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RECORD PLC
INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

Continued AUM growth and launch of €1bn Infrastructure Equity Fund

Record plc ("Record" or "the Company"), the specialist currency and asset manager, today announces its unaudited results for the six months ended 30 September 2024 ("H1 FY25").

Financial headlines:

- Continued AUM growth and launch of €1bn Infrastructure Equity Fund
- 4% growth in Assets Under Management ("AUM") during the period to a new high of $106.0bn (H1 FY24: $84.5bn, H2 FY24: $102.2bn)
- Revenue down 2% to £21.1m (H1 FY24: £21.5m) in line with expectations following a restructuring of a large client mandate
- Profit after tax attributable to Record plc shareholders of £5.0m up 5% (H1 FY24: £4.7m)
- Basic EPS attributable to Record shareholders up 4% to 2.58 pence (H1 FY24: 2.48 pence)
- Interim dividend maintained at 2.15 pence per share (H1 FY24: 2.15 pence per share)
- Strong financial position with net cash of £14.3m (H1 FY24: £14.8m) and shareholders' equity of £27.7m (H1 FY24: £28.5m)

Key developments:

- Launch of Infrastructure Equity Fund with over €1.1bn in long term commitments to be deployed over the next 3 years
- Currency Management resilient with AUM and management fee growth, and performance fees of £1.6m (H1 FY24: £1.5m)
- Expanded the team at Record Asset Management bringing a track record of origination and structuring
- Hiring of in-house IT team completed with clear development roadmap

Commenting on the results, Jan Witte, Chief Executive Officer of Record plc, said:

During my first 6 months as CEO of Record, the business has again demonstrated the strength of its unique product offering, growing AUM to a new record of $106.0bn. We have continued to focus on delivering best-in-class solutions to clients in our six core product areas, and we are seeing increased demand for our Hedging for Asset Managers and FX Alpha products in particular. I am especially delighted to announce the launch of our Infrastructure Equity Fund. This is an important milestone in the growth of our Asset Management offering, which will deliver sustainable long-term revenues and where we continue to develop our pipeline.

We have also made important investments during the period. We have expanded our Asset Management team with new hires bringing origination and structuring experience. We have rolled out a new technology roadmap under new IT leadership; and we have signed the lease on an exciting new office space providing a fantastic, modern workplace for our people and our clients.

Trading for the full year remains in line with the Board's expectations.

Analyst presentation

There will be a presentation for analysts at 9.30am today held via a Zoom call. Please contact Elliot Hance at h2Radnor via ehance@h2radnor.com for further details. A recording of the presentation will be made available on the Group's website at www.recordfg.com.

For further information, please contact:

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Chief Executive Officer's statement

Strategic progress

I'm pleased to report the results for the first half of FY25, my first full six months as CEO of Record. Our renewed focus on our core suite of products has delivered progress towards each of our strategic objectives: organic growth, quality of earnings, and operational excellence.

Record's market position remains strong, with total AUM reaching a new high of $106.0 billion at the end of the period. This is a 4% increase from the FY24 year-end, and a 25% increase ($21.5 billion) over the past 12 months. Our flexibility and expertise in structuring unique solutions allows us to respond to ever-changing markets and client demands, and creates a solid foundation for sustained organic growth.

The first half of FY25 brought challenging conditions from the perspective of an FX manager due to reduced divergence in monetary policy globally. Additional geopolitical uncertainty, particularly surrounding tensions in the Middle East and numerous elections worldwide, has provided a headwind in emerging markets.

Against this backdrop, Currency Management AUM increased by a further 6% since H2 FY24 to $103.5 billion, and we are seeing increased demand for our Hedging for Asset Managers and FX Alpha products in particular. We onboarded a large new FX Alpha relationship during H1 FY25, and there is a solid pipeline of opportunities we expect to develop over the second half of FY25. Hedging for Asset Managers continues to see growth from both new client wins as well as the expansion of existing relationships as clients launch new funds supported by our services.

We are building a team and track record of delivery that will allow us to continue to grow our Asset Management business, offering solutions and products that complement our core Currency Management business. Overall AUM in Asset Management fell during the period, however the Custom Solutions product category is now comprised almost entirely of our fund solutions, all of which are long-term, and where we are better positioned for future growth.

People

During the period we have expanded our Asset Management team, adding expertise in deal origination and structuring as well as building the operational support needed to support growth. Under new technology leadership, we have also completed the hiring of an in-house development team.

We aim to hire exceptional people throughout our business and provide opportunities for our talented colleagues to maximise their potential, by providing support in the form of internal and external coaching, and learning and personal development, such as by studying for professional qualifications.

We have also recently signed the lease for our new London office. This is an important investment to ensure we continue to attract and retain the best talent and provide a modern, state of the art working environment to promote collaboration and operational excellence. It will also be a fantastic space into which to welcome clients.

Operational excellence

At the end of FY24 we took the important decision to bring our IT infrastructure and development teams in-house. During the period we have rolled out our new strategic IT development plan with a clear roadmap that aligns our technology investment with our operational priorities. That has been achieved at a cost run rate slightly below the second half of last year.

