



Report and
Financial
Statements

FOR THE SIX MONTHS ENDED

30 SEPTEMBER 2023

UNAUDITED

Company Number: 05066489



REVOLUTIONARY THINKING

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Chairman's Statement FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

I am pleased to advise that trading in the first half of the current financial year is significantly ahead of the equivalent period in the previous financial year.

The Company's unaudited interim accounts for the six-month period to 30 September 2023 show that gross revenues have increased by 19% to £20.6 million (prior year equivalent period: £17.3 million), gross profit has increased by 34% to £7.7 million (prior year: £5.8 million), reported profit from operations has increased by 294% to £0.9 million (prior year: loss £0.5 million) and EBITDA (earnings before interest taxation depreciation and amortisation) has risen twelvefold to £1.7 million (prior year: EBITDA £147k).

The Company announced the acquisition of Precise Protect Ltd in April 2023 and it has since been rebranded Tavistock Protect Limited ("Tavistock Protect"). Tavistock Protect is a profitable and fast-growing UK wide protection business based in Bangor, Northern Ireland. The Board believes that it will be a major contributor to the future profitability of the Group and is pleased to report that it has been successfully integrated into the Group.

Tavistock now has a network of over 400 advisers and other business introducers working with more than 110,000 UK clients, whose assets are estimated to exceed £5.7 billion in value, as well as 350 corporate and affinity clients with some 16,000 employees. The Company is thus well placed to pursue its ambitious growth plans.

The Company has implemented the new Consumer Duty regime and has completed its review of all British Steel Defined Benefit Pension Transfer cases with minimal uninsured cost being incurred.

FINANCIAL PERFORMANCE DURING THE PERIOD

The table below compares the Company's performance during the period under review with the equivalent period during the last financial year.

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.

Chairman's Statement (continued)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	6 Months ended 30 Sept '23 £'000s	6 Months ended 30 Sept '22 £'000s	Movement
RESULTS FROM ONGOING ACTIVITIES			
Revenues	20,560	17,334	19% increase
Adjusted EBITDA	1,724	147	1,073% improvement
Depreciation & Amortisation	(693)	(497)	39% increase
Share based payments	(116)	(120)	3% decrease
Regulatory provisions	(49)	-	
Reported Profit/(Loss) from Operations	915	(470)	
Earnings/(Loss) per ordinary share	0.04p	(0.14)p	
	As at 30 Sept '23 £'000s	As at 31 Mar '23 £'000s	
Net assets at Interim end	40,691	41,771	3% decrease
Cash resources at Interim end	2,596*	9,733	73% decrease

*After the period end, the Company received the second of three deferred consideration payments from Titan Wealth Services Limited which increased the Group's cash resources by c.£5 million.

Dividends

The Company has recently paid an interim dividend of 0.07p per share, which matches the dividend that was paid in July 2022.

LEBC

In November 2023, LEBC (in which Tavistock has a minority interest) sold (subject to regulatory approval) its wholly owned subsidiary, Aspira Corporate Solutions Limited, to Titan Wealth Services Limited for an initial cash consideration of £20 million together with an additional deferred consideration of up to £25 million payable over the next three years. Payment of the deferred consideration is linked to Aspira's performance under Titan's ownership. Prior to the year end, the Board will give due consideration to the likely ultimate value of this transaction (after the impact of redress payments to be made in relation to poor past pension transfer advice) and review the carrying value of the Company's investment in LEBC.

Prospects

The Board's focus continues to be on optimising the Group's structure, generating the funding required for growth and maximising shareholder value.

I look forward to updating shareholders in due course.



