

THIS ANNOUNCEMENT RELATES TO THE DISCLOSURE OF INFORMATION THAT QUALIFIED OR MAY HAVE QUALIFIED AS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018.

2 April 2025

**Norman Broadbent plc**  
("Norman Broadbent", the "Company" or the "Group")

**Q1 2025 Trading Update  
and  
Final Results**

*Second best year in over a decade in a challenging market*

*Q1 2025 Company's best ever quarter - NFI up 40% on Q1 2024*

Norman Broadbent (AIM: NBB), a leading Executive Search and Interim Management firm, is pleased to announce a trading update for Q1 2025 and its audited final results for the year ended 31 December 2024 ("FY 2024").

**Q1 2025 Highlights**

- Q1 2025 is the Company's best ever quarter, with net fee income ("NFI") up 40% on Q1 2024 - NFI of £3.0 million (Q1 2024: £2.15m)
- Continuing the strong momentum generated at end of 2024, we enter Q2 having secured a record £2.43 million in contracted future revenue, 51% higher than Q2 2024 (Q2 2024: £1.61 million)

**FY2024 Financial Highlights**

- Revenue of £10.9 million, being down 13% on prior year (2023: £12.3 million) and up 25% on 2022 (2022: £8.7 million), delivering the Company's second-best performance in over a decade
- NFI of £9.3 million, being down 11% on prior year (2023: £10.5 million) and up 19% on 2022 (2022: £7.8 million), reflecting the Company's transformation and longer-term growth trajectory. Q4 was the Company's strongest quarter of the year
- Underlying EBITDA<sup>1</sup> of £0.3 million (2023: £0.9 million), up 200% on 2022 (2022: £0.1 million), demonstrating cost discipline while investing for growth
- Loss before tax of £0.2 million (2023: profit before tax of £0.3 million; 2022: loss before tax of £0.3 million)
- Cash balance of £0.2 million as at 31 December 2024 (31 December 2023: £0.8 million)

**FY2024 Operational Highlights**

- Grew headcount by 12% while investing in the team to develop capability and capacity
- Improved processes and support technologies, including the implementation of Power BI
- Client satisfaction rates in excess of 90%, with 87% of candidates ranking Norman Broadbent as either 'better' or 'the best' compared to other search firms
- The Company's values-based culture was recognised by Best Companies with multiple awards, including 'Outstanding place to work'

**Outlook**

- Labour market is expected to remain unpredictable for at least H1 2025
- Successful turnaround positions the Company to navigate challenging conditions, continue to grow and fully capitalise when market conditions do improve
- Best ever quarter and growing book of contracted revenue provide the platform for the Company to deliver positive results this year and beyond. The Company remains committed to its medium-term EBITDA target of £1.25 million

[1] Excludes share-based payment charges and restructuring costs

**Kevin Davidson, CEO of Norman Broadbent, said:**

*"I am proud of the team's continued dedication in the face of an incredibly challenging labour market. On the back of a record-breaking FY23, we delivered a solid performance in FY24, the Company's second best in over ten years.*

*Our award-winning culture, motivated and growing team of the highest quality professionals and resurgent brand, underpinned by market leading processes and technologies, are coming together to form a very strong platform and engine for*

future growth, both organic and inorganic.

*While the macro uncertainty is set to persist in the near-term, to have started the year with our strongest ever quarter is encouraging and testament to the progress we have made. Norman Broadbent is now a far more resilient business capable of navigating challenging conditions. With strong foundations, we are well-positioned to take full advantage of a market recovery when it comes and remain confident in our ability to drive long-term, sustainable growth."*

#### Investor Presentation:

Kevin Davidson, the Company's CEO, and Mehr Malik, the Company's CFO, will host a virtual presentation and Q&A session open to all existing and potential shareholders at 4.00pm today. To register to attend, please use the following link: <https://www.investormeetcompany.com/norman-broadbent-plc/register-investor>

Copies of this announcement are available on the Company's website, [www.normanbroadbent.com/investor-relations/](http://www.normanbroadbent.com/investor-relations/).

#### Contacts:

##### Norman Broadbent plc

Kevin Davidson, CEO

Mehr Malik, CFO

+44 (0)20 7484 0000

##### Shore Capital (Nominated Adviser and Broker)

Tom Griffiths / Tom Knibbs (Corporate Advisory)

Henry Willcocks (Corporate Broking)

+44 (0)20 7408 4090

##### Alma (Financial Communications Adviser)

Rebecca Sanders-Hewett

Kinvara Verdon

David Ison

+44 (0)20 3405 0205

[normanbroadbent@almastrategic.com](mailto:normanbroadbent@almastrategic.com)

#### About Norman Broadbent:

Norman Broadbent (AIM: NBB) is a professional services firm focused on executive search, senior interim management solutions and bespoke leadership advisory services working across the UK and internationally.

Established as the first UK-headquartered search firm in 1979, the firm has a 40+ year track record of shaping leadership across industries including Consumer, Financial Services, Industrials, Life Sciences, Investor and TMT.

[www.normanbroadbent.com](http://www.normanbroadbent.com)

#### Chair's Statement

In 2024, the whole industry saw significant headwinds. Despite this, the Norman Broadbent team recorded their second-best year for over a decade, with NFI declining only 4% year-on-year in the last quarter or up by 9% compared to the corresponding period in 2022. In addition, carried forward contracted revenue from 2024 to 2025 was a record £2.1 million, up 40% year-on-year, boding well for our medium-term ambition to achieve underlying EBITDA £1.25 million.

2024 saw a continued transformation across the Company with no let-up in the investment in headcount and systems. The foundations that were built in the previous three years have served us well. 2024's results are testament to the hard work put in by the team and again we outperformed our peers and the market as a whole.

The culture present throughout the Company is one of teamwork, inclusion, quality and delivery. This has been integral in delivering the results that have been achieved. It is encouraging to see the levels of commitment and ambition across every level of the Company. This ambition is driven by the strong example set from the top.

Throughout 2025, the executive team will continue to invest in headcount, adding more experienced consultants and researchers.

In common with its peers, we are facing some very challenging conditions, but our high-quality service has enabled the Company not only to navigate these challenges but also deliver excellent results with NFI of £9.3 million and, once again, net positive cash.

The Board's strategy for rapid yet sustainably profitable expansion has been delivered and will provide the platform for further profitable growth in 2025 and beyond.

I would like to thank the entire Norman Broadbent team for their unwavering commitment, hard work and for the quality of their execution, our clients for putting their faith in us as partners and our shareholders for their continued support.

Peter Searle

Chair

1 April 2025

#### CEO's Statement

2023 marked a key milestone for the Company as it was successfully returned to profitability, delivering on the plan set when I joined Norman Broadbent in late 2021. In 2024, we continued to grow capacity and capability whilst also delivering healthy underlying EBITDA and the second-best performance the Company has seen in over ten years.

