out below.

	Fees £
Penny Judd*	100,000
David Chubb	63,701
Kathryn Fleming	63,701
Louise Jackson**	63,701
Total remuneration	**291,103**

* Appointed 2 January 2024
** Appointed 1 May 2024

This report has been reviewed and approved by the Remuneration Committee. I would like to express my thanks to Claire Balmforth, the former chair of the Committee, for reviewing the report in relation to the period under her tenure.

Louise Jackson
Chair,
Remuneration Committee
23 July 2024

Report of the Nomination Committee

For the year ended 30 April 2024

Nomination Committee

The Committee was formed on the Company's IPO in March 2020. It comprises myself as Chair and the three independent Non-Executive Directors, David Chubb, Louise Jackson (joined 1 May 2024) and Kathryn Fleming. Until I joined the Board on 2 January 2024, the Committee was chaired by Nigel Guy. Claire Balmforth was also a member until her retirement on 30 April 2024.

The role of the Committee is set out in its Terms of Reference, which were reviewed and updated during the year under review. A copy of the Terms of Reference is available on the Company's website. The Committee's 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 regarding 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; and
- 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

Two formal meetings of the Committee were held during the financial year, with further informal consultations in between.

The principal activity of the Committee during the year has been continuing the Non-Executive Director Succession Plan and specifically running the process for the appointment of a new Non-Executive Chair to replace Nigel Guy who had been in the role since inception of the business. Following an extensive interview process which was led by David Chubb as the Senior Independent NED, the Committee were pleased make a recommendation to the Board regarding the new appointment.

Following notification from Claire Balmforth that she wished to retire, the Committee also undertook a process to recruit her replacement and we were pleased to announce the appointment of Louise Jackson at the year end.

The recruitment exercises involved the selection of an appropriate independent search firm to conduct the hiring process. In addition, Board-wide interviews with candidates for the roles and due diligence in the form of references, were also undertaken. The Committee focused on ensuring key characteristics were brought into the Board. For the Chair, this included experience with listed businesses, and for a Claire's replacement, a NED with good Remco experience.

The Committee during the year reviewed the composition of the Board and was satisfied with the balance of skills and experience. The changes to the NEDs during the year provided the opportunity to ensure that we broadened the skill-set and experience of the Board and also improved gender diversity at Board level.

The Company values the differences that a diverse workforce brings to the Group. The Group will not discriminate because of gender, 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.

Penny Judd
Chair,
Nomination Committee
23 July 2024

Statement of Directors' responsibilities

For the year ended 30 April 2024

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 UK-adopted 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 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 Company website.

The Directors have carried out the responsibilities in this statement.

Independent auditor's report

to the Members of FRP Advisory Group plc
For the year ended 30 April 2024

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 2024 which comprise:

- 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 material accounting policies.

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

The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and 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 financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 April 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard 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;
- Evaluating the process by which the directors' assessed 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;
- Reviewing the directors' going concern assessment, including their 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' going concern 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.

We summarise below the key audit matters in forming our opinion above, together with an overview of the principal audit procedures performed to address each matter and our key observations arising from those procedures.

These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

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 and unbilled revenue' on page 98 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. The directors' commentary on the related judgements and estimates is set out in note 3 page 103. Unbilled revenue of £53.6m (PY: £45.8m) is included in the statement of financial position within Trade and other receivables. In determining the entitlement to non-contingent consideration, which represents approximately 88% of the Group's revenues, the Group's engagement teams consider 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. In other cases, fees earned by FRP are contingent on a specific event and in these cases revenue is recognised when there is certainty that the fees will be received. 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 the timing of recognition of contingent revenue and the valuation 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 certain 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 and monthly WIP provisioning, 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 › Assessing 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; › Evaluating post year end time booked and invoices raised for consistency with year-end judgements and estimates; and › Where fees are contingent, assessing revenue recognised during the year and revenue recognised post year end and assessing whether the contingent event occurred in the corresponding period. In addition, we performed analytical procedures to gain assurance over management's forecasting ability and to identify any anomalies indicative of inappropriate provisioning at the year end. These analytical procedures included:

Key audit matter	How our scope addressed this matter
Revenue recognition and the value of unbilled revenue (contract assets) continued	› For a sample of cases ongoing at the year end, comparing provisioning trends on a monthly basis and investigating any large fluctuations to identify any indications of inappropriate provisioning, and to gain assurance over management's forecasting ability; › Evaluating provisioning by partner in order to identify any anomalies or unusual trends that could be indicative of inappropriate provisioning at the year-end; and › Evaluating provisioning by office post year end in order to identify any inconsistencies that could be indicative of inappropriate provisioning at the year end. **Our observations** Based on our audit procedures, we consider the revenue recognised and the value of the contract assets, and the associated disclosures, to be reasonable.
Acquisition accounting (Group) During the year ended 30 April 2024, the Group acquired two businesses for a total consideration of £5.7 million, giving rise to the recognition of goodwill of £2.9 million and acquisition intangibles of £1.6 million. The Chief Executive's Report on page 11 includes management's discussion of the acquisitions and note 3 on page 103 sets out the critical accounting judgements made in accounting for the acquisitions. Note 24 on page 116 sets out the details of the acquisitions and the related accounting. These transactions fall under the scope of IFRS 3 "Business Combinations" which can require significant management judgement in determining the fair value of the consideration, identification and measurement of fair value of the assets acquired and liabilities assumed. The consideration payable to certain of the businesses' vendors included equity in the Group with a value of £2.2 million the settlement of which is contingent on their continuing employment, and that management has therefore treated as remuneration for post combination services rather than as acquisition consideration. Given the significant level of management judgement involved in the accounting for the acquisitions, we have identified acquisition accounting as a key audit matter.	Our audit procedures included consideration of the methodology applied and the related control environment. In particular, our audit procedures included, but were not limited to: › Inspecting the sale and purchase; › Assessing the opening balance sheets for the acquired businesses; › Critically assessed, with the support of our valuation experts management's third party expert purchase price allocation report (PPA) for the Wilson Field acquisition; › Discussions with management's third-party expert to understand and challenge the valuation methodology and review the key underlying assumptions; › Evaluating management's assessment of the GWC acquisition accounting; › Critically assessed management's accounting paper on the treatment of consideration contingent on continued employment; and › Reviewed and assessed the related presentation and disclosures in the financial statements. **Our observations** Based on our audit procedures, we consider the acquisition accounting to be appropriate.

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:** £2.098m (2023 - £1.07m) **Parent Company:** £1.95m (2023 - £1.07m)
How we determined it	**Group:** 7% of profit before tax **Parent Company:** 3% of net assets capped at Group materiality
Rationale for benchmark applied	We consider profit before taxation to be the most appropriate benchmark for the Group as this is considered to be a key performance indicator 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 materiality
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 control environment, we set performance materiality at 75% of overall materiality, as follows: **Group:** £1.57m (2023 - £0.8m) **Parent Company:** £1.46m (2023 - £0.8m).
Reporting threshold	We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £62k for the Group and the Parent Company (representing 3% of overall materiality), as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

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

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 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 our risk assessment, our understanding of the Group and the Parent Company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our 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 three further components within the Group were subject to a full scope audit. The audits for these four components were conducted by the Group engagement team without the involvement of component auditors. For the remaining components, we performed analytical procedures to respond to any potential risks of material misstatement to the Group financial statements.