Private Infrastructure

Following the successful launches of our GP Stakes and Protected Equities funds last year, I am excited to announce the launch of our much-anticipated Infrastructure Equity Fund with initial commitments totalling approximately €1.1 billion. This Luxembourg-based fund offers investors access to stable, inflation-adjusted returns, while providing diversification across sectors such as renewable energy, data infrastructure, transport, and network utilities.

The fund will primarily invest in minority equity stakes of infrastructure assets worldwide, with a particular emphasis on brownfield assets, which are existing infrastructure projects that require renovation or improvement. The fund seeks to identify high-potential opportunities and deliver returns that outperform traditional bonds over a multi-year horizon.

Chief Executive Officer's statement (continued)

Outlook

We currently see an elevated degree of political and economic uncertainty which we expect to persist for some time and to include periods of currency volatility. These are conditions in which we expect to see increased client demand for our risk management services and may present good opportunities for return generating strategies.

The commitments to the Infrastructure Equity Fund will be deployed over the next 3 years, with the first investments expected towards the end of FY25. Record will earn management fees on deployed funds at the upper end of the range of what we have historically earned on Custom Solutions mandates, and the minimum holding period of each investment is expected to be 15 years.

Our expectations for the full year FY25 are unchanged. We expect the H1 FY25 run rate of management fees and expenses to continue through H2 FY25. We will provide updated guidance on our medium-term growth plans when we announce our full year results.

Jan Witte
Chief Executive Officer
14 November 2024

Interim management review

AUM development

AUM composition by product and movement analysis

	30 Sep 2023 $bn	Net flows $bn	Equity & other market impact $bn	FX & scaling adj. $bn	31 Mar 2024 $bn	Net flows $bn	Equity & other market impact $bn	FX & scaling adj. $bn	30 Sep 2024 $bn
Currency Management									
Passive Hedging	51.2	8.9	5.3	0.6	66.0	(1.5)	(0.4)	4.2	68.3
Active Hedging	14.5	-	2.0	-	16.5	(0.7)	1.0	-	16.8
Hedging for Asset Managers	9.3	1.1	(0.1)	0.1	10.4	1.5	-	0.4	12.3
FX Alpha	3.0	0.1	1.4	-	4.5	0.7	0.5	0.3	6.0
Cash	0.1	-	-	-	0.1	-	-	-	0.1
Total Currency Management AUM	78.1	10.1	8.6	0.7	97.5	-	1.1	4.9	103.5
Asset Management									
Custom Solutions	5.5	(2.3)	0.1	0.4	3.7	(2.3)	-	-	1.4
EM Debt	0.9	-	0.1	-	1.0	0.1	-	-	1.1
Total Asset Management AUM	6.4	(2.3)	0.2	0.4	4.7	(2.2)	-	-	2.5
Total AUM	84.5	7.8	8.8	1.1	102.2	(2.2)	1.1	4.9	106.0

AUM finished the period at $106.0 billion, up $3.8 billion since the start of the period, an increase of 4% (FY24: $102.2 billion).

Record's AUM is affected by market movements because substantially all the Passive and Active Hedging, and some of the mandates within Custom Solutions, are linked to equity, fixed income and other market levels. Market movements increased AUM by $1.1 billion in the period ended 30 September 2024.

Approximately 77% of the Group's AUM is non-US dollar denominated. Therefore, foreign exchange movements have an impact on AUM when expressing non-US dollar denominated AUM in US dollars. Foreign exchange movements increased AUM by $4.9 billion in H1 FY25.

As at 30 September 2024, the split of AUM by base currency was 57% in Swiss francs, 23% in US dollars, 8% in sterling, 8% in euros and 4% in other currencies. Fees are earned in the base currency of the AUM.

Currency Management
Passive Hedging AUM increased to $68.3 billion driven by weakening of the US dollar against the Swiss Franc, the underlying currency for many of our passive hedging mandates. Excluding the impact of FX, Passive Hedging AUM decreased by $1.9 billion from a combination of outflows and lower asset values.

AUM movements in other products were driven primarily by flows. Active Hedging AUM increased to $16.8 billion, a 2% increase with net outflows more than offset by positive market movements. Hedging for Asset Managers AUM increased by 18% over the period reflecting strong client wins and increased allocations from existing clients. FX Alpha products also saw strong client inflows of $0.7 billion, which, combined with further AUM increases from net FX and market movements, increased FX Alpha AUM by 33% to $6.0 billion.

Asset Management
The composition of Custom Solutions saw a change after the end of FY24, with the previously announced switch of one client mandate from Custom Solutions to a traditional passive allocation. The combination of this change and the discontinuation of a tactical interest rate swap portfolio during the period is the predominant driver behind the $2.3 billion AUM outflow from Custom Solutions in H1 FY25. Following those changes, the Custom Solutions product category is now comprised almost entirely of our fund solutions, all of which are long-term allocations.

Interest in the EM Debt space remains strong, resulting in $0.2 billion in AUM inflows since H1 FY24. Additionally, the recent launch of our Infrastructure Equity Fund, which has already secured initial commitments exceeding €1 billion, positions us well for the future.

