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Empresaria Group PLC
27 March 2025

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Empresaria Group plc

("Empresaria" or the "Group")

Results for the year ended 31 December 2024

Empresaria, the global specialist staffing group, reports its results for the year ended 31 December 2024.

Financial highlights

	2024	2023	% change	% change CC LFL[2]
Revenue	**£246.2m**	£250.3m	-2%	+5%
Net fee income	**£50.4m**	£57.5m	-12%	-6%
Adjusted operating profit[1]	**£3.8m**	£5.1m	-25%	-21%
Operating (loss)/profit	**£(3.6)m**	£1.7m	-312%	
Adjusted profit before tax[1]	**£2.2m**	£3.5m	-37%	
(Loss)/profit before tax	**£(5.2)m**	£0.1m	n/a	
Adjusted, diluted (loss)/earnings per share[1]	**(1.0)p**	0.6p	-267%	
Diluted (loss)/earnings per share	**(21.2)p**	(5.9)p	-259%	

1 Adjusted to exclude amortisation of intangible assets identified in business combinations, impairment of goodwill and other intangible assets, exceptional items, loss on sale of subsidiaries, fair value charges on acquisition of noncontrolling shares and, in the case of earnings, any related or exceptional tax.

2 CC LFL - Constant currency and excluding exited operations. Calculated by translating the 2023 results at the 2024 exchange rates and excluding the results of operations exited in 2023 and 2024 from both years.

- Net fee income down 6% CC LFL (reported figure down 12% to £50.4m)
  - Reductions in net fee income across all regions bar Americas which delivered growth of 5% CC LFL
  - Temporary and contract net fee income growth of 2% (CC LFL)
  - Permanent placement continues to be challenging with net fee income reducing by 21% (CC LFL)
  - Offshore Services net fee income reduced by 6% (CC LFL)
- Adjusted operating profit down 25% to £3.8m - reduction in net fee income partially offset by cost reductions
- Adjusted profit before tax down 37% to £2.2m - net interest unchanged from prior year
- Adjusted, diluted earnings per share reduced to a loss of 1.0p reflecting allocation of profits to non-controlling interests
- Adjusted net debt increased to £15.3m (31 December 2023: £10.8m) with headroom (excluding invoice financing) of £4.1m.
- No final dividend proposed for 2024 reflecting current trading environment and financial position

Accelerated strategy

- Our accelerated strategy announced in February 2025 will drive scale in our focus areas, improve the Group's financial position and enhance value for our shareholders
- The streamlined Group will be focussed on:
  - Core operations in the UK (IT and Professional)
  - Core operations in the US (IT, Professional and Healthcare)
  - Offshore Services based in India
- Exit of non-core operations expected to generate significant value, eliminating net debt and enabling a significant reduction in central costs

Chief Executive Officer, Rhona Driggs, commented:

"Despite ongoing market challenge in 2024, we have responded positively and are pleased to have delivered relatively resilient year-on-year performance. While market conditions are expected to remain challenging in 2025, we are focussed on delivering improved performance in the current environment.

"As we announced in February 2025, we are taking decisive steps to accelerate our strategy and position the business for long-term success. Concentrating on our core sectors in the UK and the US and Offshore services will streamline our operations, reduce complexity and strengthen our financial position as we sell our non-core assets."

Investor presentation

Management will deliver an online results presentation open to all existing and potential investors via the Investor Meet Company platform on Thursday 27 March 2025 at 11:00am UK time

Meet Company platform on Thursday 27 March 2025 at 11:00am UK time.

Investors can sign up for free via: https://www.investormeetcompany.com/empresaria-group-plc/register-investor.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the UK version of the EU Market Abuse Regulation (2014/596) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time.

Enquiries:

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Notes for editors:

- Empresaria Group plc is an international specialist staffing group driven by our purpose to positively impact the lives of people, while delivering exceptional talent to our clients.
- At present we offer temporary and contract recruitment, permanent recruitment and offshore services across six sectors (Professional, IT, Healthcare, Property, Construction & Engineering, Commercial and Offshore Services) and four regions (UK & Europe, APAC, Americas and Offshore Services)
- Our accelerated strategy will continue to offer the same range of services, but focusses the Group around our UK (IT, Professional), US (IT, Professional and Healthcare) and Offshore Services operations.
- Empresaria is listed on AIM under ticker EMR. For more information visit empresaria.com.

Chair's statement

2024 performance

2024 was another challenging year for the Group with our performance continuing to be affected by the adverse trading conditions which have impacted the industry for the past two years. Despite this there were some positive performances with growth of 2% (CC LFL) in temporary and contract net fee income and a return to profit for our Americas region.

People

I want to acknowledge and thank all of our teams, including those in operations that we sold or closed, for their hard work and dedication during what has been a challenging year. Their perseverance and determination stood out, and it is our people that will enable us to succeed in our accelerated strategy and deliver value to shareholders.

Dividend

The Board has reviewed the dividend in line with 2024 results, the current trading environment and the financial position of the Company and Group. As a result, the Board is proposing not to pay a final dividend in respect of the year ended 31 December 2024 (31 December 2023: 1.0p per share).

Outlook

The challenging economic environment we have seen across the industry over the last two years has continued into 2025 and the trading outlook remains uncertain. We remain focussed on delivering improved operational performance in this environment while executing on our accelerated strategy which we believe will drive improved value for our shareholders.

Penny Freer
Chair
26 March 2025

Chief Executive's review

2024 performance and progress

The industry faced another challenging year in 2024 with adverse market conditions that have persisted since late 2022. Permanent recruitment remains our most impacted area as clients continued with a cautious hiring approach amid ongoing uncertainty.

However, I am pleased that we delivered relatively resilient results against this backdrop. Our net fee income was down 6% (CC LFL) including growth of 2% from temporary and contract. Permanent placement net fee income was down significantly (reduced 21% CC LFL) while Offshore Services saw its first decline in net fee income since 2020 (down 6% CC LFL).

We are beginning to see the benefits from aligning our management structures by country with increased efficiency and operational synergies. Additionally, there has been a notable shift from transactional to relationship-based sales, with a strong emphasis on expanding our presence among mid-market and global clients.

As outlined in last year's annual report, our focus on core sectors and markets has resulted in the exit from several smaller, generally loss-making operations in markets or subsectors where we had no plans for further investment. As a result, during 2024 we sold our loss-making Healthcare operation in Finland, our UK Property business, and our Commercial operation in Japan, and closed our operations in China and Australia which had both made significant losses in recent years.

Accelerating our strategy

As we announced in February 2025, we are taking steps to accelerate our strategy. We remain committed to our three key pillars for growth: focus on our core sectors of IT, Professional and Healthcare, diversifying our service offering to clients, and delivering continued growth in Offshore Services. These will continue to underpin our strategy as we move forward.

