

Real expertise. Real results.

FRP Advisory Group plc
Interim Report H1 2022
Six months to 31 October 2021

frpadvisory.com



FRP

Real expertise. Real results.

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

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

Our five pillar services complement each other to support clients throughout their entire business lifecycle. We draw on experts within each of our service areas to put the best people in place for each circumstance.

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Highlights

For the six months ended 31 October 2021 - 'H1 2022'

Financial highlights

+25%

Revenue for H1 2022 increased 25% on the prior period to £44.7 million, 8% on an organic basis.
H1 2021: £35.9 million.

£11.1m

Underlying adjusted EBITDA¹ up 14%.
H1 2021: £9.7 million.

£10.0m

Adjusted profit before tax² up 14%.
H1 2021: £8.8 million.
Reported profit before tax £4.5 million.
H1 2021: £5.9 million.

£9.2m

Strong balance sheet with net cash at 31 October 2021 of £9.2 million and an undrawn committed revolving credit facility ("RCF") of £10m.
H1 2021: £15.4 million.

3.24p

Adjusted EPS.
H1 2021: 2.96p.
Basic EPS.
H1 2022: 1.84p.
H1 2021: 2.48p.

0.8p

Q2 Interim dividend.³
H1 2022: 1.6p (Q1 0.8p + 0.8p).
H1 2021: 1.6p.

Operational highlights

- › FRP Corporate Finance completed 50 transactions in H1 2022 with a combined deal value of £1.28bn and £0.5bn of debt raised.
- › Engaged within Restructuring to provide both advisory and formal restructuring services across a range of sectors including civil engineering, manufacturing, car parking services, commodity trading, energy and financial services.
- › Administration appointment market share increased to 14% (H1 2021: 11%), in a subdued market.
- › 18% year-on-year increase in colleagues to 485 (H1 2021: 412 excluding Consultants), 17% increase in total fee earners.
- › Key system upgrades have commenced to further improve operational efficiencies and enhance internal controls.

Outlook and current trading

- › Positive medium-term outlook for all of the Group's markets.
- › Well positioned for an expected increase in demand for FRP's broad range of services.
- › The Board remains confident of making further progress in the current financial year.

Key performance indicators (KPIs)

Financial	H1 2022	H1 2021
Revenue	£44.7m	£35.9m
Underlying adjusted EBITDA ¹	£11.1m	£9.7m
Adjusted profit before tax ²	£10.0m	£8.8m
Cash collection (inclusive of VAT where applicable)	£47.1m	£35.9m
Revenue per partner for 6 months	£0.6m	£0.6m
Non-Financial	H1 2022	H1 2021
Number of administration appointments	56	85
Number of fee earners, including partners	386	331
Staff utilisation rate	60%	64%

1. Underlying adjusted EBITDA removes non-cash costs including share-based payments relating to deemed remuneration arising on acquisitions that is subject to continuing employment and the Employee Incentive Plan established on IPO and funded by Partners, so no dilution to existing shareholders. This is illustrated in the adjusted underlying EBITDA table.
2. Adjusted profit before tax is reported profit before tax of £5.7 million adjusted for share based payments of £4.3 million.
3. The Employee Incentive Plan ("EIP") established on IPO was used to grant options to colleagues. The trust holding these shares is not eligible for dividends as the rights were waived. When the options vest from 2023 onwards, the shares will gain rights to dividends.

Chief Executive Officer's Statement



We delivered another positive performance in H1 2022, continuing to execute our strategy to grow the business. The markets we operate in have been mixed. The Corporate Finance market is highly active as capital continues to be deployed. However, the extension of Government support over most of H1 2022 has resulted in restructuring administration activity remaining subdued.