Financial Review

	Six months ended 30 September 2024 £m	Six months ended 30 September 2023 £m	Change %
Revenue	21.1	21.5	(2%)
Cost of sales	(0.2)	(0.1)	100%
Gross profit	20.9	21.4	(2%)
Administrative expenditure	(15.4)	(15.0)	2%
Other income/(expense)	0.1	(0.3)	N/A
Operating profit	5.6	6.1	(8%)

Headline revenue of £21.1 million, including performance fees, represents a small decrease of 2% from H1 FY24 (£21.5 million). Excluding performance fees, underlying management fees decreased by 3% versus H1 FY24, but are broadly flat compared to H2 FY24.

Administrative expenses were £0.4 million higher than H1 FY24 at £15.4 million. However, they were £0.3 million lower than H2 FY24 as we have managed our cost base in line with management fees, while still making important investments in operations, technology and our Asset Management team. The result is an operating margin of 27% and pre-tax profit of £5.9 million. Against a challenging backdrop for management fees and having made some important investments for the future, this is a satisfactory result and leaves us well positioned for profitable growth.

Revenue Analysis

Management fees from Currency Management products grew by £2.0 million, a 14% increase on H1 FY24, in line with higher AUM. In addition, we earned performance fees of £1.6 million, a slight increase on the prior year (H1 FY24: £1.5 million). Management fees from Asset Management products fell by £2.6 million, reflecting the impact of the previously announced restructure of a large client mandate from Custom Solutions to Passive Hedging.

Revenue by product

	Six months ended 30 September 2024 £m	Six months ended 30 September 2023 £m	Change %
Management fees			
Currency Management			
Passive Hedging	5.8	4.3	33%
Active Hedging	7.1	7.0	1%
Hedging for Asset Managers	1.7	1.5	14%
FX Alpha	0.8	0.6	29%
Total Currency Management	15.4	13.4	14%
Asset Management			
Custom Solutions	1.1	3.7	(70%)
EM Debt	2.5	2.5	3%
Total Asset Management	3.6	6.2	(41%)
Total management fees	19.0	19.6	(3%)
Performance fees	1.6	1.5	8%
Other services income	0.5	0.4	31%
Total revenue	21.1	21.5	(2%)

We continue to see opportunities for earning performance fees in some of our Passive Hedging mandates, with £1.6 million earned in the period compared to £1.5 million earned in H1 FY24. However, the exceptional performance fees of £4.3 million earned in H2 FY24 are unlikely to be repeated in the second half of this year.

Passive Hedging management fees for H1 FY25 were £5.8 million. This is £1.5 million higher than the equivalent period last year (H1 FY24: £4.3 million), reflecting higher AUM.

Active Hedging management fees have increased by 1% compared to the same period last year, reflecting the increase in the average AUM over the period being partially offset by unfavourable exchange movements.

New client wins for Hedging for Asset Manager products saw management fees increase by 14% to £1.7 million compared to the same period last year (H1 FY24: £1.5 million).

Revenue Analysis (continued)

FX Alpha products saw good AUM inflows resulting in increased FX Alpha management fees to £0.8 million. This is a £0.2 million increase compared to the same period last year (H1 FY24: £0.6 million).

In Asset Management, the client mandate switch, announced last year, from Custom Solutions to Passive Hedging in H2 FY24 is the predominant driver behind the £2.6 million decrease in management fees to £1.1 million compared to the same period last year (H1 FY24: £3.7 million) and a decrease of £1.5 million versus H2 FY24 (H2 FY24: £2.6 million). There will be a further, reduced impact in H2 FY25.

Interest in the EM Debt space remains strong, resulting in $0.2 billion in AUM inflows since H1 FY24. Management fees from the Emerging Markets Sustainable Finance fund have remained constant at £2.5 million compared to the same period last year (H1 FY24: £2.5 million).

Additionally, the recent launch of our Infrastructure Equity Fund, which has already secured initial commitments exceeding €1 billion, positions us well for a promising second half of the year.

Expenditure Analysis

	Six months ended 30 September 2024 £m	Six months ended 30 September 2023 £m	Change %
Administrative expenditure			
People costs (excl. Group Bonus)	7.4	7.1	4%
Overheads and other costs	5.6	5.3	6%
Administrative expenditure excl. Group Bonus	13.0	12.4	5%
Group Bonus Scheme	2.4	2.6	(8%)
Total administrative expenditure	15.4	15.0	2%
Other (income)/expense	(0.1)	0.3	N/A
Total expenditure	15.3	15.3	-

Total administrative expenditure (excluding the Group Bonus Scheme) for H1 FY25 was £13.0 million, an increase of 5% on the equivalent prior year period (H1 FY24: £12.4 million). However, this is a decrease of 6% versus the second half of last year (H2 FY24: £13.9 million), reflecting the actions we have taken to manage our cost base as we committed to do at the beginning of this financial year.

People costs of £7.4 million (excluding Group Bonus Scheme) followed a similar pattern, up 4% versus prior year (H1 FY24: £7.1 million) but 5% lower compared to the second half of last year (H2 FY24: £7.8 million). We continue to invest in the business in line with our plans for operational excellence and in sourcing the right skill sets at the right level.