Our first pillar will now be focussed on our core operations in the UK and the US. We plan to exit our non-core operations over the next two years, creating a streamlined Group based around:

- Core operations in the UK (IT and Professional);
- Core operations in the US (IT, Professional and Healthcare); and
- Offshore Services based in India.

The UK and the US are two of the world's largest staffing markets and provide significant opportunities for growth, cross-selling, and operational synergies. We have a strong presence and proven track record in these mature markets and we believe that this strategic shift will enable us to scale our businesses more efficiently and effectively.

Our focus on the UK and the US will enable us to invest in growth more efficiently and accelerate the delivery of impactful projects and initiatives. This includes enhancing our technology platform, strengthening our training programs, and improving our marketing efforts.

We plan to move to a single brand across our UK and US operations which will enable us to more effectively drive our market positioning while retaining the benefits of specialist teams. We believe this will be game changing for our operations, creating a single face to our clients, removing barriers to selling multiple services, and helping us deliver a more coherent message. We are finalising our plans for this and expect to launch later in 2025.

Our other two pillars are also key to delivering future success.

While current market conditions have presented challenges, we see promising opportunities to diversify our service offering to clients as the market recovers. With a strategic focus on the UK and the US, we aim to capitalise on recovery in the US contract staffing market in our Professional and IT businesses. Additionally, we see potential for expansion in both the UK and the US markets in recruitment process outsourcing.

We remain extremely confident in our Offshore Services operation and in its value to the Group. Although market conditions have led to a dip in results in 2024, historically, market recoveries have been a catalyst for rapid growth, as clients often need to quickly scale their delivery capabilities. We are focussed on ensuring we are well-positioned to respond when the market rebounds and have continued to invest in our sales team. We also see good opportunities to expand our range of services to our existing client base and to take our back office services, such as accounting and finance, to clients operating in sectors outside recruitment.

Outlook

This is one of the longest downturns in the market I've encountered in my staffing career. While the immediate outlook remains challenging, we are focussed on driving improved performance in this environment. We are confident that the actions we have already taken, and our more targeted strategy, will enable us to drive faster growth in our chosen sectors and markets, while strengthening our financial position and enhancing shareholder value.

Rhona Driggs
Chief Executive Officer
26 March 2025

Operating review

UK & Europe

£m	2024	2023
Revenue	112.7	116.8
Net fee income	22.7	24.9

Adjusted operating profit	2.7	3.0
% of Group net fee income	44%	43%
Average number of staff	225	247

In UK & Europe, revenue reduced by 4% (increased by 1% CC LFL) and net fee income reduced by 9% (6% CC LFL). Adjusted operating profit was down by 10% (10% CC LFL) and reflected significant reductions in regional overheads compared to the prior year.

In the UK, net fee income reduced by 9% year-on-year. This was primarily driven by a reduction in permanent hiring, which was down 16%, with temporary and contract net fee income more resilient and down 2%. In both our core sectors of IT and Professional we saw significant reductions in net fee income with falls in demand across our client base. Towards the end of 2023 we brought our core operations in the UK under a single leader and embedded a single management structure in 2024. We expect this to deliver significant benefits including greater efficiency and, when combined with our plans to move to a single brand, improve our success in gaining market share with existing clients. Our private household services and corporate hospitality operation had a strong year with a 5% improvement in net fee income translating into more significant growth in profits with benefits seen from a more efficient cost base. During 2024, we sold our small operation that focussed on the new home sector.

In Germany, our Commercial operations delivered 9% growth in revenue, with a 1% increase in net fee income and a 12% increase in adjusted operating profit, all on a constant currency basis. We have seen good success in growing volume and revenue in our logistics operation in a sector and market where margins are challenged. The alignment of our operations under a single leader has driven cost efficiencies which have had a positive impact on adjusted operating profit. As highlighted in our interim statement, a significant bad debt expense was incurred in Germany in 2024 and this has been treated as an exceptional item as discussed in more detail in the Finance review.

Our Commercial operation in Austria operates primarily with clients in the automotive industry which continued to face significant challenges throughout 2024. As a result, we saw a significant decline in net fee income in the year which resulted in a small loss.

During 2024, we sold our loss-making Healthcare operation in Finland.

APAC

£m	2024	2023
Revenue	45.5	51.9
Net fee income	10.1	13.6
Adjusted operating loss	(0.7)	(0.8)
% of Group net fee income	20%	23%
Average number of staff	231	304

In APAC, our revenue reduced by 12% (4% CC LFL) and net fee income reduced by 26% (13% CC LFL). Overall, the region delivered a slightly reduced loss of £0.7m.

Although this region was affected in 2023 by the weakening of the wider recruitment market, particularly in IT, the impact had not been as great as in other regions. In 2024, we saw this impact come through fully, resulting in a more significant reduction in net fee income than we have seen elsewhere. Improved cost controls, including from the reduction of regional overheads, and improvements in operations that were loss-making in 2023, more than offset this impact resulting in a small reduction in the region's losses compared to prior year.

The largest year-on-year improvement was delivered by our aviation operation, which has offices in New Zealand, Singapore and Sweden. Net fee income grew by 23% which, alongside further reductions in the cost base, led to a significant reduction in losses compared to the prior year. Diversification has continued to be the driver of improved performance alongside strong growth in permanent recruitment, however we are now also seeing some recovery in our core pilot leasing offering.

Our two largest profit contributors in 2024 were Indonesia and Japan. In Indonesia, net fee income grew by 7% in constant currency although profits reduced slightly from prior year reflecting increases to the cost base including the impact of legislation reducing the retirement age. In Japan, our IT recruitment operation has continued to struggle in the current challenging market with net fee income falling by 25% in constant currency including a 41% fall in permanent recruitment. As a result, profits in Japan were significantly down on prior year.

Our Singapore operation is going through significant change as we brought new experienced management into the business to drive improved performance. Although this operation continued to deliver losses in 2024, we are confident in its recovery and future prospects.

Elsewhere, the Philippines and Thailand both saw reductions in net fee income but remained profitable against challenging market conditions.

In Malaysia, we saw good progress with net fee income growing by 12% in constant currency and good progress on profits. While this remains our smallest operation in the region it is a market with strong drivers for growth including from increased foreign investment.

During 2024, we closed our loss-making Professional operations in Australia and China, and sold our small

During 2024, we closed our loss-making Professional operations in Australia and China, and sold our small Commercial operation in Japan.

Americas

£m	2024	2023
Revenue	62.2	55.9
Net fee income	6.0	6.1
Adjusted operating profit/(loss)	0.1	(0.9)
% of Group net fee income	11%	10%
Average number of staff	121	131

In the Americas, good progress was made in 2024 with revenue up by 11% (23% CC LFL), net fee income down by 2% (up by 5% CC LFL) and strong cost control resulting in the region returning to profit.

In the US, we delivered a much reduced loss, although net fee income continued to fall, reducing by 4% on 2023 in constant currency.