Many businesses have adapted well to disruptive forces, including technological advances. However, other businesses have struggled to adapt their business models and are increasingly facing challenges. Further pressures on businesses are coming from supply chain issues and rising input costs from energy, wages and raw materials. Looking ahead, we are well positioned to service the expected increase in Restructuring Advisory activity driven by this disruption and the withdrawal of Government support in response to the pandemic. Our Corporate Finance team have a strong pipeline and are well positioned to continue helping clients realise their strategic ambitions.

The medium-term outlook for all our markets is positive and the Board remains confident of making further progress in the current financial year.



Geoff Rowley
Chief Executive
Officer

Management Statement

The Group has delivered another strong performance during the six months to 31 October 2021, continuing to grow revenue and underlying adjusted EBITDA. In line with our strategy of sustainable profitable growth, we have increased our team by 18% year-on-year through demand-led lateral hires.

In recent months supply chain disruption, rising costs of energy, raw materials and wages are creating an ongoing, challenging environment for UK businesses. In addition, some sectors are still seeing an impact from the UK leaving the EU. To continue supporting companies, we have extended our offering of pro bono advice and are sharing extensive business support guidance through the 'Review. Adapt. Resolve.' resource centre on our website. This solutions-based support library has been designed specifically to help business leaders take action and prepare for the future. Our team of specialist advisers are well-positioned to provide integrated and tailored guidance that empowers businesses to prosper.

Operational review

FRP provides a range of advisory services that are delivered by specialists from five complementary service pillars: Restructuring Advisory, Corporate Finance, Forensic Services, Debt Advisory and Pensions Advisory.

Our enlarged Corporate Finance team have re-branded as FRP Corporate Finance and we are seeing a positive impact on revenue from our recent acquisitions. The team have a strong transactional pipeline for H2 2022.

The restructuring market has seen liquidation activity return to pre-pandemic levels but extended Government support has meant that the administration market, where FRP has a significant market share, remains subdued. In recent months we have been engaged to provide both advisory and formal restructuring services across a range of sectors including civil engineering, manufacturing, car parking services, commodity trading, energy and financial services. We expect that many sectors will require our expertise as the full effect of the unwinding of Government support, coupled with the wider economic headwinds, are felt.

Following FRP's admission to global advisory organisation, Eight International earlier this financial year, the Group firm has made significant progress in developing key relationships with the majority of strategically located members, with a view to collaborating together to provide clients with multi-disciplinary services across various geographies. Member firms offer global scale and deep expertise in transaction advisory, restructuring services, transformation, valuation and dispute resolution, amongst other specialisms.

The Forensic Services team have been engaged on a variety of disputes and investigations, many of which are confidential.

The Pensions Advisory team continued to support scheme trustees and employers in finding solutions to address the impact of defined benefit pension schemes on corporate transactions and volatile financial performance. This has focussed on managing risk and maximising value, particularly in a number of business transactions taking into account the changing dynamics for stakeholders arising from new regulations and legislation, including the Pensions Schemes Act 2021.

People & operations

Our success rests on our reputation for delivering a high-quality service, to achieve the best possible outcome for stakeholders. We work hard to attract and retain highly skilled professionals by creating a rewarding, high-performance environment. We believe highly engaged colleagues deliver excellent client service and results, which strengthens our reputation in the market.

FRP's 23 offices in the UK continue to work well together, drawing on specialists from our five complementary service lines as necessary, in order to deliver the best possible service and outcome. The H1 2022 drop in our utilisation rate is temporary, as we prepare to meet the expected increase in demand for our services. In an increasingly competitive environment, we have managed to recruit talented individuals to join FRP and help us grow in targeted areas. Our team grew to 485 at 31 October 2021, representing 18% growth year-on-year. Team growth can be seen in the table below:

	H1 22	FY 21	H1 21	YOY %
Partners	76	73	61	25%
Fee earners	310	288	270	15%
Subtotal	386	361	331	17%
Support	99	96	81	22%
Total	485	457	412	18%

Total colleagues (ex Consultants)

We were pleased to announce three new Partners in H1 2022:

- Simon Stibbons, a Restructuring Partner specialising in Government projects will be based in our London office.
- Jim Davies, a Valuations specialist who joined our London team.
- Harry Walker a Corporate Finance specialist, who is based in our Leicester office, was promoted to Partner.

