

Fiske

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Chairman's and Chief Executive's Report

Trading

We are pleased to report an increase in our revenues and operating profit for the six-month period to 31 December 2024 when compared to the previous half-year period to 31 December 2023. Revenues increased by 12% to £3.89m (2023: £3.46m) whilst operating profit was up 52% to £294k (2023: £193k). These results show a continuation in the first half of this financial year of the improvements in revenues and profits that we delivered in the second half of last year.

Our Assets under Management & Administration (AUMA) rose modestly to £882m at 31 December 2024 from £878m at 30 June 2024.

Operating costs are some 10% higher in the six months to 31 December 2024 at £3.59m (2023: £3.27m). Part of this increase is driven by ongoing compliance advisory work relating to the Consumer Duty regulation and a general upgrading of systems & controls used by our compliance team. We are working with external consultants alongside additional internal resource on this project to comply with the requirements of the regulator. As part of this upgrade our overall governance and oversight of the business is being refreshed. We expect the costs associated with this work to be expensed in the second half of this financial year resulting in H2 operating costs running higher than in H1.

The continued migration of clients to fee paying services, the introduction of new clients and the positive market movements over the period have driven investment management fees up by 11% to £1.98m in the first half of the year from £1.79m in the six months to 31 December 2023.

Our company cash balance has risen to £5.9m as of 31 December 2024. This is an increase of 20% from the level of £5.0m as of 30 June 2024. Interest on our cash amounted to £120k in the six months to 31 December 2024 (2023: £69k).

Profit after tax was £830k to 31 December 2024 which is significantly up on £367k reported for the six months to 31 December 2023. This gives rise to earnings per share for the six-month period of 7.0p (2023: 3.1p).

Euroclear

Our holding in Euroclear continues to represent a significant store of value on our balance sheet and the company paid us dividend income amounting to £497k in the six months to 31 December 2024 (2023: £259k). Of this, £331k has been received and £143k is withholding tax that is subject to reclaim from the Belgian tax authorities. In July 2024 we received £141k of historic dividend withholding tax which had not been previously accounted for.

Recent results from Euroclear to 31 December 2024 showed further improvement in the company's operating businesses. Purchases of shares by new shareholders have taken place at higher levels than when last notified. We have maintained the valuation of our Euroclear holding at the June 2024 level. The slight decline in the carrying value is due to the weakness in the Euro/Sterling exchange rate. The company also guided shareholders that it expects to increase its dividend, payable in Q2 2025, by some 5% which would equate to an expected investment income receivable of approximately £490k.

Markets

Donald Trump's re-election as President of the United States ended a long year of elections around the world. The margin of victory for Trump confounded pollsters and left the Republicans with control of both houses of Congress. President Trump's unusual approach to politics make it difficult to know exactly what to expect. A flurry of disruptive executive orders and policy statements have been issued since his inauguration. These include imposing tariffs on trading partners, tax cuts, deregulation and Elon Musk's appointment to lead the new administration's Department of Government Efficiency (DOGE). In addition, big spending projects in favour of a greener economy are likely to be scrapped. On the geo-political front, the President's stated intention to end Russia's war with Ukraine and his apparent admiration of strong man Vladimir Putin has thrown into turmoil the USA's ongoing support of European security and its military assistance for Ukraine.

On the domestic front, the long-awaited UK budget from Labour's Rachel Reeves has been poorly received. In particular, the hike in Employer's National Insurance and in the minimum wage has put considerably more cost on all businesses, though especially the small and mid-sized companies that have always been the backbone of growth in the economy. Companies

with high numbers of relatively low paid workers, such as those in retail and hospitality, look likely to be most impacted by this approach. Even the excitement of the promise to ease the planning process and target building 1.5m new homes during this parliament has soon waned. As it was realised that the target was no greater than when targets were abandoned years ago as they had not been met since the 1970s.

During the period under review, further interest rate cuts have been made in most regions, but inflation has, in some cases, remained stickier than hoped. Meanwhile stock markets have generally remained firm, though volatility has increased. In the US, the seven mega-cap technology stocks which account for 35% of the S&P 500 led the market up but since the turn of the year upward momentum has faded. Likewise, over the past two months, the more highly rated US market has underperformed other global stock markets including those of Europe and the UK where leading equity market indices have reached all-time highs. Despite interest rates trending down yields in most bond markets have edged up on inflationary concerns.