The increase in overheads and other costs is primarily linked to our overseas expansion and growth, IT-related support and data costs, and professional fees, as well as the expected effects of inflation. Total overheads and other costs of £5.6 million for the period represent an increase of 6% over the same period last year (H1 FY24: £5.3 million) and a decrease of 8% versus the second half of FY24 (H2 FY24: £6.1 million), excluding the one-off impact of the £1.9 million impairment recognised at the end of FY24.

Group Bonus Scheme

During the period, we have accrued £2.4 million for the Group bonus scheme, a decrease of 8% (H1 FY24: £2.6 million), in line with the reduction in operating profit.

Cashflow

The Group generated £5.6 million of cash from operating activities before tax during the period (H1 FY24: £7.3 million). Taxation paid during the period increased to £3.5 million compared to £1.3 million for the same period last year, although this increase is primarily due to a change in the timing of the Group's quarterly instalment payments.

The Group paid dividends totalling £5.9 million in the period (H1 FY24: £6.0 million), more information for which is given in note 6 to the condensed financial statements.

Dividends and capital

The Board has declared an interim dividend of 2.15 pence per share in respect of the six-month period to 30 September 2024 (H1 FY24: 2.15 pence). This will equate to a distribution of approximately £4.2 million (H1 FY24: £4.1 million), following which the business will retain cash and money market instruments on the balance sheet, which sufficiently cover financial resource requirements required for operations and regulatory purposes. The Board remains confident that our redesigned strategic focus on organic growth, quality of earnings, and operational excellence is the right direction for the Group and it remains the Board's intention to pay a progressive final dividend.

The Group has no debt and is cash-generative with capital and dividend policies aimed at ensuring continued balance sheet strength to support future growth. Shareholders' funds were £27.7 million at 30 September 2024 (H1 FY24: £28.5 million).

Principal risks and uncertainties

The principal risks currently facing the Group and those that we anticipate the Group will be exposed to in the short term remain broadly the same as those outlined in the 2024 Annual Report.

These risks are:

- Strategic – the top two strategic risks are concentration and competitive threats, other notable strategic risks are delivery of strategy, regulatory trends, product innovation, third-party products and exogenous;
- Operational and systems – primarily trade configuration and execution, as well as cyber and data security risks;
- Investment risk – we naturally embrace the risk that our products underperform, while market liquidity is a risk we continually review; and
- People – key person and succession, as well as talent acquisition and retention.

Cautionary statement

This Interim Report contains certain forward-looking statements with respect to the financial condition, results, operations and business of Record. These statements involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied in this Interim Report. Nothing in this Interim Report should be construed as a profit forecast.

Statement of Directors' responsibilities

The interim financial report is the responsibility of the Directors, who confirm that to the best of their knowledge:

- the condensed set of consolidated financial statements has been prepared in accordance with UK-adopted IAS 34 – "Interim Financial Reporting"; and
- the Interim management review includes a fair review of the information required by:
    - DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of consolidated financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
    - DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the Annual Report 2024 that could do so. Related party transactions are disclosed in note 10.

The Directors of Record plc are listed on the Record plc website at: https://recordfg.com/team-member-groups/record-plc-board/

David Morrison
Chairman
14 November 2024

Richard Heading
Chief Financial Officer

Independent review report to Record plc

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2024 which comprises the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies.

Basis for conclusion

We conducted our review in accordance with Revised International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE (UK) 2410 (Revised)"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410 (Revised), however future events or conditions may cause the Group to cease to continue as a going concern.

Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP
Chartered Accountants London, UK
14 November 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of comprehensive income

	Note	Unaudited Six months ended 30 September 2024 £'000	Unaudited Six months ended 30 September 2023 £'000	Audited Year ended 31 March 2024 £'000
Revenue	4	21,115	21,469	45,378
Cost of sales		(176)	(34)	(82)
Gross profit		20,939	21,435	45,296
Administrative expenditure		(15,379)	(15,048)	(30,746)
Other income/(expense)		60	(260)	(15)
Operating profit prior to impairment of intangible assets		5,620	6,127	14,535
Impairment of intangible assets		-	-	(1,937)
Operating profit		5,620	6,127	12,598
Finance income		294	153	394
Finance expense		(5)	(19)	(81)
Profit before tax		5,909	6,261	12,911
Taxation		(1,656)	(1,535)	(3,658)
Profit after tax		4,253	4,726	9,253
Foreign exchange gains on translation of foreign operations		77	-	13
Other reclassifiable comprehensive income		77	-	13
Total comprehensive income for the period net of tax		4,330	4,726	9,266

	Note	Unaudited Six months ended 30 September 2024 £'000	Unaudited Six months ended 30 September 2023 £'000	Audited Year ended 31 March 2024 £'000
Profit for the period attributable to				
Equity holders of the parent		4,964	4,726	9,258
Non-controlling interests	10	(711)	-	(5)
		4,253	4,726	9,253
Other comprehensive income for the period attributable to				
Equity holders of the parent		45	-	13
Non-controlling interests	10	32	-	-
		77	-	13
Total comprehensive income for the period attributable to				
Equity holders of the parent		5,009	4,726	9,271
Non-controlling interests	10	(679)	-	(5)
		4,330	4,726	9,266

	Note	Unaudited Six months ended 30 September 2024	Unaudited Six months ended 30 September 2023	Audited Year ended 31 March 2024
Earnings per share for profit attributable to the equity holders of the parent during the period				
Basic earnings per share (pence per share)	5	2.58	2.48	4.84
Diluted earnings per share (pence per share)	5	2.53	2.44	4.78

The notes on pages 13 to 16 are an integral part of these condensed consolidated financial statements.