Our US Healthcare operation, which has underperformed in the last couple of years, delivered a much improved performance in the second half of 2024 with strong delivery underpinning a return to profitability and year-on-year growth in net fee income. While the underlying healthcare market in the US remains challenging, we are pleased with the improvements in the performance of this operation and believe it has very strong growth potential.

Our US IT operation continued to face a very challenging market which resulted in further falls in net fee income in 2024. However, strong control over costs meant that the losses in this operation were significantly reduced from the prior year. We are focussed on strengthening our sales capabilities as we move into 2025 in order to drive a return to growth in net fee income.

Our Professional operation in the US launched in 2023 in a very challenging market. Despite this we have had some good success in cross-selling Professional roles to our existing client base and we have invested in our sales team as we look to grow our presence.

In South America, our Chile operation has continued to deliver good growth with a 9% increase in net fee income and a 23% increase in profit, both on a constant currency basis. In our smaller operation in Peru we saw significant growth in net fee income of 33% in constant currency, with profits also increasing.

Offshore Services

£m	2024	2023
Revenue	26.9	26.9
Net fee income	12.7	14.0
Adjusted operating profit	5.8	7.5
% of Group net fee income	25%	24%
Average number of staff	2,521	2,565

Having grown net fee income by a compound annual growth rate of 32% from 2017 to 2023, Offshore Services had a more challenging 2024 with revenue unchanged (up 4% CC LFL), net fee income down by 9% (6% CC LFL) and profits down 23% (19% CC LFL).

Our operations support the staffing sector, principally in the UK and the US, and provide every aspect of the end-to-end recruitment process alongside compliance, finance and accounting, and other services. Clients are predominantly third-party staffing companies, but this operation also plays an important role in supporting our businesses across the Group. We operate from two locations in India and one in the Philippines.

In the UK, demand from our healthcare clients fell at the end of 2023 and the start of 2024 after significant growth in the previous two years. Although demand remained fairly stable for much of the rest of 2024 this resulted in a year-on-year reduction in net fee income. At the end of 2024 we saw renewed pressure on clients as the NHS continues to look to manage agency spend. Billable seats closed the year down 6% on the end of 2023.

In the US, we had seen challenging demand throughout 2023, particularly from IT recruitment clients, and this remained the case during the first half of 2024. The second half of the year saw some improvement and as a result our billable seat count ended the year 8% higher than at the end of 2023.

Overall revenues remained unchanged, despite the fall in net fee income, reflecting increases in revenue from low margin payroll services for temporary and contract staff provided to India based clients of other operations in the Group.

Operating profit reduced by more than net fee income reflecting inflationary increases in the cost base and ongoing investments in sales teams and infrastructure to ensure the operation is well positioned to capitalise as and when market growth returns.

Core operations

£m	2024	2023
Revenue	59.1	58.2
Net fee income	18.7	21.5
Adjusted operating profit	4.4	6.0
% of Group net fee income	37%	37%
Average number of staff		
US and UK	59	87
Offshore Services	2,521	2,565

Our core operations are IT, Professional and Healthcare recruitment businesses in the UK and the US, and our Offshore Services business that operates from locations in India and the Philippines. These operations are the focus of our accelerated strategy and the additional financial information in this section is provided to enable a fuller understanding of them. Commentary on 2024 performance is provided under the relevant region elsewhere in the Operating review.

Non-core operations

£m	2024	2023
Revenue	181.5	181.2
Net fee income	30.6	32.9
Adjusted operating profit	4.5	4.9
% of Group net fee income	61%	57%
Average number of staff	478	510

As announced in February 2025, and discussed in more detail in the Chief Executive's review, the Group plans to exit from its non-core operations over the next two years. The additional financial information in this section is provided to enable a fuller understanding of the contribution of these operations to the Group. The information presented excludes operations exited during 2023 and 2024, and adjusted operating profit excludes any regional overheads. Commentary on performance is provided under the relevant region elsewhere in the Operating review.

Finance review

Overview

The Group's 2024 results reflect ongoing challenging market conditions with revenue down 2% (up 5% CC LFL), net fee income down 12% (6% CC LFL) and adjusted operating profit down 25% (21% CC LFL). This reduction in adjusted operating profit is reflected in a 37% reduction in adjusted profit before tax to £2.2m, and an adjusted, diluted loss per share of 1.0p.

Net debt has increased to £15.3m at 31 December 2024 (31 December 2023: £10.8m). This increase was driven by reduced trading results, a comparatively high tax charge due to profit mix and a significant exceptional bad debt expense partially offset by the sale of three small operations in the year. The Group is targeting to eliminate its net debt through improved trading results and the disposal of non-core operations as part of its accelerated strategy. Facility headroom at 31 December 2024 was £4.1m (excluding invoice financing).

Income statement

	2024 £m	2023 £m	% change	% change CC LFL[2]
Revenue	246.2	250.3	-2%	+5%
Net fee income	50.4	57.5	-12%	-6%
Operating (loss)/profit	(3.6)	1.7	-312%	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Adjusted operating profit[1]	3.8	5.1	-25%	-21%
(Loss)/profit before tax	(5.2)	0.1	n/a	
Adjusted profit before tax[1]	2.2	3.5	-37%	
Diluted loss per share	(21.2)p	(5.9)p	-259%	
Adjusted, diluted (loss)/earnings per share[1]	(1.0)p	0.6p	-267%	

1 Adjusted to exclude amortisation of intangible assets identified in business combinations, impairment of goodwill and other intangible assets, exceptional items, loss on sale of subsidiaries, fair value charges on acquisition of noncontrolling shares and, in the case of earnings, any related or exceptional tax. See note 6 for a reconciliation between profit before tax and adjusted profit before tax.

2 CC LFL - Constant currency and excluding exited operations. Calculated by translating the 2023 results at the 2024 exchange rates and excluding the results of operations exited in 2023 and 2024 from both years.

Revenue decreased by 2% (up 5% CC LFL) with net fee income decreasing by 12% (6% CC LFL). The greater fall in net fee income reflects the revenue mix with net fee income from permanent placement down 28% (21% CC LFL), offshores services down 10% (6% CC LFL) and temporary and contract down 4% (up 2% CC LFL). Although staff productivity reduced slightly, ongoing cost actions partially offset the reduction in net fee income with adjusted operating profit down 25% (21% CC LFL) to £3.8m.

A detailed analysis of the results by region is provided in the Operating review. Central costs increased to £4.1m (2023: £3.7m) with 2023 having benefited from some credits not repeated in 2024.

Adjusted profit before tax decreased by 37% to £2.2m reflecting the reduction in adjusted operating profit. Net interest was unchanged with improved cash management offsetting the impact of higher net debt. The reported loss before tax of £5.2m (2023: profit of £0.1m) additionally reflects amortisation of intangible assets identified in business combinations of £1.2m (2023: £1.2m), impairment of goodwill of £1.1m (2023: £1.5m), exceptional items of £4.1m (2023: £0.6m), a loss on sale of subsidiaries of £0.6m (2023: £nil) and a fair value charge on acquisition of non-controlling shares of £0.4m (2022: £0.1m).

