

Report and Financial Statements

For the six months ended
30 September 2024

Unaudited

Company Number: 05066489

Contents

4 - 6	Chairman's Statement
7	Unaudited Interim Condensed Consolidated Statement of Comprehensive Income
8	Unaudited Interim Condensed Consolidated Statement of Financial Position
9	Unaudited Interim Condensed Consolidated Statement of Changes in Equity
10 - 11	Unaudited Interim Condensed Consolidated Statement of Cash Flows
12 - 14	Notes forming part of the Unaudited Interim Condensed Consolidated Financial Statements

Chairman's Statement

For the six months ended 30 September 2024

The Board's strategy is to optimise the balance between regulatory risk and potential commercial reward thereby increasing the intrinsic value of the Company for the benefit of its shareholders.

I am therefore pleased to report that significant progress has been achieved by the Board with the refocusing of the Group's proposition.

During the period under review, the Board successfully completed the planned reduction in the Group's Appointed Representative network and negotiated a highly profitable disposal of its network of self-employed Registered Individual IFAs to The Saltus Partnership LLP ("Saltus"). This transaction is addressed in greater detail below.

FINANCIAL PERFORMANCE DURING THE PERIOD

The reduction of the Group's Appointed Representative network has inevitably had an adverse impact on the level of gross revenue and reported EBITDA for the period.

The Company's performance during the period, and during the equivalent period last year, is summarised in the table below.

Adjusted EBITDA (defined as being Earnings before Interest, Taxation, Depreciation and Amortisation as adjusted to remove the distorting effect of one-off gains and losses arising on acquisitions/disposals, as well as other non-cash items) is highlighted as the Board considers this, rather than Operating Profit, to be the best measure of the Company's underlying performance.

RESULTS FROM ONGOING ACTIVITIES	6 Months ended 30 Sept '24 £'000s	6 Months ended 30 Sept '23 £'000s	Movement
Gross revenues	19,620	20,560	4% decrease
Adjusted EBITDA	670	1773	62% decrease
Depreciation & Amortisation	(807)	(693)	16% increase
Share based payments	(51)	(116)	56% decrease
Reported (Loss)/Profit from Operations	(188)	915	
(Loss)/Earnings per ordinary share	(0.18)p	0.04p	
	As at 30 Sept '24 £'000s	As at 31 Mar '24 £'000s	
Net assets at Interim end	39,510	40,448	2% decrease
Cash resources at Interim end	2,909*	4,118	29% decrease

*After the period end, the Company received the initial consideration payment from Saltus (see details below) which increased its cash resources by £22 million.

Chairman's Statement (continued)

For the six months ended 30 September 2024

Strategic repositioning

On 1 October 2024, the Company announced that it has entered into an agreement for the sale of two of its subsidiary businesses: Tavistock Partners Limited ("TPL") and Tavistock Estate Planning Services Limited ("TEPS") to Saltus for a cash consideration of up to £37.75 million.

The consideration was substantially higher than the market capitalisation of the Company on AIM and the disposal of these businesses affords the Company an opportunity to realise a significant profit on the investment that it has made over past years in acquiring and developing these businesses.

Prior to completion of this transaction, the Board took certain steps to re-organise the Group in order to transfer to TPL all of the current operating assets and intellectual property within Tavistock Partners (UK) Limited, including the benefit of client relationships, adviser contracts and other contractual relationships.

All the completion conditions for the transaction were subsequently satisfied and on 29 November 2024, the Company received the initial consideration payment of £22 million. This provides the Company with significant working and development capital for potential future acquisitions which will enable the continued reshaping of the Group.

On 22 November 2024, the Company announced that it has exchanged contracts for the acquisition of Alpha Beta Partners Limited ("ABP"), a well-regarded asset management business based in London and Bath. ABP has some £3 billion of assets under management and a strategic focus on retail investors served by regulated advice businesses which is complementary to Tavistock's own business positioning.