Consolidated statement of financial position

	Note	Unaudited Six months ended 30 September 2024 £'000	Unaudited Six months ended 30 September 2023 £'000	Audited Year ended 31 March 2024 £'000
Non-current assets				
Intangible assets		125	1,643	11
Right-of-use assets		535	866	174
Property, plant and equipment		84	286	193
Investments	8	3,873	4,448	4,949
Deferred tax assets		346	178	168
Total non-current assets		4,963	7,421	5,495
Current assets				
Trade and other receivables		13,653	13,097	13,022
Derivative financial assets	9	254	-	63
Money market instruments	7	4,407	-	8,264
Cash and cash equivalents	7	9,898	14,837	9,221
Total current assets		28,212	27,934	30,570
Total assets		33,175	35,355	36,065
Current liabilities				
Trade and other payables		(4,600)	(4,628)	(4,930)
Corporation tax liabilities		(164)	(1,127)	(1,865)
Provisions		-	-	(122)
Lease liabilities		(218)	(290)	(106)
Derivative financial liabilities	9	(4)	(178)	(9)
Total current liabilities		(4,986)	(6,223)	(7,032)
Non-current liabilities				
Provisions		(122)	(122)	-
Lease liabilities		(324)	(551)	(79)
Total non-current liabilities		(446)	(673)	(79)
Total net assets		27,743	28,459	28,954
Equity				
Issued share capital		50	50	50
Share premium account		1,809	1,809	1,809
Capital redemption reserve		26	26	26
Foreign currency translation reserve		58	-	13
Retained earnings		26,455	26,574	27,051
Equity attributable to the equity holders of the parent		28,398	28,459	28,949
Non-controlling interests	10	(655)	-	5
Total equity		27,743	28,459	28,954

The notes on pages 13 to 16 are an integral part of these condensed consolidated financial statements.

Approved by the Board on 14 November 2024 and signed on its behalf by:

David Morrison
Chairman

Richard Heading
Chief Financial Officer

Consolidated statement of changes in equity

	Note	Called-up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Equity attributable to owners of the parent £'000	Non-controlling interests £'000	Total equity £'000
As at 1 April 2023		50	1,809	26	–	26,406	**28,291**	–	**28,291**
Total comprehensive income for the period net of tax		–	–	–	–	4,726	**4,726**	–	**4,726**
Dividends paid		–	–	–	–	(5,978)	**(5,978)**	–	**(5,978)**
Own shares acquired by EBT		–	–	–	–	(1,018)	**(1,018)**	–	**(1,018)**
Release of shares held by EBT		–	–	–	–	1,987	**1,987**	–	**1,987**
Tax on share-based payments		–	–	–	–	317	**317**	–	**317**
Other share-based payment reserve movements		–	–	–	–	134	**134**	–	**134**
Transactions with shareholders		–	–	–	–	(4,558)	**(4,558)**	–	**(4,558)**
As at 30 September 2023		50	1,809	26	–	26,574	**28,459**	–	**28,459**
Total comprehensive income for the period net of tax		–	–	–	13	4,532	**4,545**	(5)	**4,540**
Non-controlling interests acquired in subsidiaries		–	–	–	–	–	**-**	10	**10**
Dividends paid		–	–	–	–	(4,135)	**(4,135)**	–	**(4,135)**
Own shares acquired by EBT		–	–	–	–	(248)	**(248)**	–	**(248)**
Release of shares held by EBT		–	–	–	–	597	**597**	–	**597**
Tax on share-based payments		–	–	–	–	(403)	**(403)**	–	**(403)**
Other share-based payment reserve movements		–	–	–	–	134	**134**	–	**134**
Transactions with shareholders		–	–	–	–	(4,055)	**(4,055)**	10	**(4,045)**
As at 31 March 2024		50	1,809	26	13	27,051	**28,949**	5	**28,954**
Total comprehensive income for the period net of tax		–	–	–	45	4,964	**5,009**	(679)	**4,330**
Non-controlling interests acquired in subsidiaries	10	–	–	–	–	–	**-**	19	**19**
Dividends paid	6	–	–	–	–	(5,881)	**(5,881)**	–	**(5,881)**
Own shares acquired by EBT		–	–	–	–	(760)	**(760)**	–	**(760)**
Release of shares held by EBT		–	–	–	–	1,150	**1,150**	–	**1,150**
Tax on share-based payments		–	–	–	–	37	**37**	–	**37**
Other share-based payment reserve movements		–	–	–	–	(106)	**(106)**	–	**(106)**
Transactions with shareholders		–	–	–	–	(5,560)	**(5,560)**	19	**(5,541)**
As at 30 September 2024		50	1,809	26	58	26,455	**28,398**	(655)	**27,743**

The notes on pages 13 to 16 are an integral part of these condensed consolidated financial statements.