Exceptional items reflect the closure of our operations in Australia (£0.2m) and China (£0.6m including goodwill impairment of £0.4m) in the year. An exceptional bad debt expense of £3.2m was recognised in our operations in Germany when a significant client, weLOG, went into provisional administration. We continue to remain engaged with the process but currently do not expect any significant amount of this debt to be recovered. A further £0.2m was incurred in restructuring our senior management team in Germany, bringing this under one leader, while a credit of £0.1m is reflected for unused provisions relating to the closure of our Vietnam operation in late 2023.

The impairment of goodwill was all in our Americas region and reflects weak results in recent years in our IT operation in the US and Commercial operation in Peru, with a more pessimistic view on the time frame for these to improve given the current market environment. Further details are provided in note 8.

The loss on sale of subsidiaries reflects the accounting impact of the sale of three small operations: our Commercial operation in Japan, our Healthcare operation in Finland, and our operation working with the new home sector in the UK. Although an accounting loss was recorded, these sales had a positive impact on our net debt position of £0.7m. The fair value charge on acquisition of non-controlling interests primarily related to our acquisition of the remaining shares in our Philippines operation in the first half of 2024.

The total tax charge for the year is £3.7m (2023: £1.4m). This includes an exceptional tax charge of £3.7m in respect of UK tax losses that were previously recognised as a deferred tax asset in the balance sheet but at 31 December 2024 have been derecognised reflecting current forecasts. On an adjusted basis, the effective rate is 55% (2023: 46%). The effective tax rate is higher than the underlying tax rates due to a number of factors, including:

- expenses not deductible for tax purposes (£0.2m);
- withholding taxes, dividend taxes, and deferred tax liabilities on unremitted earnings in respect of our overseas operations (£0.3m); and
- deferred tax assets not recognised for certain tax losses around the Group (£0.7m).

partially offset by:

- expenses with enhanced deductions for tax purposes (£0.1m); and
- the recognition of prior year losses (£0.1m).

The adjusted, diluted loss per share of 1.0p (2023: earnings per share of 0.6p) reflects the decrease in adjusted profit before tax, partially offset by a reduction in the amount allocated to non-controlling interests. Reported diluted earnings per share decreased to a loss of 21.2p reflecting the above and the impact of impairment charges and exceptional items in the year.

Balance sheet

	2024 £m	2023 £m
Goodwill and other intangible assets	32.3	36.6
Trade and other receivables	39.7	43.5
Cash and cash equivalents	17.2	17.1
Right-of-use assets	5.9	6.4
Other assets	6.0	9.3
Total assets	101.1	112.9
Trade and other payables	(27.8)	(31.5)
Borrowings	(32.5)	(27.9)
Lease liabilities	(6.2)	(6.9)
Other liabilities	(3.2)	(3.7)

Total liabilities	(69.7)	(70.0)
Net assets	31.4	42.9

Goodwill and other intangible assets arise from the investments and acquisitions the Group has made. At 31 December 2024 the balance was £32.3m (2023: £36.6m) with the movement in 2024 due to £1.4m of amortisation of intangible assets (2023: £1.4m), foreign exchange losses of £0.7m (2023: losses of £1.0m), goodwill impairment charges including on closure of operations of £1.5m (2023: £1.5m), sale of subsidiaries of £0.9m (2023: £nil) and additions of £0.2m (2023: £0.4m).

Trade and other receivables include trade receivables of £29.7m (2023: £31.0m). Average debtor days for the Group in 2024 reduced to 39 (2023: 41), with debtor days at 31 December 2024 of 40 (2023: 41). The income statement includes a charge of £3.2m (2023: £0.3m) in respect of impairment losses on trade receivables which for 2024 all related to the exceptional bad debt expenses detailed above.

Cash and borrowings are discussed in the financing section below.

Cash flow

The Group measures its free cash flow as a key performance indicator and defines this as net cash from operating activities per the cash flow statement after deducting payments made under lease agreements.

	2024 £m	2023 £m
Net cash inflow from operating activities per cash flow statement	1.4	5.5
Deduct payments made under lease agreements	(5.3)	(5.4)
Free cash flow	(3.9)	0.1
Taxation	2.1	3.2
Free cash flow (pre-tax)	(1.8)	3.3

Free cash flow was an outflow in 2024 compared to a small inflow in 2023, with the largest drivers being the reduction in adjusted profit, costs to close loss-making operations, and a significant exceptional bad debt expense. The Group also presents a pre-tax free cash flow measure as tax payments in an international business can be volatile.

The reconciliation from free cash flow to the movement in net debt is as follows:

	2024 £m	2023 £m
Free cash flow	(3.9)	0.1
Sale of subsidiaries	0.7	-
Purchase of shares in existing subsidiaries	(0.2)	(0.1)
Purchase of property, plant and equipment, and software	(0.8)	(1.4)
Dividends paid to owners of Empresaria Group plc	(0.5)	(0.7)
Dividends paid to non-controlling interests	(0.8)	(0.9)
Purchase of own shares in Employee Benefit Trust	-	(0.3)
Other items	1.0	(0.2)
Increase in net debt	(4.5)	(3.2)

Sale of subsidiaries in the year improved net debt by £0.7m. Purchase of property, plant and equipment, and software of £0.8m principally relates to our Offshore Services operation. Spend is much reduced from 2023 reflecting the lower level of average headcount and a reduced need to expand capacity given the lower net fee income in the year. Dividends paid to our shareholders were £0.5m (2023: £0.7m) reflecting the reduced dividend paid in the year. The Group has previously purchased Empresaria shares, transferring these into the Employee Benefit Trust to satisfy future share option exercises. As there are currently no outstanding vested share options and the Employee benefit trust holds 0.8m shares, no purchases were made in 2024. Dividends paid to non-controlling interests in the year were £0.8m (2023: £0.9m).

Financing

The Group's treasury function is managed centrally and the Group's financial risk management policies are set out in note 24 of the annual report.

	2024 £m	2023 £m
Cash and cash equivalents	17.2	17.1
Overdrafts	(14.3)	(15.2)
Invoice financing	(4.1)	(3.2)
Bank loans	(14.1)	(9.5)
Total borrowings	(32.5)	(27.9)
Adjusted net debt	(15.3)	(10.8)

Net debt at 31 December 2024 increased to £15.3m (2023: £10.8m) reflecting the cash flows discussed above.

During 2024, the month-end average net debt position was £12.1m (2023: £7.9m) with a month end high of £15.3m at 31 December (2023: £10.8m at 31 December) and a month end low of £8.9m at 31 January (2023: £5.6m at 31 January)

January).

Our debt to debtors ratio (net debt as a percentage of trade receivables) has increased to 52% (2023: 35%) reflecting the increase in net debt.

