Expanding our horizons

2019
Annual Report and Accounts

PRAXIS IFM

Expertise *in action.* Globally.

Contents

Company Information	2
Business and Financial Highlights	4
Chairman's Statement	6
Chief Executive's Statement	8
Group Finance Director's Report	12
Group Board of Directors	14
Business Overview	16
Stakeholder Relations	22
Corporate Social Responsibility	24
Executive Committee	26
Directors' Report	28
Corporate Governance Report	32
Risk Statement	34
Nomination and Remuneration Committee Report	38
Audit Committee Report	42
Independent auditor's report to the members of PraxisIFM Group Limited	46
Consolidated Income Statement	55
Consolidated Statement of Comprehensive Income	56
Consolidated Statement of Financial Position	57
Consolidated Statement of Changes in Equity	58
Consolidated Statement of Cash Flows	60
Notes to the Consolidated Financial Statements	62

Company Information

Where appropriate, this report refers to the group of companies controlled by PraxisIFM Group Limited as the "Group".

Directors (the "Board")

Cees Krijgsman (Chief Executive Officer – appointed 1 May 2019)

Andrew Haining (Non-Executive Group Chairman)

Iain Stokes (Non-Executive Director)

Brian Morris (Non-Executive Director)

Simon Thornton (Non-Executive Director – resigned 31 October 2019)

Diane Seymour-Williams (Non-Executive Director – appointed 1 August 2019)

Peter Bruges (Group Finance Director – appointed 1 August 2019)

Company Secretary

Shona Darling (Group Company Secretary)

Registered Office

Sarnia House,
Le Truchot,
St Peter Port,
Guernsey, GY1 1GR

Registered Number

30367

Listing Sponsor and Market Maker

Ravenscroft Limited,
PO Box 222,
20 New Street,
St Peter Port,
Guernsey, GY1 4JG

Independent Auditors

BDO Limited,
PO Box 180,
Place du Pré,
Rue du Pré,
St Peter Port,
Guernsey, GY1 3LL

ISIN

GB00BD0RGF89

LEI

213800MNA9SX4F9ZSJ58

Registrar and Location of Register of Members

Praxis Fund Services Limited,
Sarnia House,
Le Truchot,
St Peter Port,
Guernsey, GY1 1GR

Investor Relations

For current shareholder and corporate information, including the Financial Calendar please visit www.praxisifm.com/investor-relations.

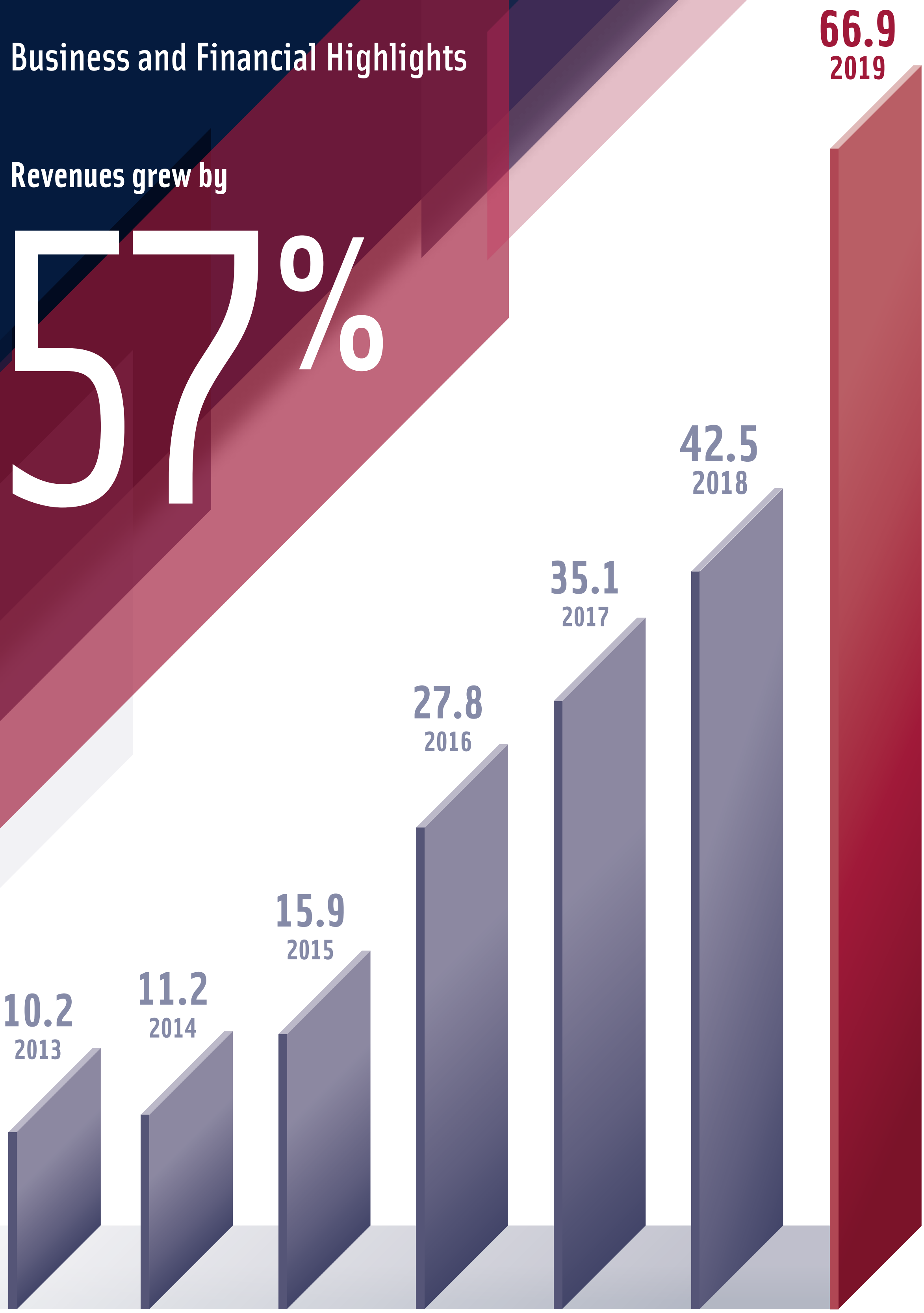
2019 has seen the Group deliver on its aim to grow through a combination of organic growth and acquisitions. Those acquisitions extend the Group's global reach and provide access to technological expertise that establishes the platform for future development. We now have over 540 people providing professional administration services across 19 jurisdictions.

Andrew Haining, Non-Executive Chairman

Business and Financial Highlights

Revenues grew by

57%



Revenue per financial year £m

Revenue Growth	Net Profit
57% (2018: 21%)	£2.3m (2018: £3.4m)

EPS	EBITDA
2.2p (2018: 3.8p)	£9.8m (2018: £7.4m)

Employees	Staff in BAYE scheme
542 (2018: 430)	158 (2018: 120)

% of Group owned by staff	Staff qualified or studying
57%	>50%

All prior year comparatives are after restatement of the accounts to include the consolidation of the Employee Benefit Trust (the EBT).

Chairman's Statement

Growth, Scale and Technology

The Group increased revenue by 57% in the period. As in 2018, this growth in revenue was achieved through a combination of organic growth (8%) and acquisitions. The senior team has spent considerable time and focus delivering the acquisitions and then the integration processes. This has meant that whilst the gross margin remains consistent, the Group's net profit is behind that achieved in 2018.

Acquiring and integrating new businesses that have more than doubled the size of the Group represents a significant challenge. This impacts management time and materially alters the direction, approach and culture of the Group. Whilst in general the transitions are progressing to plan, there are areas where we have experienced delays in delivery, disappointing performance and process issues.

The management team is dealing with these directly and the Board believes that the integration process, once completed, of both people and technological platforms creates the base from which to improve our profitability and scale the business.

Business Model

The Group helps clients to protect assets and preserve generational wealth through the provision of professional administration services for corporate and private clients, investment funds and pension funds.

All three markets for our services continue to show good organic growth. The outsourcing of corporate pension fund administration in various parts of the world continues to accelerate at an above average rate driven by corporate clients wishing to manage costs and reduce risks connected to non-core parts of their businesses. The growth in private wealth is driving demand for more and more asset holding structures to manage intergenerational wealth efficiently and there seems to be no limit to the capacity for the asset management sector to innovate, creating fund administration opportunities across a wide range of asset classes and jurisdictions.

Increasingly our sector is consolidating to provide our international clients with service solutions. The winners will be those who can deliver first class administration across ever more sophisticated technology platforms to enable a global client to access information, understand risk and measure performance from anywhere in the world. This will only be achieved by investment in people and technology. The Group has already begun investment in new technologies, including finance and strategic planning dashboards, a new client relationship management tool and a proprietary interactive risk management portal.

Strategic Progress

The Group has more than doubled in size in two years. Focus now moves on to driving profitability and cash from recent acquisitions.

Our 50% interest in InAdmin RiskCo, a Dutch based corporate pension fund business, has not only given us access to one of the fastest growing markets for financial outsourcing but also to technological development and understanding which we are beginning to leverage across the Group.

We obtained regulatory clearance for the acquisitions of Nerine Group and Jeffcote Donnison during the period. Physically, the Nerine and PraxisIFM staff are now in one office in Guernsey and integration programmes are well underway there and across the various jurisdictions where we jointly had operations.

Behind these strategically important moves, it is really pleasing to see that the performance of the original businesses in the Channel Islands has remained exceptionally strong. The Group continues to apply its core approach to business across its global offices, based on the culture and regulatory environment experienced in Guernsey and Jersey and where we are pleased to have very good relationships with the regulators.

Management Changes

In the final quarter of the period, Simon Thornton indicated a desire to stand down as Chief Executive Officer (CEO). Simon was very much the architect of what is now the PraxisIFM Group, having had both the vision and the energy to create the Group in its existing form. Simon decided that the year-end was the right time to step back, after 28 years in the business, and allow a successor to lead the company through the next stage in its development. The Board thanks Simon for his considerable contribution.

With recruitment guidance provided by Spencer Stuart, my colleagues and I were delighted to be able to appoint Cees Krijgsman as the Group's CEO. Cees joined the Group when we acquired 50% of InAdmin RiskCo in 2017 where he was CEO. We believe Cees' background as a software engineer and pension specialist, as well as his general management and entrepreneurial skills, are the appropriate combination for a 21st century service provider and will enable him to deliver the Group's strategic vision.

The Board and Corporate Governance

Cees Krijgsman and Peter Bruges joined the Board in August 2019. Peter has been Chief Finance Officer since January 2017. I am delighted that they have joined the Board as directors.

I am also pleased to announce that Diane Seymour-Williams has joined the board as a non-executive director (NED). Diane has had a long and successful career as a fund manager with Morgan Grenfell (which became Deutsche Asset Management), latterly running its Far East operations. She brings knowledge of the asset management sector, regional knowledge of the Far East (an increasingly important part of our business) and London listed board and oversight experience.

Further to the announcement made on 3 May 2019, and following a successful handover to Cees Krijgsman, the new Group CEO, Simon Thornton resigned as a Group Director with effect from 31 October 2019.

Distribution Policy

The Board determines dividends after consideration of its current cash position, operating cash generation, known commitments and dividend cover levels.

Our People

Being part of a fast growing international service business is challenging, exciting and hopefully rewarding for our employees. 158 of our people control 57% of the Group. Their interests are directly aligned with your interests. We believe this is a differentiating factor in comparison to many of our competitors. It is often highlighted in business wins by our clients and provides comfort to existing and potential investors.

Delivering results in the future will be dependent on retaining and recruiting the best available talent in our sector. On behalf of the Board, I would like to thank all of our employees for their contribution to the Group's performance.

Andrew Haining
Non-Executive Chairman

Chief Executive's Statement

Investing for the Future

I am delighted to be introducing PraxisIFM's 2019 Annual Report; my first as CEO. On 1 May this year I had the honour of taking over the reins of PraxisIFM from Simon Thornton who, over the past 28 years, has played a key role in transforming the company into a leading private client & corporate, fund administration, pension business and credible outsource partner with a highly skilled management team, a successful track record in acquiring and integrating businesses and a strong growth trajectory, both organically and through further potential mergers and acquisitions.

I am pleased with our financial results in both relative and absolute terms, particularly when set against the background of five acquisitions that were completed successfully during calendar year 2018. However, it is clear that there is room for improvement as we integrate new businesses and invest in the future.

While the marketplace will remain challenging, I believe that we are very well placed, given our key attributes, geographic reach and increasing scale.

I am incredibly excited about leading the business though its next stage of development. Since starting in this role, I am increasingly aware that the business has been well managed within the context of a consolidating market place and an ever changing regulatory environment.

However it is clear to me that technological advances alter the expectations of our clients and other stakeholders. Together with the challenges associated with integrating our recently acquired businesses across the globe, I believe that a fresh approach is required. My experience as former CEO of the PraxisIFM acquired business InAdmin RiskCo means I have the necessary skills to continue to grow and develop the Group in the interests of our stakeholders and to take the business forward in this new digital era.

The financial year 2019 has proved to be an exceptionally busy year and one that has seen revenue grow by 57% to £66.9m (2018: £42.5m), delivery of acquisitions that have added £19.1m (2018: £4.3m) in revenues, integration of those acquisitions, the accelerated development of our technology platform and organic growth.

Over the past 12 months to 30 April 2019 we have worked rigorously to deliver strong organic growth of 8% (2018: 10%) while continuing to integrate our systems and our teams in order to ensure that we are well positioned to grow market share, capture the opportunities available in our high growth markets and the increased levels of outsourcing within the industry and ultimately to create further value for our shareholders.

We have already started the transformation of the technology platform that underpins our operating model, with investment in a new infrastructure and the implementation of Office365. These developments provide the environment to enable my colleagues to drive efficiency and improved collaboration across the Group.

However, even though we are performing well, we're also thinking about the continued development of our strategy and the capabilities that will ensure our success and growth in the future. So, what does that look like?

Firstly, we will focus on our key strengths of: providing governance, oversight and professional administration services for private and corporate clients, pensions, investment funds and international expansion / corporate services; whilst our guiding principles remain; our belief in the protection of assets and the preservation of generational wealth; the longevity of our client relationships; and customer access to our innovative technology.

Secondly, technology will play an even more important role in our ambition and strategy and in all our business areas of: Private Clients & Corporate, Pensions, Fund Management and Corporate and International Expansion services, including;

- User friendly access to information that gives insight; i.e. transforming data into information
- Faster and more efficient delivery of that information

Thirdly, acquisitions, which will remain a key part of our growth strategy, alongside our organic growth.

Restatement of the prior year

The Group has restated its prior year results in order to consolidate the Employee Benefit Trust (the EBT). The EBT exists in order to structure incentives to employees in the form of share options, and also as a holding vehicle for the shares held as deferred consideration in relation to acquisitions.