Oliver Cooke

Chairman

18 December 2023

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

		Unaudited 6 months ended 30 September 2023 £'000	Unaudited 6 months ended 30 September 2022 £'000
Revenue	2	20,560	17,334
Cost of sales	2	(12,827)	(11,577)
Gross profit		7,733	5,757
Administrative expenses	2	(6,818)	(6,227)
Profit/(Loss) from Total Operations		915	(470)
Adjusted EBITDA		1,773	147
Depreciation & Amortisation		(693)	(497)
Share Based Payment		(116)	(120)
Regulatory Provisions		(49)	-
Profit/(Loss) from Operations		915	(470)
Finance costs		(131)	(58)
LLP members remuneration charged as an expense		(572)	(277)
Share of profit/(loss) in associate		28	(58)
Profit/(Loss) before taxation		240	(863)
Taxation		-	-
Profit/(Loss) after taxation		240	(863)
Profit/(Loss) after taxation and attributable to equity holders of the Parent and total comprehensive income for the period		240	(863)
Earnings/(Loss) per share			
Basic	3	(0.04)p	(0.15)p
Diluted	3	(0.04)p	(0.13)p

The notes on pages 7-9 form part of the Unaudited Interim Condensed Consolidated Financial Statements.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2023

Company number: 05066489

	Note	Unaudited		Audited	
		30 September 2023		31 March 2023	
		£'000	£'000	£'000	£'000
Assets					
Non-current assets					
Tangible fixed assets		1,789		1,971	
Intangible assets	4	23,194		19,560	
Investments in associates	5	10,092		10,035	
Trade and other receivables		8,742		8,740	
Total non-current assets			43,817		40,306
Current assets					
Trade and other receivables		12,940		10,473	
Cash and cash equivalents		2,596		9,733	
Total current assets			15,536		20,206
Total assets			59,353		60,512
Liabilities					
Current liabilities					
			(8,144)		(10,726)
Non-current liabilities					
Loan & Lease Liability			(2,733)		(999)
Payments due regarding purchase of client lists			(903)		(923)
Provisions			(6,792)		(6,004)
Deferred taxation			(89)		(89)
Total liabilities			(18,661)		(18,741)
Total net assets			40,692		41,771
Capital and Reserves					
Share Capital	6		5,604		5,567
Share Premium	6		1,828		1,614
Capital Redemption Reserve	6		534		534
Retained Earnings			32,726		34,056
Total equity			40,692		41,771

The unaudited interim condensed consolidated financial statements were approved by the Board and authorised for issue on 18 December 2023.



Oliver Cooke
Chairman

The notes on pages 7-9 form part of the Unaudited Interim Condensed Consolidated Financial Statements.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Share Capital	Share Premium	Capital Redemption Reserve	Retained Earnings	Total Equity
	£'000	£'000	£'000	£'000	£'000
31 March 2022	5,578	1,541	501	35,856	43,477
Loss after tax and total comprehensive income	-	-	-	(1,395)	(1,395)
Equity settled share based payments	-	-	-	107	107
Buy-back of shares	(33)	73	33	(302)	(230)
Dividend received	-	-	-	373	373
Closure of subsidiary	-	-	-	(192)	(192)
Dividend payment	-	-	-	(391)	(391)
Share options exercised	22	-	-	-	22
31 March 2023	5,567	1,614	534	34,056	41,771
Profit after tax and total comprehensive income	-	-	-	240	240
Equity settled share based payments	-	-	-	116	116
Disposal/Closure of subsidiary	-	-	-	(102)	(102)
Issue of shares	37	214	-	-	251
Acquisition of Tavistock Protect Limited	-	-	-	(1,584)	(1,584)
Unaudited 30 September 2023	5,604	1,828	534	32,726	40,692

The notes on pages 7-9 form part of the Unaudited Interim Condensed Consolidated Financial Statements.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Unaudited Period ended 30 September 2023 £'000	Audited Period ended 31 March 2023 £'000
Cash flow from operating activities		
Profit/(loss) from Operations	240	(1,568)
Adjustments for:		
Share based payments	116	107
Depreciation on tangible fixed assets	308	681
Amortisation of intangible assets	385	563
Regulatory provisions	49	(342)
Exceptional cost/income	-	69
Finance costs	131	(139)
Minority interest in LEBC	(28)	-
Cash flows generated from/(used in) operating activities before changes in working capital	1,201	(629)
(Increase)/decrease in trade and other receivables	(1,533)	111
Decrease in trade and other creditors	(2,054)	(1,274)
Cash used in Operations	(2,386)	(1,792)
Investing activities		
Intangible assets - client lists and internally developed assets	(643)	(732)
Purchase of tangible fixed assets	(157)	(1,176)
Purchase of associate	(4,000)	(6,060)
Deferred consideration payments	237	(1,621)
Cash received on sale of client list	-	100
Cash paid for subsidiary	-	(1,515)
Cash received on sale of subsidiary entities	-	7,461
Cash included on purchase of subsidiary	416	-
Purchase of subsidiary	(3,127)	-
Net cashflow (used in investing activities)	(7,274)	(3,543)

UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS (continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Unaudited Period ended 30 September 2023 £'000	Audited Period ended 31 March 2023 £'000
Financing activities		
Finance (costs)/income	(131)	139
New leases	55	698
Lease repayment	(201)	(445)
New loans	3,000	-
Loan repayments	(200)	-
Buy-back of shares	-	(302)
Dividend payment	-	(391)
Exercise of share options	-	95
Net cashflow generated from/(used in) financing activities	2,523	(206)
Net change in cash and cash equivalents	(7,137)	(5,541)
Cash and cash equivalents at start of period	9,733	15,274
Cash and cash equivalents at end of period	2,596	9,733

The notes on pages 7-9 form part of the Unaudited Interim Condensed Consolidated Financial Statements.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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 2023 Report and Accounts and that are expected to be applied in the Report and Accounts of the year ending 31 March 2024.

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 2023 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 2023	Unaudited 30 September 2022
	£’000	£’000	£’000	£’000	£’000
Revenue	160	347	20,053	20,560	17,334
Cost of sales	(611)	(210)	(12,006)	(12,827)	(11,577)
Gross profit	(451)	137	8,047	7,733	5,757
Attribute Expenses	(2,289)	(206)	(4,158)	(6,653)	(6,107)
Other Administrative expenses					
Share based payments				(116)	(120)
Regulatory provisions				(49)	-
Profit/(Loss) from operations				<u>915</u>	<u>(470)</u>

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) FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

3. (LOSS)/EARNINGS PER SHARE

	Unaudited 6 months ended 30 September 2023	Unaudited 6 months ended 30 September 2022
Earnings/(Loss) per share has been calculated using the following:		
Profit/(Loss) after taxation (£'000)	240	(863)
Weighted average number of shares ('000s)	560,213	557,443
Earnings/(Loss) per ordinary share	(0.04)p	(0.15)p
Weighted average number of shares and share options that were exercisable at year end ('000s)	78,440	80,796
Diluted Earnings/(Loss) per ordinary share	(0.04)p	(0.13)p

	Client Lists £'000	Goodwill Arising on Consolidation £'000	Internally Developed Assets £'000	Total £'000
Cost				
Balance at 1 April 2023 (Audited)	13,009	12,835	3,396	29,240
Additions	504	3,426	231	4,161
Revaluation	(143)	-	-	(143)
Balance at 30 September 2023 (Unaudited)	13,370	16,261	3,627	33,258
Accumulated amortisation				
Balance at 1 April 2023 (Audited)	8,144	235	1,301	9,680
Amortisation	299	-	86	385
Balance at 30 September 2023 (Unaudited)	8,443	235	1,387	10,065
Net Book Value				
At 30 September 2023 (Unaudited)	4,927	16,026	2,240	23,193
At 31 March 2023 (Audited)	4,865	12,600	2,095	19,560

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

5. INVESTMENTS IN ASSOCIATES

	Investments in associates £'000
Cost	
Balance at 1 April 2023 (Audited)	10,035
Additions	57
Balance at 30 September 2023 (Unaudited)	<u>10,092</u>
Net Book Value	
At 30 September 2023 (Unaudited)	<u>10,092</u>
At 1 April 2023 (Audited)	<u>10,035</u>

6. SHARE CAPITAL

	Unaudited 30 September 2023 £'000	Audited 31 March 2023 £'000
Called up share capital		
Allotted, called up and fully paid		
560,429,005 Ordinary shares of 1 pence each (31 March 2023: 556,857,576)	5,602	5,567
Capital Redemption Reserve	534	534
Share Premium	6,136	6,101
	<u>1,828</u>	<u>1,614</u>
	<u>7,964</u>	<u>7,715</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

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

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