Consolidated statement of cash flows

	Note	Unaudited Six months ended 30 September 2024 £'000	Unaudited Six months ended 30 September 2023 £'000	Audited Year ended 31 March 2024 £'000
Profit after tax		**4,253**	**4,726**	**9,253**
Non-cash adjustments		2,295	2,368	6,816
Change in working capital		(960)	251	235
Cash generated from operations		**5,588**	**7,345**	**16,304**
Corporation tax (paid)/refunded		(3,499)	(1,335)	(3,249)
Net cash inflow from operating activities		**2,089**	**6,010**	**13,055**
Purchase of intangible assets		(123)	(416)	(789)
Purchase of property, plant and equipment		(28)	(19)	(29)
Purchase of investments		(27)	(29)	(1,080)
Redemption of bonds		-	753	753
Redemption of other investments		1,124	-	1,144
Sale/(purchase) of money market instruments		3,856	4,549	(3,715)
Interest received		325	179	360
Net cash inflow/(outflow) from investing activities		**5,127**	**5,017**	**(3,356)**
Lease principal payments		(73)	(139)	(288)
Lease interest payments		(5)	(19)	(33)
Proceeds from issue of shares in subsidiary		25	-	-
Purchase of own shares		(325)	-	-
Dividend paid to equity shareholders	6	(5,881)	(5,978)	(10,113)
Cash outflow from financing activities		**(6,259)**	**(6,136)**	**(10,434)**
Net increase/(decrease) in cash and cash equivalents in the period		**957**	**4,891**	**(735)**
Exchange (losses)/gains		(280)	(2)	8
Cash and cash equivalents at the beginning of the period		9,221	9,948	9,948
Cash and cash equivalents at the end of the period		**9,898**	**14,837**	**9,221**
Closing cash and cash equivalents consists of:				
Cash	7	7,361	5,782	4,954
Cash equivalents	7	2,537	9,055	4,267
Cash and cash equivalents		**9,898**	**14,837**	**9,221**

The notes on pages 13 to 16 are an integral part of these condensed consolidated financial statements.

Notes to the condensed consolidated financial statements for the six months ended 30 September 2024

These condensed consolidated financial statements exclude disclosures that are immaterial and judged to be unnecessary to understand our results and financial position.

1. Basis of preparation

The condensed set of consolidated financial statements included in this interim financial report has been prepared in accordance with UK-adopted International Accounting Standard 34 – "Interim Financial Reporting". The financial information set out in this Interim Report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 March 2024 were prepared in accordance with UK-adopted IFRS and have been delivered to the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain statements under section 498(2) or section 498(3) of the Companies Act 2006.

The accounting policies for recognition, measurement, consolidation and presentation as set out in the Group's Annual Report for the year ended 31 March 2024 have been applied in the preparation of the condensed consolidated half-year financial information.

Application of new standards

There have been no new or amended standards adopted in the financial year beginning 1 April 2024 which have a material impact on the Group or any company within the Group.

Going concern

The Directors are satisfied that the Company and the Group have adequate resources with which to continue to operate for the foreseeable future. In arriving at this conclusion, the Directors have considered various assessments including capital and liquidity positions, the current economic and geopolitical environment and the market in which the Group operates, and its stakeholders. These assessments show that the Group should be able to operate at adequate levels of both liquidity and capital for at least twelve months from the date of signing this report.

Consequently, the Directors have reasonable expectation that the Group has adequate financial resources to continue operations for at least twelve months from the date of signing the report, and therefore have continued to adopt the going concern basis in preparing the financial statements.

2. Critical accounting estimates and judgements

During the period there was a change in ownership of Record Asset Management GmbH, judgement was made in accordance with IFRS 10 that did not result in a loss of control for Record plc. Please see note 10 for further detail. All other estimates and judgements applied in the interim financial statements are consistent with those applied in the financial statements for the year ended 31 March 2024.

3. Segmental analysis

The Group's segmental reporting is consistent with the reporting segments disclosed in the financial statements for the year ended 31 March 2024. Due to timing, the Group does not consider presenting operating segment information on a regular basis to the Group's Chief Operating Decision Maker (CODM) to be useful. Therefore, for H1 FY25, Currency Management and Asset Management are not yet considered to be operating segments. Only segmental revenue is reviewed by the CODM. Currency Management revenue totalled £17.3 million for the period, and Asset Management revenue totalled £3.8 million for the period. Note 4 provides further detail on this.

4. Revenue

Revenue by product type

Management fees have been split by reporting segment, Currency Management and Asset Management, and further analysed by product. All performance fees have been earned by Currency Management products. Other services income includes Currency Management fees from signal hedging and fiduciary execution, as well as Asset Management distribution fees.