The table below illustrates an overview of the scope of the audit:

Scope	Number of components	Revenue	Profit before tax	Net assets	Total assets
Full audit scope	4	95%	98%	99%	97%
Review at Group level	9	5%	2%	7%	7%

At the Parent Company level, the Group audit team 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 other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

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 course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 83, 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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 considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: anti-bribery and money laundering regulation, employment regulation, health and safety regulation, insolvency practitioners' regulations and applicable regulatory requirements of the FCA.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the Group and the Parent Company, the industry in which they operate, and the structure of the Group, and considering the risk of acts by the Group and the Parent Company which were contrary to the applicable laws and regulations, including fraud;
- Inquiring of the directors, management and, where appropriate, those charged with governance, as to whether the Group and the Parent Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence with relevant licensing or regulatory authorities, including regulatory requirements of the FCA;
- Reviewing minutes of directors' meetings in the year; and
- Discussing amongst the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, the AIM rules for Companies, and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to recognition of revenue and the valuation of contract assets as set out in the "Key audit matters" section of this report and significant one-off or unusual transactions including acquisitions as set out in the "Key audit matters" section of this report.

Our 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;

Auditor's responsibilities for the audit of the financial statements continued

There are inherent limitations in the audit procedures described above and 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 are discussed in the "Key audit matters" section of this report.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation of the Audit Committee, we were appointed the Board to audit the financial statements for the year ending 30 April 2020 and subsequent financial periods. The period of total uninterrupted engagement is 5 years, covering the years ending 2020 to 2024.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting our audit.

Our audit opinion is consistent with our additional report to the Audit Committee.

Use of the audit report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body for our audit work, for this report, or for the opinions we have formed.

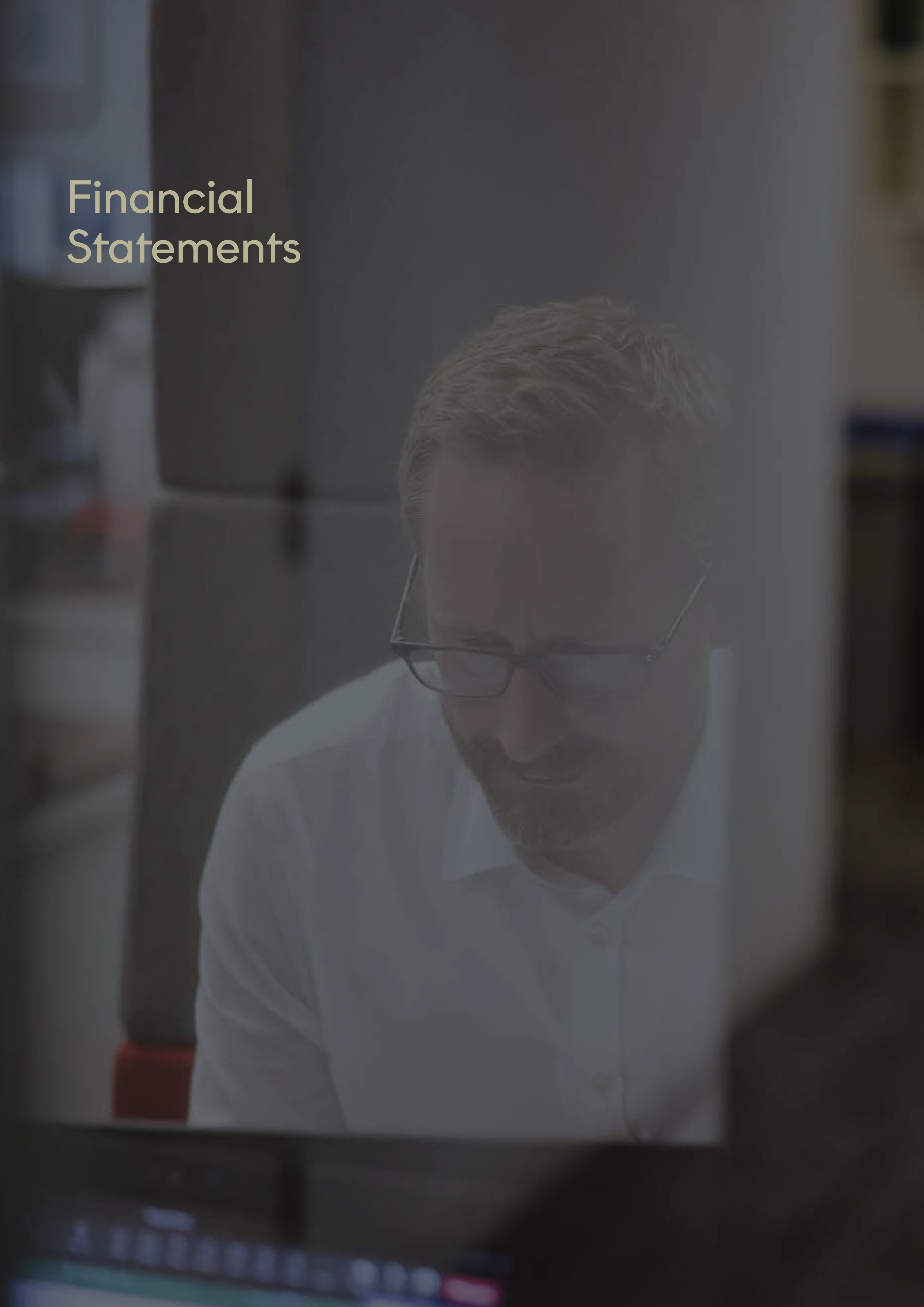
William Neale Bussey
Senior Statutory Auditor

for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey
London
EC4M 7AU
United Kingdom
23 July 2024

> Our specialists work together across our five pillar services, in order to deliver the best possible client outcome

Jeremy French
Chief Operating Officer

Financial Statements



Consolidated statement of comprehensive income

For the year ended 30 April 2024

	Notes	Year Ended 30 April 2024 £'million	Year Ended 30 April 2023 £'million
Revenue		**128.2**	104.0
Personnel costs	8	**(69.6)**	(64.3)
Depreciation and amortisation	13,14	**(2.8)**	(2.5)
Other operating expenses		**(25.3)**	(21.1)
Exceptional costs	7	**–**	(0.1)
Operating profit	6	**30.5**	16.0
Finance income	10	**0.2**	0.2
Finance costs	10	**(0.8)**	(0.6)
Net finance costs		**(0.6)**	(0.4)
Profit before tax		**29.9**	15.6
Taxation	11	**(7.9)**	(2.9)
Profit and total comprehensive income for the year attributable to the owners of the Group		**22.0**	12.7
Earnings per share (in pence)			
Total	12	**8.78**	5.13
Basic	12	**9.35**	5.58
Diluted	12	**9.18**	5.33

All results derive from continuing operations.

The notes on pages 97 to 120 form part of these financial statements.