Dividend

Notwithstanding likely market volatility, the Directors believe that following the measures taken in recent years to increase investment management fee income and control costs, the company is now in a stronger financial position. Its valuable holding in Euroclear continues to produce a substantial investment income stream and with sustainable investment management fee income and an encouraging pipeline of new business, the Directors have resolved to increase the dividend by 10% with the declaration of an interim dividend of 0.275p per share. The dividend will be payable on 4 April 2025 to shareholders on the register on 14 March 2025. The shares will be marked ex-dividend on 13 March 2025.

Outlook

In the short term there are several macro-economic uncertainties and headwinds to navigate but as investment managers we believe that our policy of maintaining clients' exposure to quality equities on reasonable ratings has and will continue to be the most effective strategy for achieving positive real returns over the medium to long term.

We continue to benefit from a solid platform on which to grow the business and provide good outcomes for our stakeholders.

Tony R Pattison
Chairman
28 February 2025

James P Q Harrison
Chief Executive Officer

Condensed Consolidated Statement of Total Comprehensive Income

for the six months ended 31 December 2024

	note	6 months ended 31 December 2024 Unaudited £'000	6 months ended 31 December 2023 Unaudited £'000	Year to 30 June 2024 Audited £'000
Revenues	2	3,888	3,458	7,421
Operating expenses		(3,594)	(3,265)	(6,864)
Operating profit / (loss)		294	193	557
Investment revenue		472	181	253
Finance income		120	69	157
Finance costs		(7)	(14)	(25)
Profit on ordinary activities before taxation		879	429	942
Taxation charge		(49)	(62)	(121)
Profit on ordinary activities after taxation		830	367	821
Other comprehensive income / (expense)				
<i>Items that may subsequently be reclassified to profit or loss</i>				
Movement in unrealised appreciation of investments		(128)	723	1,007
Deferred tax on movement in unrealised appreciation of investments	3	32	(181)	(252)
Net other comprehensive income / (expense)		(96)	542	755
Total comprehensive income / (loss) for the period/year attributable to equity shareholders		734	909	1,576
Earnings per ordinary share (pence)	4			
Basic		7.0p	3.1p	6.9p
Diluted		7.0p	3.1p	6.9p

All results are from continuing operations and are attributable to equity shareholders of the parent Company.

Condensed Consolidated Statement of Financial Position

At 31 December 2024

	As at 31 December 2024 Unaudited £'000	As at 31 December 2023 Unaudited £'000	As at 30 June 2024 Audited £'000
Non-current assets			
Intangible assets arising on consolidation	503	783	583
Right-of-use assets	238	110	63
Property, plant and equipment	35	10	5
Investments held at Fair Value Through Other Comprehensive Income	5,292	5,136	5,419
Total non-current assets	6,068	6,039	6,070
Current assets			
Trade and other receivables	2,417	3,027	2,942
Cash and cash equivalents	5,922	4,089	4,957
Total current assets	8,339	7,116	7,899
Current liabilities			
Trade and other payables	2,495	2,789	2,889
Short-term lease liabilities	241	106	72
Current tax liabilities	49	-	-
Total current liabilities	2,785	2,895	2,961
Net current assets	5,554	4,221	4,938
Non-current liabilities			
Long-term lease liabilities	-	17	-
Deferred tax liabilities	1,156	1,058	1,188
Total non-current liabilities	1,156	1,075	1,188
Net assets	10,466	9,185	9,820
Equity			
Share capital	2,957	2,957	2,957
Share premium	2,085	2,085	2,085
Revaluation reserve	3,546	3,429	3,642
Retained earnings	1,878	714	1,136
Shareholders' equity	10,466	9,185	9,820

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2024

	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
	£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2024	2,957	2,085	3,642	1,136	9,820
Profit on ordinary activities after taxation	-	-	-	830	952
Movement in unrealised appreciation of investments	-	-	(128)	-	(128)
Deferred tax on movement in unrealised appreciation of investments	-	-	32	-	32
Total comprehensive income / (expense) for the period	-	-	(96)	830	856
Dividends paid	-	-	-	(89)	(89)
Total transactions with owners, recognised directly in equity	-	-	-	1	1
Balance at 31 December 2024	2,957	2,085	3,546	1,878	10,466
Balance at 1 July 2023	2,957	2,085	2,887	343	8,272
Profit on ordinary activities after taxation	-	-	-	370	370
Movement in unrealised appreciation of investments	-	-	723	-	723
Deferred tax on movement in unrealised appreciation of investments	-	-	(181)	-	(181)
Total comprehensive income / (expense) for the period	-	-	542	370	912
Share based payment transactions	-	-	-	1	1
Total transactions with owners, recognised directly in equity	-	-	-	1	1
Balance at 31 December 2023	2,957	2,085	3,429	714	9,185
Balance at 1 July 2023	2,957	2,085	2,887	343	8,272
Profit on ordinary activities after taxation	-	-	-	821	821
Movement in unrealised appreciation of investments	-	-	1,007	-	1,007
Deferred tax on movement in unrealised appreciation of investments	-	-	(252)	-	(252)
Total comprehensive (expense) / income for the period	-	-	755	821	1,576
Share based payment transactions	-	-	-	2	2
Dividends Paid	-	-	-	(30)	(30)
Total transactions with owners, recognised directly in equity	-	-	-	(28)	(28)
Balance at 30 June 2024	2,957	2,085	3,642	1,136	9,820