Previously the EBT had not been consolidated, however additional technical guidance was identified during the year end process which indicated that the Group has "de-facto control" of the EBT, and that it should therefore be included in the consolidated accounts of the Group with the prior year comparative restated to reflect this as well.

The consolidation of the EBT and restatement of the prior year results caused a delay to the publication of the annual report of one month.

A note on acquisitions

The Group has expanded significantly over the last three years. This expansion has not been without its issues. We had anticipated teething problems some of which have been quickly resolved. Others are taking longer. These generally result from differences in approach and culture between the acquired business and PraxisIFM.

When the Group integrates operating businesses, all acquired businesses and staff

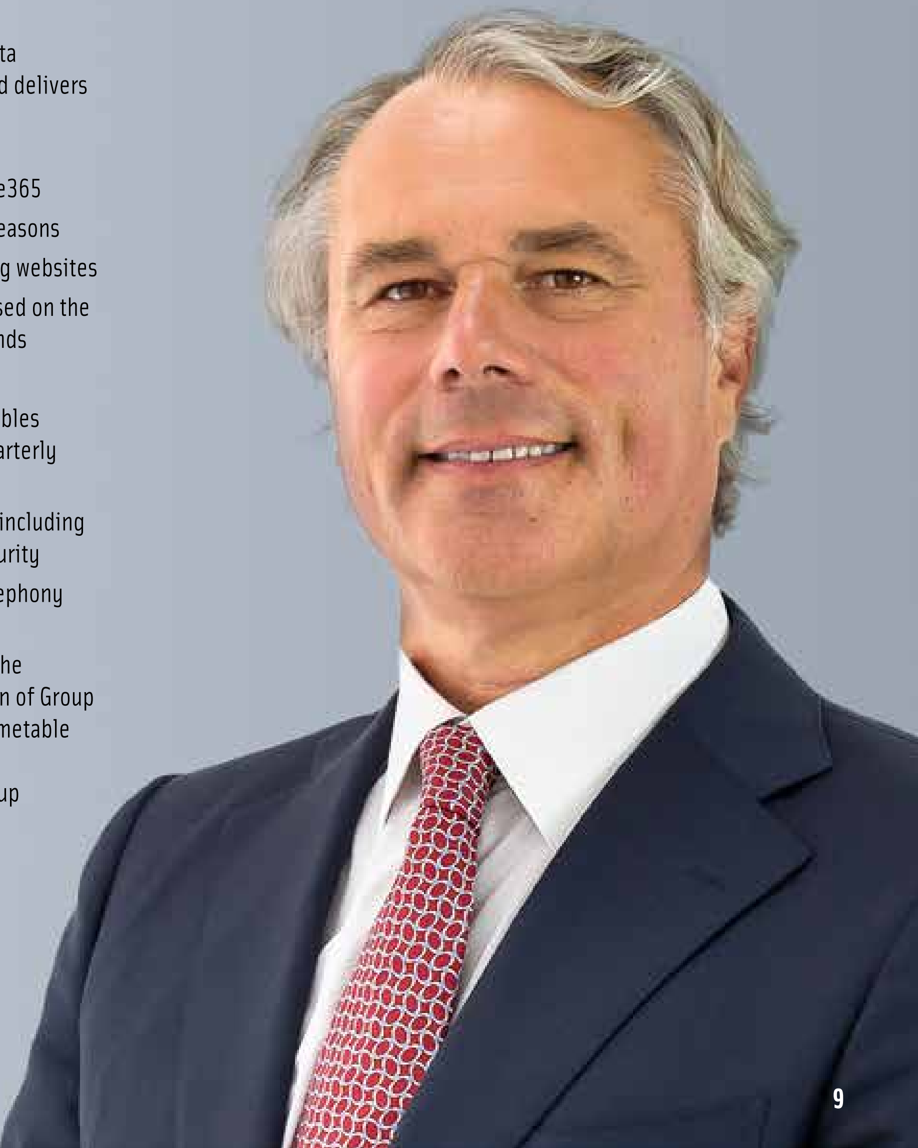
- Move onto our IT infrastructure. This improves data security, enables use of our business systems and delivers connectivity
- Migrate onto our business systems including administration, risk management, CRM and Office365
- Rebrand other than for specific local awareness reasons
- Become incorporated into our marketing including websites
- Apply the Group's risk and compliance culture based on the world class approach adopted in the Channel Islands
- Adopt the Group's HR and accounting manuals
- Fully integrate into our financial reporting timetables and processes including weekly, monthly and quarterly management information
- Overlay our Group human resource requirements including compulsory training in AML, GDPR and Cyber Security
- Where appropriate we also install the Group's telephony systems

We have had specific issues with the integration of the PraxisIFM Netherlands businesses and their adoption of Group processes and systems. These impacted the audit timetable since an additional focus was required on revenue recognition in an underlying business unit. The Group has addressed those issues and will implement some operational changes to improve the control environment in this area. those issues and will implement some operational changes to improve the control environment in this area.

A thank you

Finally, I want to say thank you to PraxisIFM employees, shareholders, partners and clients for their work and support in 2019 and for welcoming and supporting me as CEO. I look forward to working alongside you all in the years ahead and lead this remarkable Group to an even brighter future.

Cees Krijgsman
Chief Executive Officer
Cees.Krijgsman@praxisifm.com



Chief Executive's Statement (continued)

Divisional Review

Private Client & Corporate Services

Revenue in our Private Client & Corporate business grew by 65% overall (2018: 9%). The division achieved 2% (2018: 12%) organic growth.

During the year, we acquired and commenced the integration of Nerine, Jeffcote Donnison and our Netherlands Trust, Corporate and Fund Services office.

Nerine has offices in Guernsey, the BVI, Hong Kong and Geneva and following the acquisition of Nerine, the Group now employs over 200 people in Guernsey. The BVI business gives the Group access to a professional corporate administration service in an important new location while the Hong Kong office established a base from which to build our Asia business. The Nerine Geneva staff have joined our existing team in a newly fitted out office.

From its headquarters in Amsterdam, PraxisIFM Netherlands provides corporate and fund services to its international client base and is key to developing the Group's International Expansion Services offering. The business combines three rebranded businesses, Kompas, Private Equity Services (PES) and Global Forward Trust (Global).

Fund Services

Our Fund business revenue grew by 7% (2018: 12%) last year, all of which was organic growth.

During 2018, the Fund business invested in Cayman and Abu Dhabi fund administration capability, opened a Jersey office and hired senior professionals to drive the development of our private equity, Luxembourg, Jersey and New York offerings. The benefits of these strategic developments are now beginning to flow through, although they are not yet reflected in performance.

Pension Services

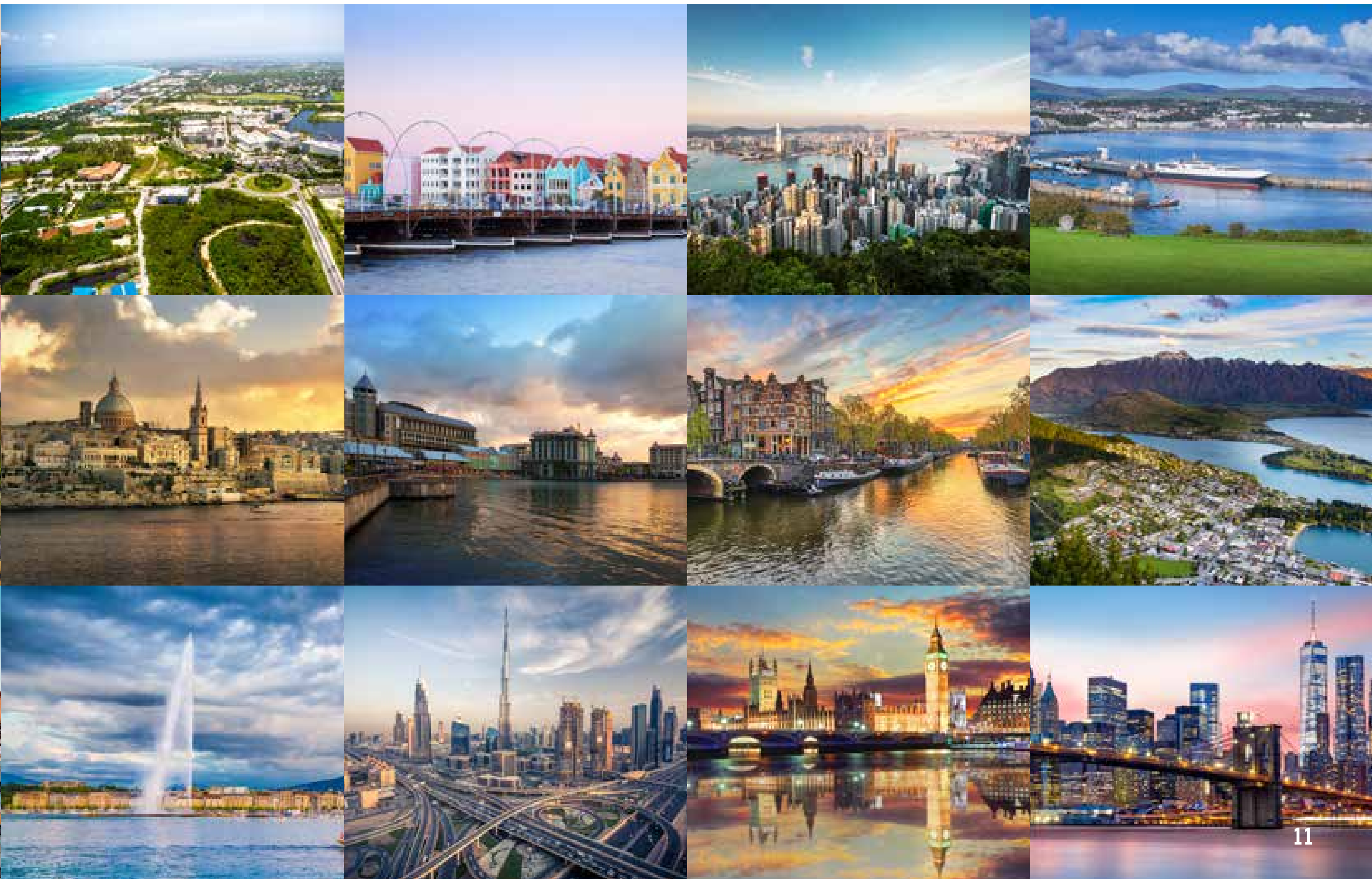
Our Pension business grew by 102% during the year (2018: 173%). This growth was principally driven by the annualised revenues of InAdmin RiskCo. Growth in the existing businesses was 12% (2018: 9%) on an annualised basis.

The InAdmin RiskCo Group is a provider of advanced technological solutions for pension and insurance administration and has offices in the Netherlands, Portugal and the Philippines. The technology platform is now largely complete although the migration from legacy systems to the new platform is ongoing.

Recent technological advances alter the expectations of our clients and other stakeholders. I believe that my experience in the technology sector means the business is well placed to develop excellent solutions in this digital era.

The sector has experienced considerable change both through enhanced regulatory requirements and market consolidation. The business has created a strong platform to take advantage of this market environment. The recent acquisitions provide the basis for continued expansion of the Group.

Cees Krijgsman, Chief Executive Officer, PraxisIFM



Group Finance Director's Report

The year ending 30 April 2019 has seen the Group deliver significant acquisitions that establish a platform for growth.

Group performance

Group revenues have grown 57% (2018: 21%) to £66.9m (2018: £42.5m). EBITDA for the year was £9.8m (2018: £7.4m).

The core areas of the Group continue to deliver significant revenue growth and generate cash. This enables the Group to take measured commercial risk within new markets and activities that the Board believes will deliver future value.

As described above, each of the core divisions have delivered organic revenue growth during the year. The Private Client & Corporate division grew by 2% (2018: 12%) organically and had new additions of £13.1m (2018: £1.2m) from acquisitions during the year. The Funds division grew by 7% (2018: 12%), all of which was organic. Pensions has grown significantly, driven by the addition of £5.7m from InAdmin RiskCo and 12% (2018: 9%) growth of the existing businesses.

There are several specific areas that the Board is monitoring closely that have impacted the Group's overall performance during the year.

- The UAE has taken longer than expected to develop and is under review following the year-end to ensure it delivers future returns
- The Jersey Funds business has begun to deliver a revenue stream but is now the focus of a core strategic initiative to drive growth
- The Hong Kong office will form the basis for our Asia business but is taking longer to achieve the ongoing performance that we require
- The Nerine Guernsey office integration is well underway and we anticipate both revenue and cost benefits as this is delivered
- Our Mauritius office was underperforming last year but following a restructuring of the management team it is now back on track

The costs of doing business grow each year in particular with enhanced legislation and information security requirements. This has contributed to the Group's new focus on enabling technology to deliver operating efficiency.

The profit and loss account includes £2.5m of costs associated with impairments, start up and integration.

Cash

Recent acquisitions were funded through a combination of debt and new equity. As a result, the Group's net position is a net debt of £15.8m (2018: net cash of £7.7m) at the year end. The Group generated £7.1m (2018: £7.4m) of cash during the year from its operating activities, a decrease of 4% driven by the establishment of our corporate pensions business.

During the year, the Group secured a new £20m bank facility with RBSI to provide ongoing liquidity for acquisitions and capital expenditure and extended its net bank debt by £16.1m. £15.8m was paid out for acquisitions and investments (2018: £10.0m).

Continued delivery of operating cash flows in its core business areas enables the Group to invest in new technologies and to take measured commercial risk to develop its platform which the board believes will enable future value creation.

Peter Bruges, Group Finance Director

Restatement of the prior year

The decision to consolidate the EBT required restatement of the prior year results. The material impacts of this were that;

- Profit for the financial year decreased by £0.4m due to expenses of the EBT and the share option charge recognised
- Net assets decreased by £8.1m as a result of the debtor due from the EBT eliminating on consolidation, and the EBT's bank loan being included
- An equity balance was recognised for treasury shares, representing the share held by the EBT in order to satisfy options contracts and deferred consideration for acquisitions
- An ESOP share reserve was recognised, representing the cumulative and ongoing cost of issuing share options contracts to management personnel
- Net cash from operating activities decreased by £0.9m
- Net cash from investing activities decreased by £0.1m
- Net cash from financing activities increased £0.6m

All prior year comparatives are after restatement for the consolidation of the EBT.

The consolidation of the EBT involved ensuring that its accounting records aligned with the Group's accounting policies, including fair valuation of share option expense using a Black-Scholes model. This was a lengthy technical exercise, and combined with the restatement of the prior year results, caused a delay to the publication of the annual report of one month.