On 1 November 2021 two new Partners joined FRP. Dan Bowtell, a Corporate Finance specialist, joined our new FRP Cambridge office. Henry Pocock joined our established Birmingham office, as a

Forensic Services Partner.

Following the recruitment of a Glasgow team at the end of our last financial year, led by two Partners, we opened a new Glasgow office in November 2021. Adding offices in selective new locations is part of our growth strategy, we currently have 23 locations in the UK.

The health, safety and wellbeing of all of our colleagues remains a key priority. While we are able to work remotely without impacting client service, we acknowledge that physical client meetings are important. We also feel colleague interactions within an office environment are important for learning and development, teambuilding and mental wellbeing. We continue to adapt to the changing environment, to enable colleagues to safely return to the office, while acknowledging there will be a level of ongoing flexibility and remote working. Several key system upgrades and changes to further improve operational efficiency and enhance internal controls have commenced.

During H1 2022, the Group conducted a cultural assessment survey with colleagues. Overall the feedback was very positive with colleagues feeling the internal culture was excellent. However, we acknowledge that there will always be room for improvement. The Group has appointed a specialist Learning and Development Senior Manager and will continue to invest in this area, to support the continued development of our nationwide team.

Management have also focussed on developing a framework that addresses Environmental, Social and Governance topics and have committed the Group to being Carbon Neutral (net zero) by 2030. For further details please see our website;

<https://www.frapadvisory.com/about/approach/corporate-social-responsibility/>

Selective acquisitions

Our focus is organic growth, supplemented with selective acquisitions

that meet our strict criteria. The three criteria we focus on when it comes to an acquisition are: cultural fit, strategic fit (within our five pillars/growth region) and economic fit (acceptable transaction economics).

The contribution from the prior financial year acquisitions was strong at 17% inorganic revenue growth in H1 2022. Whilst there were no H1 2022 acquisitions, we are in active dialogue with regards to several opportunities which may or may not lead to a combination. Our strong balance sheet enables us to move swiftly if required.

The corporate finance market

The corporate finance market remains busy, as pent-up capital continues to be deployed. According to Experian there were 2,686 M&A deals in H1 2022 which is a 11% increase on a prior year (H1 2021: 2,422). FRP's market share grew from 0.3% to 0.5%. The market remains highly fragmented.

FRP Corporate Finance, including Debt Advisory, was enlarged last year by two acquisitions and the team have been very active, advising on 50 transactions in H1 2022 with a combined deal value of £1.28bn and £0.5bn of debt raised. Three notable transactions include:

- Sell side adviser to Solent Global, a provider of branded, licensed and white label products to the consumer sector, in their £117m merger with the Swedish FMCG powerhouse Humble Group.
- Sell side adviser to Timberwolf, a manufacturer of a broad range of commercial woodchippers, in their sale to Alamo Group.
- Sell side adviser to Insurtech firm Ignite Software Solutions on their sale to Sequel, owned by the Nasdaq listed data analytics group, Verisk.

The restructuring market

The restructuring market has seen liquidation activity return to pre-pandemic levels however, extended

Government support has meant the administration market, where FRP has a significant market share, remains subdued.

Our multi-disciplinary approach enables us to support businesses throughout their entire lifecycle. We offer both the scale and credentials to handle assignments of all sizes, drawing on complementary specialists from our different service pillars as necessary, in order to deliver the best possible service and outcome. By offering advice in specific areas, we have fewer conflicts of interest than many larger, full-service firms.