Total borrowings were £32.5m (2023: £27.9m) with bank overdrafts of £14.3m (2023: £15.2m), invoice financing of £4.1m (2023: £3.2m) and bank loans of £14.1m (2023: £9.5m). The Group's borrowings are principally held to fund working capital requirements and are mainly due within one year. As at 31 December 2024, £14.0m of borrowings are shown as non-current (2023: £9.2m).

The Group maintains a range of facilities to manage its working capital and financing requirements. At 31 December 2024, the Group had facilities totalling £39.6m (2023: £50.8m).

	2024 £m	2023 £m
UK facilities		
Overdrafts	8.0	10.0
Revolving credit facility	15.0	15.0
Invoice financing facility	3.8	7.5
Total UK facilities	26.8	32.5
Continental Europe facilities	7.0	12.1
APAC facilities	0.9	1.8
Americas facilities	4.9	4.4
	39.6	50.8
Undrawn facilities (excluding invoice financing)	4.1	17.8

A number of reductions have been made to the Group's facilities in 2024. In the UK, the invoice financing facility was reduced to reflect current trading levels and requirements and a £2.0m reduction was made to the Group's overdraft. In Germany, the benefits of moving to cash pooling in 2023 enabled a significant reduction in our overdraft facility from €13.0m to €8.5m. Elsewhere, small reductions have been made to facilities that had not been drawn in recent years. The level of undrawn facilities has therefore reduced significantly but the Group remains confident that it has sufficient headroom and it continues to have significant funds in certain overseas entities that could be accessed, albeit with a withholding tax cost, if needed.

Covenants are tested on a quarterly basis in respect of the Group's £15.0m revolving credit facility and all covenants were met during the year. The covenants, and our performance against them at 31 December 2024, are as follows:

Covenant	Target	Actual
Net debt: EBITDA	<2.5 times	2.2
Interest cover	>3.0 times	4.1

The interest cover covenant target was previously set at 4.0 times, but for 31 December 2024 the Group's banker agreed to reduce this to 3.0 times. Subsequent to the balance sheet date the Group has extended this facility for a further 6 months to September 2026 and both covenants have been set at 3.0 times for the remainder of the term.

Dividend

During the year, the Group paid a dividend of 1.0p per share in respect of the year ended 31 December 2023. Given the current trading environment and financial position the Group is not proposing to pay a dividend in respect of the year ended 31 December 2024. As a result of the impairment charges booked in 2024, the Company had negative distributable reserves as at 31 December 2024. We are considering options to resolve his in order to allow the Company to return to paying a dividend as and when the wider trading and financial position supports this.

Going concern

The Board has undertaken a recent and thorough review of the Group's budget, forecasts, strategy and associated risks and sensitivities. Given these, the Group is expected to be able to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of these accounts. As a result, the going concern basis continues to be appropriate in preparing the financial statements. Further details on going concern are found in note 1 of the annual report.

Tim Anderson
Chief Financial Officer
26 March 2025

Consolidated income statement
for the year ended 31 December 2024

	Note	**2024** **£m**	2023 £m
Revenue	**2**	**246.2**	250.3
Cost of sales		**(195.8)**	(192.8)
Net fee income	**2**	**50.4**	57.5
Administrative costs		**(46.6)**	(52.4)
Adjusted operating profit	**2**	**3.8**	5.1

	Note	2024	2023
Adjusted operating profit	2	[illegible]	[illegible]
Exceptional items	3	**(4.1)**	(0.6)
Fair value charge on acquisition of non-controlling shares		**(0.4)**	(0.1)
Loss on sale of subsidiaries		**(0.6)**	-
Impairment of goodwill	8	**(1.1)**	(1.5)
Amortisation of intangible assets identified in business combinations	9	**(1.2)**	(1.2)
Operating (loss)/profit		**(3.6)**	1.7
Finance income	4	**0.8**	0.6
Finance costs	4	**(2.4)**	(2.2)
Net finance costs	4	**(1.6)**	(1.6)
(Loss)/profit before tax		**(5.2)**	0.1
Taxation	5	**(3.7)**	(1.4)
Loss for the year		**(8.9)**	(1.3)
Attributable to:			
Owners of Empresaria Group plc		**(10.4)**	(2.9)
Non-controlling interests		**1.5**	1.6
		(8.9)	(1.3)
		Pence	Pence
Loss per share			
Basic	7	**(21.2)**	(5.9)
Diluted	7	**(21.2)**	(5.9)

Details of adjusted earnings per share are shown in note 7.

Consolidated statement of comprehensive income
for the year ended 31 December 2024

	2024 £m	2023 £m
Loss for the year	**(8.9)**	(1.3)
Other comprehensive income		
Items that may be reclassified subsequently to the income statement:		
Exchange differences on translation of foreign operations	**(1.1)**	(2.2)
Items that will not be reclassified to the income statement:		
Exchange differences on translation of non-controlling interests in foreign operations	**(0.3)**	(0.4)
Other comprehensive loss for the year	**(1.4)**	(2.6)
Total comprehensive loss for the year	**(10.3)**	(3.9)
Attributable to:		
Owners of Empresaria Group plc	**(11.5)**	(5.1)
Non-controlling interests	**1.2**	1.2
	(10.3)	(3.9)

Consolidated balance sheet
as at 31 December 2024

	Note	**2024** £m	2023 £m
Non-current assets			
Property, plant and equipment		**1.6**	2.4
Right-of-use assets		**5.9**	6.4
Goodwill	8	**26.6**	29.7
Other intangible assets	9	**5.7**	6.9
Deferred tax assets		**4.0**	5.7
		43.8	51.1
Current assets			
Trade and other receivables	10	**39.7**	43.5
Current tax assets		**0.4**	1.2

Cash and cash equivalents		**17.2**	17.1
		57.3	61.8
Total assets		**101.1**	112.9
Current liabilities			
Trade and other payables	**11**	**27.8**	31.5
Current tax liabilities		**1.0**	1.3
Borrowings	**12**	**18.5**	18.7
Lease liabilities		**5.0**	4.3
		52.3	55.8
Non-current liabilities			
Borrowings	**12**	**14.0**	9.2
Lease liabilities		**1.2**	2.6
Deferred tax liabilities		**2.2**	2.4
		17.4	14.2
Total liabilities		**69.7**	70.0
Net assets		**31.4**	42.9
Equity			
Share capital		**2.5**	2.5
Share premium account		**22.4**	22.4
Merger reserve		**0.9**	0.9
Equity reserve		**(10.3)**	(10.2)
Translation reserve		**0.5**	1.6
Retained earnings		**8.4**	19.2
Equity attributable to owners of Empresaria Group plc		**24.4**	36.4
Non-controlling interests		**7.0**	6.5
Total equity		**31.4**	42.9