Definitions

EBITDA is a widely recognised measure of profitability after adding depreciation, amortisation, interest and tax back to Total Comprehensive Income.

Impairment, start-up and integration costs refer to costs associated with goodwill impairments, office integrations, business establishment, remediation, acquisitions, system changes and redundancies.

Net debt is bank debt plus deferred cash considerations less cash.

Peter Bruges
Group Finance Director

As the Group expands its international profile, we see increasing opportunities for our people to develop and to engage in the various operational technological advances we are planning and delivering.

Peter Bruges, Group Finance Director

Group Board of Directors

Andrew Haining MA Cantab
Non-Executive Chairman

Andrew joined PraxisIFM as Group Chairman in April 2017. Andrew has had a 30 year career in banking and private equity with Bank of America, CDC (now Bridgepoint) and Botts & Company. During this career, he has been responsible for over 20 private equity investments with transactional values in excess of $1bn. He holds several Guernsey and UK board positions including Chairman of Aurigny, the Guernsey owned Channel Islands airline.

Cees Krijgsman BEng
Chief Executive Officer

Cees joined PraxisIFM in April 2017 as part of the acquisition of InAdmin RiskCo, and was appointed as CEO in May 2019. Netherlands-born and educated, Cees has worked at a senior level for technology-led companies since 1991. During his international career Cees has lived and worked in Netherlands, the USA and Taiwan. As CEO of InAdmin RiskCo, Cees transformed the business into a pensions administration outsourcing company, with blue chip brands including AON, United Pensions and Hewlett Packard among its clients. Cees holds a degree in Mechanical Engineering.

Brian Morris BA (Hons) FCA
Non-Executive Director

Brian was the CEO of IFM until the merger with Praxis in 2015. He continued to perform a leading role in the combined group until his operational retirement in 2018. Brian has an Honours degree in Accountancy and Finance and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Diane Seymour-Williams MA Cantab
Non-Executive Director

The Group's most recent non executive appointment, Diane brings a wealth of experience as both an executive in the financial sector and as a NED. Diane spent 23 years at Morgan Grenfell and, following its takeover, with Deutsche Bank in a variety of roles including Head of Asian Equities, CEO and CIO Asia, and Head of Global Equities. She has over 30 years' experience in the investment management industry, both managing portfolios and businesses. Diane is currently an NED of Brooks Macdonald Group Plc, Standard Life Private Equity Trust Plc and SEI Investments (Europe) Limited. She is also a member of the Investment Committee at Newnham College, Cambridge. She holds an MA in Economics from Cambridge University.

Iain Stokes BA FCCA CDir
Non-Executive Director

In his early career, Iain worked for BDO and Guernsey International Fund Managers Limited (part of ING Barings) before joining Mourant International Finance Administration (MIFA) in 2003. As Group Managing Director, he was a member of the executive team that managed the sale of MIFA to State Street in 2010 and where he was a Senior Managing Director until 2012. He holds a range of non-executive directorships on fund management and fund investment companies focused on alternative asset strategies.

Peter Bruges FCCA
Group Finance Director

Peter has held senior finance, IT and program management roles in the retail and finance sectors. Having run a sales business in the UK, Peter qualified as a Chartered Certified Accountant in 2005 whilst head of Internal Audit and Finance Programmes at Specsavers Optical Group. In 2008 Peter joined Terra Firma to establish the Guernsey office as Finance and Operations Director. He went on to hold CFO roles with the Channel Islands Cooperative and Hark Capital, a family office.

Simon Thornton BA PhD ACA
Non-Executive Director

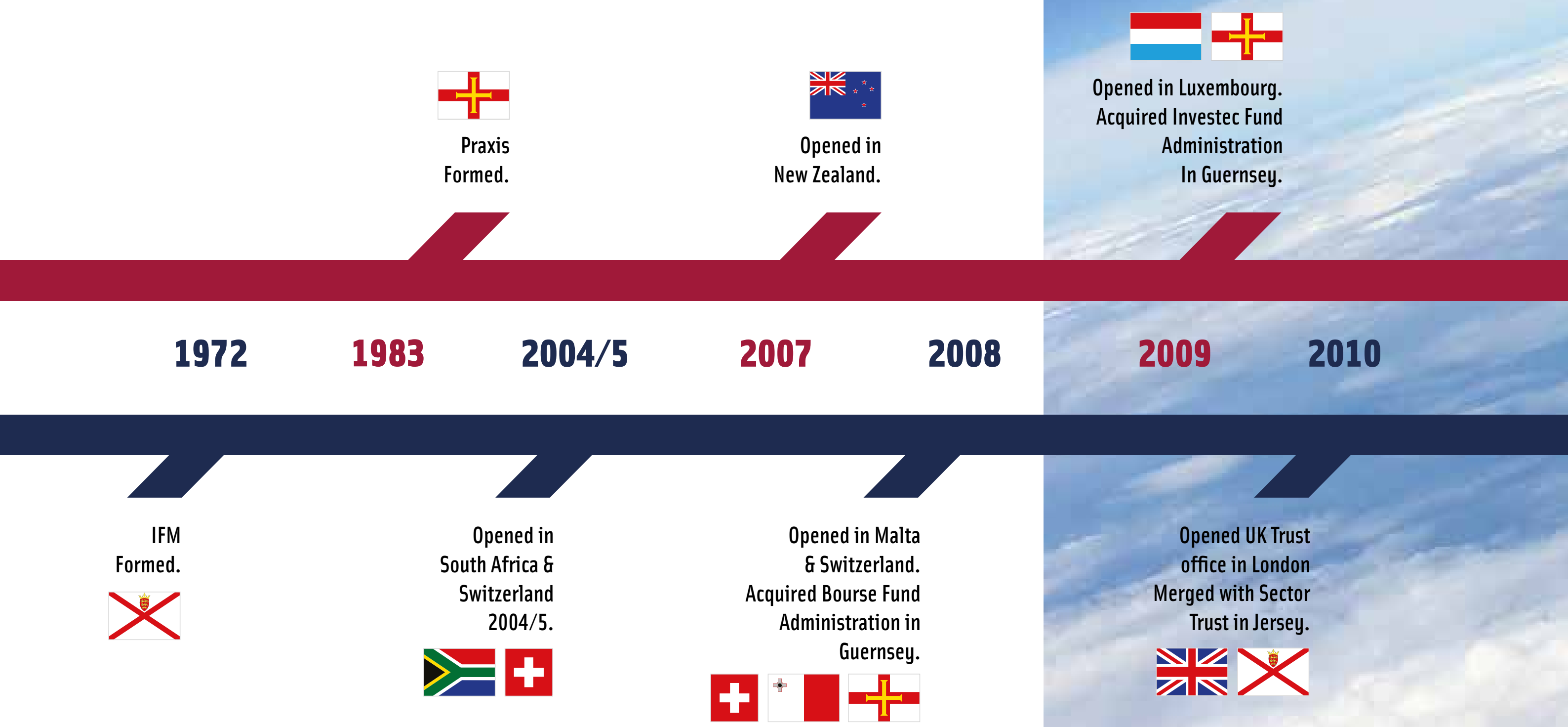
A Chartered Accountant, Simon joined PraxisIFM in 1992. As the Group's CEO, he oversaw the company's development and growth including the merger with IFM during 2015 and listing on TISE in 2017. He is a director of several Guernsey companies. In April 2019, Simon retired as CEO and remained on the board until 31 October 2019.

Business Overview

Since the merger of Praxis and IFM in 2015, the Group has continued to work towards a common operational platform. This allows the Group to offer certain services across the enlarged Group and facilitate the centralisation of operational functions.

The Group operates in 19 locations: Anguilla, BVI, Cayman Islands, Curacao, Guernsey, Hong Kong, Isle of Man, Jersey, Luxembourg, Malta, Mauritius, Netherlands, New Zealand, Philippines, Portugal, Switzerland, UAE, UK and the USA.

The Group has a mixed client base which is well-diversified, with no single client comprising more than 2.41% of annual billings in the financial year ended 30 April 2019. Furthermore, the top 10 clients accounted for less than 9.11% of billings in the financial year ended 30 April 2019.



PRAXIS IFM

2013

Dubai marketing presence.

2015

Praxis and IFM merged. Acquired two Guernsey businesses and one in UK.

2016

Acquired Ampersand Mgt in Geneva & Mauritius, Balmor Mgt in Geneva & Ryland Gray in Dubai. Opened in ADGM: Abu Dhabi.

2017

Listed on The International Stock Exchange. Acquired 50% stake in RiskCo in the Netherlands. Opened UK Corporate Services office in London.

TISE LISTED

2018

Acquired Kompas International and Private Equity Service Group (PES) in the Netherlands. Acquired Nerine Group in Guernsey, BVI, Hong Kong and Geneva, and Jeffcote Donnison in London, Hong Kong and Isle of Man.

Business Overview

Global Services

Our offices across the globe enable us to provide international and cross-jurisdictional solutions to our clients' financial aspirations.


Europe
United Kingdom
Private Client & Corporate
Funds
Netherlands
International Expansion
Funds
Private Client & Corporate
Pensions
Isle of Man
Private Client & Corporate
Luxembourg
Funds
Guernsey
Private Client & Corporate
Funds
Pensions
Asset Financing
Treasury
Jersey
Private Client & Corporate
Funds
Treasury
Switzerland
Private Client & Corporate
Portugal
Pensions
Malta
Private Client & Corporate
Funds
Pensions
UAE
Private Client & Corporate
Funds
Pensions
Hong Kong
Private Client & Corporate
Philippines
Pensions
Mauritius
Private Client & Corporate
New Zealand
Private Client & Corporate

Business Overview

Information Technology

The Group has realigned its strategic focus on three core areas – operational excellence, client interaction and process efficiency. Through these initiatives we believe the Group can provide a better experience and deliver services more effectively and efficiently.

Client facing technology is a key priority. We recognise that, while the security of client information is critical, our clients increasingly require easy and immediate access to their information.

Infrastructure

The Group continues to make data security and regulatory compliance a core objective for both our infrastructure and our business systems. During the year, the Group has reviewed its technology infrastructure and committed budget for a network refresh that will deliver enhanced information security and a more flexible working environment for our people.

Business Systems

Our core business systems are designed specifically for the client base we provide services to. Each service type has particular characteristics that require bespoke software. We work closely with our systems providers to continuously develop functionality and to automate processes.

In the past this has tended to focus on middleware. This revolves around bookkeeping, accounting and administration. As we develop our capability, our attention moves towards the front and back ends of our client engagement and administrative processes.

Recent acquisitions have brought into the business a new level of technological expertise that we believe provides us with the necessary talent and platforms to leverage.

Brand

A key element of our integration process for recently acquired businesses is to bring their branding in line with the rest of the Group. This is now complete for the businesses that joined during 2018 and 2019, other than Nerine in the BVI, which will retain its strong brand in the region for the foreseeable future.

We continue to develop our global identity as an independent provider of professional financial administration services to protect assets and preserve generational wealth for our private and corporate clients.


1,235.01
0.00
25,187.70
7,645.05
12,411.80
27,752.93

Stakeholder Relations

The Group places significant value on its stakeholder relationships with particular focus on our clients, employees, regulators, shareholders and the local communities we operate in.

Clients

We pride ourselves on providing our clients with access to dedicated and highly experienced professionals who can provide them with an efficient, informed and intelligent service.

Providing longevity and continuity to our clients is a key factor in delivering a high quality service and our high staff retention rates and investment in training are testament to the importance we place on our clients and our people.

Regulators

The Group operates within complex regulatory environments in each of its jurisdictions. We aim to ensure we meet or exceed those regulatory requirements. We put risk management and regulatory compliance at the forefront of our operations and it remains a core focus in all day-to-day activity and staff training. We deal with our regulators in an open manner and have a constructive dialogue with them as required.

Shareholders

Our shareholder base provides the capital that underpins the Group's ability to operate, to grow and to deliver our long term strategic plans. The Group attaches significant importance to the effective and timely communication with its shareholders subject to statutory and regulatory constraints. Attendance at the Annual General Meeting (AGM) is encouraged and all questions are welcomed.

Shareholders are also able to contact the company either in writing or directly through the Company Secretary (Shona.Darling@praxisifm.com).

Employees

After a period of focused acquisitions, resulting in a combined PraxisIFM Group of over 540 staff, our people remain our most valuable resource and aligned with this significant business growth, across multiple jurisdictions, we have developed and adopted an updated 'people strategy'.

This is vital, particularly in a fast developing business and the people strategy is aimed at a number of important factors, including the retention of key staff, through all levels of the business. It also focuses on ensuring that we reward staff appropriately and that we are fully aware of leading industry remuneration comparisons.

Additionally, we place emphasis on talent management within the business, ensuring that we provide the opportunity for staff progression within PraxisIFM.

On-going training and development are fundamental to our Group and our people's success. As a professional services business, we encourage all our staff to study for relevant professional qualifications.

Performance management is integral to our on-going success and this is achieved through regular review of employee performance, along with the setting of personal development programmes.

As a growing business, we also seek to attract leading talent from the market place and we strive to be an employer of choice. This includes taking part in careers conventions, management shadowing, including offering work placements, internships and our bursary scheme. We also seek to network appropriately and to be as visual as we can be in the market place. This involves the use of employee success stories through our website, press releases and via the use of social media.

Our Graduate Training Programme is also a unique opportunity for high calibre graduates to gain a broad overview of our various business divisions through a two year programme.

We have updated our mandatory training requirements to include cyber security, GDPR, and equality and diversity, aspects of which have received awards from professional bodies.

The Group's growth naturally opens up opportunities and progression for our people and we have seen a number of staff relocating which not only broadens their skill base but equally transfers honed skills to a new location. As new opportunities arise for our people we are able to offer detailed development plans which may be complemented with the appointment of a mentor.

The Group's Buy as You Earn Scheme is in its third year. The scheme enables our employees to buy shares in the Group and we have been delighted with the uptake, which continues to grow each year. The ability for employees to have a vested interest in the Group is also attractive for new recruits and we believe this gives us an edge when compared to other employers.

We are mindful that a committed, fulfilled and healthy workforce is key for our success and we value our people's opinions and ideas and we encourage people to take responsibility for their role and to be innovative and creative. We foster an environment where people feel respected, valued and rewarded and this is crucial to both our culture and our ability to retain people.

Corporate Social Responsibility
Our Communities

We have a proactive approach to establishing and developing our reputation and engagement within local communities.

The Group's business model is underpinned by the desire to be socially responsible, sustainable and ethically sound. Principally in local communities, this takes the following forms;

- Minimising any negative impact on our environment
- Supporting charities, organisations, sporting teams and events
- Actively encouraging our staff to get involved in events, charities and voluntary work.