This acquisition strengthens Tavistock's asset management scale and solutions provision in the UK retail investment market. It is a key step in the Group's refocusing into a much more significant asset manager providing investment solutions to third party advice firms and networks, as well as to retail clients directly.

Led by Geoff Brooks and Andrew Thompson together with a team of experienced industry professionals, ABP was established in 2017 to provide outsourced investment propositions to regulated advice businesses and networks. ABP is particularly noted for its "Dynamic Asset Allocation" process and modular proposition, providing retail and wholesale investors with institutional techniques rarely found in this market segment. The success of its outcome-oriented investment solutions has been recognised by Defaqto's 5 Star and 5 Diamond Ratings for the past 5 years.

The total consideration to be paid for ABP will be directly linked to its financial performance over the next five years. There will be an initial payment of £6.0 million at completion of the acquisition with the maximum potential consideration capped at £18.0 million, payable in cash. Completion of the transaction is subject to change in control approval by the Financial Conduct Authority (the "FCA").

The acquisition is a logical next step for Tavistock, having completed the planned reduction of the Group's network of appointed representative firms and the disposal of its networks of self-employed Registered Individuals to Saltus.

Following the Saltus transaction the Company has retained both its profitable, employed adviser business, Tavistock Private Client, and its profitable protection business, Tavistock Protect. The Board intends that the provision of investment management services to the clients of third-party advice businesses, and directly to the public on a non-advised basis, will become a substantial part of the Group's service proposition.

Hence, the addition of ABP to the Group is particularly fitting, as it will form the cornerstone of the Company's strategic focus on asset management.

Chairman's Statement (continued)

For the six months ended 30 September 2024

Dividends

The Company is proposing to pay an interim dividend on 16 January 2025 of 0.09p per share, which is a 29% increase on the dividend that was paid in December 2023. The Record Date for this dividend will be 27 December 2024 and the Ex-Dividend date will be 24 December 2024.

Prospects

The Board's focus continues to be on optimising the Group's structure and maximising shareholder value. The Board is in active discussions with a number of acquisition targets and the Group is well capitalised thanks to its debt facility with Bank of Ireland and cash resources following the disposal of its network of self-employed Registered Individual IFAs.

I look forward to updating shareholders in due course.



Oliver Cooke
Chairman

9 December 2024

Unaudited Interim Condensed Consolidated Statement Of Comprehensive Income

For the six months ended 30 September 2024

		Unaudited 6 months ended 30 September 2024 £'000	Unaudited 6 months ended 30 September 2023 £'000
Revenue	2	19,620	20,560
Cost of sales	2	(12,495)	(12,827)
Gross profit		7,125	7,733
Administrative expenses	2	(7,313)	(6,818)
(Loss)/ Profit from Total Operations		(188)	915
Adjusted EBITDA		670	1,773
Depreciation & Amortisation		(807)	(693)
Share Based Payments		(51)	(116)
Exceptional costs		-	(49)
(Loss)/Profit from Operations		(188)	915
Finance costs		(152)	(131)
LLP members remuneration charged as an expense		(649)	(572)
Share of profit/(loss) in associate		-	28
(Loss)/Profit before taxation		(989)	240
Taxation		-	-
(Loss)/Profit before taxation		(989)	240
(Loss)/ Profit after taxation and attributable to equity holders of the Parent and total comprehensive income for the period		(989)	240
Loss per share			
Basic	3	(0.18)p	0.04p
Diluted	3	(0.18)p	0.04p