Consolidated statement of financial position

As at 30 April 2024

	Notes	**As at 30 April 2024 £'million**	As at 30 April 2023 £'million
Non-current assets			
Goodwill	13	**13.7**	10.8
Other intangible assets	13	**2.2**	0.6
Property, plant and equipment	14	**2.5**	2.5
Right of use asset	14	**8.1**	6.5
Deferred tax asset	19	**0.7**	2.5
Total non-current assets		**27.2**	22.9
Current assets			
Trade and other receivables	15	**70.2**	58.3
Cash and cash equivalents	16	**32.9**	27.7
Total current assets		**103.1**	86.0
Total assets		**130.3**	108.9
Current liabilities			
Trade and other payables	17	**35.4**	29.7
Loans and borrowings	18	**1.6**	1.6
Lease liabilities	18	**1.5**	1.2
Total current liabilities		**38.5**	32.5
Non-current liabilities			
Other creditors	17	**5.7**	4.8
Loans and borrowings	18	**1.6**	3.2
Lease liabilities	18	**6.6**	5.3
Total non-current liabilities		**13.9**	13.3
Total liabilities		**52.4**	45.8
Net assets		**77.9**	63.1
Equity			
Share capital	21	**0.2**	0.2
Share premium	27	**34.2**	32.0
Own shares	27	**(0.0)**	(0.0)
Share-based payment reserve	27	**2.9**	1.3
Merger reserve	27	**1.3**	1.3
Retained earnings	27	**39.3**	28.3
Shareholders' equity		**77.9**	63.1

Approved by the Board and authorised for issue on 23 July 2024.

Jeremy French
Director

Gavin Jones
Director

Company Registration No. 12315862

Consolidated statement of changes in equity

For the year ended 30 April 2024

	Called up share capital £'million	Share premium account £'million	Own shares £'million	Share-based payment reserve £'million	Merger reserve £'million	Retained earnings £'million	Total equity £'million
Balance at 30 April 2022	**0.2**	**23.7**	**(0.0)**	**(1.1)**	**1.3**	**20.4**	**44.5**
Profit and total comprehensive income for the year	–	–	–	–	–	12.7	**12.7**
Other movements	–	–	0.0	–	–	(0.0)	**–**
Issue of shares	0.0	8.5	–	–	–	–	**8.5**
Share issue costs	–	(0.2)	–	–	–	–	**(0.2)**
Dividends	–	–	–	–	–	(9.8)	**(9.8)**
Share-based payment expenses	–	–	–	6.3	–	–	**6.3**
Deemed remuneration additions	–	–	–	(1.0)	–	–	**(1.0)**
Deemed remuneration	–	–	–	2.1	–	–	**2.1**
Transfer to retained earnings	–	–	–	(5.0)	–	5.0	**–**
Balance at 30 April 2023	**0.2**	**32.0**	**(0.0)**	**1.3**	**1.3**	**28.3**	**63.1**
Profit and total comprehensive income for the year	–	–	–	–	–	22.0	**22.0**
Other movements	–	–	0.0	–	–	(0.0)	**–**
Issue of shares	0.0	2.2	–	–	–	–	**2.2**
Dividends	–	–	–	–	–	(11.0)	**(11.0)**
Share-based payment expenses	–	–	–	2.2	–	–	**2.2**
Deemed remuneration additions	–	–	–	(2.2)	–	–	**(2.2)**
Deemed remuneration	–	–	–	1.6	–	–	**1.6**
Balance at 30 April 2024	**0.2**	**34.2**	**(0.0)**	**2.9**	**1.3**	**39.3**	**77.9**

Consolidated statement of cash flows

For the year ended 30 April 2024

	Notes	Year Ended 30 April 2024 £'million	Year Ended 30 April 2023 £'million
Cash flows from operating activities			
Profit before taxation		**29.9**	15.6
Depreciation, amortisation and impairment	13,14	**2.8**	2.5
Share-based payments: employee options	8	**2.2**	6.3
Share-based payments: deemed remuneration	8	**1.6**	2.1
Net finance expenses	10	**0.6**	0.4
Increase in trade and other receivables		**(9.0)**	(11.6)
Increase / (decrease) in trade and other payables		**6.9**	(2.2)
Tax paid		**(9.4)**	(2.0)
Net cash from operating activities		**25.6**	11.1
Cash flows from investing activities			
Purchase of tangible assets	14	**(0.9)**	(0.6)
Acquisition of subsidiaries less cash acquired	24	**(4.4)**	(1.6)
Interest received		**0.2**	0.2
Net cash used in investing activities		**(5.1)**	(2.0)
Cash flows from financing activities			
Proceeds from share sales	21	–	7.5
Dividends paid	22	**(11.0)**	(9.8)
Principal elements of lease payments		**(1.8)**	(1.4)
Repayment of loans and borrowings	18	**(1.6)**	(2.0)
Interest paid		**(0.9)**	(0.6)
Net cash used in financing activities		**(15.3)**	(6.3)
Net increase in cash and cash equivalents		**5.2**	2.8
Cash and cash equivalents at the beginning of the year		**27.7**	24.9
Cash and cash equivalents at the end of the year	16	**32.9**	27.7

Notes to the financial statements

For the year ended 30 April 2024

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 financial 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

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards ('IFRS') and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements are prepared in sterling, which is the presentational currency of the Group. Amounts in these financial statements are rounded to the nearest £'million, unless otherwise stated.

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 2024.

FRP Advisory Trading Limited has thirteen owned subsidiaries, FRP Debt Advisory Limited, FRP Corporate Advisory Limited, FRP Corporate Finance Limited, Litmus Advisory Limited, Abbott Fielding Limited, JDC Accountants & Business Advisors Limited, JDC Holdings Limited, Spectrum Corporate Finance Limited, BridgeShield Asset Management Limited, FRP Advisory (Cyprus) Limited, APP Audit Co Limited, Wilson Field Group Limited, and GW Holdings Ltd, as well as being a member of FRP Advisory Services LLP.

The Group completed two acquisitions as set out in Note 24. The assets, liabilities and entity acquired have been consolidated within these Financial Statements, in accordance with IFRS.

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 2024:

- IFRS 17 Insurance Contracts and Amendments to IFRS 17
- IFRS 17 Insurance Contracts (Amendment): Initial Application of IFRS 17 and IFRS 9 – Comparative Information
- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements (Amendment): Disclosure of Accounting Policies
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment): Definition of Accounting Estimates
- IAS 12 Income Taxes (Amendment): Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- IAS 12 Income Taxes (Amendment): International Tax Reform – Pillar Two Model Rules

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

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.

IFRS standards effective for accounting periods commencing on or after 1 January 2024

- IFRS 16 Leases (Amendment): Lease Liability in a Sale and Leaseback
- IAS 1 Presentation of Financial Statements (Amendment): Classification of Liabilities as Current or Non-current and Classification of Non-current Liabilities with Covenants
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures (Amendment): Supplier Finance Arrangements
- IFRS 18 Presentation and Disclosure in Financial Statements issued

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

2. Significant accounting policies continued

2.6 Going concern

FRP Group has had a successful year, building on previous growth to deliver another growth year, and exceeding market expectations. The Group also maintained a positive cash inflow while also completing two acquisitions. At year end there was an undrawn RCF of £10 million and accordion loan facility of £15 million available, and the term loan balance had reduced to £3.2 million.

All five service pillars made positive contributions. The FRP team grew by 19% representing an additional 106 colleagues. FRP's offices, across 27 locations in the UK and 2 international and offshore locations, continue to work well together, drawing on specialists from different service lines as necessary, in order to provide each assignment with the right team to deliver the best possible service and outcome.

On 23 May 2024, we announced a secondary placing of approximately 20.4 million ordinary shares, pursuant to which new lock-in agreements provide that the selling shareholders, securing the Groups continuity further.