Among our initiatives during the year we supported:

GUERNSEY

Guernsey Literary Festival

An annual event organised by a non-profit organisation which aims to offer a diverse programme of events for islanders and visitors. It was the second consecutive year we've supported the Festival, with the BBC's The One Show and columnist for the Observer and the Guardian, Lucy Siegle offering a unique and beguiling perspective on environmental issues and ethical consumerism. Turning the Tide on Plastic provided a powerful call to arms to end the plastic pandemic.

GUERNSEY

Supporting amateur sports

Our commitment to supporting amateur sports in the island includes the Delancey Flyers (junior cycling), Guernsey Football Club, Guernsey Rugby Club (men's, ladies and juniors), the senior basketball inter-insular squad, the PraxisIFM CI Cricket league and netball.

MY NAME'5 DODDIE foundation

GUERNSEY

Doddie's foundation and Guernsey Motor Neurone LBG

PraxisIFM was one of three Guernsey companies to support a fundraising dinner for motor neurone disease (MND) on 28 February 2019. Doddie Weir is a former Scotland international rugby player who was capped 61 times for his country and diagnosed with MND in December 2016. While originally due to attend he was unable to travel and was represented by his brother-in-law, Doug Mundell who along with John Inverdale and Gary Armstrong hosted an entertaining evening which raised £17,000 (split between Doddie's foundation and Guernsey Motor Neurone LBG).

PRAXIS IFM

JERSEY

The Variety Sailing Trust

The Variety Sailing Trust is a charitable organisation in Jersey which provides sailing opportunities in its 38-foot catamaran, for people of all ages with a disability and disadvantaged young people.

The Vernon Lilford Spirit of Variety can carry a crew of up to eight, including two wheelchair users.

Most of the Variety Sailing Trust clients come from special education-needs schools and units, including Mont a L'Abbe and Les Amis, along with other care homes together with adult groups from Health and Social services.

Our donation was used to purchase new sails and the servicing and replacement of safety equipment.

JERSEY

Tackle Africa Football Marathon

A team from our Jersey office took part in the Tackle Africa Football Marathon, helping to raise £18,000 towards supporting sexual health education in Africa.

Some numbers from the day:

- 11 – teams participated
- 43 – average distance (km) covered by PraxisIFM team members
- 700 – minutes of football played by each team in the tournament
- 772 – goals scored

JERSEY

Beresford Street Kitchen

Beresford Street Kitchen is a social enterprise providing training and employment for people with learning disabilities and autism. Every penny generated through sales goes back into the charity and the more money raised the more positions the charity can offer.

Traineeships provide supported training in a work-based environment, with trainees learning the basics of catering, hospitality and retail as well as important skills for work. PraxisIFM has sponsored a trainee for a year.

Our donation has also enabled the charity to pay for a private parking space close to BSK.

SWITZERLAND

La Fondation Miracles is a registered Swiss charity that was created in September 2008.

Its mission is to help and finance the running of the Miracles Centre for prosthesis and care based in Mostar, Bosnia-Herzegovina. Our support of the annual fundraising dinner in March 2019 helped the charity to raise CHF120,000.

LA FONDATION MIRACLES

MALTA

We're delighted to sponsor local football club, Hoplites AFC.

The amateur team was promoted to the second division by finishing in second place in the FAL eight-a-side football league held in the village of Gharghur, Malta.

With our sponsorship the club was able to purchase new kits and kit bags.

Business Overview

Executive Committee

Following Cees Krijgsman's appointment as CEO in May 2019, the Executive Committee was reduced in number in order to provide a better focus on operational management of the business.

Cees Krijgsman BEng
Chief Executive Officer

Cees joined PraxisIFM in April 2017 as part of the acquisition of InAdmin RiskCo, and was appointed as CEO in May 2019. Netherlands-born and educated, Mr Krijgsman has worked at a senior level for technology-led companies since 1991. During his international career Cees has lived and worked in Netherlands, the USA and Taiwan.

Kevin Scott BSc (Hons)
Group Chief Operating Officer

Kevin has more than 20 years' experience in building and managing international business at a senior level with well-known asset management groups, most recently Jupiter Asset Management. He joined PraxisIFM in January 2018.

Robert Fearis FCCA TEP
Group Head of Trust

Robert's expertise covers a wide variety of structures for private & corporate clients and regulated financial services businesses. He was appointed manager of the trust department in 1995 and as a director in 1997.

Richard Kearsey FCA
Managing Director, Jersey

Richard structures and manages the affairs of large international families and has a wide number of high net worth private client relationships. He has been Managing Director of PraxisIFM Trust in Jersey since 2015.

Peter Bruges FCCA
Group Finance Director

Peter joined PraxisIFM in January 2017 as Group Finance Director. He has held senior finance, IT and programme management roles in the retail and finance sectors.

Tim Cumming MA CA
Chairman of the Investment Committee

Among his project management roles Tim is responsible for carrying out Due Diligence relating to the Group's acquisition activities. Tim qualified as a Chartered Accountant in 1984 and joined PraxisIFM in 1989.

Chris Hickling CA
(Interim) Head of Funds

A qualified chartered accountant, Chris has more than 18 years' fund administration experience. In August 2007 he joined Investec Administration Services Limited which was subsequently sold to PraxisIFM as part of Investec's sale of the business in 2009.

Directors' Report

The directors present their report and the audited consolidated financial statements for the year ended 30 April 2019.

Incorporation

The Company was incorporated in Guernsey on 15 December 1995 and is listed on The International Stock Exchange (TISE).

Statements of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements have been properly prepared in accordance with the Companies (Guernsey) Law, 2008.

The directors confirm that

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware
- each director has taken all the steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information
- the financial statements give a true and fair view and have been prepared in accordance with UK Accounting Standards and the Companies (Guernsey) Law, 2008

Principal activities

The Group's principal activities are Private Client & Corporate Administration, Fund Services and Pension Services.

Results and dividends

During the year gross dividends of £3,851,010 (2018: £2,299,112) were paid to the Company's shareholders. Earnings before interest, tax, deprecation and amortisation ('EBITDA') for the year was £9,765,227 (2018: £7,356,962), the calculation for which is set out below:

	2019 £'000	**2018 £'000**
Profit for the year	**2,324**	**3,457**
Add back:		
Interest	791	333
Taxation	1,046	990
Depreciation	1,149	851
Amortisation	4,455	1,726
EBITDA	**9,765**	**7,357**

Directors' Report (continued)

Directors

The directors of the Company during the year are set out on page 14.

At the AGM of the Company on 21 November 2018, shareholders approved the re-election of Brian Morris and Simon Thornton.

Diane Seymour-Williams was appointed by the Board as a NED with effect from 1 August 2019, together with Cees Krigsman and Peter Bruges as executive directors. Each will hold office until the next AGM and then be proposed for re-election.

Board effectiveness

The directors undertake, on an annual basis, an assessment of the effectiveness of the Board which considers the balance of skills, experience, independence and knowledge of the Company. The Board also evaluates the effectiveness of each of the directors.

This review did not raise any areas for concern, however as a result of these discussions it was agreed to strengthen the independence of the Board, as well as diversifying its current profile, by appointing a further NED resulting in Diane Seymour-Williams being appointed.

Directors' meetings and attendance

The table below shows the directors' attendance at Board and Committee meetings during the year.

Name	**Board - Scheduled**	**Ad Hoc**	**Audit Committee**	**Nomination & Remuneration Committee**
Number of meetings held	4	10	4	3
Andrew Haining	4	10	1	3
Iain Stokes	4	8	4	3
Simon Thornton	4	8	1	1
Brian Morris*	3	7	3	2

* Appointed 15 August 2018

Audit Committee composition changed with effect from 17 October 2018 to comprise only Iain Stokes and Brian Morris.

Directors' interests

The interests of the directors at the year end in the share capital of the Company are set out below:

	30 April 2019			**30 April 2018**		
	No. of shares	**Percentage**	**Interest**	**No. of shares**	**Percentage**	**Interest**
Andrew Haining	550,000	0.49%	Indirect	550,000	0.54%	Indirect
Iain Stokes	196,102	0.17%	Direct	196,102	0.19%	Direct
Simon Thornton	4,224,613	3.75%	Direct	3,595,270	3.51%	Direct
Brian Morris	4,834,596	4.29%	Direct	4,834,596	4.72%	Direct
Cees Krijgsman	679,288	0.60	Direct	799,339	0.78%	Direct
Diane Seymour-Williams	-	-	-	-	-	-
Peter Bruges	964,276	0.86%	Direct	614,276	0.60%	Direct

Directors' Report (continued)

Directors' interests

The interests of the directors at the year end in options over the ordinary shares of the Company are set out below:

	30 April 2019				30 April 2018			
	No. of options	Exercise price	Grant date	Expiry date	No. of options	Exercise price	Grant date	Expiry date
Andrew Haining	400,000	100p	3/4/17	*	400,000	100p	3/4/17	*
	400,000	110p	3/4/17	**	400,000	110p	3/4/17	**
Iain Stokes	200,000	100p	3/4/17	*	200,000	100p	3/4/17	*
	200,000	110p	3/4/17	**	200,000	110p	3/4/17	**
Simon Thornton	None	-	-	-	800,000	100p	3/4/17	*
	None	-	-	-	800,000	110p	3/4/17	**
Brian Morris	None	-	-	-				
Cees Krijgsman	None	-	-	-	-	-	-	-
Diane Seymour-Williams	None	-	-	-	-	-	-	-
Peter Bruges	None	-	-	-	800,000	160p	3/4/17	**

* Expiry date is up to 36 months after option price exceeds £1.10 per share.

** Expiry date is up to 36 months after option price exceeds £1.60 per share.

There were no changes in the interests of the directors at 30 April 2019 prior to the date of this report.

Shareholders

Shareholders, other than directors, known directly or indirectly to have an interest in 3% or more of the nominal value of the ordinary shares of the Company were as follows:

	As at 30 April 2019			As at 29 October 2019		
	No. of Shares	Percentage	Interest	No. of Shares	Percentage	Interest
Huntress (CI) Nominees Limited A/C KGCLT	23,095,037	20.51%	Direct	23,118,658	20.53%	Direct
DPV Limited	9,078,183	8.06%	Direct	8,902,183	7.91%	Direct
Framley Consultancy Limited	5,379,310	4.78%		5,379,310	4.78%	Direct
Simon Thornton	-	-	-	4,224,613	3.75%	Direct
Richard Kearsey	3,859,680	3.43%	Direct	3,859,680	3.43%	Direct
Robert Fearis	3,517,500	3.12%	Direct	3,517,500	3.12%	Direct

As at 30 April 2019, 23,095,037 ordinary shares (30 April 2018, 22,613,774) were registered in the name of Huntress (CI) Nominees Limited A/C KGCLT. These shares were held in a nominee capacity for a number of underlying shareholders.

Simon Thornton resigned as a director of the Group on 31 October 2019.

Directors' Report (continued)

Going concern

After a review of the Group's forecast and projections, the directors have a reasonable expectation that the Group has adequate resources for a period of at least 12 months from the date of signing of these financial statements. The Group therefore continues to adopt the going concern basis in preparing these financial statements.

Directors' and officers' liability insurance

The Group maintains insurance in respect of Directors' and Officers' liability in relation to the Directors' and Officers' actions on behalf of the Company or Group.

Anti-bribery and corruption

The Group conducts its business in a legal and ethical manner and does not tolerate acts of bribery and corruption either by its own employees and operating companies or by its agents or other associates..

Slavery

PraxisIFM is committed to ensuring that slavery, human trafficking and forced labour have no place in or around our business and we have therefore put processes and policies in place to strengthen our approach to tackling any risk of this. We have a responsibility to respect the human rights of our colleagues, customers, the communities we operate in and the people who work throughout our supply chain, and we have an opportunity to make a difference. PraxisIFM does not tolerate slavery, human trafficking, forced labour, child labour or child exploitation. We have implemented a number of policies which allow us to manage human rights both within and outside of our business including our Codes of Conduct. Furthermore, the PraxisIFM employee staff handbook makes it abundantly clear that employees are expected to behave ethically and operate with integrity at all times. PraxisIFM also has Equal Opportunities and Anti-bullying policies and provides training in local anti-discriminatory legislation.

Environmental Policy

While the Company has a limited carbon footprint in respect of its day to day activities, the Board also notes that the Company recognises that environmental responsibility is core to its longer term business success, and actively integrates environmental, social and corporate governance (ESG) issues into its business model. For more information regarding the Group's Corporate Social Responsibility approach and initiatives throughout the year see pages 24 to 25.

Company Secretary

The Company Secretary who held office at the year end was Ms Shona Darling.

Independent auditor

BDO Limited has signified its willingness to continue in office. A resolution to re-appoint them will be proposed at the AGM.

Annual General Meeting

The AGM of the Company will be held at The Old Government House Hotel & Spa, St Ann's Place, St Peter Port, Guernsey on 12 December 2019.

This report was approved by the Board on 27 November 2019 and is signed on its behalf by:

Andrew Haining	**Cees Krijgsman**
Chairman	**Chief Executive Officer**
27 November 2019	27 November 2019

Corporate Governance Report

The Group has adopted the Finance Sector Code of Corporate Governance (the Code) issued by the Guernsey Financial Services Commission. As a financial services group, PraxisIFM is fully committed to the principles of good corporate governance including effective management, reporting and transparency. During the year the Group has followed the principles of the Code.

The Board

The Board consists of the Non-Executive Chairman, three Non-Executive Directors, the Chief Executive Officer and the Group Finance Director. The roles of the Chairman and the Chief Executive Officer are separated, ensuring a clear division of responsibilities. The combined skills and experience ensure independence and enable effective decision making and delivery of the Group's strategic objectives.

Membership of the Board

The Board held four scheduled meetings and ten ad-hoc meetings during the year, attendance at meetings during the year is detailed in the Directors Report on page 29.

Changes to the Board during the year are detailed in the Nomination and Remuneration Committee report on page 38.

The Board oversees the strategic direction of the Group and provides effective leadership to enable the Group to enhance value to all stakeholders.

It approves financial reporting, internal controls, investments and acquisitions, communication with shareholders, significant expenditure and changes to the structure and capital of the Group.

The Board is evaluated on an annual basis to ensure that it continues to be able to conduct its activities and discharge its responsibilities effectively. The latest evaluation was undertaken during March 2019.

Board Committees

The Board has delegated certain responsibilities to the following committees to enhance effective governance and focus.

Audit Committee

The Audit Committee comprises Iain Stokes (Chairman) and Brian Morris. The Committee meets not less than twice in each financial year.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises Brian Morris (Chairman), Iain Stokes and Diane Seymour-Williams. The Committee meets at least once a year.

Executive Committee

The Executive Committee is made up of the senior management team, as detailed on page 26. It is responsible for the day-to-day management of the Group's operations and activities.