Consolidated statement of changes in equity
for the year ended 31 December 2024

	Equity attributable to owners of Empresaria Grou						
	Share capital **£m**	Share premium account **£m**	Merger reserve **£m**	Equity reserve **£m**	Translation reserve[1] **£m**	Retained earnings[1] **£m**	
At 31 December 2022	2.5	22.4	0.9	(10.2)	3.8	23.4	
(Loss)/profit for the year	-	-	-	-	-	(2.9)	
Exchange differences on translation of foreign operations	-	-	-	-	(2.2)	-	
Total comprehensive (loss)/income for the year	-	-	-	-	(2.2)	(2.9)	
Dividends paid to owners of Empresaria Group plc (see note 14)	-	-	-	-	-	(0.7)	
Dividends paid to non-controlling interests	-	-	-	-	-	-	
Purchase of own shares in Employee Benefit Trust	-	-	-	-	-	(0.3)	
Share-based payments	-	-	-	-	-	(0.3)	
At 31 December 2023	2.5	22.4	0.9	(10.2)	1.6	19.2	
(Loss)/profit for the year	-	-	-	-	-	(10.4)	(
Exchange differences on translation of foreign operations	-	-	-	-	(1.1)	-	
Total comprehensive (loss)/income for the year	-	-	-	-	(1.1)	(10.4)	(
Dividends paid to owners of Empresaria Group plc (see note 14)	-	-	-	-	-	(0.5)	
Dividends paid to non-controlling interests	-	-	-	-	-	-	
Increase in ownership of existing subsidiary	-	-	-	(0.1)	-	-	
Share-based payments	-	-	-	-	-	0.1	
At 31 December 2024	**2.5**	**22.4**	**0.9**	**(10.3)**	**0.5**	**8.4**	

Consolidated cash flow statement
for the year ended 31 December 2024

	2024	2023
	£m	£m
Loss for the year	**(8.9)**	(1.3)
Adjustments for:		
Depreciation of property, plant and equipment, and software amortisation	**1.5**	1.5
Depreciation of right-of-use assets	**5.3**	5.4
Fair value charge on acquisition of non-controlling shares	**0.4**	0.1
Loss on sale of subsidiaries	**0.6**	-
Impairment of goodwill (including £0.4m on closure of operation (2023: £nil))	**1.5**	1.5
Amortisation of intangible assets identified in business combinations	**1.2**	1.2
Share-based payments	**0.1**	(0.3)
Net finance costs	**1.6**	1.6
Taxation	**3.7**	1.4
	7.0	11.1
Decrease in trade and other receivables	**(0.2)**	0.2
Decrease in trade and other payables	**(0.9)**	(0.4)
Cash generated from operations	**5.9**	10.9
Finance costs paid	**(2.4)**	(2.2)
Income taxes paid	**(2.1)**	(3.2)
Net cash inflow from operating activities	**1.4**	5.5
Cash flows from investing activities		
Purchase of property, plant and equipment, and software	**(0.8)**	(1.4)
Cash received on sale of subsidiaries (net of £0.9m cash in the subsidiaries on sale (2023: £nil))	**-**	-
Finance income received	**0.8**	0.6
Net cash outflow from investing activities	**-**	(0.8)
Cash flows from financing activities		
Decrease in overdrafts	**(0.6)**	(1.7)
Proceeds from bank loans	**5.2**	1.0
Repayment of bank loans	**(0.1)**	(0.4)
Increase/(decrease) in invoice financing	**1.4**	(0.3)
Payment of obligations under leases	**(5.3)**	(5.4)
Purchase of shares in existing subsidiaries	**(0.2)**	(0.1)
Purchase of own shares in Employee Benefit Trust	**-**	(0.3)
Dividends paid to owners of Empresaria Group plc	**(0.5)**	(0.7)
Dividends paid to non-controlling interests	**(0.8)**	(0.9)
Net cash outflow from financing activities	**(0.9)**	(8.8)
Net increase/(decrease) in cash and cash equivalents	**0.5**	(4.1)
Foreign exchange movements	**(0.4)**	(1.1)
Cash and cash equivalents at beginning of the year	**17.1**	22.3
Cash and cash equivalents at end of the year	**17.2**	17.1

	2024	2023
	£m	£m
Bank overdrafts at beginning of the year	**(15.2)**	(17.1)
Decrease in the year	**0.6**	1.7
Foreign exchange movements	**0.3**	0.2
Bank overdrafts at end of the year	**(14.3)**	(15.2)
Cash, cash equivalents and bank overdrafts at end of the year	**2.9**	1.9

1 Basis of preparation and general information

The financial information has been abridged from the audited financial information for the year ended 31 December 2024.

The financial information set out above does not constitute the Company's consolidated statutory accounts for the years ended 31 December 2024 or 2023, but is derived from those accounts. Statutory accounts for 2023 have been delivered to the Registrar of Companies and those for 2024 will be delivered following the Company's have been delivered to the Registrar of Companies and those for 2024 will be delivered following the Company's Annual General Meeting. The Auditors have reported on those accounts; their reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying their reports and did not contain statements under s498(2) or (3) Companies Act 2006 or equivalent preceding legislation.

Accounting policies have been applied consistently with those set out in the 2023 financial statements, as amended when relevant to reflect the adoption of new standards, amendments and interpretations which became effective in the year. During 2024 no new standards, amendments or interpretations had a significant impact on the financial statements.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of UK-adopted international Accounting Standards, this announcement does not itself contain sufficient financial information to comply with UK-adopted international Accounting Standards. The Group will be publishing full financial statements that comply with UK-adopted international Accounting Standards in April 2025.

2 Segment and revenue analysis

Information reported to the Group's Executive Committee, considered to be the chief operating decision maker of the Group for the purpose of resource allocation and assessment of segment performance, is based on the Group's four regions.

The Group has one principal activity, the provision of staffing and recruitment services, delivered across a number of service lines, being permanent placement, temporary and contract placement, and offshore services.

The analysis of the Group's results by region is set out below:

	2024			2023		
	Revenue	**Net fee income**	**Adjusted operating profit/ (loss)**	Revenue	Net fee income	Adjusted operating profit/ (loss)
UK & Europe	**112.7**	**22.7**	**2.7**	116.8	24.9	3.0
APAC	**45.5**	**10.1**	**(0.7)**	51.9	13.6	(0.8)
Americas	**62.2**	**6.0**	**0.1**	55.9	6.1	(0.9)
Offshore Services	**26.9**	**12.7**	**5.8**	26.9	14.0	7.5
Central costs	**-**	**-**	**(4.1)**	-	-	(3.7)
Intragroup eliminations	**(1.1)**	**(1.1)**	**-**	(1.2)	(1.1)	-
	246.2	**50.4**	**3.8**	250.3	57.5	5.1

3 Exceptional items

Exceptional items are those items that in the Directors' view are required to be separately disclosed by virtue of their size, nature or incidence. Adjusted operating profit, adjusted profit before tax and adjusted earnings per share are considered to be key measures in understanding the Group's financial performance and exclude exceptional items.