Management has conducted sensitivity analysis on forecast FY25 and FY26 performance, including reducing revenue, billing and recovery. The conclusion was that the Group has available cash resources to be able to continue in operation if exceptional items had a significant impact on the Group's performance.

The Group has a comprehensive risk review process and have put in place processes and controls to mitigate potential outcomes. This includes the risk of key work winners leaving the business, changes to legislation or failure to IT systems.

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 earners, 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 accounting period of the subsidiaries are changed when necessary to align them with that of 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.

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.

The assets and liabilities of foreign operations, including goodwill, are translated into GBP at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into GBP at the rates ruling when the transactions occur, or appropriate averages. Foreign currency differences on translating the opening net assets at an opening rate and the results of operations at actual rates are recognised in retained earnings.

2.11 Revenue recognition and unbilled revenue

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 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.

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.

Our property asset management team recognise revenue (typically LPA receivership work) as performance obligations are delivered during a project.

Unbilled revenue

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

Insolvency & advisory services

When the Group is 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 typically 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

Fees typically comprise a non-refundable retainer and a success fee based on a fixed percentage of the transaction value. Non-refundable retainer fees are recognised over the course of the contract during which the ongoing provision of services, which vary by assignment, is delivered. The scope and value of the retainer is agreed upon commencement and reviewed regularly over the delivery period. 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 when unconditional contracts have been exchanged.

2. Significant accounting policies continued

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 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 at the fair value.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, being 25% on a straight-line basis for computer software, and 8% on a straight-line basis for client lists and acquired website intangible assets.

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 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 as financial assets or liabilities held as at amortised cost.

Trade and other receivables

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 and other receivables. The Group applies the simplified approach to providing for expected credit losses, which permits the use of the lifetime expected loss provision for trade receivables. The Group makes specific provisions for lifetime expected credit losses against trade receivables where additional information is known regarding the recoverability of those balances. For the remaining trade receivables balances, the Group has established an expected credit loss model based on historical data. 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 interest for a similar debt instrument.

Interest bearing borrowings

Interest bearing borrowings are recognised initially at their fair value. 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, including assets with indefinite useful lives and 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.

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 the consolidated statement of comprehensive income.

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. Impairment of goodwill is not reversed.

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. Significant accounting policies continued

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. There are currently no provisions held at year-end for legal claims.

2.21 Leases

The Group leases a number of properties in various locations 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 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 depreciated 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 depreciated 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 includes 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 paid. Final dividends which are recommended for shareholder approval after the year-end balance sheet date, are disclosed as a post year-end event.

2.26 Adjusted performance measures

Management believe that adjusted performance measures provide meaningful information to the users of the accounts on the performance of the business and are the performance measures used by the board.

The items excluded from adjusted results are exceptional items and share based payment expenses which arise either on acquisitions under IFRS relating to deemed remuneration, or Employee Incentive Programme (EIP) option awards funded by Partners on IPO and backed by shares within the Employee Benefit Trust (EBT). They are not influenced by the day-to-day operations of the group.

Accordingly, adjusted measures of Earnings Before Interest Tax, Depreciation and Amortisation (EBITDA), Profit before Tax (PBT) and earnings per share exclude, where applicable these transactions.

These performance measures are not defined terms under UK-adopted International Accounting Standards and may therefore not be comparable with similarly titled profit measures reported by other companies.

2.27 Liabilities to Partners

The Group recognises liabilities to Partners, and due to the nature of the transactions discloses these amounts separately to other payables. These are disclosed as the go forward profits due to Partners as part of the ongoing profit share agreements that Partners have with Group companies.

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.

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.

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:

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

Deemed remuneration

Deemed remuneration arises during acquisitions, where compensation in the form of equity is subject to a lock-in period, 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, it 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 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.

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:

Key source of estimation uncertainty continued

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. Due to the size and nature of goodwill it is considered an area of estimation uncertainty. The balance of goodwill is £13.7 million (2023: £10.8 million). See Note 13 for further details on the Group's assumptions.

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.

Unbilled revenue

Time recorded for chargeable professional services work is regularly reviewed to ensure that only that which 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. The balance of unbilled revenue at year-end was £53.6 million (2023: £45.8 million). Refer to Note 15 for further detail on unbilled revenue.

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. The share-based payment expense for the year was £3.8 million (2023: £8.4 million). 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. The definition of default is when a client or member of other party are unable to pay the amounts due based on internal credit risk management procedures and information.

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	**Year ended 30 April 2024 £'million**	Year ended 30 April 2023 £'million
Trade receivables	**10.7**	7.9
Cash and cash equivalents	**32.9**	27.7
	43.6	35.6

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 five complementary 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.

The Group reviews unbilled revenue on a case-by-case basis. On a monthly basis, following the receipt of information implying irrecoverability the appropriate provisions are booked. The unbilled revenue disclosed within the accounts is net of provisioning, therefore the Group does not consider the unbilled revenue disclosed on the balance sheet to be of material credit risk. Unbilled revenue amounted to £53.6 million (2023: £45.8 million).

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

Liquidity Risk	**Year ended 30 April 2024 £'million**	Year ended 30 April 2023 £'million
Within 1 year	**31.7**	**25.2**
Within 2-5 years	**13.8**	**8.9**
Beyond 5 years	**0.8**	**4.1**
	46.3	**38.2**

4. Financial risk management continued

Liquidity risk continued

The discounted carrying value of these liabilities is £45.3 million (2023: £37.4 million), comprising £8.1 million lease liabilities (2023: £6.5 million), £3.2 million loans (2023: £4.8 million), and £34.0 million trade and other payables (2023: £26.1 million).

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.

The Group has a term loan of £3.2 million as at April 2024 and had a rate of interest being base plus 3% repayable over 3 remaining years. This was refinanced on better terms in July 2023. The company has an interest risk management strategy and reforecasts cashflow whenever the base rate changes. The recent rise in base interest rates has increased repayments due, but the Group is well placed to meet the amounts due.

In terms of sensitivity analysis, if interest rates increased by 200 basis points or 2% the incremental FY2024 impact would reduce the Profit before tax by £0.1 million. If base rate (prevailing at the date of signing of 5.25%) reduced, there would be a marginal increase in the Group's FY2025 Profit before tax.

Foreign currency risk

While the Group now has a location operating in Cyprus with a primary currency of Euro, it is considered that there is no material risk associated with foreign currency transactions or overseas subsidiaries.

Capital management

The Group monitors the capital requirements within the Group and maintains a capital management policy, that enables the Group to meet requirements it may face. Net cash of £29.7 million (2023: £22.9 million), an undrawn £10 million revolving credit facility ("RCF"), and the ability to issue further equity, gives the Group sufficient options to act as acquisition opportunities arise, subject to our selective criteria of cultural fit, strategic fit and mutually acceptable transaction economics.

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.