Despite an 11% drop over 2023, NFI in 2024 was 27% up on 2022 and a full 58% up on 2021 when we embarked on the turnaround. However, existing market challenges have stubbornly persisted with the negative sentiment across the recruitment sector extending into 2025. That said, we were pleased to have carried record levels of contracted revenues into the new financial year.

#### Our Team

**People and Culture** have remained at the heart of everything we do. Retaining, developing and attracting the highest calibre, and culturally aligned, talent in the market is the strategic engine of any professional services firm. Receiving awards and third-party validation in 2024 for the culture we have created together was incredibly pleasing.

We upgraded a number of our **Fee Earners** over the year and grew this team by net 17% over the course of 2024. In addition to this, the number who we consider 'established,' that is they have worked with us for 18 months or longer, grew by 66% which creates a much more stable business and delivery platform going into 2025.

which creates a much more stable, proven and mature platform going into 2025.

Our **Research and Insight** team have continued to grow in capability, capacity, and tenure. We initiated client and candidate feedback surveys at the beginning of 2024, and I am delighted to see consistently high scores across all performance metrics. Notably, 100% of client and candidate respondents in 2024 stated they would work with us again, reinforcing the strength of our relationships and quality of service.

These surveys extend beyond placed candidates to include all those shortlisted in our processes-an often-overlooked group in our industry, where timely and candid feedback can be lacking. Encouragingly, 98% of candidate responses rated our 'level of support post-shortlist, regardless of outcome,' as 'very good' or 'excellent.'

The surveys also consistently highlight the quality of materials we produce for, and on behalf of, our clients. An impressive 97% of candidate responses and 100% of client responses rated the 'quality of our brief pack' as 'very good' or 'excellent'- a testament to the collaborative excellence of our Research and Insight team and their equally talented colleagues in marketing.

Despite the acute and persistent market challenges we have faced over the past three years, we have, together, materially turned around the Company. This is both recognised by our clients and demonstrated by the fact that we delivered the two best years in terms of performance in over a decade in 2023 and 2024.

#### Our Brand

The Norman Broadbent **Brand Heritage** also remains a key differentiator which we are both proud of and increasingly leveraging. Firmly reestablishing and committing to our brand practice in 2024 has enabled that brand heritage to be reenergised across the boardrooms of the UK and internationally. The board survey we conducted in collaboration with BDO, cast up some interesting findings and helped establish us once again as a thought leader amongst the most senior decision makers across all market verticals.

#### Our Platform

Our challenge is always balancing growth with short-term profitability, especially in such a depressed trading environment. We were, of course, frustrated by the fact 2024 was slightly down on 2023 from an NFI and EBITDA perspective but we continued to invest and were very pleased to see momentum, from across our fee earning community, building in the second half of the year.

We are a fundamentally different, and drastically improved, business from where we were in 2021 and finishing the year net cash<sup>2</sup> positive (£0.1 million) versus having a net debt position<sup>2</sup> of £1.1 million in 2022 during the turnaround is a clear indicator of this.

Our continued investment in supporting infrastructure and technologies to both modernise and prepare the platform for accelerated future expansion crystallised in 2024 with the implementation of Power BI, allowing data to be extracted from all relevant sources to deliver real-time management information. This caps a great deal of focused effort and investment over the past two years, not only improving productivity and the accuracy of information but positioning us to be able, more easily, to integrate other businesses through acquisition should that arise.

#### Our Focus

During 2024, Norman Broadbent continued to place leaders across the UK, Europe, the US, Asia and the Middle East covering multiple sectors and disciplines. Whilst the Company remains well balanced across both resilient and growth sectors, following some considerable background work, we are focused on establishing a US footprint as part of our expansion plans.

Our turnaround has been strategically driven by our executive search offering which represents 88% of our revenue and 88% of our NFI. This will continue to be at the heart of our growth and the engine for cross-selling to other service lines such as interim management and broader leadership consulting and advisory services. Now that we are much more firmly established, once again, as a leading executive search firm, we are actively exploring options, both organic and inorganic, to broaden our service offering, always balancing risk and reward in both the short and long-term.

We will continue to develop our platform this year and beyond as we drive organic growth domestically and internationally. We have also begun to much more actively explore opportunities for acquisition.

#### CURRENT TRADING AND OUTLOOK

The momentum built at the end of FY24 provides a solid foundation for the year ahead, though we expect market conditions to remain challenging for at least the first half of FY25. While it is difficult to forecast with any certainty exactly when labour markets will recover in a meaningful way, the successful turnaround of the business, and our recent track record of navigating tough environments reinforces our confidence in our prospects.

Our priorities in the new financial year are to further expand our reach into attractive segments while continuing to bolster our market position. This includes a concerted effort to progress internationally while exploring strategic acquisitions that will accelerate our long-term growth ambitions. There is clear and recognised scope for industry consolidation, and we believe we have the right platform to capitalise on it, driving increased scale and efficiency.

While external factors will influence the pace at which we are able to deliver our targets, we remain committed to our medium-term EBITDA goal of £1.25 million. The business is in a very healthy position to continue along a sustainable and accelerating growth trajectory when conditions improve.

Kevin Davidson

Group Chief Executive  
1 April 2025

<sup>2</sup> Excludes lease liabilities

#### Consolidated Income Statement

For the year ended 31 December 2024

		2024	2023
	Notes	£'000	£'000
Revenue	3	10,919	12,306
Cost of sales		(1,605)	(1,731)
Gross profit		9,314	10,575
Operating expenses		(9,416)	(10,163)
Operating (loss) / profit		(102)	412

		2024	2023
Net finance cost	7	(56)	(103)
<b>(Loss) / profit before tax</b>	4	<b>(158)</b>	309
Taxation	6	-	-
<b>(Loss) / profit for the year</b>		<b>(158)</b>	309
<b>Earnings per share</b>			
(Loss) / profit per share			
- Basic	8	<b>(0.25)p</b>	0.50p
- Diluted		<b>(0.20)p</b>	0.39p
Adjusted (loss) / profit per share			
- Basic	8	<b>(0.15)p</b>	0.91p
- Diluted		<b>(0.12)p</b>	0.71p

#### Consolidated Statement of Comprehensive Income

		2024	2023
	Notes	£'000	£'000
<b>(Loss) / profit for the year</b>		<b>(158)</b>	309
<b>Total comprehensive income for the year</b>		<b>(158)</b>	309
Attributable to:			
<b>Owners of the Company</b>		<b>(158)</b>	309