Unaudited Interim Condensed Consolidated Statement of Financial Position

Company number: 05066489

As at 30 September 2024

	Note	Unaudited 30 Sept 2024		Audited 31 March 2024	
		£'000	£'000	£'000	£'000
Assets					
Non-current assets					
Tangible fixed assets		1,193		1,514	
Intangible assets	4	31,269		29,141	
Investment in associates	5	10,179		10,179	
Total non-current assets			42,641		40,834
Current assets					
Trade and other receivables		11,320		10,251	
Cash and cash equivalents		2,909		4,118	
Total current assets			14,229		14,369
Total assets			56,870		55,203
Liabilities					
Current liabilities					
			(9,274)		(7,520)
Non-current liabilities					
Loan & Lease Liability			(2,188)		(2,829)
Payments due regarding purchase of client lists			(2,624)		(779)
Provisions			(3,218)		(3,571)
Deferred taxation			(56)		(56)
Total liabilities			(17,360)		(14,755)
Total net assets			39,510		40,448
Capital and Reserves					
Share Capital	6		5,602		5,602
Share Premium	6		1,828		1,828
Capital Redemption Reserve	6		534		534
Retained Earnings			31,546		32,484
Total equity			39,510		40,448

The unaudited interim condensed consolidated financial statements were approved by the Board and authorised for issue on 09 December 2024.



Oliver Cooke
Chairman

Unaudited Interim Condensed Consolidated Statement of Changes In Equity

For the six months ended 30 September 2024

	Share Capital	Share Premium	Capital Redemption Reserve	Retained Earnings	Total Equity
	£'000	£'000	£'000	£'000	£'000
31 March 2023	5,567	1,614	534	34,056	41,771
Loss after tax and total comprehensive income	-	-	-	(1,472)	(1,472)
Equity settled share-based payments	-	-	-	198	198
Issue of shares	35	214	-	-	249
Dividend payment	-	-	-	(392)	(392)
Closure of subsidiary	-	-	-	94	94
31 March 2024	5,602	1,828	534	32,484	40,448
Loss after tax and total comprehensive income	-	-	-	(989)	(989)
Equity settled share-based payments	-	-	-	51	51
Unaudited 30 September 2024	5,602	1,828	534	31,546	39,510

Unaudited Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2024

	Unaudited Period ended 30 Sept 2024 £'000s	Audited Period ended 31 March 2024 £'000s
Cash flow from operating activities		
Loss before tax	(989)	(1,306)
Adjustments for:		
Share based payments	51	198
Depreciation of tangible fixed assets	308	730
Amortisation of intangible assets	499	818
Regulatory provisions	-	857
Exceptional costs/income	-	31
Finance costs	152	(234)
Minority interest in LEBC	-	(109)
Cash flows generated from/(used in) operating activities before changes in working capital	21	985
(Increase)/decrease in trade and other receivables	(1,027)	5,159
Decrease/(Increase) in trade and other creditors	1,203	(8,776)
Cash used in Operations	197	(2,631)
Investing activities		
Intangible assets - client lists and internally developed assets	(174)	(476)
Purchase of tangible fixed assets	(17)	(317)
Purchase of associate	-	(4,000)
Deferred consideration payments	(435)	(1,432)
Amount owed on acquisition of subsidiary	-	(580)
Cash paid for subsidiary	-	(3,627)
Cash received on sale of subsidiary	-	4,543
Cash received on acquisition of subsidiary	-	416
Net cashflow used from investing activities	(626)	(5,473)

Unaudited Interim Condensed Consolidated Statement of Cash Flows (continued)

For the six months ended 30 September 2024

	Unaudited Period ended 30 Sept 2024 £'000s	Audited Period ended 31 March 2024 £'000s
Financing activities		
Finance (costs)/income	(152)	234
New leases	-	257
Lease repayment	(226)	(530)
New loans	-	(583)
Loan repayments	(402)	3,254
Issue of Share Capital	-	250
Dividend payment	-	(392)
Net cashflow generated from/(used in) financing activities	(780)	2,489
Net change in cash and cash equivalents	(1,209)	(5,615)
Cash and cash equivalents at start of period	4,118	9,733
Cash and cash equivalents at end of period	2,909	4,118

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

1. Accounting Policies

Basis of preparation

The Consolidated Financial Statements have been prepared in accordance with UK adopted International Financial Reporting Standards ("IFRS") in conformity with the requirements of the Companies Act 2006.