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 2024 £'million	Year ended 30 April 2023 £'million
Depreciation of owned assets	**0.9**	0.8
Depreciation of right of use assets	**1.8**	1.6
Amortisation of intangible assets	**0.1**	0.1
Fees payable to the Group's auditor for the audit of the Group accounts	**0.2**	0.1
Expenses relating to short term leases	**0.0**	0.4

7. Exceptional costs

Operating items	**Year ended 30 April 2024 £'million**	Year ended 30 April 2023 £'million
Costs in relation to June 2022 share placing	**–**	0.1
Total exceptional costs	**–**	0.1

8. Director and employee information

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

	Year ended 30 April 2024 Number	Year ended 30 April 2023 Number
Directors	**7**	7
Fee earning employees (including Partners)	**470**	406
Non fee earning employees	**96**	97
	573	510

The aggregate payroll costs of these persons were as follows:

	£'million	£'million
Wages, salaries and Partner compensation charged as an expense	**60.9**	51.2
Social security costs	**3.6**	3.6
Pension costs – defined contribution scheme	**1.3**	1.1
Share based payment expenses – EIP	**2.2**	6.3
Share based payment expenses – Deemed remuneration	**1.6**	2.1
	69.6	64.3

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

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

	Year ended 30 April 2024 £'million	Year ended 30 April 2023 £'million
Directors' emoluments	**3.2**	2.8
Benefits in kind (inc. pension contributions)	**0.0**	0.0
	3.2	2.8

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

	£'million	£'million
Remuneration for qualifying services	**1.5**	1.4

One director is currently included in the company pension scheme.

10. Finance income and expense

	Year ended 30 April 2024 £'million	Year ended 30 April 2023 £'million
On short term deposits and investments	**0.2**	0.2
Total finance income	**0.2**	0.2
On bank loans and overdrafts measured at amortised cost	**0.5**	0.4
On lease liabilities	**0.3**	0.2
Total finance expense	**0.8**	0.6

11. Taxation

	Year ended 30 April 2024 £'million	Year ended 30 April 2023 £'million
Current tax		
UK corporation tax	**6.5**	3.0
Deferred tax		
Deferred tax credit	**(0.9)**	(1.7)
Reversal of temporary differences	**2.3**	1.6
Total tax charge	**7.9**	2.9

Reconciliation of tax charge:

	Year ended 30 April 2024 £'million	Year ended 30 April 2023 £'million
Profit before tax	**29.9**	15.6
Corporation tax in the UK at 25% (2023: 19.5%)	**7.5**	3.0
Effects of:		
Non-deductible expenses	**2.8**	0.4
Other permanent differences	**(2.4)**	(0.5)
Total tax charge	**7.9**	2.9

12. Earnings per share

The earnings per share ("EPS") has been calculated using the profit for the year and the weighted average number of Ordinary Shares outstanding during the year, as follows:

£m	EPS 2024	Adjusted EPS 2024	EPS 2023	Adjusted EPS 2023
Reported profit after tax	**22.0**	**22.0**	12.7	12.7
Add Share-based payments	**–**	**3.8**	–	8.4
Less deferred tax	**–**	**(0.9)**	–	(1.7)
Adjusted profit after tax	**22.0**	**24.9**	12.7	19.4
Average shares in issue	**250,413,415**	**250,413,415**	248,305,296	248,305,296
Total share EPS* (pence)	**8.78**	**9.94**	5.13	7.83
Weighted average shares in issue excluding EBT	**235,141,714**	**235,141,714**	228,182,054	228,182,054
Basic EPS (pence)	**9.35**	**10.58**	5.58	8.52
Dilutive potential ordinary shares under share option schemes	**4,490,020**	**4,490,020**	10,711,511	10,711,511
Weighted diluted shares in issue	**239,756,378**	**239,756,378**	238,893,564	238,893,564
Diluted EPS (pence)	**9.18**	**10.39**	5.33	8.14

The Employee Benefit Trust has waived its entitlement to dividends and is not included within weighted average shares in issue. It holds 9,896,589 shares of the 251,337,035 shares in issue at 30 April 2024 (2023: 20,123,242). When options are exercised by employees, dividend rights accrue.

* Total share EPS is an alternative performance measure used by management to assess performance.

13. Goodwill and other intangible assets

	Acquisition intangibles			
	Marketing and technology £'million	Customer relationships £'million	Goodwill £'million	Total £'million
Cost				
At 1 May 2022	–	0.8	10.2	11.0
Additions	–	–	0.6	0.6
At 30 April 2023	**–**	**0.8**	**10.8**	**11.6**
At 1 May 2023	–	0.8	10.8	11.6
Arising on acquisitions	1.7	–	2.9	4.6
At 30 April 2024	**1.7**	**0.8**	**13.7**	**16.2**
Amortisation				
At 1 May 2022	–	(0.1)	–	(0.1)
Charge for the period	–	(0.1)	–	(0.1)
At 30 April 2023	**–**	**(0.2)**	**–**	**(0.2)**
At 1 May 2023	–	(0.2)	–	(0.2)
Charge for the period	(0.0)	(0.1)	–	(0.1)
At 30 April 2024	**–**	**(0.3)**	**–**	**(0.3)**
Net book value				
At 30 April 2023	–	0.6	10.8	11.4
At 30 April 2024	**1.7**	**0.5**	**13.7**	**15.9**

Additions to goodwill in the year relate to acquisitions as set out in Note 24.

13. Goodwill and other intangible assets continued

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

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 the Group a 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 2024:

- £0.8m Debt Advisory
- £3.2m JDC Group
- £5.6m Spectrum
- £0.6m BridgeShield
- £0.6m APP
- £1.9m Wilson Field Group
- £1.0m GWC

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 growth rate for each CGU between 2% to 8% (2023: 0% to 6%) based on prior performance and future expectation.

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% (2023: 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% (2023: 1.0%) is used. This is derived from members' expectations based on market knowledge, numbers of new engagements, and the pipeline of opportunities.

13. Goodwill and other intangible assets continued

Key assumptions used in value in use calculation continued

Sensitivity to changes in assumptions

With regard to the assessment of value in use for Debt Advisory, JDC, Spectrum, BridgeShield, APP, Wilson Field Group and GWC 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 2024 Property, Plant and Equipment			
	Leasehold properties (right of use asset) £'million	Computer equipment £'million	Fixtures and fittings £'million	Leasehold improvements £'million	Total £'million
Cost					
At 1 May 2022	11.6	1.7	0.9	2.1	16.3
Arising on acquisitions	0.1	0.0	0.0	0.0	0.1
Additions	1.7	0.4	0.1	0.1	2.3
Disposals	–	(0.2)	–	–	(0.2)
At 30 April 2023	13.4	1.9	1.0	2.2	18.5
At 1 May 2023	13.4	1.9	1.0	2.2	18.5
Additions	3.4	0.4	0.3	0.2	4.3
Disposals	(0.5)	(0.2)	–	–	(0.7)
At 30 April 2024	**16.3**	**2.1**	**1.3**	**2.4**	**22.1**
Depreciation					
At 1 May 2022	(5.3)	(0.8)	(0.4)	(0.7)	(7.2)
Depreciation charge for the period	(1.6)	(0.4)	(0.1)	(0.3)	(2.4)
Disposals	–	0.1	–	–	0.1
At 30 April 2023	(6.9)	(1.1)	(0.5)	(1.0)	(9.5)
At 1 May 2023	(6.9)	(1.1)	(0.5)	(1.0)	(9.5)
Depreciation charge for the period	(1.8)	(0.4)	(0.2)	(0.3)	(2.7)
Disposals	0.5	0.2	–	–	0.7
At 30 April 2024	**(8.2)**	**(1.3)**	**(0.7)**	**(1.3)**	**(11.5)**
Net book value					
At 30 April 2023	6.5	0.8	0.5	1.2	9.0
At 30 April 2024	**8.1**	**0.8**	**0.6**	**1.1**	**10.6**

15. Trade and other receivables

Trade and other receivables	**Group as at 30 April 2024 £'million**	Group as at 30 April 2023 £'million
Trade receivables	**10.7**	7.9
Other receivables	**5.1**	4.6
Unbilled revenue	**53.6**	45.8
Corporation tax receivable	**0.8**	–
	70.2	58.3

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

The two acquisitions completed during the year fell within FRP's five service pillars, and therefore the treatment of providing or writing off acquired receivables follows the 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 following the receipt of information implying non-recoverability.