#### Consolidated Statement of Financial Position As at 31 December 2024

		2024	2023
	Notes	£'000	£'000
<b>Non-current assets</b>			
Intangible assets	10	<b>1,363</b>	1,363
Property, plant and equipment	11	<b>567</b>	178
<b>Total non-current assets</b>		<b>1,930</b>	1,541
<b>Current assets</b>			
Trade and other receivables	13	<b>2,266</b>	2,901
Cash and cash equivalents	14	<b>236</b>	765
<b>Total current assets</b>		<b>2,502</b>	3,666
<b>Current liabilities</b>			
Trade and other payables	15	<b>2,535</b>	3,393
Bank overdraft and interest-bearing loans	16	<b>54</b>	207
Lease liabilities	20	<b>387</b>	111
<b>Total current liabilities</b>		<b>2,976</b>	3,711
<b>Net current liabilities</b>		<b>(474)</b>	(45)
<b>Non-current liabilities</b>			
<b>Bank loans</b>	16	<b>59</b>	113
Lease liabilities	20	<b>119</b>	8
<b>Total non-current liabilities</b>		<b>178</b>	121
<b>Total liabilities</b>		<b>3,154</b>	3,832
<b>Total assets less total liabilities</b>		<b>1,278</b>	1,375
<b>Equity</b>			
Issued share capital	18	<b>6,396</b>	6,365
Share premium account	18	<b>14,233</b>	14,233
Own shares	18	<b>(26)</b>	-

Retained earnings	(19,325) 2024	(19,223) 2023
<b>Total equity</b>	<b>1,278</b>	<b>1,375</b>

**Consolidated Statement of Changes in Equity**  
For the year ended 31 December 2024

	Share Capital £'000	Share Premium £'000	Own shares £'000	Retained Earnings £'000	Total Equity £'000
<b>Balance at 1 January 2024</b>	<b>6,365</b>	<b>14,233</b>	<b>-</b>	<b>(19,223)</b>	<b>1,375</b>
Loss for the year	-	-	-	(158)	(158)
Total comprehensive income for the year	-	-	-	(158)	(158)
Credit to equity for share-based payments	-	-	-	61	61
Issue of shares to employee benefit trust	31	-	(31)	-	-
Shares distributed by employee benefit trust	-	-	5	(5)	-
Transactions with owners of the Group	31	-	(26)	56	61
<b>Balance at 31 December 2024</b>	<b>6,396</b>	<b>14,233</b>	<b>(26)</b>	<b>(19,325)</b>	<b>1,278</b>
<b>Balance at 1 January 2023</b>	<b>6,345</b>	<b>14,110</b>	<b>-</b>	<b>(19,785)</b>	<b>670</b>
Profit for the year	-	-	-	309	309
Total comprehensive income for the year	-	-	-	309	309
Credit to equity for share-based payments	-	-	-	253	253
Conversion of convertible loan notes	20	123	-	-	143
Transactions with owners of the Group	20	123	-	253	396
<b>Balance at 31 December 2023</b>	<b>6,365</b>	<b>14,233</b>	<b>-</b>	<b>(19,223)</b>	<b>1,375</b>

**Consolidated Statement of Cash Flows**  
For the year ended 31 December 2024

	Notes	2024 £'000	2023 £'000
<b>Cash flows from operating activities</b>			
(Loss) / profit before taxation		(158)	309
Depreciation / impairment of property, plant and equipment		285	231
Share-based payment charge		61	253
Net finance cost		56	103
Decrease / (increase) in trade and other receivables		635	(579)
(Decrease) / increase in trade and other payables		(858)	1,395
<b>Net cash generated from operating activities</b>		<b>21</b>	<b>1,712</b>
<b>Cash flows from investing activities and servicing of finance</b>			
Net finance cost		(23)	(27)
Payments to acquire tangible fixed assets	11	(50)	(16)
<b>Net cash used in investing activities</b>		<b>(73)</b>	<b>(43)</b>
<b>Cash flows from financing activities</b>			
Repayments of borrowings		(62)	(389)
Payment of lease liabilities		(256)	(241)
Decrease in invoice discounting	16	(159)	(324)
<b>Net cash used in financing activities</b>		<b>(477)</b>	<b>(954)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(529)</b>	<b>715</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>765</b>	<b>50</b>
<b>Cash and cash equivalents at end of period</b>		<b>236</b>	<b>765</b>

The accompanying notes form an integral part of these financial statements.

**Notes to the Financial Statements**  
For the year ended 31 December 2024

## 1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to both years presented unless otherwise stated.

### 1.1. Basis of Preparation

The consolidated financial statements of Norman Broadbent plc ("Norman Broadbent", "the Company" or "the Group") have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and interpretations issued by the International Accounting Standards Board (IASB), UK adopted International Financial Reporting Standards (adopted IFRSs) and with those parts of the Companies Act 2006 applicable to those companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention. The consolidated financial statements are presented in pounds and all values are rounded to the nearest thousand (£'000), except when otherwise indicated.

The preparation of financial statements in compliance with UK adopted IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 1.19.

#### Going Concern

The consolidated financial statements of the Group have been prepared under the assumption the Group operates on a going concern basis, which assumes the Group will be able to discharge its liabilities as they fall due. In confirming the validity of the going concern basis of preparation, the Group has considered the following specific factors:

- The Group reported a loss before tax from continued operations in the year to 31 December 2024 of £0.2m compared with an operating profit of £0.3m in 2023.
- The consolidated statement of financial position shows a net asset position at 31 December 2024 of £1.3m (2023: £1.4m) with cash at bank of £0.2m (2023: £0.8m).
- At the date that these financial statements were approved the Group had no overdraft facility, a CBILS loan of £0.1m and its receivable finance facility which is 100% secured by the Group's trade receivables.
- Management prepares an annual budget and longer-term strategic plan, including an assessment of cash flow requirements, and continue to monitor actual performance against budget and plan throughout the reporting period.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. Based on these factors, management has a reasonable expectation that the Group has and will have adequate resources to continue in operational existence for the foreseeable future.

#### Changes in Accounting Policy and Disclosures

##### a. New and amended accounting standards adopted by the Group

The Group adopted the following new and amended relevant IFRS in the year:

- Classification of Liabilities as Current or Non-Current - Amendments to IAS 1
- ##### b. Standards, amendments and interpretations to existing standards that are not yet effective and have not yet been adopted early by the Group

There are a number of standards, amendments to standards, and interpretations which have been issued by the International Accounting Standards Board ("IASB") that are effective in future accounting periods that the Group has decided not to adopt early. Any standards that are not deemed relevant to the operations of the Group have been excluded:

- Presentation and Disclosure in Financial Statements - IFRS18

The Group is currently assessing the impact of the new accounting standards and amendments. The Group does not believe that these amendments will have a significant impact on the financial statements of the Group.

### 1.2. Basis of Consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at 31 December 2024. All subsidiaries have a reporting date of 31 December. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Accounting policies have been applied consistently.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated.