Condensed Consolidated Statement of Cash Flows

For the six months ended 31 December 2024

	6 months ended 31 December 2024 Unaudited £'000	6 months ended 31 December 2023 Unaudited £'000	Year ended 30 June 2024 Audited £'000
Operating profit / (loss)	294	193	557
Amortisation of intangible assets arising on consolidation	80	216	416
Depreciation of right-of-use assets	48	46	93
Depreciation of property, plant and equipment	8	6	11
Interest relating to ROU assets	(1)	(8)	(13)
Expenses settled by the issue of shares	1	1	2
Decrease/(increase) in receivables	1,647	1,096	1,863
(Decrease)/increase in payables	(1,518)	(875)	(1,460)
Cash generated from / (used) in operations	559	675	1,469
Investing activities			
Investment income received	472	181	253
Interest income received	120	69	157
Purchase of available-for-sale investments	-	(113)	(113)
Purchases of property, plant and equipment	(38)	(1)	(1)
Purchase of other intangible assets	-	-	-
Net cash generated from investing activities	554	136	296
Financing activities			
Interest paid	(6)	(7)	(12)
Repayment of lease liabilities	(53)	(48)	(99)
Dividends paid	(89)	-	(30)
Net cash used in financing activities	(148)	(55)	(141)
Net increase / (decrease) in cash and cash equivalents	965	756	1,624
Cash and cash equivalents at beginning of period	4,957	3,333	3,333
Cash and cash equivalents at end of period/year	5,922	4,089	4,957

Notes to the Interim Financial Statements

1. Basis of preparation

The Condensed Consolidated Interim Financial Statements of Fiske plc and its subsidiaries (the Group) for the six months ended 31 December 2024 have been prepared in accordance with IAS 34 (Interim Financial Reporting), as adopted in the United Kingdom. The accounting policies applied are consistent with those set out in the June 2024 Fiske plc Annual Report and accounts. These Condensed Consolidated Interim Financial Statements do not include all the information required for full annual statements and should be read in conjunction with the June 2024 Annual Report and Accounts.

The Financial Statements of the Group for the Year ended 30 June 2024 were prepared in accordance with International Financial Reporting Standards adopted by in the United Kingdom. The statutory Consolidated Financial Statements for Fiske plc in respect of the Year ended 30 June 2024 have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

Under IAS 27 these financial statements are prepared on a consolidated basis where the Group consists of Fiske plc, the parent, and those subsidiaries in which it owns 100% of the voting rights, being Ionian Group Limited, Fiske Nominees Limited, Fieldings Investment Management Limited and VOR Financial Strategy Limited.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing this half-yearly financial report.

There were no new mandatory standards or amendments to existing standards effective in the six-month reporting period to 31 December 2024.

2. Revenues

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by management to allocate resources to the segments and to assess their performance. Following the acquisition of Fieldings Investment Management Limited in August 2017, their staff and operations have been integrated into the management team of Fiske plc. Pursuant to this, the Group continues to identify a single reportable segment, being UK-based financial intermediation. Within this single reportable segment, total revenue comprises:

	6 months ended 31 December 2024 Unaudited	6 months ended 31 December 2023 Unaudited	Year ended 30 June 2024 Audited
	£'000	£'000	£'000
Commission receivable	1,899	1,669	3,659
Investment management fees	1,987	1,790	3,762
	3,886	3,459	7,421
Other income	2	(1)	-
	3,888	3,458	7,421

3. Deferred tax

Deferred tax assets and liabilities are recognised at a rate which is substantively enacted at the balance sheet date. The rate to be taken in this case is 25%, (Year to 30 June 2024: 25%) being the anticipated rate of taxation applicable to the Group and Company in the following year.

4. Earnings per share

	Basic £'000	Diluted Basic £'000
Profit on ordinary activities after taxation	830	830
Adjustment to reflect impact of dilutive share options	-	-
Profit	830	830
Weighted average number of shares (000's)	11,830	11,830
Profit per share (pence)	7.0p	7.0p