The gross receivables have increased in line with the growth of the business. Unbilled revenue days have remained at approximately 5 months due to revenue increase of 23%.

The expected loss provision for trade receivables is calculated on the gross carrying amount of trade receivables less any specific loss allowance. Changes from prior periods are due to specific loss allowances, and are detailed below as follows:

As at 30 April 2023	<30 Days £'million	30-60 Days £'million	60-90 Days £'million	90-180 Days £'million	>180 Days £'million	Total £'million
Expected loss rate	5%	2%	2%	16%	64%	16%
Gross carrying amount	4.3	1.6	0.8	1.0	1.6	9.3
Expected credit loss provision	(0.2)	(0.0)	(0.0)	(0.2)	(1.0)	(1.4)
	4.1	1.6	0.8	0.8	0.6	7.9

As at 30 April 2024	**<30 Days £'million**	**<60 Days £'million**	**<90 Days £'million**	**<180 Days £'million**	**>180 Days £'million**	**Total £'million**
Expected loss rate	**2%**	**3%**	**3%**	**6%**	**66%**	**13%**
Gross carrying amount	**7.2**	**1.0**	**0.8**	**1.2**	**2.1**	**12.3**
Expected credit loss provision	**(0.1)**	**(0.0)**	**(0.0)**	**(0.1)**	**(1.4)**	**(1.6)**
	7.1	**1.0**	**0.8**	**1.1**	**0.7**	**10.7**

16. Cash and cash equivalents

	Group as at 30 April 2024 £'million	Group as at 30 April 2023 £'million
Cash at bank and in hand	**32.9**	27.7

17. Trade and other payables

Current liabilities	Group as at 30 April 2024 £'million	Group as at 30 April 2023 £'million
Trade payables	**1.8**	1.9
Other taxes and social security costs	**7.1**	8.4
Liabilities to Partners	**15.3**	10.3
Deferred consideration	**0.6**	–
Other payables and accruals	**10.6**	9.1
	35.4	29.7

Non-current liabilities	Group as at 30 April 2024 £'million	Group as at 30 April 2023 £'million
Other payables and accruals	**0.9**	0.7
Partner capital	**4.8**	4.1
	5.7	4.8

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

The liabilities to Partners includes tax due to HMRC on their behalf.

Other payables and accruals includes £1.3 million of staff costs (2023: £5.5 million).

18. Loans and borrowings

	Group as at 30 April 2024 £'million	Group as at 30 April 2023 £'million
Current borrowings		
Bank loan	**1.6**	1.6
Lease liability	**1.5**	1.2
	3.1	2.8
Non-current borrowings		
Bank loan	**1.6**	3.2
Lease liability	**6.6**	5.3
	8.2	8.5
Bank loan is repayable:		
Within one year	**1.6**	1.6
Within two to five years	**1.6**	3.2
	3.2	4.8

The above £3.2 million (2023: £4.8 million) loan is with Barclays Bank plc (Barclays) and is repayable over quarterly instalments of £0.4m. Interest rate was 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 2024. The Directors consider that the carrying value of loans and borrowings approximates to their fair value.

19. Deferred tax

	Group as at 30 April 2024 £'million	Group as at 30 April 2023 £'million
Deferred tax asset brought forward	**2.5**	2.4
Recognised in profit and loss for the period	**(1.4)**	0.1
Deferred tax on acquisition	**(0.4)**	0.0
Deferred tax asset brought forward	**0.7**	2.5

The deferred tax provision is analysed as follows:

	Group as at 30 April 2024 £'million	Group as at 30 April 2023 £'million
Accelerated capital allowance	**(0.1)**	(0.2)
Share-based payments	**1.3**	2.8
Deferred tax on acquisition	**(0.5)**	(0.1)
	0.7	2.5

20. Financial instruments

	Group as at 30 April 2024 £'million	Group as at 30 April 2023 £'million
Financial assets held at amortised cost	**43.6**	35.6
Financial liabilities held at amortised cost	**45.8**	38.1

Financial instruments include cash, trade receivables, trade and other payables, lease liabilities and borrowings.

21. Share capital

Allotted, called up and fully paid	Group as at 30 April 2024 £	Group as at 30 April 2023 £
251,377,035 (2023: 249,401,058) Ordinary shares of £0.001 each	**251,377**	251,377

On 15 September 2023, 1,531,532 new Ordinary Shares were issued as part of the acquisition of Wilson Field.

On 13 March 2024, 444,445 new Ordinary Shares were issued as part of the acquisition of the GWC.

Details can be found in note 24.

22. Dividends

For FY2024 a dividend of £2.1m, equivalent to 0.9p per eligible Ordinary Share, was declared on 28 September 2023 and paid on 22 December 2023. A dividend of £2.1m, equivalent to 0.9p per eligible Ordinary Share, was declared on 14 December 2023 and paid on 22 March 2024. A dividend of £2.2m, equivalent to 0.9p per eligible Ordinary Share, was declared on 14 February 2024 and paid on 14 June 2024. The Board recommends a final dividend of 2.3p per eligible Ordinary Share for the financial year ended 30 April 2024. Subject to approval by shareholders, the final dividend will be paid on 25 October 2024 to shareholders on the Company's register at close of business on 27 September 2024. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2024 will be 5.0p per eligible Ordinary Share.

23. Share-based payments

	Number of share options April 2024	Number of share options April 2023
Outstanding at the beginning of the year	**12,287,057**	18,336,286
Granted during the year	**3,794,310**	2,112,312
Forfeited during the year	**(923,600)**	(295,595)
Exercised during the year	**(7,901,269)**	(7,865,946)
Outstanding at the end of the year	**7,256,498**	12,287,057
Exercisable at the end of the year	**1,899,241**	4,387,779

The weighted average life of outstanding options was one year (2023: one year). The exercise price of all share options is nil.

All share options are grated to employees of the Group.

Weighted average fair value per option is £1.06 (2023: £0.97).

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-Executive 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;
- The volatility rate has been based on the Group's share price since IPO
- A risk-free interest rate of 4% has been used (2023: 3%); and
- 100% of the options issued under the employee scheme are expected to vest.

The total recognised share-based payment expense relating to the employee incentive plan during the year by the Group was £2.2 million (2023: £6.3 million).

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 earners, 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.

	Value of deemed remuneration £'million
As at 1 May 2022	**2.6**
Granted in the year	**1.0**
Amortised in the year	**(2.1)**
As at 30 April 2023	**1.5**
As at 1 May 2023	**1.5**
Granted in the year	**2.2**
Amortised in the year	**(1.6)**
As at 30 April 2024	**2.1**

24. Acquisitions

The Group's growth strategy is to focus on organic growth supported by selective inorganic opportunities where there is a cultural, strategic and mutually acceptable transactional economics fit. The Group made two acquisitions in the year as detailed below. Both acquisitions strategically fit into the Group's five service pillars and we believe there to be revenue synergies of the combinations.