During the six months to 31 October 2021 the total number of formal company insolvencies (including administrations) was 8,409, which is a 43% increase on the prior period (H1 2021: 5,873); FRP's market share reduced from 5% to 3%. With regards to administration appointments, the total market reduced by 49% to 390 in H1 2022 (H1 2021: 763), driven by the high levels of government support in response to the pandemic. FRP's administration appointments in H1 2022 was 56, which is a 34% decline year on year (H1 2021: 85). FRP's market share increased from 11% to 14%. Appointment data sourced from the London and Regional Gazettes.

The Board continues to monitor current conflicts within full-service firms and the ongoing separation of advisory services and the related market changes, which present opportunities to acquire teams or experienced Partners from these firms.

A strong financial performance

The Group delivered another strong performance during H1 2022, continuing to grow revenue and underlying adjusted EBITDA. The Group generated £44.7 million in revenues over the six months to 31 October 2021, up by 25% on the same period last year (£35.9 million). Organic growth accounted for 8% of this

total, while inorganic growth contributed 17%. Adjusted underlying EBITDA was £11.1 million, up 14% compared with the same period last year (£9.7 million).

Profit before tax for the period was in line with the Board's expectations. Reported profit after tax for the half was £4.5 million. Converting work in progress to cash remains a top priority, however our success in winning larger, more complex assignments can extend the working capital cycle.

Dividend

Due to our continued profitability and cash generation, in line with our stated dividend policy, the Board declared an interim dividend for Q2 2022 of 0.8p per eligible share. This dividend will be paid on 25 March 2022 to shareholders on the Company's register on 25 February 2022, with an ex-dividend date of 24 February 2022. This dividend takes the total for H1 2022 to 1.6p per eligible share (H1 2021: 1.6p).

Going concern

During H1 2022 FRP has continued to grow profitably. We had net cash of £9.2 million at 31 October 2021 and an undrawn RCF of £10 million. Net cash is calculated based on £16.8m gross cash less £7.6m of structured debt, repayable over approximately four years.

The Directors have made appropriate enquiries and consider that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statement. Further detail on the assessment of going concern can be found within note 2.3 of the interim financial report.

Current trading & outlook

Our breadth of services has enabled us to help clients review their operating models and adapt or evolve as needed, in a fast-changing environment with businesses facing many disruptive pressures. We have a robust business

model and our five complementary service pillars support clients throughout their entire lifecycle.

FRP is resilient, with a track record of growth regardless of the economic conditions. We have a strong balance sheet and a structure that provides a good level of flexibility in our internal capacity. This allows us to be well positioned for the increase in demand for our services that we have seen as a result of the withdrawal of Government business loans and continued turbulence due to the UK leaving the EU.

We are grateful for all the hard work and commitment of our colleagues, as they continue to do a great job finding solutions for clients.

Uncertainties remain regarding the timing and scale of the UK economic recovery, particularly as the response to new Covid-19 variants continues to evolve.

The medium-term outlook for all our markets is positive and the Board remains confident of making further progress in the current financial year.



Geoff Rowley
Chief Executive
Officer



Nigel Guy
Non-executive
Chairman

Underlying adjusted results

For the six months ended 31 October 2021

Calculation of underlying adjusted EBITDA

(Earnings Before Interest Tax Depreciation and Amortisation)

£m	H1 2022	H1 2021	FY 2021
Reported profit before tax (PBT)	5.7	7.1	16.6
Add interest, depreciation, amortisation	1.1	0.9	1.8
Reported EBITDA	6.8	8.0	18.4
Add share based payment expense relating to the Employee Incentive Plan (EIP)	2.9	1.6	3.7
Add share based payment expense - deemed remuneration	1.4	0.1	0.9
Underlying adjusted EBITDA	11.1	9.7	23.0

At present the Company has expensed in H1 2022 but not adjusted underlying EBITDA for:

➤ Employers National Insurance due to the EIP awards when the options vest in 2023, £0.6m accrued in the period.