The Executive Committee assists, advises and makes recommendations to the Board in relation to delivery of strategic objectives, compliance and risk management, financial and management reporting, performance and budgeting, systems and technology and human resources.

Risk Committee

The Board is ultimately responsible for the management of risk of the Group and has delegated responsibility for implementation to the Risk Committee, which reports through the Executive Committee.

The Group operates a risk-based approach to every aspect of its activities including but not limited to client take-on, internal operations, staff training, systems development, information management and acquisitions.

The Investment Committee

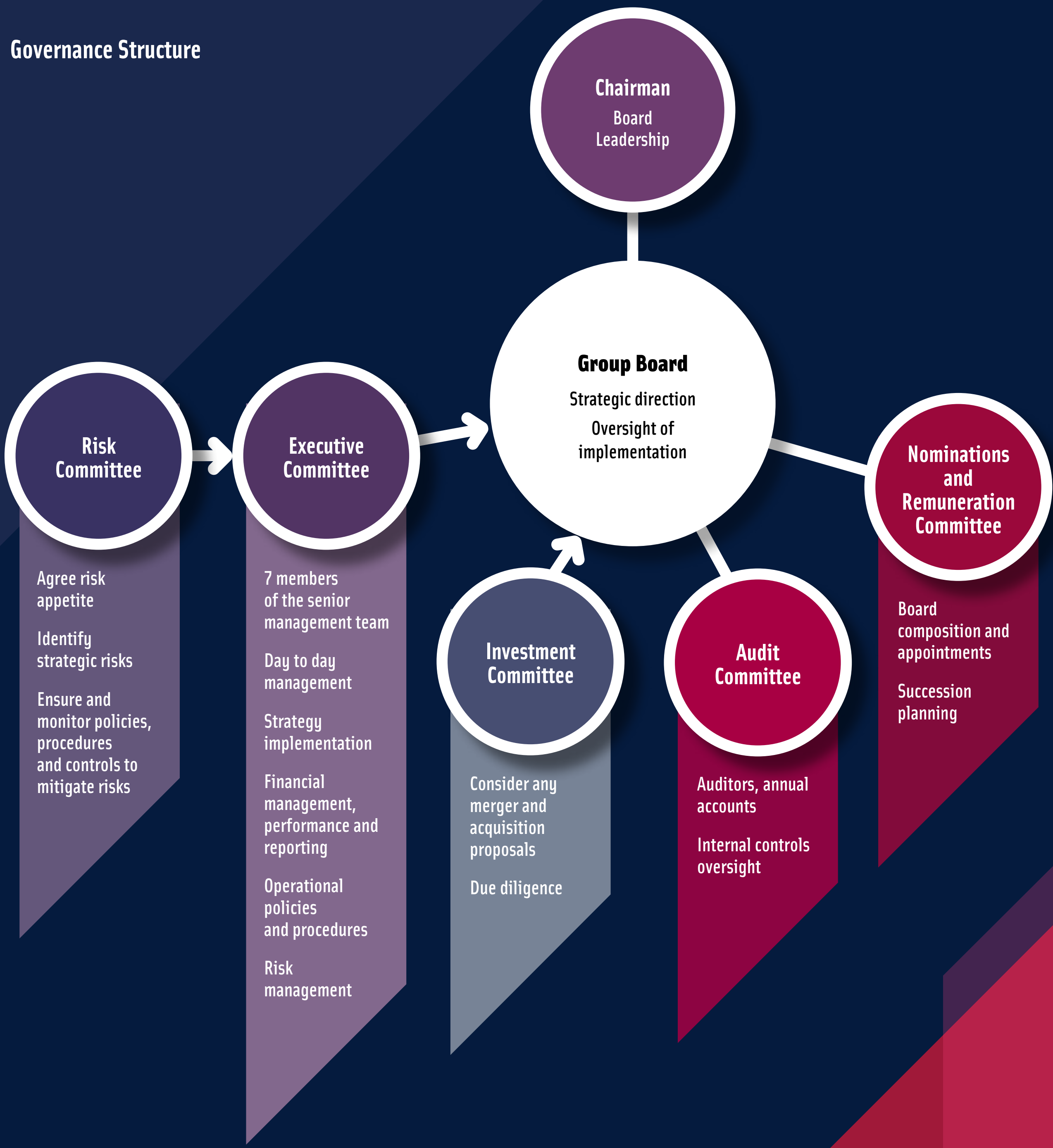
As part of the Group's governance regime that protects and enhances stakeholder interests, the Investment Committee operates independently to the Executive Committee and reports directly to the Group Board. It operates a two-stage process of approval. The first enables negotiation of terms with a target, the second and final ensures that the Board has sufficient information to authorise execution of contractual agreements.

The Investment Committee's terms include responsibility for:

- Consideration of any merger and acquisition (M&A) proposal before it is presented to the Board
- Review of any M&A proposals to ensure they meet the strategic aims of the Group and protect the interests of stakeholders
- Ensuring sufficient scrutiny is applied to decision making and the due diligence process
- Making investment recommendations to the Board setting out the rationale for the transaction
- Management of the M&A timescales and relations with sponsors and advisors
- Initiation and management of the due diligence process
- Planning the execution and implementation of proposals agreed by the Board
- Management of any deemed conflicts of interest that arise in respect of any proposal
- Review of potential new offices or new jurisdictions

Corporate Governance Report (continued)

Governance Structure



Risk Statement

Risk Appetite

The Group must take risks in order to achieve its strategic objectives and deliver beneficial outcomes for its stakeholders. However, these risks are taken in a controlled and considered manner, ensuring that impact is kept to a level acceptable to the Board.

The Board has delegated risk management to the Executive Committee. The Executive Committee monitors and manages Group level risk and each business unit has a risk committee to manage operational and other risks at the local level.

While commercial risk is the driver of business development, the Group is averse to regulatory risk which carries the consequences of significant damage to its reputation and a threat to its ability to carry on its core regulated activities. Regulatory compliance, specifically areas such as anti money laundering and countering the financing of terrorism, is considered vital to the long term, sustainable growth of the Group.

Risk Management

The Group has adopted a multi-layered approach to risk management.

On a day-to-day basis the Group's client facing teams are responsible for operating in accordance with the Group's policies and the specific procedural and control environment of the business unit. The Group's jurisdictional compliance teams are responsible for conducting and reporting on the compliance monitoring programme to the Group Head of Compliance. The relevant business's compliance officer reports directly and independently to both their operating board and to Group Head of Compliance. The jurisdictional and Group risk committees are responsible for overseeing the risk management arrangements and reporting their deliberations to the relevant company's board. These risk committees are mandated under clear terms of reference which include client acceptance, dealing with exceptional cases and reviewing risk exposures.

The Group maintains high standards of compliance in respect of risk assessment, client take-on, anti-money laundering and other regulatory requirements. Significant time and resources are spent on training staff, reviewing and improving risk management, and on the implementation and monitoring of its compliance procedures and processes. The Group believes it has an effective risk and compliance function and a culture of compliance embedded within the service teams. The risk and compliance structure provides appropriate checks and balances, with procedures well documented and key controls embedded within the Group's database systems.

Each of the regulated businesses within the Group has undertaken a business risk assessment exercise which was coordinated by the Group Head of Compliance. The process helps verify existing risk assessments, ensure consistency of approach, identify potential new risks and help frame the compliance monitoring programmes and other risk management controls.

The Board recognises that the Group is continually developing and improving its operational environment. An effective Risk Management framework enables the Group to monitor and maintain its defences, through the identification of areas in the Group's policies and procedures that require enhancement. The Compliance Monitoring Programme is a key tool to test and monitor the control environment, analyse the results and report the management information to the operating company boards and onwards to the Group Board. The Board considers these findings in the context of its strategic business objectives and takes appropriate, risk- based action.

Risk Statement (continued)

Key Risks

The Board has identified certain areas of risk that are specific to the business of the Group and are monitored closely by the Group Risk Committee.

Risk	Mitigants
Service Risk The Group administers client structures in accordance with standard terms of business and administration agreements (the "contractual framework") which define the services to be delivered and limit the scope of services the Group is responsible for. Errors or breaches may occur resulting in the invocation of PraxisIFM's contractual protections and potentially give rise to a claim against the Group.	The Group operates robust procedures and processes to ensure services are delivered in accordance with the contractual framework.
Key Personnel Risk The Group is dependent upon key senior management personnel who have extensive experience and knowledge of the Group, the Group's markets, product offering, client base, and administered structures.	The Board works with senior management to ensure that there are effective succession plans. The Group continuously engages with its network to identify potential future leaders. A key part of the acquisitions strategy is to identify key people to help the development of the Group and to achieve its strategic objectives.
Litigation Risk The Group takes such precautions as it considers appropriate to avoid or minimise the likelihood of any legal proceedings or claims against it, and any resulting financial loss.	The costs of defending against claims or any settlement of a claim may be covered by professional indemnity insurance up to the limit of the Group's policies.
Fiduciary Risk The Group acts in a fiduciary capacity on many client structures. This may involve acting as trustees and/or acting as directors on administered entities where responsibility for decision making is assumed. Acting in a fiduciary capacity creates specific legal obligations, a breach of which could give rise to a claim against the Group and its employees, and/or regulatory sanction.	The procedures and processes operated by the Group have been designed to address the risks associated with acting in a fiduciary capacity and whenever possible the Group's terms of business seek to cap or otherwise limit liability except in cases of fraud, wilful misconduct or gross negligence, or in respect of any other liability which cannot lawfully be excluded.

Risk Statement (continued)

Risk	Mitigants
Third Party Service Providers Risk The Group is reliant upon third party service providers for certain aspects of its businesses (for example its clients' banking arrangements and operating software for its core administration services). Any interruption or deterioration in the performance of these third party service providers or software could impair the timing and quality of the Group's services and profitability.	The Group operates an internal control process when engaging third party service providers that includes a risk assessment covering regulatory, operational and financial aspects.
Regulatory Risk The Group is subject to the laws and regulations of the countries in which it operates. Many of the Group's subsidiaries operate in a regulated environment and are subject to ongoing supervision and other regulatory requirements. Any breach of any applicable law, regulations, licence conditions or the requirements of the relevant regulatory authority could result in the Group, its directors and key personnel being fined or being the subject of criminal or other disciplinary proceedings and have material adverse consequences for the Group and its business.	The Group operates strict internal processes and procedures to ensure that regulatory and legal requirements are understood and adhered to in each of its jurisdictions. In addition the Group ensures its employees receive effective training and ongoing support.
Acquisition Risk Acquisitions give rise to inherent execution and integration risk. The process of integration may produce unforeseen operating difficulties and expenditures and may absorb significant attention of the Group's management that would otherwise be available for the ongoing development of the business. In addition, acquisitions also involve a number of other risks including unforeseen liabilities, difficulties in realising costs or revenues, loss of key employees and client relationship issues.	The Group conducts full financial, operational and personnel assessment and due diligence processes to minimise uncertainty and the potential for unforeseen issues. The Group has a detailed integration plan for new acquisitions to ensure effective on boarding and merging of people, operational procedures, training, systems and reporting. The Investment Committee oversees the engagement, due diligence and integration processes to ensure they are carried out, are effective and provide sufficient reporting to the Board.

Risk Statement (continued)

Risk	Mitigants
Reputation Risk Our good reputation is vital to the continued success of the Group.	The risks described in this Risk Statement all have the potential to damage our reputation and consequently are mitigated and managed through the Group's policies, procedures and controls.
Operational Risk Operational risk is the risk of loss resulting from inadequate or failed internal processes, personnel and systems or from external events.	The Group adopts a multi-level approach to the mitigation of operational risk, firstly through its policies and procedures in which the controls are embedded, secondly through the compliance monitoring of the application and effectiveness of those policies and controls and thirdly through management and Board level reporting to facilitate corrective action where appropriate.
Technology Risk The Group operates on technology platforms to deliver client services. The Group's systems are hosted in the Channel Islands and in Geneva.	The Board is aware of and is regularly updated with information regarding cyber security and the potential threats posed by poor data management, hackers and criminals. The Board has completed a full review of the Group's systems and technology roadmap to ensure continued data security and enhancements to technological capability. The Group is accredited under Cyber Essentials Plus, the UK government's cyber security protocol and has implemented significant information access, monitoring and active defence software to protect client and Group information.

Nomination and Remuneration Committee Report

Dear Shareholder

I am pleased to present, the report of the Nomination and Remuneration Committee in respect of the year ended 30 April 2019.

Terms of Reference of the Committee

These include the following responsibilities:

Nomination

- regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the board and other senior executives and make recommendations to the board with regard to any changes
- give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the group, and the skills and expertise needed on the board in the future
- keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace
- be responsible for identifying and nominating for the approval of the board, candidates to fill board vacancies as and when they arise
- evaluate the balance of skills, knowledge, experience and diversity on the board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment
- review the results of the annual board performance evaluation process that relate to the composition of the board

Remuneration

- monitor remuneration trends
- determine and agree with the board the framework or broad policy for the remuneration of the Company's Chairman, executive directors and members of the senior executive committee as it is designated to consider
- review the ongoing appropriateness and relevance of the remuneration policy
- ensure that contractual terms on termination, and any payments made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised
- ensure remuneration encourages, reinforces and rewards the growth of shareholder value and promotes the long-term success of the Group. The Committee agreed that executive remuneration should have the following aims:
  - Attract, retain and motivate high calibre senior management
  - Be consistent, simple and understandable, both externally and to colleagues
  - Encourage widespread share ownership across the Group's employees
  - Be consistent with regulatory and good corporate governance requirements
  - Does not reward behaviour that increases exposure to risks outside of the Group's risk appetite.

In determining remuneration, the Committee takes into account market practice for a company of this size and complexity, the performance of the Group, the senior managements' current equity holdings and options, and the Committee's responsibility to shareholders.

Membership of the Committee

The Committee members and their attendance at meetings during the year were:

	Meetings Held	Attendance
Andrew Haining	3	3
Iain Stokes	3	3
Simon Thornton	3	1
Brian Morris (Chairman) [1]	3	2

[1] Brian Morris was appointed to the committee on 15 August 2018.

Nomination and Remuneration Committee Report (continued)

Activities of the Committee during the year

Board Changes

- As a result of the growth of the Company since listing on TISE in April 2017, the Committee recommended that an additional NED should be appointed to the Board.

  The Committee proposed to the Board that Brian Morris be appointed due to his extensive knowledge of the Group, he was appointed on 15 August 2018.

- The Committee further considered the need to diversify the membership of the Board, and in particular look to appoint a further member based outside the Channel Islands, and with complimentary experience in Financial Services.