The Employee Benefit Trust (EBT) is consolidated on the basis that the parent has control, thus the assets and liabilities of the EBT are included on the Company balance sheet and shares held by the EBT in the Company are presented as a deduction from equity in the Own shares reserve.

### 1.3. Goodwill

Goodwill arising on acquisition of subsidiaries is included in the consolidated statement of financial position as an asset at cost less impairment. If the goodwill balance is material, it is tested annually for impairment and carried at cost less accumulated impairment losses. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

### 1.4. Impairment of Non-Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

### 1.5. Financial Assets and Liabilities

Financial assets and liabilities are recognised initially at their fair value and are subsequently measured at amortised cost. For trade receivables, trade payables and other short-term financial liabilities this generally equates to original transaction value.

### 1.6. Property, Plant and Equipment

The cost of property, plant and equipment is their purchase cost, together with any incidental costs of acquisition.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of each asset over its expected useful economic life at the following rates:

- Office and computer equipment - over three to four years
- Fixtures and fittings - lower of lease term and four years
- Land and buildings leasehold - over three to five years
- Right of use asset - lower of the asset's useful life and the lease term

### 1.7. Trade Receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

### 1.8. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

### 1.9. Investments

Investments in subsidiary undertakings are stated at cost less provision for any impairment in value. Investments are tested annually for impairment and whenever events or changes in circumstance indicate that the carrying amount may not be recoverable an impairment loss is recognised immediately for the amount by which the investment's carrying amount exceeds its recoverable value.

### 1.10. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

### 1.11. Invoice Discounting Facility

The terms of this arrangement are judged to be such that the risk and rewards of ownership of the trade receivables do not pass to the finance provider. As such the receivables are not derecognised on draw-down of funds against this facility. This facility is recognised as a liability for the amount drawn.

### 1.12. Trade Payables

Trade payables are non-interest bearing and are initially recognised at fair value and then subsequently measured at amortised cost.

### 1.13. Foreign Currency Translation

#### Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in sterling, which is the functional currency of Norman Broadbent Plc.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within 'net finance cost'. All other foreign exchange gains and losses are presented in the income statement within 'operating expenses'.

### 1.14. Taxation

Taxation currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all material taxable timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from an initial recognition of goodwill or from the initial recognition (other than in the business combination) of other assets and liabilities in the transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited to the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

### 1.15. Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below.

#### Executive search services

Executive Search services are provided on a retained basis and the Group generally invoices the client at pre-specified milestones agreed in advance at a specific point in time. Revenue is recognised at three stages; retainer, shortlist and completion fee. Revenue is recognised based on delivery of performance obligations at defined stages including resource allocation and search strategy agreement at retainer stage, delivery of candidate shortlist and candidate acceptance of placement.

#### Interim management

Revenue is recognised for interim business over time as services are rendered, validated by receipt of a client approved timesheet or equivalent. Fixed Term Contracts or Candidate conversions are recognised on client approval and invoice date at a specific point in time.

#### Leadership consulting

Revenue is recognised in line with delivery. Where revenue is generated by contracts covering a number of sessions then revenue is recognised over the contract term based on the average number of sessions taken up and is invoiced at a specific point in time.

#### Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

#### 1.16. Pensions

The Group operates a number of defined contribution pension schemes for the benefit of certain employees. The costs of the pension schemes are charged to the income statement as incurred.

#### 1.17. Leases

The Group makes the use of leasing arrangements principally for the provision of office space and various office equipment. Rental contracts are typically made for fixed periods of 3 to 5 years but may have extension options.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative standalone prices.

However, for leases of property for which the Group is a lessee and for which it has major leases, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Leases are recognised as a right-of-use asset and a lease liability at the lease commencement date.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received; and
- Any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Right-of-use assets are tested for impairment in accordance with IAS 36 Impairment of assets.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

#### 1.18. Share Option Schemes

For equity-settled share-based payment transactions the Group, in accordance with IFRS 2, measures their value and the corresponding increase in equity indirectly, by reference to the fair value of the equity instruments granted. The fair value of those equity instruments is measured at grant date, the EBITDA Options and SAYE Options using a Binomial option model and the Share Price Options using a Monte Carlo simulation model. The expense is apportioned over the vesting period of the financial instrument and is based on the numbers which are expected to vest and the fair value of those financial instruments at the date of grant. If the equity instruments granted vest immediately, the expense is recognised in full.

### 1.19. Critical Accounting Judgements and Estimates

- a. Impairment of goodwill - determining whether goodwill is impaired requires an estimation of the value in use of cash-generating units (CGUs) to which goodwill has been allocated. The value in use calculation requires an estimation of the future profitability expected to arise from the CGU and a suitable discount rate in order to calculate present value.
- b. Impairment of investments - determining whether investments are impaired requires an estimation of the value in use of each subsidiary. The value in use calculation requires an estimation of the future profitability expected to arise from each subsidiary and a suitable discount rate in order to calculate present value.
- c. Revenue recognition - revenue is recognised based on estimated timing of delivery of services based on the assignment structure and historical experience. Were these estimates to change then the amount of revenue recognised would vary.
- d. Share-based payments - the expense recognised for share-based payment schemes reflects the number of share options granted that will vest and management's expectations regarding share lapses and non-market performance conditions. All options are subject to both time vesting and performance conditions.

## 2. Financial Risk Management

The financial risks that the Group is exposed to through its operations are interest rate risk, liquidity risk and credit risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

There have been no substantive changes in the Group's exposure to financial risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods, unless otherwise stated in this note.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's Executive Committee.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible, without unduly affecting the Group's competitiveness and flexibility. Further details regarding specific policies are set out below:

### 2.1. Interest Rate Risk

The Group's interest rate risk arises from borrowings linked to the Bank of England Base Rate and affects the invoice discounting facility and the CBILS loan. A combination of small interest rate reductions in 2024 along with lower level of borrowing by the Group has resulted in a corresponding fall in interest expense to the Group. The Group's management factors these movements into cash flow projections (see liquidity risk below) which indicate that the Group will be able to meet interest expenses under reasonably expected circumstances.

### 2.2. Liquidity Risk

Liquidity risk arises from the Group's management of working capital and finance charges. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash and borrowing facilities to allow it to meet its liabilities when they become due. The Group has access to an invoice discounting facility, which provides immediate access to funding when required and is secured by the Group's trade receivables. The Group took advantage of a CBILS loan in November 2020 which is repayable over six years to 2026. The Board receives cash flow projections as well as monthly information regarding cash balances. At the balance sheet date, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under reasonably expected circumstances.

### 2.3. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. It is Group policy to assess the credit risk of new customers before entering contracts.

Each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Board determines concentrations of credit risk by reviewing the trade receivables' ageing analysis.