Wilson Field Group (Wilson Field Group Ltd, Wilson Field Ltd and Wilson Field Financial Solutions Ltd)

Date	Name	Location	Type	Percentage bought	Services
12 September 2023	Wilson Field Group Ltd	Sheffield	Share	100%	Business Advisory
12 September 2023	Wilson Field Ltd	Sheffield	Share	100%	Business Advisory
12 September 2023	Wilson Field Financial Solutions Ltd	Sheffield	Share	100%	Business Advisory

GWC (GW Holdings Ltd and Gordon Wilson & Co Ltd)

Date	Name	Location	Type	Percentage bought	Services
11 March 2024	GW Holdings Ltd	Isle of Man	Share	100%	Business Advisory
11 March 2024	Gordon Wilson & Co Ltd	Isle of Man	Share	100%	Business Advisory

Cash outflow linked to the consideration paid on the acquisition of subsidiaries in prior years.

Subsidiary	**£'million**
APP (prior year acquisition)	**0.1**

24. Acquisitions continued

Wilson Field Group (Wilson Field Group Ltd, Wilson Field Ltd and Wilson Field Financial Solutions Ltd)

Acquisition costs of £0.01 million (2023: £0.01 million) relating to the acquisition have been expensed in the period but not adjusted for in adjusted underlying EBITDA.

The fair values of Wilson Field Group at the acquisition date on 12 September 2023, following the purchase price allocation exercise are detailed above.

On 15 September 2023, equity compensation of £1.7 million was also granted to certain vendor fee earners. As this is subject to a lock-in, this has not been included within the cost of the acquisition but as deemed remuneration within the share-based payment reserve in the Statement of Changes in Equity.

The key shareholders who sold Wilson Field Group joined the Group as Partners.

The acquisition contributed £3.7 million of revenue and £1.1 million to the Group's underlying EBITDA for the period between the date of acquisition and the balance sheet date.

Combined net assets acquired	Book value £'million	Fair value adjustments £'million	Fair value £'million
Property, plant and equipment	0.0	–	0.0
Computer Software	–	1.7	1.7
Trade Receivables	0.1	–	0.1
WIP	1.4	–	1.4
Prepayments	0.1	–	0.1
Cash	0.0	–	0.0
Deferred tax liability	–	(0.5)	(0.5)
Trade payables	(0.0)	–	(0.0)
Accruals	(0.4)	–	(0.4)
VAT	(0.1)	–	(0.1)
Corporation tax	(0.1)	–	(0.1)
Total	**1.0**	**1.2**	**2.2**
Consideration			4.1
Goodwill			**1.9**

Cash flow	£'million
Cash paid as consideration on acquisition	4.1
Less cash acquired at acquisition	(0.0)
Net cash outflow	**4.1**

Consideration	Fair value £'million
Cash Consideration	**4.1**

24. Acquisitions continued

GWC (GW Holdings Ltd and Gordon Wilson & Co Ltd)

The fair values of GWC at the acquisition date on 11 March 2024 are detailed below.

On 13 March 2024, equity compensation of £0.5 million was also granted to certain vendor fee earners. As this is subject to a lock-in, this has not been included within the cost of the acquisition but as deemed remuneration within the share-based payment reserve in the Statement of Changes in Equity.

The key shareholder who sold GWC joined the Group as Partner.

The acquisition contributed £0.2 million of revenue and £0.1 million to the Group's underlying EBITDA for the period between the date of acquisition and the balance sheet date.

Combined net assets acquired	Book value £'million	Fair value £'million
Trade Receivables	0.4	0.4
Prepayments	0.0	0.1
Cash	0.7	0.7
Trade payables	(0.2)	(0.2)
Accruals	(0.3)	(0.3)
Total	**0.6**	**0.6**
Consideration		1.6
Goodwill		**1.0**

Cash flow	£'million
Cash paid as consideration on acquisition	1.0
Less cash acquired at acquisition	(0.7)
Net cash outflow	**0.3**

Cash outflow linked to the consideration paid on the acquisition of subsidiaries.

Consideration	**Fair value £'million**
Cash Consideration	**1.0**
Consideration settled in cash post year end	**0.6**
Total Consideration	**1.6**

25. Leases

	Group as at 30 April 2024 £'million	Group as at 30 April 2023 £'million
Expenses relating to short term leases	**0.0**	0.4
Lease interest	**0.3**	0.2
Cash outflow for leases	**1.9**	1.7

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

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

	Group as at 30 April 2024 £'million	(restated) Group as at 30 April 2023 £'million
Due within one year	**1.8**	1.9
Due within two to five years	**6.5**	4.6
Due after more than five years	**0.8**	0.8
	9.1	7.3

26. Cash flow of financing activities

	Notes	Bank loan £'million	Lease liability £'million
At 1 May 2022		6.8	6.3
Repayment of principal		(2.0)	(1.4)
New contracts entered		–	1.6
At 30 April 2023	18	**4.8**	**6.5**
At 1 May 2023		4.8	6.5
Repayment of principal		(1.6)	(1.8)
New contracts entered		–	3.4
At 30 April 2024	18	**3.2**	**8.1**

27. 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.

Own shares (EBT)

The Own shares reserve represents the shares of FRP Advisory Group plc that are held by the Employee Benefit Trust ("EBT"). During the year the EBT released 9.7 million Ordinary shares of £0.001 each.

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.

28. Related party transactions

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 £27.0 million (2023: 21.1 million) 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.

29. Control

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

30. Events after the reporting period

A dividend of £2.2m, equivalent to 0.9p per eligible Ordinary Share, was declared on 14 February 2024 and paid on 14 June 2024.

On 13 May 2024 the Group announced the acquisition of Hilton-Baird Group. The Hilton-Baird Group is based in Southampton and operates nationally. The business provides commercial finance and credit insurance brokerage, outsourced risk and receivables audit, as well as credit management and commercial debt collection services.

On 19 July 2024 the Group announced the acquisition of Lexington Corporate Finance. The Group's first acquisition in Wales, Lexington is based in Cardiff and provides corporate finance services to clients both locally and nationwide.

31. Capital commitments

At the balance sheet date, the Group had no material capital commitments in respect of property, plant and equipment (2023: £nil).

32. 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 2024

	Notes	Company as at 30 April 2024 £'million	Company as at 30 April 2023 £'million
Non-current assets			
Investment in subsidiaries	6	**18.0**	15.8
Total non-current assets		**18.0**	15.8
Current assets			
Trade and other receivables	7	**41.0**	36.8
Cash and cash equivalents	8	**8.0**	5.4
Total current assets		**49.0**	42.2
Total assets		**67.0**	58.0
Current liabilities			
Trade and other payables		**–**	–
Total liabilities		**–**	–
Net assets		**67.0**	58.0
Equity			
Share capital	10	**0.2**	0.2
Share premium		**34.2**	32.0
Share-based payment reserve	11	**4.7**	1.3
Merger reserve		**1.4**	1.4
Retained earnings		**26.5**	23.1
Total Equity		**67.0**	58.0

The Company made a profit of £14.4 million in the year ended 30 April 2024 (2023: £11.0 million).