Calculation of adjusted EPS

(Earnings per Share)

£m	Basic and diluted EPS	Adjusted EPS	Basic and diluted EPS	Adjusted EPS
	H1 2022	H1 2022	H1 2021	H1 2021
Reported profit after tax	4.5	4.5	5.9	5.9
Add share based payments	-	4.3	-	1.7
Less deferred tax	-	(0.9)	-	(0.5)
Adjusted profit after tax	4.5	7.9	5.9	7.1
Shares in issue	243,191,489	243,191,489	239,558,637	239,558,637
EPS	1.84p	3.24p	2.48p	2.96p

Consolidated statement of comprehensive income

For the six months ended 31 October 2021

	Notes	Unaudited 6 months ended 31 Oct 21 £'000	Unaudited 6 months ended 31 Oct 20 £'000	Audited Year ended 30 Apr 21 £'000
Revenue		44,670	35,874	78,987
Personnel costs		(28,944)	(21,226)	(46,572)
Depreciation and amortisation		(969)	(764)	(1,551)
Other operating expenses		(8,932)	(6,625)	(14,027)
Operating profit		5,825	7,260	16,836
Finance costs		(175)	(129)	(233)
Profit before tax		5,650	7,131	16,604
Taxation		(1,183)	(1,187)	(2,993)
Total comprehensive income for the period		4,467	5,944	13,611
Earnings per share (in pence)				
Basic and diluted	3	1.84	2.48	5.69

All results derive from continuing operations.

Consolidated statement of financial position

For the six months ended 31 October 2021

	Notes	Unaudited 6 months ended 31 Oct 21 £'000	Restated Unaudited 6 months ended 31 Oct 20 £'000	Audited Year ended 30 Apr 21 £'000
Non-current assets				
Goodwill		9,600	3,960	9,600
Other intangible assets		761	828	794
Property, plant and equipment		2,473	2,188	2,241
Right of use asset		3,890	4,162	3,527
Deferred tax asset		1,809	-	925
Total non-current assets		18,533	11,138	17,087
Current assets				
Trade and other receivables	5	46,171	39,861	42,373
Cash and cash equivalents		16,797	15,361	24,383
Total current assets		62,968	55,222	66,756
Total assets		81,501	66,360	83,843
Current liabilities				
Trade and other payables	6	28,472	25,580	34,684
Loans and borrowings		2,000	-	1,600
Lease liabilities		436	479	872
Total current liabilities		30,908	26,059	37,156
Non-current liabilities				
Other creditors	6	6,333	8,549	5,531
Loans and borrowings		5,600	-	6,400
Lease liabilities		3,536	3,871	2,768
Deferred tax liabilities		-	(278)	-
Total non-current liabilities		15,469	12,142	14,699
Total liabilities		46,377	38,201	51,855
Net assets		35,124	28,159	31,988
Equity				
Share capital		243	240	243
Share premium		23,730	19,973	23,730
Treasury shares reserve		(19)	(19)	(19)
Share based payment reserve		140	(324)	(4,135)
Merger reserve		1,287	1,289	1,287
Retained earnings		9,743	7,000	10,882
Shareholders' equity		35,124	28,159	31,988

Approved by the Board and authorised for issue on 15 December 2021.

Jeremy French

Director, COO

Company Registration No. 12315862

Gavin Jones

Director, CFO

Consolidated statement of changes in equity

For the six months ended 31 October 2021

	Called up share capital £'000	Share premium account £'000	Treasury share reserve £'000	Share based payment reserve £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 31 October 2020 (Unaudited restated)	240	19,973	(19)	(324)	1,289	7,000	28,159
Profit for the period	-	-	-	-	-	7,648	7,648
Other movements	-	-	-	-	-	20	20
Dividends	-	-	-	-	-	(6,786)	(6,786)
Issue of share capital	3	3,757	-	-	(2)	-	3,758
Share based payment expense	-	-	-	2,101	-	-	2,101
Deemed remuneration	-	-	-	(2,912)	-	-	(2,912)
Transfer of retained earnings	-	-	-	(3,000)	-	(3,000)	-
Balance at 30 April 2021 (Audited)	243	23,730	(19)	(4,135)	1,287	10,882	31,988
Profit for the half year	-	-	-	-	-	4,467	4,467
Dividends	-	-	-	-	-	(5,611)	(5,611)
Other movements	-	-	-	-	-	5	5
Share based payment expense	-	-	-	2,897	-	-	2,897
Deemed remuneration	-	-	-	1,378	-	-	1,378
Balance at 31 October 2021 (Unaudited)	243	23,730	(19)	140	1,287	9,743	35,124