The Board monitors the ageing of credit sales regularly and at the reporting date does not expect any losses from non-performance by the counterparties other than those specifically provided for (see note 13). The Directors are confident about the recoverability of receivables based on the blue chip nature of its customers, their credit ratings and the very low levels of default in the past.

### 2.4. Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

## 3. Revenue

Group revenues are primarily driven from UK operations. When revenue is derived from overseas business the results are presented to the Board by geographic region to identify potential areas for growth or those posing potential risks to the Group.

### i. Class of Business:

The analysis by class of business of the Group's turnover is set out below:

	2024	2023
	£'000	£'000

	2024	2023
Revenue - Search	8,107	8,585
Revenue - Interim Management	2,656	3,189
Revenue - Leadership Consulting	111	501
Revenue - Other	45	31
<b>Total</b>	<b>10,919</b>	<b>12,306</b>

## ii. Revenue by Geography:

	2024	2023
	£'000	£'000
United Kingdom	7,616	9,078
Rest of the world	3,303	3,228
<b>Total</b>	<b>10,919</b>	<b>12,306</b>

## 4. (Loss) / profit on Ordinary Activities before Taxation

	2024	2023
	£'000	£'000
<b>(Loss) / profit on ordinary activities before taxation is stated after charging:</b>		
Depreciation and impairment of property, plant and equipment	285	231
Employee remuneration (see note 5)	7,414	8,143
Auditors' remuneration:		
Audit work	62	58
Non-audit work	-	-

The Company audit fee for the year was £31,590 (2023: £28,990).

## 5. Employee Remuneration

The average number of full time equivalent employees (including Directors) during the year was as follows:

	2024	2023
	No.	No.
Sales and related services	49	44
Administration	9	7
	<b>58</b>	<b>51</b>

Expenses recognised for employee benefits are analysed below:

	2024	2023
	£'000	£'000
<b>Wages and salaries</b>		
<b>Social security costs</b>		
Defined contribution pension cost	250	217
Share-based payment	61	253
	<b>7,414</b>	<b>8,143</b>

The emoluments of the Directors are disclosed as required by the Companies Act 2006 in the Directors' Remuneration Report. The table of Directors' emoluments has been audited and forms part of these financial statements. This also includes details of the highest paid Director.

## 6. Taxation

### a. Tax charged in the income statement

	2024	2023
	£'000	£'000
<b>Current tax:</b>		
UK corporation tax	-	-
Foreign tax	-	-
<b>Total current tax</b>	<b>-</b>	<b>-</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	-	-
<b>Tax charge / (credit)</b>	<b>-</b>	<b>-</b>

### b. Reconciliation of the total tax charge

The difference between the current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss) / profit before tax is as follows:

	2024	2023
	£'000	£'000
<b>(Loss) / profit on ordinary activities before taxation</b>	<b>(158)</b>	<b>309</b>
Tax on (loss) / profit on ordinary activities at standard UK corporation tax rate of 25% (2023: 23.5%)	(39)	73
Effects of:		
Expenses not deductible	16	6
Share option costs	15	60
Depreciation in excess of capital allowances	(309)	11
Pension accrual movement	1	2
Adjustment to losses carried forward	316	(152)
Current tax charge for the year	-	-

c. Deferred tax

	Tax losses	Total
	£'000	£'000
At 1 January 2024	-	-
Charged/(credited) to the income statement in 2024	-	-
<b>At 31 December 2024</b>	<b>-</b>	<b>-</b>

At 31 December 2024 the Group had capital losses carried forward of £8,129,000 (2023: £8,129,000) and trading losses carried forward of £15,496,000 (2023: £14,234,000). A deferred tax asset has not been recognised as their utilisation in the near future is uncertain.

The analysis of deferred tax in the consolidated balance sheet is as follows:

	2024	2023
	£'000	£'000
<b>Deferred tax assets:</b>		
Tax losses carried forward	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**7. Net Finance Cost**

	2024	2023
	£'000	£'000
Interest payable on leases, invoicing facility and other loans	56	103
<b>Total</b>	<b>56</b>	<b>103</b>

**8. Earnings Per Share**

i. Basic earnings per share

This is calculated by dividing the (loss) / profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. The weighted average number of shares excludes shares held by the Employee Benefit Trust (see note 18):

	2024	2023
	£'000	£'000
(Loss) / profit attributable to owners of the Company	(158)	309
	<b>000's</b>	<b>000's</b>
Weighted average number of ordinary shares	64,034	62,104

ii. Diluted earnings per share

This is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares in the form of employee share options (LTIP and SAYE schemes). For these options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2024	2023
	£'000	£'000
(Loss) / profit attributable to owners of the Company	(158)	309
	<b>000's</b>	<b>000's</b>
Weighted average number of ordinary shares	79,946	78,463

iii. Adjusted earnings per share

An adjusted earnings per share has also been calculated in addition to the basic and diluted earnings per share and is based on earnings adjusted to eliminate the effects of charges for share-based payments. It has been calculated to allow shareholders to gain a clearer understanding of the trading performance of the Group.

	2024	2024	2024	2023	2023	2023
--	------	------	------	------	------	------

	£'000	Basic pence per share	Diluted pence per share	£'000	Basic pence per share	Diluted pence per share
<b>Basic earnings</b>						
(Loss) / profit after tax	(158)	(0.25)	(0.20)	309	0.50	0.39
<b>Adjustments</b>						
Share-based payment charge	61	0.10	0.08	253	0.41	0.32
<b>Adjusted earnings</b>	<b>(97)</b>	<b>(0.15)</b>	<b>(0.12)</b>	<b>562</b>	<b>0.91</b>	<b>0.71</b>

## 9. Profit of Parent Company

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these accounts. The parent company's profit for the year amounted to £0.01 million (2023: £1.4 million loss).

## 10. Intangible Assets

	<b>Goodwill arising on consolidation</b>
<b>Group</b>	<b>£'000</b>
Balance at 1 January 2023	3,690
Balance at 31 December 2023	3,690
<b>Balance at 31 December 2024</b>	<b>3,690</b>
<b>Provision for impairment</b>	
Balance at 1 January 2023	2,327
Balance at 31 December 2023	2,327
<b>Balance at 31 December 2024</b>	<b>2,327</b>
<b>Net book value</b>	
At 1 January 2023	1,363
At 31 December 2023	1,363
<b>At 31 December 2024</b>	<b>1,363</b>

Goodwill acquired through business combinations is allocated to cash-generating units (CGUs) and is shown below:

	<b>Executive Search</b>	<b>Leadership Consulting</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Balance at 1 January 2023	1,303	60	1,363
Balance at 31 December 2023	1,303	60	1,363
<b>Balance at 31 December 2024</b>	<b>1,303</b>	<b>60</b>	<b>1,363</b>

Goodwill has been subject to an impairment review by the Directors of the Group. As set out in accounting policy note 1, the Directors test the goodwill for impairment annually as set out below.