  Following an extensive recruitment process which had been undertaken in collaboration with recruitment agents, Comforth Consulting, the Committee recommended to the Board that Diane Seymour-Williams be appointed as a NED, subject to receiving the necessary pre-approval from requisite regulators.

  It was recognised that Diane would strengthen the independence of the Board and that she would bring investment management and financial services operational knowledge gained in London and the Far East together with direct experience of listed entities on the London Stock Exchange that share similar characteristics to the Group.

- During the year, Simon Thornton announced his intention to step down from his role as CEO. The Committee undertook a robust recruitment process to identify a successor, that included considering both internal and external candidates.

  Having undertaken a full independent appraisal and assessment by leading executive search and leadership advisory firm, Spencer Stuart, the Committee agreed that Cees Krijgsman, the CEO of InAdmin RiskCo, the Group's pension administration business, should be recommended for the appointment, subject to receiving the necessary pre-approval from requisite regulators.

  Netherlands-born and educated, Mr Krijgsman, has worked at senior level for technology-led companies since 1991. He joined InAdmin RiskCo in 2013 and has led its strategic development into a pension administration outsourcing company with blue chip clients including AON, United Pensions and Hewlett Packard. Mr Krijgsman holds a degree in Mechanical Engineering.

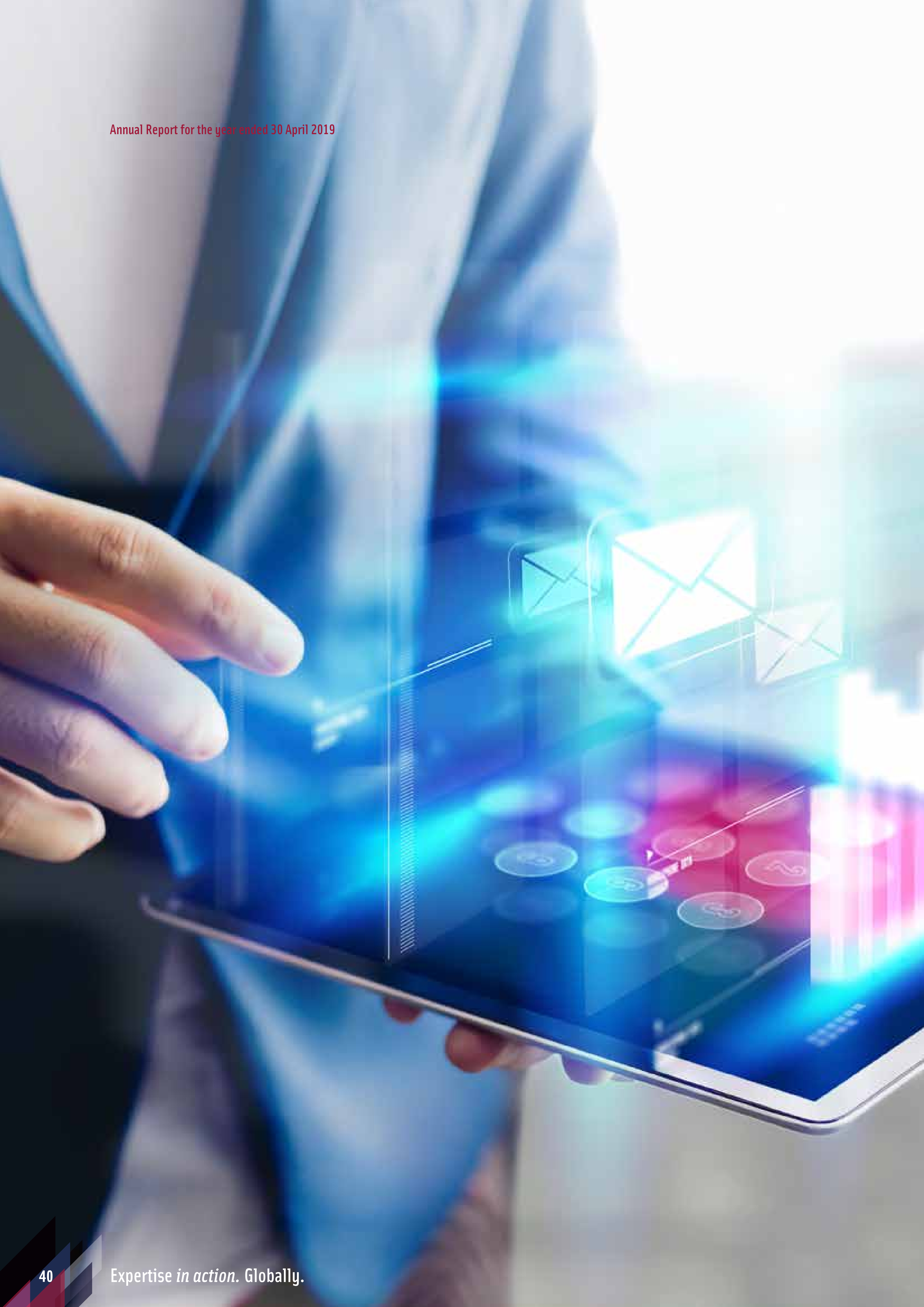
- The Committee recommended that the Board be further strengthened by appointing Peter Bruges to the Board as Group Finance Director, subject to receiving the necessary pre-approval from requisite regulators.

  Peter joined PraxisIFM in January 2017 and has held senior finance, IT and programme management roles in the retail and finance sectors.

  Having run a sales business in the UK, he qualified as a Chartered Certified Accountant in 2005 while head of Internal Audit and Finance Programmes at Specsavers Optical Group. In 2008 Peter joined Terra Firma to establish the Guernsey office as Finance and Operations Director. He went on to hold CFO roles with the Channel Islands Cooperative and Hark Capital, a family office.

Committee Oversight

- The Committee undertook, internally, a review of the Terms of Reference, constitution, performance and effectiveness of the Committee and concluded that the Committee currently operates effectively.
- The committee undertook a review of the composition and performance of the Board, which concluded that improvements would be made regarding:
  - Timing of information provided prior to meetings
  - Comparison of business performance to peers to be enhanced
  - A stronger induction program for new Board members to be introduced.
- Succession planning across all senior executives was discussed, and the appointment of external consultants to review the effectiveness of the senior management team was considered. This has been referred to the Executive Committee for appropriate implementation.
- An annual review of NED fees was undertaken, with minor adjustments to the existing levels being proposed to the Board.



Nomination and Remuneration Committee Report (continued)

Remuneration Report

Base salaries

In line with the pay rises applied to all Group staff, the senior executive team received an average salary increase of 2.4% in May 2019.

Bonuses and Shareholdings

The senior executive team do not currently receive any bonuses or variable remuneration. The Group seeks to reward its staff through equity participation so as to better align the interests of our staff with those of our shareholders.

Although there is currently no formal guideline in respect of senior management ownership of the Group's shares, the Committee believes it is an essential part of aligning the interests of management and shareholders and promotes a long-term approach to performance and risk management.

As the Group has developed, and as some senior executives have retired, we are continually looking to recruit additional senior executives. These new senior hires do not benefit from the level of shareholding enjoyed by many of the original senior executive team. The Committee therefore continues to explore ways to provide and maintain, in the long-term, significant equity participation by all of the Group's senior management.

Other benefits

Executive directors and senior management receive a number of benefits, such as defined contribution pension contributions, death in service, and family private medical cover, in line with Group policy for all employees. No performance metrics apply to these benefits.

Options

No options were granted to the directors during the year and none have been granted since the year end. Simon Thornton exercised 628,665 share options during the financial year and Peter Bruges exercised 350,000. Details of total movements on share options during the financial year are given in note 33 to the financial statements

120 group employees participated in the BAYE scheme for the year to 30.4.2019. 158 employees are participating in the current scheme for the year ended 30.4.2020.

Shareholdings

Non-Executive Directors

The fees of the NEDs are set by the Board and the Chairman's fee is set by the Committee (the Chairman and the NEDs do not take part in any discussion of their own fees). Fees are reviewed periodically by reference to market levels and likely time commitment.

NEDs receive a fee for carrying out their duties, together with additional fees for those who chair the primary Board committees and perform additional duties. The level of fees of the Chairman and other NEDs reflect the time commitment and responsibility of their respective roles.

Conclusion

The Group has continued its growth and transition to a multinational business. The Committee is mindful of the Group's ethos and reward strategy and the role this long term approach has had in the success of the Group.

Brian Morris

Nomination and Remuneration Committee Chairman

27 November 2019

Audit Committee Report

Dear Shareholder,

I am pleased to report to you on the activities of the Audit Committee for the year ended 30 April 2019.

The Board has established terms of reference in respect of the membership of the Audit Committee, its duties, reporting responsibilities, and authority given to its members (the Terms of Reference). The Terms of Reference are reviewed on a regular basis.

The Group has adopted the Finance Sector Code of Corporate Governance (the Code) issued by the Guernsey Financial Services Commission and the Audit Committee is of the opinion that the Code allows it to act as a key independent oversight committee contributing to a climate of discipline and control.

Terms of Reference

The Audit Committee's primary function is to assist the Board in fulfilling its oversight responsibilities and, under the Terms of Reference, its main duties include:

Financial Reporting

- Monitor the integrity of the financial statements of the Group, including its annual and half-yearly reports and any other formal announcement relating to its financial performance and
- Review significant financial reporting judgements contained in these statements and announcements, including the consistency of accounting policies, the methods used to account for significant or unusual transactions, accounting for key estimates and judgements, the clarity and completeness of disclosure in the Group's financial reports and all material information presented with the financial statements, such as corporate governance statements relating to the audit, risk management, internal control, the going concern basis of accounting and longer term viability.

Risk Management Systems

- Monitor and review the effectiveness of the Group's financial reporting and controls and its systems for internal control and risk management (for both financial and non-financial risks) and approve the statements to be included in the annual report and accounts concerning risk management.

Compliance, Whistle blowing and Fraud

- Review the adequacy and security of the Group's arrangements to raise concerns, if any, about possible wrongdoing in financial reporting or other matters;
- Review the Group's procedures for detecting fraud;
- Review the Group's systems and controls for the prevention of bribery and receive reports on non- compliance;
- Review the adequacy and effectiveness of the Group's anti-money laundering systems and controls and
- Review the adequacy and effectiveness of the Group's compliance function.

External audit

- Oversee the relationship with the external auditor including making recommendations of remuneration, terms of engagement, assessing independence and objectivity, compliance with relevant ethical and professional guidance on the rotation of audit partners, the level of fees paid by the Group, assessing qualifications, expertise and resources and the effectiveness of the audit process.

In regard to the above duties, I confirm, on behalf of the Audit Committee, that, to the best of our knowledge and belief, we have fulfilled our responsibilities in line with our Terms of Reference and in accordance with the Code.

Membership of the Committee

The Audit Committee was established on the Group's TISE listing in April 2017 and consists of Brian Morris and myself, Iain Stokes, as its Chairman. Mr Morris was appointed on 17 October 2018, the same date that Mr Haining, the Company's Chairman and Dr Thornton, who at that date was an Executive Director and a member of the Group's Executive Committee and Investment Committee, stood down from the Audit Committee. The Audit Committee has concluded that its membership and competence meets the requirements of Principle 1 of the Code.

Each member is financially literate and has knowledge of the following key areas:

- Financial reporting principles and accounting standards
- The regulatory framework within which the Group operates
- The Group's internal control and risk management environment and
- Factors impacting the Group's financial statements.

The Audit Committee meets at least twice a year. Representatives of the Group's external auditor, BDO Limited (BDO), attend Audit Committee meetings when appropriate.

In his role as a member of the Audit Committee, each member is available to discuss any particular matter with his fellow Board members and in addition, the Audit Committee has the opportunity to meet with the Executive Committee and BDO. In order to ensure that all Directors are kept up to date and informed of the Audit Committee's work, I provide a verbal report at Board meetings on key matters discussed at the Audit Committee meetings. In addition, the minutes of all Audit Committee meetings are available to the Board.

How the Audit Committee has Discharged its Responsibilities

In the year under review, the Audit Committee met three times, attendance at which is set out on page 29. The Audit Committee meetings focused on the following key areas:

Monitoring the integrity of the financial statements including significant judgements

- We reviewed the appropriateness of the Group's significant accounting policies, critical accounting judgements and key sources of uncertainty and monitored changes to, and compliance with, accounting standards on an ongoing basis.
- Prior to making any recommendations to the Board, we reviewed the Annual Report and Audited Financial Statements for the year ended 30 April 2019 (the Annual Report). We compared the results with management accounts and budgets, focusing on the significant accounting matters set out below.
- In undertaking this review, we discussed with representatives of the Executive Committee and BDO the critical accounting policies and judgements that have been applied and at the request of the Audit Committee, representatives of the Executive Committee confirmed that they were not aware of any material misstatements including matters relating to the Annual Report presentation. BDO also reported to the Audit Committee on any misstatements that they had found during the course of their work and confirmed no material amounts remained unadjusted.
- At its meeting to review the Annual Report, the Audit Committee received and reviewed a report on the audit from BDO. On the basis of its review of the report, the Audit Committee is satisfied BDO has fulfilled its responsibilities with diligence and professional scepticism.
- The Audit Committee is satisfied that the Annual Report appropriately addresses the critical judgements and key estimates (both in respect to the amounts reported and the disclosures) and that the significant assumptions used for determining the value of assets and liabilities determined were in compliance with FRS102 and were reasonable.
- The Audit Committee is therefore satisfied that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

Audit Committee Report (continued)

Significant Accounting Matters

During the year the Audit Committee considered key accounting issues, matters and judgements regarding the Group's financial statements and disclosures including those relating to:

Restatement of the Prior Year

As noted on page 8, the accounts for the year ended 30 April 2018 have been restated to include the consolidation of the EBT. The decision to consolidate and restate the prior year results was taken as a result of a technical clarification being identified which suggested that the Group had "de-facto control" over the EBT.

The Audit Committee reviewed the technical clarification and enquired regarding the elements of the EBT's operations identified by the clarification as indicators that the Group had "de-facto control". The Audit Committee concluded that "de-facto control" of the EBT existed and that it should be included in the consolidated accounts for the year ended 30 April 2019, with the prior year comparative restated.

Acquisition Accounting

At 30 April 2019, the Group's intangible fixed assets had a fair value of £63m, of which goodwill comprises £59m. This represents a substantial and material portion of the net assets of the Group, and is the largest factor in relation to the accuracy of the financial statements. As such, this balance is monitored and reviewed by the Executive Committee, Audit Committee and the Board.

Goodwill is assessed annually for impairment, with its carrying value at the balance sheet date being compared to a valuation made by the Group. The valuation made by the Group is subject to significant judgement and uncertainty, and as such the Audit Committee required the Executive Committee to provide a detailed analysis of valuation methodology and a reasoned assessment of fair value for each item of goodwill. Furthermore, the Audit Committee challenged the key assumptions, in particular their sensitivities to stress scenarios.