Consolidated statement of cash flows

For the six months ended 31 October 2021

	Unaudited 6 months ended 31 Oct 21 £'000	Restated Unaudited 6 months ended 31 Oct 20 £'000	Audited Year ended 30 Apr 21 £'000
Cash flows from operating activities			
Profit before taxation	5,650	7,131	16,604
Depreciation, amortisation and impairment (non cash)	969	764	1,551
Share based payments (non cash)	4,330	1,694	4,643
Net finance expenses	175	129	232
Increase in trade and other receivables	(3,799)	(6,284)	(2,833)
Decrease in trade and other payables	(2,221)	(4,193)	(4,982)
Tax paid	(1,703)	(1,708)	(4,447)
Net cash generated from/(used in) operating activities	3,401	(2,467)	10,768
Cash flows from investing activities			
Purchase of tangible assets	(640)	(519)	(1,114)
Acquisition of subsidiaries less cash acquired	(3,576)	(2,382)	(10,599)
Acquisition of trade and assets	-	-	(1,610)
Net cash used in investing activities	(4,216)	(2,901)	(13,322)
Cash flows from financing activities			
Proceeds from share sales	-	-	3,760
Dividends	(5,611)	-	(4,990)
Principal elements of lease payments	(585)	(453)	(911)
Drawdown of new loans	-	-	8,000
Repayment of loans and borrowings	(400)	-	-
Interest paid	(175)	(129)	(233)
Net cash (used in)/generated from financing activities	(6,771)	(582)	5,626
Net increase/(decrease) in cash and cash equivalents	(7,586)	(5,950)	3,072
Cash and cash equivalents at the beginning of the period	24,383	21,311	21,311
Cash and cash equivalents at the end of the period	16,797	15,361	24,383

Notes to the Financial Statements

For the six months ended 31 October 2021

1. General information

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

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

2. Basis of preparation & accounting policies

The condensed consolidated financial information are prepared in sterling, which is the presentational currency of the Company. Amounts in this financial information are rounded to the nearest £'000.

The condensed consolidated financial information has been prepared on the basis of Company accounting policies and should be read in conjunction with the Group's last annual consolidated financial statements.

This financial information does not include all of the information required for a complete set of IFRS financial statements.

This condensed consolidated H1 2022 financial information does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 April 2021 were approved by the Board of Directors on 26 July 2021 and delivered to the Registrar of Companies. The report of the auditor on those accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

The H1 2021 restatement related to the

accounting for deemed remuneration that arose upon acquisition. This was previously disclosed as an asset within receivables but has subsequently been reclassified to the share based payment reserve within shareholders equity. A further restatement related to expanding the liabilities, to show liabilities to Partners (including tax due to HMRC on their behalf) on both the go forward basis and owed to them on IPO (note 6).

2.1 Basis of consolidation

The financial statements incorporate the results of FRP Advisory Group plc and all of its subsidiary undertakings as at 31 October 2021.

FRP Advisory Group plc is the 100% shareholder of FRP Advisory Trading Limited. FRP Advisory Trading Limited has six wholly owned subsidiaries, FRP Debt Advisory Limited, FRP Corporate Finance Limited, JDC Holdings Limited, Abbott Fielding Limited, Spectrum Corporate Finance Limited and Litmus Advisory Limited. FRP Advisory Trading Limited is also a member of FRP Advisory Services LLP and Apex Debt Solutions LLP. JDC Holdings Limited has two subsidiaries, Jon Dodge & Co Limited and Walton Dodge Forensic Limited. FRP has 100% of the economic interest in JDC Accountants & Business Advisors Ltd..