Expected future cash flows for each CGU over a five year period are derived from the most recent three year financial projections agreed by the board and an assumed net fee and cost growth rate of 5% in years four and five. Although the growth rates of 5% exceeds the long-term growth rate for the economy, they are considered appropriate based on the expected future growth rate of the business. A discount rate of 12.5% (2023: 12.5%), representing the weighted average cost of capital for the Group, in line with businesses in the same sector, is then used to calculate the present value of those cash flows and then aggregated to give an overall valuation.

## 11. Property, Plant and Equipment

	<b>Land and buildings - leasehold</b>	<b>Right-of-use asset</b>	<b>Office and computer equipment</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Group Cost</b>					
Balance at 1 January 2023	100	808	368	50	1,326
Additions	-	-	16	-	16
Disposals	(80)	-	(261)	(43)	(384)
Balance at 31 December 2023	<b>20</b>	<b>808</b>	<b>123</b>	<b>7</b>	<b>958</b>
Additions	-	624	49	1	674
Disposals	(20)	(675)	(14)	(7)	(716)
<b>Balance at 31 December 2024</b>	<b>-</b>	<b>757</b>	<b>158</b>	<b>1</b>	<b>916</b>
<b>Accumulated depreciation</b>					
Balance at 1 January 2023	100	500	274	50	924
Charge for the year	-	176	55	-	231
Disposals	(80)	-	(252)	(43)	(375)
Balance at 31 December 2023	<b>20</b>	<b>676</b>	<b>77</b>	<b>7</b>	<b>780</b>
Charge for the year	-	251	34	-	285
Disposals	(20)	(675)	(14)	(7)	(716)
<b>Balance at 31 December 2024</b>	<b>-</b>	<b>252</b>	<b>97</b>	<b>-</b>	<b>349</b>
<b>Net book value</b>					
At 1 January 2023	-	308	94	-	402
At 31 December 2023	-	<b>132</b>	<b>46</b>	-	<b>178</b>
<b>At 31 December 2024</b>	<b>-</b>	<b>505</b>	<b>61</b>	<b>1</b>	<b>567</b>

The Group had no capital commitments as at 31 December 2024 (2023: £nil).

## 12. Investments

	Shares in subsidiary undertakings £'000
	<b>Company Cost</b>
Balance at 1 January 2023	5,935
Balance at 31 December 2023	5,935
<b>Balance at 31 December 2024</b>	<b>5,935</b>
	<b>Provision for impairment</b>
Balance at 1 January 2023	4,735
Impairment for the year	-
Balance at 31 December 2023	4,735
Impairment for the year	-
<b>Balance at 31 December 2024</b>	<b>4,735</b>
	<b>Net book value</b>
At 1 January 2023	1,200
At 31 December 2023	1,200
<b>At 31 December 2024</b>	<b>1,200</b>

During the year to 31 December 2024 the Company held the following ownership interests:

Principal investments:	Country of incorporation or registration and operation	Principal activities	Proportion of shares held by the Company
Norman Broadbent Executive Search Limited	England and Wales	Executive search	100% ordinary shares
Norman Broadbent Ireland Ltd	Republic of Ireland	Dormant	100% ordinary shares

The registered office for Norman Broadbent Executive Search Limited is 68 King William Street, London, EC4N 7HR. The registered office for Norman Broadbent Ireland Limited is The Merrion Buildings, 18 - 20 Merrion Street, Dublin 2, Ireland.

### 13. Trade and Other Receivables

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade receivables	1,834	2,714	-	-
Less: provision for impairment	(38)	(178)	-	-
Trade receivables - net	1,796	2,536	-	-
Other debtors	41	43	-	-
Prepayments and accrued income	429	322	1	8
Due from Group undertakings	-	-	125	147
<b>Total</b>	<b>2,266</b>	<b>2,901</b>	<b>126</b>	<b>155</b>
Non-Current	-	-	-	-
Current	2,266	2,901	126	155
	2,266	2,901	126	155

As at 31 December 2024, Group trade receivables of £0.8m (2023: £1.3m), were past their due date but not impaired, save as referred to below. They relate to customers with no default history. The ageing profile of these receivables is as follows:

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Up to 3 months	740	1,054	-	-
3 to 6 months	55	214	-	-
6 to 12 months	-	-	-	-
<b>Total</b>	<b>795</b>	<b>1,268</b>	<b>-</b>	<b>-</b>

The largest amount due from a single trade debtor at 31 December 2024 represents 10% (2023: 12%) of the total trade receivables balance outstanding.

As at 31 December 2024, £46,000 of group trade receivables (2023: £178,000) were considered impaired. A provision for impairment has been recognised in the financial statements. Movements on the Group's provision for impairment of trade receivables are as follows:

	2024	2023
	£'000	£'000
At 1 January	178	2
Provision for receivable impairment	210	178
Receivables written-off as uncollectable	(350)	(2)
<b>At 31 December</b>	<b>38</b>	<b>178</b>

There is no material difference between the carrying value and the fair value of the Group's and the Company's trade and other receivables.

#### 14. Cash and Cash equivalents

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Cash at bank and in hand	236	765	21	14
<b>Total</b>	<b>236</b>	<b>765</b>	<b>21</b>	<b>14</b>

There is no material difference between the carrying value and the fair value of the Group's and the Company's cash at bank and in hand.

#### 15. Trade and Other Payables

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade payables	378	343	2	46
Other taxation and social security	422	407	(6)	(8)
Other payables	26	22	-	-
Accruals	1,709	2,621	46	52
<b>Total</b>	<b>2,535</b>	<b>3,393</b>	<b>42</b>	<b>90</b>

There is no material difference between the carrying value and the fair value of the Group's and the Company's trade and other payables.

#### 16. Borrowings

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
<b>Current</b>				
Invoice discounting facility (see note (a) below)	-	159	-	-
Loans (see note (b) below)	54	48	54	48
<b>Non-Current</b>				
Loans (see note (b) below)	59	113	59	113
<b>Total</b>	<b>113</b>	<b>320</b>	<b>113</b>	<b>161</b>

The carrying amounts and fair values of the Group's borrowings, which are all denominated in sterling, are as follows:

	Carrying amount		Fair value	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Invoice discounting facility	-	159	-	159
Loans (see note (b) below)	113	161	113	161
<b>Total</b>	<b>113</b>	<b>320</b>	<b>113</b>	<b>320</b>

##### a. Invoice discounting facilities:

The Group operates an invoice discounting facility with Metro Bank. All Group invoices are raised through Norman Broadbent Executive Search Limited and as such Metro Bank (SME Invoice Finance Ltd) holds an all asset debenture for Norman Broadbent plc and Norman Broadbent Executive Search Limited. Funds are available to be drawn down at an advance rate of 88% against trade receivables of Norman Broadbent Executive Search Limited that are aged less than 120 days with the facility capped at £2.1 million. At 31 December 2024, the facility was in credit by £0.02 million (31 December 2023: £0.2 million outstanding) and is recognised in cash and cash equivalents. The facility was secured by trade receivables of £1.8 million. Interest is charged on the drawn down funds at a rate of 2.4% above the bank base rate.