	Six months ended 30 September 2024 £'000	Six months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
Management fees			
Currency Management			
Passive Hedging	5,781	4,336	9,720
Active Hedging	7,044	6,979	13,719
Hedging for Asset Managers	1,710	1,501	2,886
FX Alpha	808	624	1,250
Total	15,343	13,440	27,575
Asset Management			
Custom Solutions	1,114	3,685	6,327
EM Debt	2,525	2,450	4,793
Total	3,639	6,135	11,120
Total management fees	18,982	19,575	38,695
Performance fees	1,641	1,517	5,840
Other services income	492	377	843
Total revenue	21,115	21,469	45,378

4. Revenue (continued)

Revenue by geographical region

All revenue received during the period was for services provided by Group companies situated in the UK and Germany. The following geographical analysis of revenue is based on the destination i.e. the location of the client to whom the services are provided. Other relates to a number of regions that are individually immaterial.

	Six months ended 30 September 2024 £'000	Six months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
US	8,209	7,909	15,652
Switzerland	6,536	4,051	15,281
UK	1,233	1,269	2,593
Europe (excluding Switzerland and UK)	4,590	7,772	8,049
Other	547	468	3,803
Total revenue	21,115	21,469	45,378

5. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the parent for the period by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is calculated as for the basic earnings per share with a further adjustment to the weighted average number of ordinary shares to reflect the effects of all potential dilution.

There is no difference between the profit for the financial period used in the basic and diluted earnings per share calculations.

	Six months ended 30 September 2024	Six months ended 30 September 2023	Year ended 31 March 2024
Weighted average number of shares used in basic calculation	192,588,856	190,789,948	191,509,539
Effect of potential dilutive ordinary shares – share options	3,764,304	2,849,607	2,174,866
Weighted average number of shares used in diluted calculation	196,353,160	193,639,555	193,684,405
Basic earnings per share	2.58p	2.48p	4.84p
Diluted earnings per share	2.53p	2.44p	4.78p

The potential dilutive shares relate to the share options, Joint Share Ownership Plan ("JSOP") and Long Term Incentive Plan ("LTIP") awards granted in respect of the Group's Share Scheme. At the beginning of the period there were 15,832,891 Group Share Scheme share awards outstanding. During the six-month period, 1,540,000 share options were granted, 1,043,750 share options were exercised and 601,875 JSOP awards vested. Additionally, 934,289 share options lapsed in the period. There was no movement in LTIP awards in the period.

As at 30 September 2024, there were 10,960,000 share options, 39,375 JSOP and 3,793,602 LTIP awards in place.

6. Dividends

The dividends paid during the six months ended 30 September 2024 totalled £5,880,711. The total dividend paid was 3.05 pence per share, being a final ordinary dividend in respect of the year ended 31 March 2024 of 2.45 pence per share and a special dividend of 0.60 pence per share. An interim dividend of 2.15 pence per share was also paid for the six months ended 30 September 2023, thus the full ordinary dividend in respect of the year ended 31 March 2024 was 4.60 pence per share.

The dividends paid during the six months ended 30 September 2023 totalled £5,977,593. The total dividend paid was 3.13 pence per share, being a final ordinary dividend in respect of the year ended 31 March 2023 of 2.45 pence per share and a special dividend of 0.68 pence per share. An interim dividend of 2.05 pence per share was also paid for the six months ended 30 September 2022, thus the full ordinary dividend in respect of the year ended 31 March 2023 was 4.50 pence per share.

The interim dividend declared in respect of the six months ended 30 September 2024 is 2.15 pence per share.

7. Cash management

In the Group's judgement, bank deposits and treasury bills that mature in excess of 30 days after the reporting date do not meet the definition of short-term or highly liquid and are held for purposes other than meeting short-term commitments. In accordance with IFRS, these instruments are not categorised as cash or cash equivalents and are disclosed as money market instruments.

The table below summarises the instruments managed by the Group as cash, and their IFRS classification:

	As at 30 September 2024 £'000	As at 30 September 2023 £'000	As at 31 March 2024 £'000
Money market instruments	4,407	–	8,264
Cash	7,361	5,782	4,954
Cash equivalents	2,537	9,055	4,267
Cash and cash equivalents	9,898	14,837	9,221
Total assets managed as cash	14,305	14,837	17,485

8. Investments

All investments are measured at fair value through profit or loss.

	As at 30 September 2024 £'000	As at 30 September 2023 £'000	As at 31 March 2024 £'000
Investment in funds	2,341	3,569	3,412
Other investments	1,532	879	1,537
Total investments	3,873	4,448	4,949

During the period, the Group made a £1.1 million redemption from one of its fund investments. Further details on the investment in joint venture have been disclosed in note 10.