2.2 Significant accounting policies

Accounting policies adopted in preparation of the H1 2022 condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 April 2021.

2.3 Going concern

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

At period end the Group had net cash of £9.2m. The Group also has available an undrawn £10m committed revolving credit facility ("RCF"). Ongoing operational cash

generation and this cash balance mean we have sufficient resources to both operate and move swiftly should acquisition opportunities arise.

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

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

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

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

3. Earnings per share ("EPS")

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

	Unaudited 6 months ended 31 Oct 21 £'000	Unaudited 6 months ended 31 Oct 20 £'000	Audited Year ended 30 Apr 21 £'000
Profit for the period attributable to equity holders of the Company	4,467	5,944	13,611
Weighted average number of ordinary shares	243,191,489	239,558,637	239,393,684
Earnings per share (in pence)	1.84	2.48	5.69

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

The Employee Benefit Trust does not have an entitlement to dividends, holding 18,750,000 shares of the above 243,191,489 shares.

4. Dividend

The Board declared an interim dividend for Q2 2022, the period to 31 October 2021 of 0.8p per eligible* share. This dividend will be paid on 25 March 2022 to shareholders on the Company's register on 25 February 2022, with an ex-dividend date of 24 February 2022.

*An Employee Incentive Plan (EIP) established on IPO was used to grant options to staff. The trust holding these shares is not eligible for dividends, rights were waived. When the options vest from 2023 onwards, the shares will gain rights to dividends.

5. Trade and other receivables

	Unaudited 6 months ended 31 Oct 21 £'000	Restated Unaudited 6 months ended 31 Oct 20 £'000	Audited Year ended 30 Apr 21 £'000
Trade receivables	7,740	5,759	4,855
Other receivables	1,799	1,304	2,466
Unbilled revenue	36,632	32,798	35,052
	46,171	39,861	42,373

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

Due in	As at 31 Oct 21 £'000	As at 31 Oct 20 £'000	As at 30 Apr 21 £'000
<30 Days	4,006	3,069	2,286
30-60 Days	1,487	1,143	1,182
60-90 Days	523	262	309
>90 Days	1,724	1,285	1,078
Total	7,740	5,759	4,855

6. Trade and other payables

	Unaudited 6 months ended 31 Oct 21 £'000	Restated Unaudited 6 months ended 31 Oct 20 £'000	Audited Year ended 30 Apr 21 £'000
Current liabilities			
Trade payables	659	435	877
Other taxes and social security costs	4,870	3,384	5,849
Liabilities to Partners go forward	11,512	6,668	9,074
Liabilities to Partners cessation profits at IPO	3,902	9,679	5,440
Deferred consideration	812	1,625	813
Other payables and accruals	6,717	3,789	12,631
	28,472	25,580	34,684

	Unaudited 6 months ended 31 Oct 21 £'000	Restated Unaudited 6 months ended 31 Oct 20 £'000	Audited Year Ended 30 Apr 21 £'000
Non-current liabilities			
Other payables and accruals	2,219	1,697	-
Liabilities to Partners go forward	-	-	245
Liabilities to Partners cessation profits at IPO	-	3,902	1,114
Partner capital	4,114	2,950	3,833
Deferred consideration	-	-	339
	6,333	8,549	5,531

Directors & advisers

Directors

Nigel Guy

Non-Executive Chairman

Geoff Rowley

Chief Executive Officer

Jeremy French

Chief Operating Officer

Gavin Jones

Chief Financial Officer

David Adams

Non-Executive Director

David Chubb

Non-Executive Director

Claire Balmforth

Non-Executive Director

Corporate Information

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