	2024	2023
	£m	£m
Closure of Vietnam operation	**(0.1)**	0.3
Closure of Australian operation	**0.2**	-
Closure of China operation (including impairment of goodwill of £0.4m)	**0.6**	-
Exceptional bad debt expense	**3.2**	-
Restructure of senior management	**0.2**	0.3
	4.1	0.6

4 Finance income and costs

	2024	2023
	£m	£m
Finance income		
Bank interest receivable	**0.8**	0.6
	0.8	0.6
Finance costs		
Invoice financing	**(0.2)**	(0.3)
Bank loans and overdrafts	**(1.8)**	(1.6)
Interest on lease liabilities	**(0.4)**	(0.3)
	(2.4)	(2.2)
Net finance costs	**(1.6)**	(1.6)

5 Taxation

The tax expense for the year is as follows:

	2024	2023
	£m	£m
Current tax		
Current year income tax expense	**2.2**	2.9
Adjustments in respect of prior years	**0.2**	-
Total current tax expense	**2.4**	2.9
Deferred tax		
On origination and reversal of temporary differences	**(2.1)**	(1.1)
Relating to changes in tax rates	**-**	(0.1)
Recognition of previously unrecognised tax losses	**(0.1)**	(0.3)
Exceptional write down of deferred tax assets related to losses	**3.7**	-
Adjustments in respect of prior years	**(0.2)**	-
Total deferred tax expense/(credit)	**1.3**	(1.5)
Total income tax expense in the income statement	**3.7**	1.4

6 Reconciliation of adjusted profit before tax from (loss)/profit before tax

	2024	2023
	£m	£m
(Loss)/profit before tax	**(5.2)**	0.1
Exceptional items	**4.1**	0.6
Fair value charge on acquisition of non-controlling shares	**0.4**	0.1
Loss on sale of subsidiaries	**0.6**	-
Impairment of goodwill	**1.1**	1.5
Amortisation of intangible assets identified in business combinations	**1.2**	1.2
Adjusted profit before tax	**2.2**	3.5

7 Earnings per share

Basic earnings per share is assessed by dividing the earnings attributable to the owners of Empresaria Group plc by the weighted average number of shares in issue during the year. Diluted earnings per share is calculated as for basic earnings per share but adjusting the weighted average number of shares for the diluting impact of shares that could potentially be issued. For 2024 and 2023 these are all related to share options. Reconciliations between basic and diluted measures are given below.

The Group also presents adjusted earnings per share which it considers to be a key measure of the Group's performance. A reconciliation of earnings to adjusted earnings is provided below.

	2024	2023
	£m	£m
Losses attributable to owners of Empresaria Group plc	**(10.4)**	(2.9)
Adjustments:		
Exceptional items	**4.1**	0.6
Fair value charge on acquisition of non-controlling shares	**0.4**	0.1
Loss on sale of subsidiaries	**0.6**	-
Impairment of goodwill	**1.1**	1.5
Amortisation of intangible assets identified in business combinations	**1.2**	1.2
Tax on the above	**(1.2)**	(0.2)
Exceptional write down of deferred tax assets related to losses	**3.7**	-
Adjusted (losses)/earnings	**(0.5)**	0.3
Number of shares	**Millions**	Millions
Weighted average number of shares - basic	**49.1**	49.1
Dilution effect of share options	**2.0**	0.7
Weighted average number of shares - diluted	**51.1**	49.8
Losses per share	**Pence**	Pence
Basic	**(21.2)**	(5.9)
Dilution effect of share options	**-**	-
Diluted	**(21.2)**	(5.9)
Adjusted (losses)/earnings per share	**Pence**	Pence
Basic	**(1.0)**	0.6
Dilution effect of share options	**-**	-

Diluted	**(1.0)**	0.6

In 2024 and 2023, all share options were antidilutive for the purpose of assessing diluted earnings per share in accordance with IAS 33 Earnings Per Share. As such, diluted earnings per share and basic earnings per share were equal. As these options are nil-cost options these were reflected as dilutive in assessing adjusted, diluted earnings per share presented above.

The weighted average number of shares (basic) has been calculated as the weighted average number of shares in issue during the year plus the number of share options already vested less the weighted average number of shares held by the Empresaria Employee Benefit Trust. The Trustees have waived their rights to dividends on the shares held by the Empresaria Employee Benefit Trust.

8 Goodwill

	2024	2023
	£m	**£m**
At 1 January	**29.7**	31.9
Impairment on closure of operation	**(0.4)**	-
Sales of subsidiaries	**(0.9)**	-
Impairment charge	**(1.1)**	(1.5)
Foreign exchange movements	**(0.7)**	(0.7)
At 31 December	**26.6**	29.7

Goodwill is reviewed and tested for impairment on an annual basis or more frequently if there is an indication that goodwill might be impaired. Goodwill has been tested for impairment by comparing the carrying amount of the group of cash-generating units ('CGUs') the goodwill has been allocated to, with the recoverable amount of those CGUs. The recoverable amount of each group of CGUs is considered to be its value in use. The key assumptions in assessing value in use are as follows:

Operating profit and pre-tax cash flows
The operating profit and pre-tax cash flows are based on the 2025 budgets approved by the Group's Board and three year plan forecasts produced for each operation. These forecasts are extrapolated using long-term growth rates based on IMF GDP growth forecasts for each specific market. GDP growth is a key driver of our business and is therefore an appropriate assumption in developing long-term assumptions. These cash flows are discounted to present value to assess the value in use.

Discount rates
The pre-tax, country-specific rates used to discount the forecast cash flows range from 12.7% to 17.7% (2023: 13.0% to 18.5%) reflecting current local market assessments of the time value of money and the risks specific to the relevant business. These discount rates reflect the estimated industry weighted average cost of capital in each market and are based on the Group's weighted average cost of capital adjusted for local factors.

Pre-tax discount rates used by region are as follows:

UK & Europe:	12.7% to 17.4% (2023: 13.0% to 17.9%)
APAC:	14.4% to 17.7% (2023: 14.8% to 18.5%)
Americas:	13.7% to 16.7% (2023: 14.4% to 15.5%)
Offshore Services:	14.1% (2023: 15.1%)

Long-term growth rates
Long-term growth rates ranged from 0.6% to 6.5% and the rates used by region are as follows:

UK & Europe:	0.8% to 1.4% (2023: 0.9% to 1.6%)
APAC:	0.6% to 5.1% (2023: 0.4% to 5.0%)
Americas:	2.1% to 2.3% (2023: 2.1% to 3.0%)
Offshore Services:	6.5% (2023: 6.3%)

In 2024, impairment charges were booked in respect of two operations in our Americas region.

Firstly an impairment charge of £0.5m in respect of our IT recruitment operation in the US. The IT recruitment market in the US has been challenging for the last few years and the performance of this operation has continued to be weak and has not improved as had been anticipated. While the Group remains confident of the long term prospects of this operation, the forecasts and short term growth rates used for impairment testing have been reduced resulting in this impairment. The recoverable amount of the goodwill was assessed as £2.6m and the discount rate applied was 16.7%.