##### b. Loans

In November 2020 the Group received a CBILS Loan of £250,000 for a term of 6 years. Repayment of capital and interest began in January 2022, and from this month the loan incurs interest at 4.75% above the Metro Bank UK base rate. Metro Bank holds an all asset fixed and floating charge over Norman Broadbent Executive Search Limited linked to this facility.

#### 17. Financial Instruments

Financial assets and financial liabilities are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the asset have expired, or when the Group has transferred those rights and substantially all the risks and rewards of the asset.

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

The carrying value of each asset and liability is considered to be a reasonable approximation of the fair value.

The following tables show the carrying amounts of financial assets and financial liabilities held by the Group.

	2024	2023
Group	£'000	£'000
<b>Financial assets</b>		

Trade and other receivables	1,796	2,536
Other debtors	41	43
	<b>1,837</b>	<b>2,579</b>
<b>Financial liabilities</b>		
Trade creditors	378	343
Accruals and deferred income	1,709	2,621
Other payables	26	22
Bank loans - Current	54	207
Bank loans - Non-current	59	113
Lease liabilities - Current	387	111
Lease liabilities - Non-current	119	8
	<b>2,732</b>	<b>3,425</b>

	<b>2024</b>	<b>2023</b>
<b>Company</b>	<b>£'000</b>	<b>£'000</b>
<b>Financial assets</b>		
Amounts owed by group undertakings	125	147
	<b>125</b>	<b>147</b>
<b>Financial liabilities</b>		
Trade and other payables	2	46
Accruals and deferred income	46	52
Bank loans - Current	54	48
Bank loans - Non-current	59	113
	<b>161</b>	<b>259</b>

In common with other businesses, the Group is exposed to risks that arise from its use of financial instruments. Details on these risks and the policies set out by the Board to reduce them can be found in note 2.

#### 18. Share Capital and reserves

Share capital and reserves comprise of the following categories:

- Share capital: the nominal value of shares issued by the Company.
- Share premium: the amount above the nominal value received for shares issued by the Company, less transaction costs and amounts used to fund bonus share issues.
- Own shares: the value of shares held by the Employee Benefit Trust.
- Retained earnings: all current and prior period retained profits and losses after deducting any distributions made to the Company's shareholders and adding any credits for share-based payments.

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Allotted and fully paid</b>		
<b>Ordinary Shares:</b>		
66,902,286 Ordinary shares of 1.0p each (2023: 63,865,249)	669	638
<b>Deferred Shares:</b>		
23,342,400 Deferred A shares of 4.0p each (2023: 23,342,400)	934	934
907,118,360 Deferred shares of 0.4p each (2023: 907,118,360)	3,628	3,628
1,043,566 Deferred B shares of 42.0p each (2023: 1,043,566)	438	438
2,504,610 Deferred C shares of 29.0p each (2023: 2,504,610)	727	727
<b>Total</b>	<b>6,396</b>	<b>6,365</b>

#### Deferred A Shares of 4.0p each

The Deferred A Shares carry no right to dividends or distributions or to receive notice of or attend general meetings of the Company. In the event of a winding up, the shares carry a right to repayment only after the holders of Ordinary Shares have received a payment of £10 million per Ordinary Share. The Company retains the right to cancel the shares without payment to the holders thereof. The rights attaching to the shares shall not be varied by the creation or issue of shares ranking pari passu with or in priority to the Deferred A Shares.

#### Deferred Shares of 0.4p each

The Deferred Shares carry no right to dividends, distributions or to receive notice of or attend general meetings of the Company. In the event of a winding up, the shares carry a right to repayment only after payment of capital paid up on Ordinary Shares plus a payment of £10,000 per Ordinary Share. The Company retains the right to transfer or cancel the shares without payment to the holders thereof.

#### Deferred B Shares of 42.0p each

The Deferred B Shares carry no right to dividends or distributions or to receive notice of or attend general meetings of the Company. In the event of a winding up, the shares carry the right to repayment only after the holders of Ordinary Shares have received a payment of £10 million per Ordinary Share. The Company retains the right to cancel the shares without payment to the holders thereof. The rights attaching to the shares shall not be varied by the creation or issue of shares ranking pari passu with or in priority to the Deferred B Shares.

#### Deferred C Shares of 29.0p each

The Deferred Shares carry no right to dividends or distributions or to receive notice of or attend general meetings of the Company. In the event of a winding up, the shares carry the right to repayment only after the holders of Ordinary Shares have received a payment of £10 million per Ordinary Share. The Company retains the right to cancel the shares without payment to the holders thereof.

A reconciliation of the movement in share capital and share premium is presented below:

	No. of ordinary shares	Ordinary shares	Deferred shares	Share premium	Total
	000's	£'000	£'000	£'000	£'000
At 1 January 2023	61,817	618	5,727	14,110	20,455
Issued during the year	2,048	20	-	123	143
<b>At 31 December 2023</b>	<b>63,865</b>	<b>638</b>	<b>5,727</b>	<b>14,233</b>	<b>20,598</b>
Issued during the year	3,037	31	-	-	31
<b>At 31 December 2024</b>	<b>66,902</b>	<b>669</b>	<b>5,727</b>	<b>14,233</b>	<b>20,629</b>

During the year 3,037,037 Ordinary Shares were issued at a consideration of 1.00 pence per share.

#### Employee Benefit Trust

During the year the Group set up an Employee Benefit Trust (EBT) to hold shares which will be used to satisfy the exercise of options granted to employees under the Group's Long Term Incentive Plan (LTIP). The own shares reserve represents the cost of Norman Broadbent plc shares held by the EBT.

During the year the Group issued 3,037,037 ordinary shares (2023: nil shares) at the nominal value of £0.01 which were passed to the EBT. Options over 550,000 ordinary shares (2023: nil shares) were exercised by employees during the year and transferred to them by the EBT.

At 31 December 2024 the EBT held 2,487,037 ordinary shares (31 December 2023: nil shares).

#### 19. Share Based Payments

As at 31 December 2024, the Group maintained two share-based payment schemes for employee remuneration, the Long Term Incentive Plan (LTIP) and the Save As You Earn Scheme (SAYE). Both programmes will be settled in equity.