Please see further details in note 12 to the financial statements.

Revenue Recognition

The Group generates revenue from multiple streams of income and varying types of recognition criteria and there is a risk that Group recognition policy is not adhered to consistently as stated in note 2 to the financial statements.

The Audit Committee reviewed the Group's key controls over its billing cycle, work in progress and recovery rates, which form the basis of the Group's revenue.

Whilst acquisitions formed a specific part of the audit planning process, as noted on page 9, additional audit focus was required on revenue recognition in an underlying business unit of PraxisIFM. This arose from a lack of internal controls on the recording, monitoring and approving of employee timesheet data following a post-acquisition migration. Although additional analysis has shown revenue to be materially complete, the Audit Committee has directed the Executive Committee to improve the control environment in this business unit.

Bad Debt Provision

Significant judgements are required in relation to provisions and their recoverability that may be adversely impacted by clients' unforeseen financial difficulties or inability to settle debts.

An allowance is made for the estimated irrecoverable amounts from debtors and this is determined by reference to past default experience.

The Audit Committee investigated trends in debtor movements by requiring the Executive Committee to provide a detailed analysis of the bad debt provision and provide a reasoned assessment.

Netherlands restructuring provision release

During the year two restructuring provisions were released relating to the transfer of client portfolios into the InAdmin RiskCo's pension administration systems and the development of these systems in order to accommodate the data.

The release of these provisions is matched to the expected timeline of the projects, with the release period adjusted at each reporting point in order to match any changes in the expected timeline.

The Audit Committee reviewed InAdmin RiskCo's project plan and required its management to demonstrate that the provisions were being released in line with the expected timeline of the projects.

Share based payments

Employees of the Group receive share options in the form of share-based payments via the PraxisIFM Group EBT whereby eligible employees render services as consideration for equity instruments (shares). Significant judgement is required in determining the fair value of the equity instruments issued. A Black-Scholes model was deemed appropriate for valuation purposes.

The Audit Committee reviewed the model selected, as well as the key inputs to the model, and considered the impact of the judgemental inputs on the output of the model and the share option expense recognised in note 33 of the accounts.

Audit Committee Report (continued)

Assessment of Principal Risks and Uncertainties

The risks associated with the Group's financial assets, as disclosed in the financial statements, particularly in notes 2 and 3, represent a key accounting disclosure. Following input from the Executive Committee, the Audit Committee critically reviews the identification process and on-going measurement of these risk disclosures.

Risk Management and Internal Controls

The Board as a whole is responsible for the Group's system of internal control; however, the Audit Committee assists the Board in meeting its obligations in this regard. There is no direct internal audit function and the Executive Committee oversees the daily operational activities of the Group. The Audit Committee regularly monitors confirmations from the Executive Committee that no material issues have arisen in respect of the system of internal controls and risk management operated within the Group. Annually, the Audit Committee reviews the effectiveness of the Group's material controls, including financial, operational and compliance controls.

External Audit

It is the responsibility of the Audit Committee to monitor the performance, independence, objectivity and re-appointment of BDO. We met with BDO in January 2019 to review its Interim Review Report in relation to the Group's Unaudited Interim Financial Statements for the period from 1 May 2018 to 31 October 2018. In March 2019, we further met with BDO who presented its Audit Planning document for the year; we agreed the audit plan for the year, highlighting the key financial statement and audit risks, to seek to ensure that the audit was appropriately focused. In July 2019, we met with the Group Finance Director and BDO to review the assessment of goodwill for each subsidiary. BDO attends our Audit Committee meetings throughout the year, as appropriate, which allows an opportunity to discuss any matters they may wish to raise.

BDO provides feedback at each Audit Committee meeting on topics such as key accounting matters, mandatory communications and the control environment.

BDO was formally re-appointed as the Group's auditor for the 2019 year-end audit following the AGM on 21 November 2018. BDO has expressed its willingness to continue in office as Auditor. The Audit Committee continues to be satisfied with the performance of BDO. We have therefore recommended to the Board that BDO, in accordance with agreed terms of engagement and remuneration, should continue as the Group's auditor and a resolution proposing its reappointment will be submitted at the forthcoming AGM. The lead audit partner will be rotated every five years to ensure continued independence and objectivity. In advance of the commencement of the annual audit, the Audit Committee reviewed a statement provided by BDO confirming its independence within the meaning of the regulations and professional standards.

In addition, in order to satisfy itself as to BDO's independence, the Audit Committee undertook a review of the auditor compensation and the balance between audit and non-audit fees. The following table summarises the remuneration paid to the external auditor for audit and non-audit services during the year ended 30 April 2019:

Audit fees	**£**
Group audit fees	570,425
Non-audit services fees	
ISAE3402 reporting	56,510
Tax compliance and advisory services	33,455
Total	**660,390**

The increase in audit fees versus the prior year has been caused by acquisitions in the current and prior year receiving a full statutory audit, alongside regulatory changes requiring additional subsidiary companies to receive individual audits, and an inflationary increase across the Group

Committee Effectiveness

Both the Board and the Audit Committee review the effectiveness of the Audit Committee on an annual basis. Following such review, I am pleased to advise that the Audit Committee is considered to continue to operate effectively and efficiently. A member of the Audit Committee will be available to Shareholders at the forthcoming AGM of the Group to answer any questions relating to the role of the Audit Committee.

Signed on behalf of the Audit Committee by:

Iain Stokes

Audit Committee Chairman

27 November 2019

Independent Auditor's Report to the members of PraxisIFM Group Limited

Opinion

We have audited the financial statements of PraxisIFM Group Limited (the "parent company") and its subsidiaries (the "group") for the year ended 30 April 2019 which comprise:

- the Consolidated Income Statement;
- 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.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard in the United Kingdom and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the group financial statements:

- give a true and fair view of the state of the group's affairs as at 30 April 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report (continued)

Key audit matters

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KAM - Revenue recognition and valuation of accrued income

KAM description	At the year end there is £5.4m (2018: £2.5m) of accrued income on the Consolidated Statement of Financial Position. This comprises a combination of time which has been spent working on client matters which has not been billed as at the year end date and amounts relating to fixed fees which are billed in arrears which have also not been billed at the year end but which have been accrued. Accrued income is calculated based on time charged by staff on client matters upon which a discount rate is applied for recoverability. The calculation of the accrued income requires management judgement with regards to the chargeable time that would be recoverable and therefore there is a risk that it might be misstated. There is a high level of judgement applied by management in assessing and determining the value of accrued income. The accounting policy in relation to accrued income is disclosed in note 2 to the annual report. The assumptions and judgements which are made in respect of this area are set out in note 3
How the scope of the audit responded to the KAM	For a sample of clients where accrued income has been recognised, we have reviewed the level of chargeable time incurred and recovered post year end. For those amounts not billed or recovered post year end, we have challenged management's judgement and rationale as to the recoverability of the accrued income amounts by reviewing fee agreements, the level of discount rate applied for recoverability and communication with clients. We reviewed historical billing patterns and timings of settlement of invoices in respect of clients where judgement has been made by management.
KAM observations	We consider management's judgements relating to the valuation of accrued income to be reasonable.

Independent Auditor's Report (continued)

KAM - Revenue recognition – completeness of time-based revenue in the Private Equity Services B. V. component

KAM description	We identified a lack of internal controls over the recording, monitoring and approving of employee timesheet data within the Private Equity Services (PES) entities, which meant we were unable to initially determine whether revenue within this component was complete.
How the scope of the audit responded to the KAM	In response to the identified lack of internal controls, we performed significant additional detailed testing on revenue in this specific entity in order to obtain sufficient appropriate audit evidence regarding the completeness of revenue in this component. Our additional detailed testing focused on reviewing the entire client portfolio within the entity, comparing fees charged on a line by line basis to signed contracts or to written communications with the clients. We analysed the periodicity of the time based fees charged and checked whether periods upon which time based fees were invoiced were regular and complete. We reviewed the utilisation analysis and staff capacity data to assess recoverability across the client portfolios comparing to prior year and expected profitability rates. We reviewed the raw timesheet data held within the legacy PES IT systems to assess and quantify the extent of non-chargeable time.
KAM observations	Based on our work performed on the completeness of revenue in PES, we consider that revenue within this component is materially complete.

KAM - Acquisition accounting

KAM description	Accounting for the Group's acquisitions is complex due to the nature of the terms of acquisition agreements. The Group has acquired a number of subsidiaries during the last two years which involves significant judgement in regard to fair values, earn outs, contingent consideration and deferred consideration liabilities, which result in a risk that the associated valuations may not be accurate. The judgement arises from the fact that there are a number of assumptions which are included in the model used to determine the fair value and allocation of the value between goodwill and intangible assets. These include estimation of useful economic lives of the assets, projected future earning levels, growth rates, client attrition rates and discount rates. The accounting policy adopted in respect of acquisition accounting is detailed in note 2 of the consolidated financial statements. The initial recognition and subsequent treatment of the intangible assets related to acquisitions is disclosed as a critical judgement in note 3 of the annual report.
How the scope of the audit responded to the KAM	We have challenged the judgements applied in the valuation models and purchase price allocation through reviewing the specific terms of each of the relevant acquisition agreements and with reference to available financial information of the acquired subsidiaries. We performed a sensitivity analysis on the key assumptions used in the model, including discount rates and client attrition rates. We reviewed management's accounting assessments to consider whether the valuations performed are appropriate and in accordance with applicable financial reporting standards.
KAM observations	We consider management's overall judgement and the assumptions used in respect to acquisition accounting to be reasonable.

Independent Auditor's Report (continued)

KAM - Impairment of debtors

KAM description	The nature of the Group's revenue streams means that there are instances where debtors are not recovered in full. Management is required to assess whether a provision is required for non-recoverability of debtors and this is determined by reference to ageing, past default experience and management's assessment of any objective indicators of impairment. Due to the level of management judgement the allowances made may be subject to management manipulation. Although management may make a best estimate over the recoverability of these figures, unforeseen financial difficulties or inabilities to pay fees in relation to the clients may lead to these figures being under or overstated in error. The accounting policy adopted in respect of debtor impairment is detailed in note 2 of the consolidated financial statements. The impairment of debtors is also included as a key source of estimation uncertainty in note 3.
How the scope of the audit responded to the KAM	For a sample of trade debtors, we have reviewed the post year-end bank statements to test the recoverability of the amounts stated at the year-end. From that sample, for the amounts not recovered post-year end, we have challenged management's judgement and rationale around the recoverability of the amounts and obtained evidence to support the judgement to the extent required, including an assessment of specific client circumstances. We have also reviewed the level of credit notes raised post year-end. We further challenged management over significant balances that remained outstanding at the point of audit sign off and obtained further detailed corroborative information such as client correspondence to support their assessment that the balances outstanding remained recoverable in the ordinary course of business.
KAM observations	We consider management's overall judgements in respect to debtor recoverability to be reasonable.

KAM – Impairment of intangible assets

KAM description	The Group recognises a significant amount of intangibles on the balance sheet due to acquisitions of subsidiaries. Acquisitions made in the Channel Islands, Netherlands, Switzerland and the UAE have resulted in a goodwill balance of 2019: £62.7m (2018: £34.8m). The initial valuation of goodwill was determined in the year of acquisition and ongoing judgement is applied by management in continually assessing indicators of impairment and performing full impairment reviews in respect of the carrying values of goodwill where there are indicators of impairment. The accounting policy for intangible assets is detailed in note 2 of the consolidated financial statements. The initial recognition and ongoing valuation of the intangible assets related to acquisitions is disclosed as a critical judgement in note 3 of the annual report.
How the scope of the audit responded to the KAM	We evaluated and challenged management's future cash flow forecasts and the process by which they were prepared, and we tested the underlying value in use calculations and compared this to management's forecasts and budgets. We challenged management's key assumptions for short and long term growth rates in the forecasts by comparing them to historical results. We challenged the discount rate used in the calculations by considering the cost of capital for the Group and comparable organisations. We then assessed the risk premiums allocated to each cash generating unit being assessed for impairment. We then performed sensitivity analysis which identified the key assumption of growth rates as being critical to the valuation model and then evaluated management's rationale for the applied rates.
KAM observations	We consider management's judgements and assumptions used in the assessment of impairment of intangibles to be reasonable.

Independent Auditor's Report (continued)

KAM – Netherlands restructuring provisions

KAM description	There are significant judgements and estimates made by management in relation to the provisions for restructuring costs of the AON and InAdmin businesses in the Netherlands. These provisions relate to costs expected to be incurred in relation to business continuity, the cost of migrating client data, the cost of employee termination payments and related costs.
How the scope of the audit responded to the KAM	We reviewed the key assumptions and judgements used in the calculation of the provisions with reference to the relevant agreements for the applicable business acquisitions. We obtained the project plan prepared by the group finance function and assessed whether the expected costs associated with the restructuring project had been reliably estimated based on all available information. We corroborated the assessment with appropriate supporting evidence such as the cash payments made during the year and subsequent to the year end. The accounting policy for the Netherlands restructuring provisions is detailed in note 2 of the consolidated financial statements. The initial recognition and basis for the recognition of the restructuring provisions are disclosed as a critical judgement in note 3 of the annual report.
KAM observations	We consider management's judgements and assumptions used in the assessment of provisions for restructuring costs to be reasonable.

KAM – Share based payments

KAM description	There are significant judgements and estimates made by management in relation to the recognition and valuation of share based payments. Employees of the Group receive share options in the form of share-based payments via the PraxisIFM Group EBT whereby eligible employees render services as consideration for equity instruments (shares). The fair value of the instruments is determined at the grant date of the instrument which is subsequently expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions.
How the scope of the audit responded to the KAM	We reviewed and challenged the assumptions and judgements used in the fair value assessments of the equity instruments. We did this by interrogating management's use of the Black-Scholes valuation model, we obtained and reviewed management's forecasts for its operating entities that directly influence performance based vesting criteria for certain share schemes. In doing so we assessed the sensitivity of the assumptions used against the impact on the profit and loss charge. The accounting policy for share based payments is detailed in note 2 of the consolidated financial statements. The initial recognition and estimate of the fair value of the share based payments is disclosed as a critical judgement in note 3 of the annual report.
KAM observations	We consider management's judgements and assumptions used in the valuation of share based payments to be reasonable.

Independent Auditor's Report (continued)

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements. In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole

Based on our professional judgement, we determined materiality for the financial statements as a whole to be £385,000 (2018: £443,000), which is based on 8% of profit before tax over a 3 year average.

Each significant component of the group was audited to a lower level of materiality which is used to determine the financial statement areas that are included within the scope of our audit and the extent of sample sizes used during the audit. Component materiality ranged from £50,000 to £150,000.