Secondly an impairment charge of £0.6m in respect of our Commercial operation in Peru. Our operation in Peru has performed weakly in recent years with challenges in growing revenue and profits in what is a low margin sector with strong competition. Although some improvements in performance have been seen in 2024, the rate of improvement is expected to be lower than previously forecast resulting in this impairment. The recoverable amount of the goodwill was assessed as £0.8m and the discount rate applied was 14.6%.

In 2023, an impairment charge of £1.5m was recognised in respect of two businesses in the UK & Europe region. Both businesses had performed more weakly in recent years and had not recovered to previous performance levels and as a result impairment charges were booked. Before the impairment charge was recognised the carrying value of the goodwill was £2.5m and the recoverable amount was assessed as £1.0m.

As part of the impairment review, reasonably possible changes in the growth rate and discount rate assumptions have been considered to assess the impact on the recoverable amount of each business. Were the long-term growth rate to reduce to nil an impairment charge of £1.4m would be recorded in respect of two businesses in our growth rate to reduce to nil an impairment charge of £1.4m would be recorded in respect of two businesses in our Americas region (2023: £0.7m for two businesses in our Americas region). If the discount rate were to increase by 2% an impairment charge of £1.4m would be recorded in respect of two businesses in our Americas region (2023: £0.6m for two businesses in our Americas region).

9 Other intangible assets

	Intangible assets identified in business combinations				
2024	Customer relationships	Trade names and marks	**Sub total**	Software	**Total**
	£m	£m	**£m**	£m	**£m**
Cost					
At 1 January	14.1	8.9	**23.0**	2.2	**25.2**
Additions	-	-	**-**	0.2	**0.2**
Sale of subsidiaries	-	-	**-**	(0.1)	**(0.1)**
Foreign exchange movements	(1.0)	(0.3)	**(1.3)**	(0.1)	**(1.4)**
At 31 December	13.1	8.6	**21.7**	2.2	**23.9**
Accumulated amortisation					
At 1 January	11.8	5.0	**16.8**	1.5	**18.3**
Charge for the year	0.6	0.6	**1.2**	0.2	**1.4**
Sales of subsidiaries	-	-	**-**	(0.1)	**(0.1)**
Foreign exchange movements	(1.0)	(0.3)	**(1.3)**	(0.1)	**(1.4)**
At 31 December	11.4	5.3	**16.7**	1.5	**18.2**
Net book value					
At 31 December 2023	2.3	3.9	**6.2**	0.7	**6.9**
At 31 December 2024	1.7	3.3	**5.0**	0.7	**5.7**

As required under IFRS, the Group reviewed these assets for indications of impairment as at 31 December 2024. Following this review, no impairment charges have been reflected.

10 Trade and other receivables

	2024	2023
	£m	£m
Current		
Gross trade receivables	**30.3**	31.8
Less provision for impairment of trade receivables	**(0.6)**	(0.8)
Trade receivables	**29.7**	31.0
Prepayments	**1.3**	2.0
Accrued income	**6.7**	7.5
Other receivables	**2.0**	3.0
	39.7	43.5

Trade receivables include £19.5m (2023: £18.1m) on which security has been given under bank facilities.

11 Trade and other payables

	2024	2023
	£m	£m
Current		
Trade payables	**2.0**	2.0
Other tax and social security	**4.8**	5.7
Pilot bonds	**0.2**	0.3
Client deposits	**0.4**	0.3
Temporary recruitment worker wages	**2.8**	3.3
Other payables	**1.8**	1.9
Accruals	**15.8**	18.0
	27.8	31.5

12 Borrowings

	2024	2023
	£m	£m
Current		

Bank overdrafts	**14.3**	15.2
Invoice financing	**4.1**	3.2
Bank loans	**0.1**	0.3
	18.5	18.7
Non-current		
Bank loans	**14.0**	9.2
	14.0	9.2
Borrowings	**32.5**	27.9

The following are the more significant bank facilities that were in place at 31 December 2024:

				Facility limit		Outstanding	
				2024	2023	**2024**	2023
	Currency	Maturity	Interest rate	**£m**	£m	**£m**	£m
Bank overdrafts							
UK[1]	GBP[2]	On demand with annual review	2% above applicable currency base rates	**8.0**	10.0	**6.7**	8.0
Germany	EUR	On demand with annual review	EURIBOR + 3.6%	**7.0**	11.3	**6.3**	5.5
USA	USD	On demand with annual review	US PRIME + 1%	**0.4**	1.6	**0.4**	-
Japan	JPY	On demand with annual review	Short term prime rate + 0.125%	**0.5**	0.5	**0.2**	-
Invoice financing							
UK	GBP	On demand with annual review	UK base rate + 2.68%	**3.8**	7.5	**1.7**	2.0
Chile	CLP	On demand with annual review	Weighted average rate 8.5%	**4.0**	2.4	**2.4**	1.2
Bank loans							
UK - Revolving Credit Facility	GBP	2026	SONIA + 2.5%	**15.0**	15.0	**14.0**	9.0

1 The UK overdraft is a net overdraft arrangement across a number of entities. For facility utilisation purposes these amounts are presented net in the table above, but for accounting purposes cash and overdrawn balances are presented gross in the balance sheet. The utilisation amount in the table is net of £0.3m of cash shown within cash and cash equivalents in the balance sheet (2023: £1.5m).
2 The UK overdraft can be drawn in a number of different currencies with the overall facility limit expressed in GBP.

The UK revolving credit facility is secured by a charge over all assets given by the Company and certain of its UK, German, US and New Zealand subsidiaries. Subsequent to the balance sheet date the Group has agreed a six month extension of its revolving credit facility to September 2026, along with an easing of the related covenants. This is discussed in more detail in the Finance review.

13 Net debt

a) Net debt

	2024	2023
	£m	£m
Cash and cash equivalents	**17.2**	17.1
Borrowings	**(32.5)**	(27.9)
Net debt	**(15.3)**	(10.8)

b) Movement in net debt

	2024	2023
	£m	£m
Net debt at 1 January	**(10.8)**	(7.3)
Cash flow movements		
Net increase/(decrease) in cash and cash equivalents per consolidated cash flow statement	**0.5**	(4.1)

Decrease in overdrafts	**0.6**	1.7
Proceeds from bank loans	**(5.2)**	(1.0)
Repayment of bank loans	**0.1**	0.4
(Increase)/decrease in invoice financing	**(1.4)**	0.3
Non-cash movements		
Borrowings in subsidiaries sold in the year	**0.7**	-
Foreign exchange movement	**0.2**	(0.8)
Net debt at 31 December	**(15.3)**	(10.8)

14 Dividends

	2024 £m	2023 £m
Amount recognised as distribution to equity holders in the year:		
Final dividend for the year ended 31 December 2023 of 1.0p (2022: 1.4p) per share	**0.5**	0.7
Proposed final dividend for the year ended 31 December 2024 of nil (2023: 1.0p) per share	**-**	0.5