##### LTIP

The LTIP is part of the remuneration package of the Group's senior management team. The scheme is an executive Enterprise Management Incentive ("EMI") share option scheme and 4,148,148 options were granted as part of the scheme on 28 July 2023. All options are subject to both time vesting conditions and performance conditions. 50% of the Options are subject to market-based share price performance conditions (the "Share Price Options") and 50% are subject to certain EBITDA performance conditions (the "EBITDA Options").

##### SAYE

During the prior year the Company established a tax advantaged SAYE scheme. The scheme is based on eligible employees being granted options over shares with an exercise price of £0.05 per share, which represents a 20 per cent discount to the closing middle market price of a share on 12 June 2023.

Employees agree to opening a sharesave account with the nominated savings carrier and save monthly over a three year saving period. On vesting, participants have a 6-month period to exercise their options.

The Company issued 4,500,000 options on 29 June 2023 (the "SAYE Grant Date"). The SAYE options have no performance conditions attached to them.

Share options and weighted average exercise prices are as follows for the reporting periods presented:

	2024 Charge	2024 Number of share options	2023 Charge	2023 Number of share options	Vesting period	Expiry date	Performance metrics
Scheme	£'000	000's	£'000	000's	Years	Years	
LTIP	40	11,598	243	12,148	3	7	EBITDA and share price
SAYE	21	3,744	10	4,212	3	0.5 after vesting	None
<b>Total</b>	<b>61</b>	<b>15,342</b>	<b>253</b>	<b>16,360</b>			

	LTIP		SAYE	
	Weighted average exercise price		Weighted average exercise price	
	£	000's	£	000's
At 1 January 2023	-	9,950	-	-
Granted	-	4,148	0.05	4,500

	LTIP	SAYE
Forfeited	(1,950)	0.05 (288)
At 31 December 2023	- 12,148	0.05 4,212
Granted	- -	- -
Forfeited	- -	0.05 (468)
Exercised	- (550)	- -
At 31 December 2024	- 11,598	0.05 3,744

The weighted average remaining contractual life of the options outstanding at the end of 2024 was 4.7 years for the LTIP and 2.1 years for the SAYE scheme (2023: 5.7 years for the LTIP and 3.1 years for the SAYE scheme).

The inputs into the valuation models were as follows:

	LTIP - EBITDA Options	LTIP - Share Price Options	SAYE
Option pricing model used	Binomial option model	Monte Carlo simulation	Binomial option model
Weighted average share price at grant date (£)	0.053	0.053	0.055
Exercise price (£)	-	-	0.05
Expiry date	July 2030	July 2030	February 2027
Expected volatility	44.9%	44.9%	43.4%
Expected dividend yield	0.0%	0.0%	0.0%
Risk-free interest rate	4.72%	4.72%	4.72%

## 20. Leases

All property leases are accounted for by recognising a right-of-use asset and a lease liability, with depreciation and interest expense being charged to the consolidated income statement.

Right-of-use assets are recognised at the commencement date of the lease and they are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term. Right-of-use assets are subject to impairment.

At the commencement date of the lease, lease liabilities are measured at the present value of lease payments to be made over the lease term. The Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Consolidation statement	2024 £'000	2023 £'000
Depreciation expense	(251)	(176)
<b>Operating Profit</b>	<b>(251)</b>	<b>(176)</b>
Finance Costs	(15)	(2)
<b>Profit before Tax</b>	<b>(266)</b>	<b>(178)</b>

Consolidated statement of financial position	Right-of-use assets £'000	Lease liabilities £'000
<b>As at 1 January 2023</b>	308	(358)
Additions	-	-
Disposals	-	-
Depreciation expense	(176)	-
Interest expense	-	(2)
Payments	-	241
<b>At 31 December 2023</b>	132	(119)
Additions	624	624
Disposals	-	-
Depreciation expense	(251)	-
Interest expense	-	(19)
Payments	-	256
<b>At 31 December 2024</b>	<b>505</b>	<b>(506)</b>

Impact on consolidated statement of financial position	2024 £'000	2023 £'000
Right-of-use assets	505	132

	2023	2022
<b>Total Assets</b>	<b>505</b>	<b>132</b>
Lease liabilities - less than one year	(387)	(111)
Lease liabilities - more than one year	(119)	(8)
<b>Total Liabilities</b>	<b>(506)</b>	<b>(119)</b>
<b>Equity</b>	<b>(1)</b>	<b>13</b>

## 21. Pension Costs

The Group operates several defined contribution pension schemes for the business. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost represents contributions payable by the Group to the funds and amounted to £250,000 (2023: £217,000). At the year-end £26,000 of contributions were outstanding (2023: £22,000).

## 22. Related Party Transactions

The following transactions were carried out with related parties:

### Key management compensation:

Key management includes Executive and Non-Executive Directors. The compensation paid or payable to the directors can be found in the Directors' Remuneration Report.

## 23. Contingent Liability

The Company is a member of the Norman Broadbent plc Group VAT scheme. As such it is jointly accountable for the combined VAT liability of the Group. The total VAT outstanding in the Group at the year end was £213,000 (2023: £192,000).

## 24. Liabilities from Financing Activities

A reconciliation of liabilities arising from financing activities is presented below:

Group	Borrowings	Lease Liabilities	Total
	£'000	£'000	£'000
<b>At 1 January 2023</b>	1,101	358	1,459
Cash flows:			
Repayments of borrowings	(389)	-	(389)
Payment of lease liabilities	-	(241)	(241)
Decrease in invoice discounting	(324)	-	(324)
Non-cash movements:			
Interest accrued	75	2	77
Conversion of loan notes to equity	(143)	-	(143)
<b>At 31 December 2023</b>	320	119	439
Cash flows:			
Repayments of borrowings	(62)	-	(62)
Payment of lease liabilities	-	(256)	(256)
Decrease in invoice discounting	(159)	-	(150)
Non-cash movements:			
Interest accrued	14	19	33
New lease liabilities	-	624	624
<b>At 31 December 2024</b>	<b>113</b>	<b>506</b>	<b>619</b>

Company	Borrowings	Total
	£'000	£'000
<b>At 1 January 2023</b>	618	618
Cash flows:		
Repayments of borrowings	(389)	(389)
Non-cash movements:		
Interest accrued	75	77
Conversion of loan notes to equity	(143)	(143)
<b>At 31 December 2023</b>	<b>161</b>	<b>161</b>

<b>At 31 December 2023</b>	<b>161</b>	<b>161</b>
Cash flows:		
Repayments of borrowings	(62)	(62)
Non-cash movements:		
Interest accrued	14	33
<b>At 31 December 2024</b>	<b>113</b>	<b>113</b>

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [ms@seg.com](mailto:ms@seg.com) or visit [www.ms.com](http://www.ms.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

FR UASRRVBUSRUR