The Financial Statements are presented in pound sterling and all values are rounded to the nearest thousandth (£'000), except when otherwise indicated.

The accounts have been prepared in accordance with accounting policies that are consistent with the March 2024 Report and Accounts and that are expected to be applied in the Report and Accounts of the year ending 31 March 2025.

The financial information does not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006. Statutory accounts for Tavistock Investments Plc for the year ended 31 March 2024 have been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

2. Segmental Information

A segmental analysis of revenue and expenditure for the period is:

	Group (Plc)	Investment Management	Advisory Business	Unaudited 30 September 2024	Unaudited 30 September 2023
	£'000	£'000	£'000	£'000	£'000
Revenue	26	424	19,169	19,620	20,560
Cost of sales	(28)	(217)	(12,250)	(12,495)	(12,827)
Gross profit	(2)	208	6,919	7,125	7,733
Attributed expenses	(2,474)	(195)	(4,593)	(7,262)	(6,653)
Other Administrative expenses					
Share based payments				(51)	(116)
Regulatory provisions				-	(49)
(Loss)/Profit from operations				(188)	915

The segmental analysis above reflects the parameters applied by the Board when considering the Group's monthly management accounts. The Directors do not consider a division of the statement of financial position to be appropriate or useful for the purposes of understanding the financial performance and position of the Group.

During the period under review, the Group operated and earned revenue exclusively within the UK.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements (continued)

3. (Loss)/Earnings Per Share

	Unaudited 30 September 2024	Unaudited 30 September 2023
Earnings/(Loss) per share has been calculated using the following:		
(Loss)/Profit after taxation (£'000)	(989)	240
Weighted average number of shares ('000s)	560,429	560,213
(Loss)/Earnings per ordinary share	(0.18)p	0.04p
Weighted average number of shares and share options that were exercisable at period end ('000s)	636,764	638,653
Diluted (Loss)/Earnings per ordinary share	(0.18)p	0.04p

4. Intangible Assets

	Client Lists £'000	Goodwill Arising on Consolidation £'000	Internally Developed Assets £'000	Total £'000
Cost				
Balance at 1 April 2024 (Audited)	14,888	21,156	3,605	39,650
Additions	2,109	454	64	2,627
Balance at 30 September 2024 (Unaudited)	16,997	21,610	3,669	42,276
Accumulated amortisation				
Balance at 1 April 2024 (Audited)	8,805	235	1,468	10,507
Amortisation	419	-	80	499
Balance at 30 September 2024 (Unaudited)	9,224	235	1,548	11,007
Net Book Value				
At 30 September 2024 (Unaudited)	7,773	21,375	2,121	31,269
At 1 April 2024 (Audited)	6,083	20,921	2,137	29,141

Notes to the Unaudited Interim Condensed Consolidated Financial Statements (continued)

5. Investments In Associates

	Investments in associates £'000
Cost	
Balance at 1 April 2024 (Audited)	10,179
Additions	-
Balance at 30 September 2024 (Unaudited)	<u>10,179</u>
Net Book Value	
At 30 September 2024 (Unaudited)	<u>10,179</u>
At 1 April 2024 (Audited)	<u>10,179</u>

6. Share Capital

	Unaudited 30 September 2024 £'000	Audited 31 March 2024 £'000
Called up share capital		
Allotted, called up and fully paid		
560,429,005 Ordinary shares of 1 pence each (31 March 2024: 560,429,005)	5,602	5,567
Capital Redemption Reserve	534	534
	<u>6,136</u>	<u>6,101</u>
Share Premium	1,828	1,828
	<u>7,964</u>	<u>7,964</u>



For more information about Tavistock Investments Plc or our investment products please write to the address below or email us at investments@tavistockinvestments.com

Tavistock Investments PLC
1 Queen's Square, Lyndhurst Road
Ascot, Berkshire, SL5 9FE
United Kingdom
01753 867000

Tavistock Investments PLC is registered in England and Wales with Company number 05066489.

Registered Office as above.