Parent Company statement of changes in equity

For the year ended 30 April 2024

	Called up Share Capital £'million	Share premium account £'million	Share-based payment reserve £'million	Merger Reserve £'million	Profit & loss account £'million	Total equity £'million
Balance at 30 April 2022	**0.2**	**23.7**	**(1.1)**	**1.4**	**16.9**	**41.1**
Profit for the year	–	–	–	–	11.0	11.0
Issue of share capital	0.0	8.5	–	–	–	8.5
Issue costs	–	(0.2)	–	–	–	(0.2)
Dividend	–	–	–	–	(9.8)	(9.8)
Share-based payment expense	–	–	6.3	–	–	6.3
Deemed remuneration addition	–	–	(1.0)	–	–	(1.0)
Deemed remuneration	–	–	2.1	–	–	2.1
Transfer to retained earnings	–	–	(5.0)	–	5.0	–
Balance at 30 April 2023	**0.2**	**32.0**	**1.3**	**1.4**	**23.1**	**58.0**
Profit for the year	–	–	–	–	14.4	14.4
Issue of share capital	0.0	2.2	–	–	–	2.2
Issue costs	–	–	–	–	–	–
Dividend	–	–	–	–	(11.0)	(11.0)
Share-based payment expense	–	–	2.2	–	–	2.2
Deemed remuneration	–	–	1.2	–	–	1.2
Balance at 30 April 2024	**0.2**	**34.2**	**4.7**	**1.4**	**26.5**	**67.0**

Notes to the Parent Company financial statements

For the year ended 30 April 2024

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 the 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 £'million.

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 2024 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 £14.4 million in the year ended 30 April 2024 (2023: £11.0 million).

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.
- The requirements of IFRS 13 Fair Value Measurement.

A listing of new and amended standards adopted by the company have been included on Page 97. The adoption of the standards and interpretations has not led to any changes to the company's accounting policies or had any material impact on the financial position or performance of the company.

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, as follows), 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 and intercompany balances

The Directors assess the recoverability of investments and debtor balances 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. Auditor's remuneration

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

5. Director and employee information

The average number of directors during the year was:

	Period ended 30 April 2024 Number	Period ended 30 April 2023 Number
Directors	**7**	7

No amounts were paid to Directors through this Company. The Directors are remunerated through other group entities and it is not possible to allocate their remuneration to this entity

6. Investment in subsidiaries

	Company £'million
Cost	
At 1 May 2022	9.5
Additions	6.3
At 30 April 2023	**15.8**
At 1 May 2023	15.8
Additions	2.2
At 30 April 2024	**18.0**
Net book value	
At 30 April 2023	15.8
At 30 April 2024	**18.0**

Additions in the year ended 30 April 2024 of £2.2 million (2023: £6.3 million) are comprised of FRP Advisory Group plc equity settled Share options awarded to employees of FRP Advisory Trading Limited (a subsidiary company).

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

Subsidiaries and Partnerships linked to the Group	Country of Incorporation	Principal activity	Shareholding % Ordinary Shares held Direct 2024	Indirect 2024
FRP Advisory Trading Limited	England & Wales	Professional Services	100%	0%
FRP Advisory Services LLP	England & Wales	Professional Services	0%	99.90%
FRP Corporate Advisory Limited	England & Wales	Professional Services	0%	100%
FRP Corporate Finance Limited	England & Wales	Dormant	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%
BridgeShield Asset Management Limited	England & Wales	Professional Services	0%	100%
Wilson Field Group Limited	England & Wales	Professional Services	0%	100%
Wilson Field Limited	England & Wales	Professional Services	0%	100%
WF Financial Solutins Limited	England & Wales	Professional Services	0%	100%
Abbott Fielding Limited	England & Wales	Dormant	0%	100%
Litmus Advisory Limited	England & Wales	Dormant	0%	100%
GW Holdings Limited	Isle of Man	Professional Services	0%	100%
Gordon Wilson & Co Limited	Isle of Man	Professional Services	0%	100%
FRP Advisory Cyprus	Cyprus	Professional Services	0%	100%
APP Audit Co Limited	Cyprus	Professional Services	0%	*

* 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 either officers of or partners in entities within the FRP group.

6. Investment in subsidiaries continued

Despite not having legal ownership the Company has an interest in an Employee Benefit Trust, set up to hold shares in FRP Group plc 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 £3.8 million (2023: £3.8 million). The Company has assessed the probability of loss under the guarantee as remote.

Name	Proportion of shares held by the Company (%)	Proportion of shares held by the subsidiary (%)	Company number
FRP Debt Advisory Limited	–	100	05209080
Wilson Field Group Limited	–	100	08212364
Wilson Field Limited	–	100	08213722
WF Financial Solutions Limited	–	100	09233744
BridgeShield Asset Management Limited	–	100	12306245
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

7. Trade and other receivables

	As at 30 April 2024 £'million	As at 30 April 2023 £'million
Other receivables	**0.4**	0.0
Amounts owed by Group undertaking falling due within one year	**15.6**	11.8
	16.0	11.8
Amounts owed by Group undertaking falling due after one year	**25.0**	25.0

Amounts owed by Group undertakings are regularly reviewed for recoverability and no credit risk has been identified.

8. Cash and cash equivalents

	As at 30 April 2024 £'million	As at 30 April 2023 £'million
Cash at bank and in hand	**8.0**	5.4

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

9. Financial instruments

	As at 30 April 2024 £'million	As at 30 April 2023 £'million
Financial assets held at amortised cost	**49.0**	42.2

10. Share capital

Refer to Note 27 to the Group's financial statements.

11. Share-based payments

Refer to Note 23 to the Group's financial statements.

12. Related party transactions

The Company has taken advantage of the exemption from reporting related party transactions with 100% owned subsidiaries included within the consolidated financial statements of FRP Advisory Group plc. Further details of related party transactions can be found in Note 28 of the Group's financial statements.

13. Control

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

14. Events after the reporting period

The Board recommends a final dividend of 2.3p per eligible Ordinary Share for the financial year ended 30 April 2024. Subject to approval by shareholders, the final dividend will be paid on 25 October 2024 to shareholders on the Company's register at close of business on 27 September 2024. If the final dividend is approved, the total dividends paid by the Company relating to the financial year ended 30 April 2024 will be 5.0p per eligible Ordinary Share.

15. 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

Penny Judd

Non-Executive Chair

Geoff Rowley

Chief Executive Officer

Jeremy French

Chief Operating Officer

Gavin Jones

Chief Financial Officer

David Chubb

Non-Executive Director

Kathryn Fleming

Non-Executive Director

Louise Jackson

Non-Executive Director

Corporate Information

Company Secretary

ONE Advisory Limited
201 Temple Chambers
3 – 7 Temple Avenue
London EC4Y 0DT

Registered Office

110 Cannon Street
London EC4N 6EU

Company number

12315862
(Registered in England and Wales)

Company Website

www.frpadvisory.com

Advisers

Nominated adviser and joint broker

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1 Bartholomew Close
London EC1A 7BL

Joint broker

Investec Bank plc
30 Gresham Street
London EC2V 7QP

Independent auditor

Forvis Mazars LLP
30 Old Bailey
London EC4M 7AU

Solicitors

Bryan Cave Leighton Paisner LLP
Governor's House
5 Laurence Pountney Hill
London EC4R 0BR

Registrars

Link Market Services Trustees Limited
Central Square
29 Wellington Street
Leeds LS1 4DL

Financial PR Consultants

MHP
60 Great Portland Street
London W1W 7RT

Bankers

Barclays Bank Plc
One Churchill Place
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This Annual Report is available
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