9. Fair value measurement

The following table presents financial assets and liabilities measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy based on the significance of inputs used in measuring their fair value.
The hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of input to the fair value measurement. The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
As at 30 September 2024				
Financial assets at fair value through profit or loss				
Investment in funds	2,341	944	-	1,397
Other investments	1,537	-	-	1,537
Forward foreign exchange contracts held to hedge non-sterling assets	254	-	254	-
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts held to hedge non-sterling assets	(4)	-	(4)	-
Total	4,128	944	250	2,934

	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
As at 30 September 2023				
Financial assets at fair value through profit or loss				
Investment in funds	3,569	1,129	-	2,440
Other investments	879	479	-	400
Forward foreign exchange contracts held to hedge non-sterling assets	-	-	-	-
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts held to hedge non-sterling assets	(178)	-	(178)	-
Total	4,270	1,608	(178)	2,840

	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
As at 31 March 2024				
Financial assets at fair value through profit or loss				
Investment in funds	3,412	961	-	2,451
Other investments	1,537	-	-	1,537
Forward foreign exchange contracts held to hedge non-sterling assets	63	-	63	-
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts held to hedge non-sterling assets	(9)	-	(9)	-
Total	5,003	961	54	3,988

There have been no transfers between levels in any of the reported periods.

9. Fair value measurement (continued)

Basis for classification of financial instruments within the fair value hierarchy:

- Level 1: Listed funds and other listed investments are classified as level 1. These investments are valued using market prices and coupon rates as applicable.
- Level 2: Forward foreign exchange contracts are classified as level 2. The fair value of forward foreign exchange contracts is established using interpolation of observable market data rather than a quoted price.
- Level 3: Direct investments in private funds and share capital of start-up companies in the digital sector have been classified as level 3. There is no observable market for these investments, therefore fair value measurements have been derived from valuation techniques that include inputs that are not based on observable market data. The private funds are valued at net asset value, and the direct investments in capital of the start-up companies are measured using the valuation technique that is most suitable to the applicable investment. These valuation methods are applied in accordance with International Private Equity and Venture Capital Valuation Guidelines.

Movements in assets and liabilities classified as level 3 during the period:

	As at 30 September 2024 £'000	As at 30 September 2023 £'000	As at 31 March 2024 £'000
At start of period	3,988	2,053	2,840
Additions	27	855	1,028
Disposals	(1,024)	(200)	(156)
Net gain or loss	(57)	132	276
At end of period	2,934	2,840	3,988

10. Related parties

Related parties of the Group include key management personnel, close family members of key management personnel, subsidiaries and the EBT. Transactions or balances between Group entities have been eliminated on consolidation and, in accordance with IAS 24, are not disclosed in this note.

During the period, a resolution for a change in the ownership structure of Record Asset Management GmbH ("RAM") took effect from 1 April 2024. Through a combination of issuing new ordinary shares in RAM to the RAM management team and the sale by Record plc of 10% of its shareholding to Jan Witte, Record plc CEO, Record plc reduced its shareholding in RAM from 100% to 41%. However, Record plc has retained the voting rights of the 10% sold to Jan Witte, and as a result retains control with 51% of the voting rights. RAM therefore continues to be consolidated as a subsidiary, and has a 59% non-controlling interest, the effects of which have been disclosed accordingly in the statement of comprehensive income and statement of financial position. This is a change in ownership transaction that has not resulted in a loss of control.

There was also a change in the OWI-RAMS GmbH shareholding agreement, such that the previously 51% owned subsidiary is now a 50% jointly owned joint venture. This is a change in ownership with a loss of control and resulted in a £7k loss on disposal. There have been no other changes in related parties from those disclosed in the Annual Report 2024.

Key management personnel

The compensation given to key management personnel is as follows:

	Six months ended 30 September 2024 £'000	Six months ended 30 September 2023 £'000	Year ended 31 March 2024 £'000
Short-term employee benefits	5,107	5,118	9,532
Post-employment benefits	251	144	399
Share-based payments	758	1,422	1,581
Total	6,116	6,684	11,512

Compensation to key management personnel includes variable remuneration paid through the Group Bonus Scheme as well as inflationary increases and promotions. More detail of the Group's expenditure is provided in the Financial Review section on pages 7 to 8.

The dividends paid to key management personnel in the six months ended 30 September 2024 totalled £368,694 (six months ended 30 September 2023: £2,669,149; year ended 31 March 2024: £4,518,926).

11. Commitments and contingencies

On 2 October 2024, the Group signed a ten-year lease for a new office in London. The commitment is to 1 October 2034 and, following a 12-month rent-free period, the rent payment commitment will be £977,574 per annum.

12. Post-reporting date events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of approval.

Information for shareholders

Record plc
Record plc is a public limited company incorporated in the UK
Registered in England and Wales
Company No. 1927640

Registered office
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Principal UK trading subsidiaries
Record Currency Management Limited
Registered in England and Wales
Company No. 1710736

Record Group Services Limited
Registered in England and Wales
Company No. 1927639

Both principal UK trading subsidiaries are based in Windsor.

Further information on Record plc can be found on the Group's website: www.recordfg.com

Dates for the FY25 interim dividend

Ex-dividend date	28 November 2024
Record date	29 November 2024
Interim dividend payment date	20 December 2024

Registrar
Link Group
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LS1 4DL
United Kingdom

Further information about the Registrar is available on their website: www.linkgroup.eu