Performance materiality is the application of materiality at the individual account or balance level set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality was set at £269,500 (2018: £310,100) which represents 70% of the above materiality levels.

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of £11,550 (2018: £13,290). We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the geographical structure of the group, the accounting processes and controls, and the industry in which the group operates. This assessment took into account the likelihood, nature and potential magnitude of any misstatement.

Based upon group materiality, we did not carry out detailed audit procedures on all components within the group. Local audit teams perform statutory audits of subsidiary companies where required by local legislation. In order to direct and supervise the group audit, the group engagement team sent detailed instructions to significant component audit teams in the Netherlands. This included communication of the areas of focus above and other required communications.

We determined that the Group consists of 6 significant components and 39 non-significant components. All but two of the significant components were subject to statutory audits completed by BDO Limited in Guernsey. The remaining significant component non-statutory audits were completed by BDO Netherlands under the direction of BDO Limited who attended planning meetings in the Netherlands with local management, reviewed component auditor's working papers and maintained an oversight role whilst the audits were conducted. BDO Limited carried out local statutory audits for a number of the non-significant components. Where non-significant components were not required to be audited, we have completed desktop reviews to ensure we have sufficient understanding to support the Group audit opinion.

Taken overall, these procedures gave us the evidence we needed for our opinion on the financial statements as a whole.

Independent Auditor's Report (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out on page 28 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO Limited

Chartered Accountants

Place du Pré

Rue du Pré

St Peter Port

Guernsey

Date: 27 November 2019

Consolidated Financial Statements
Consolidated Income Statement

	Note	Year ended 30 April 2019 £'000	Year ended 30 April 2018 as restated (note 4) £'000
Turnover	5	66,913	42,451
Staff costs and other direct costs	6	(34,183)	(22,027)
Gross profit		**32,730**	**20,424**
Administrative salaries		(9,527)	(4,492)
Administrative expenses		(5,455)	(2,969)
Technical & training		(398)	(286)
Marketing		(626)	(967)
Computer expenses		(5,585)	(2,220)
Insurance		(977)	(508)
Travel & entertaining		(1,006)	(361)
Rent and rates		(3,577)	(1,650)
Amortisation of intangible assets	12	(4,455)	(1,726)
Finance & bad debts		(1,696)	(597)
Other operating income		4,699	132
Operating profit		**4,127**	**4,780**
Share of profit for year in associate	14	34	-
Interest receivable & similar income	7	209	11
Interest payable & similar charges	8	(1,000)	(344)
Profit before taxation		**3,370**	**4,447**
Tax on profit	9	(1,046)	(990)
Profit for the financial year		**2,324**	**3,457**
Profit for the financial year attributable to:			
Owners of the parent		1,578	3,212
Non-controlling interests		746	245
Earnings [per share] per ordinary share (expressed in pence per ordinary share)			
Basic	11	2.2	3.8
Diluted	11	2.0	3.6

The notes on pages 62 to 92 form part of the financial statements.

Consolidated Statement of Comprehensive Income

	Note	Year ended 30 April 2019 £'000	Year ended 30 April 2018 as restated (note 4) £'000
Profit for the financial year		**2,324**	**3,457**
Foreign exchange loss		(156)	(541)
Total comprehensive income for the financial year		**2,168**	**2,916**
Total comprehensive income for the financial year attributable to:			
Owners of the parent		1,422	2,671
Non-controlling interests		746	245

The notes on pages 62 to 92 form part of the financial statements.

Consolidated Statement of Financial Position

	Note	30 April 2019 £'000	30 April 2019 £'000	30 April 2018 as restated (note 4) £'000	30 April 2018 as restated (note 4) £'000	1st May 2017 as restated (note 4) £'000	1st May 2017 as restated (note 4) £'000
Fixed assets							
Intangible assets	12		62,696		34,757		20,848
Tangible assets	13		6,249		2,749		2,446
Investments	14		2,701		285		390
			71,646		**37,791**		**23,684**
Current assets							
Accrued income		5,382		2,543		2,262	
Debtors and prepayments	16	25,666		14,266		11,570	
Cash at bank		13,666		15,334		8,902	
		44,714		**32,143**		**22,734**	
Creditors: amounts falling due within one year	17	**(33,889)**		**(15,357)**		**(14,101)**	
Net current assets			**10,825**		**16,786**		**8,633**
Total assets less current liabilities			**82,471**		**54,577**		**32,317**
Creditors: amounts falling due after more than one year	18		**(24,808)**		**(9,399)**		**(6,093)**
Provisions for liabilities	20		**(2,271)**		**(2,693)**		**-**
Net assets			**55,392**		**42,485**		**26,224**
Capital and reserves							
Called up share capital	22		1,126		1,025		891
Share premium	23		66,344		49,953		33,169
Treasury shares	23		(9,134)		(7,634)		(4,961)
ESOP share reserve	33		526		335		155
Capital reserve	23		(453)		(259)		159
Profit and loss account	23		(4,682)		(2,009)		(3,273)
Equity attributable to owners of the parent company			**53,727**		**41,411**		**26,140**
Non-controlling interests			**1,665**		**1,074**		**84**
			55,392		**42,485**		**26,224**

The financial statements were approved by the Board of Directors and authorised for issue on 27 November 2019 and are signed on its behalf by:

Andrew Haining **Cees Krijgsman**

The notes on pages 62 to 92 form part of the financial statements.

Consolidated Statement of Changes in Equity

	Called-up share capital	Share premium	Treasury shares	ESOP share reserve account
	£'000	£'000	£'000	£'000
At 1 May 2018 (as previously stated)	**1,025**	**49,953**	**-**	**-**
Prior year adjustment (note 4)	-	-	(7,634)	335
At 1 May 2018 (as restated)	**1,025**	**49,953**	**(7,634)**	**335**
Profit/movement for the year	-	-	-	313
Other comprehensive income	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**313**
Movement on capital reserve	-	-	-	-
Issue of shares at premium	101	16,391	(2,831)	-
Exercise of share options	-	-	-	(122)
Net settlement of share options	-	-	1,331	-
Dividends paid (note 10)	-	-	-	-
At 30 April 2019	**1,126**	**66,344**	**(9,134)**	**526**
At 1 May 2017 (as previously stated)	**891**	**33,169**	**-**	**-**
Prior year adjustment (note 4)	-	-	(4,961)	155
At 1 May 2017 (as restated)	**891**	**33,169**	**(4,961)**	**155**
Profit/movement for the year	-	-	-	264
Other comprehensive income	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**264**
Movement on capital reserve	-	-	-	-
Issue of shares at premium	134	16,784	(2,258)	-
Exercise of share options	-	-	-	(84)
Repurchase of own shares	-	-	(415)	-
Non-controlling interest arising on acquisition	-	-	-	-
Dividends paid (note 10)	-	-	-	-
At 30 April 2018 as restated	**1,025**	**49,953**	**(7,634)**	**335**

Consolidated Statement of Changes in Equity (continued)

Capital reserve	Profit and loss interests	Amount attributable to owners of parent	Non-controlling	Total
£'000	£'000	£'000	£'000	£'000
(259)	**(1,182)**	**49,537**	**1,074**	**50,611**
-	(827)	(8,126)	-	(8,126)
(259)	**(2,009)**	**41,411**	**1,074**	**42,485**
-	1,265	1,578	746	2,324
(71)	(85)	(156)	-	(156)
(71)	**1,180**	**1,422**	**746**	**2,168**
(123)	1,167	1,044	(115)	929
-	-	13,661	-	13,661
-	122	-	-	-
-	(1,331)	-	-	-
-	(3,811)	(3,811)	(40)	(3,851)
(453)	**(4,682)**	**53,727**	**1,665**	**55,392**
159	**(2,565)**	**31,654**	**84**	**31,738**
-	(708)	(5,514)	-	(5,514)
159	**(3,273)**	**26,140**	**84**	**26,224**
-	2,948	3,212	245	3,457
(497)	(44)	(541)	-	(541)
(497)	**2,904**	**2,671**	**245**	**2,916**
79	2	81	(3)	78
-	-	14,660	-	14,660
-	84	-	-	-
-	415	-	-	-
-	-	-	906	906
-	(2,141)	(2,141)	(158)	(2,299)
(259)	**(2,009)**	**41,411**	**1,074**	**42,485**

The notes on pages 62 to 92 form part of the financial statements.

Consolidated Statement of Cash Flows

	Note	2019	2018 as restated (note 4)
		£'000	£'000
Cash flows from operating activities			
Profit of operating activities before taxation		3,370	4,447
Adjustments for:			
Amortisation of intangible assets	12	4,455	1,726
Depreciation of tangible assets	13	1,149	851
Interest expense	8	1000	344
Interest income	7	(209)	(11)
Return on investment and servicing of finance		-	(132)
Increase in accrued income		(1,051)	(283)
Increase in debtors	16	(2,116)	(939)
(Increase)/decrease in provisions	17	(3,660)	-
Increase in creditors	17	4,161	1,394
Cash from operating activities		**7,099**	**7,397**
Income taxes paid		(1,334)	(453)
Net cash from operating activities		**5,765**	**6,944**
Cash flows from investing activities			
Purchases of tangible assets	13	(4,373)	(1,028)
Purchases of intangible assets	12	(2,274)	(652)
Financial investments made		(1,035)	-
Disposal of financial investment		-	157
Purchase of subsidiary undertakings		(14,733)	(10,090)
Cash acquired with subsidiary undertakings		3,630	4,546
Other investment income		-	132
Interest received	7	209	11
Net cash used in investing activities		**(18,576)**	**(6,924)**
Cash flows from financing activities			
Bank loan drawdowns		20,000	-
Bank loan repayments		(4,399)	(648)
Issue of shares		48	9,732
Treasury shares		162	913
Net capital flows from finances leases		(48)	(736)
Contractual covenant payments		(112)	(116)
Interest paid	8	(1,000)	(344)
Dividends paid		(3,851)	(2,299)
Net cash from financing activities		**10,800**	**6,502**

Consolidated Statement of Cash Flows (continued)

	Note	2019	2018 as restated (note 4)
		£'000	£'000
Net (decrease)/increase in cash and cash equivalents		**(2,011)**	**6,522**
Cash and cash equivalents at beginning of year		15,334	8,902
Effect of foreign exchange rate changes		343	(90)
Cash and cash equivalents at end of year		**13,666**	**15,334**
Cash and cash equivalents comprise			
Cash at bank and in hand		13,666	15,334
		13,666	**15,334**

The notes on pages 62 to 92 form part of the financial statements.

Notes to the Consolidated Financial Statements

1. Statutory information

PraxisIFM Group Limited is a company limited by shares, domiciled in Guernsey, Channel Islands, registration number 30367. The registered office is Sarnia House, Le Truchot, St Peter Port, Guernsey. The nature of the Company's operations and its principal activity are set out in the directors' report.

2. Significant accounting policies

The following accounting policies have been used consistently in dealing with items considered material to the Group's affairs. These accounting policies have been consistently applied to all years presented unless otherwise stated.

Basis of preparation of financial statements

These consolidated financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and applicable law. The financial statements have been prepared on the historical cost basis except for the modification to fair value for certain financial instruments as specified in the accounting policies below.

Consistent with the requirements of Guernsey company Law, the parent company has elected not to prepare a company only income statement and statement of financial position.

Going concern

Based on current trading and three year projections, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of consolidation

The Group's consolidated financial statements consolidate the financial statements of the Company and its subsidiaries and associated undertakings drawn up to 30 April each year. The results of the subsidiaries and other interests acquired or sold are consolidated for the period from or to the date on which control passed.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate, using accounting policies consistent with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Turnover

Revenue is measured as the value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and others sales-related taxes. When the Group acts in the capacity of an agent rather than as the principal in the transaction, the revenue recognised is the net amount of commissions made by the Group. Revenue comprises fees for private client, fund, pension and corporate services.

Rendering of services

Revenue is recognised in the consolidated income statement at the point in time when the Group has the right to receive payment for its services, on an accruals basis.

Net asset value ("NAV") based fees

Where fees are levied based on a percentage of the net assets of investment companies to which the company provides services, income is accrued or deferred in accordance with the billing cycle, based on the last available NAV calculation.

Deferred income

Fixed fees received in advance across all the services lines and up-front fees in respect of services due under contract are time apportioned to the respective accounting periods, and those billed but not yet earned are included in deferred income on the balance sheet.

Notes to the Consolidated Financial Statements (continued)

Accrued income

Accrued income across all the services lines represents the billable provision of services to clients which has not been invoiced at the reporting date. Accrued income is recorded based on agreed fees billed in arrears and time based charges at the agreed charge out rates in force at the work date, less any specific provisions against the value of accrued income where recovery will not be made in full. Where services are provided on a time spent basis for private and corporate clients, accrued income is recorded based on agreed charge out rates in force at the work date. Accrued income is valued using average recovery rates appertaining during the year.

Expenses

Expenses are recognised when they are incurred, that is when the goods are received or the services are provided, with invoiced amounts being adjusted accordingly for any elements of accrued or prepaid expense.

Interest income and expense

Interest income and expense is recognised on an accruals basis.

Taxation

Current tax, including Guernsey income tax and foreign tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the financial year end.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on all intangible assets at rates calculated to write down the cost, less estimated residual value of each asset class on the following bases:

Goodwill	Over the estimated useful life
Business software	10 years straight line

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the acquirer's interest in the fair value of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and written off on a straight line basis over the useful life.

Fair value of the consideration is made up of the initial consideration paid on the date of acquisition, deferred consideration to be paid in future periods, and contingent consideration which is based on future performance of the subsidiary. Goodwill is adjusted when deferred and contingent consideration estimates do not match final payments (note 3).

Goodwill is reviewed annually for indications of impairment and if there are any, an impairment review is carried out and, if necessary, a provision is made.

Tangible assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any provision for impairment.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write down the cost, less estimated residual value of each asset class on the following bases:

Computer equipment	5 years straight line
Leasehold property and improvements	Over the life of the lease
Furniture, fixtures and fittings	5 years straight line

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

Notes to the Consolidated Financial Statements (continued)

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is also recognised immediately in the income statement.

Investment in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Investments in associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the carrying amount of the investment is adjusted to recognise changes in the Group's share of the net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The consolidated income statement reflects the Group's share of the results of operation of the associate, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of the changes, where applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of the profit or loss of an associate is shown on the face of the consolidated income statement outside of operating profit and represents profit or loss after tax.

Other interests

Investments in unlisted company shares have been classified as fixed asset investments as the Group intends to hold them on a continuing basis. The shares are carried at their estimated value which is based on their fair value.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable, where the repayment date is in the future, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment. Loans that are repayable on demand are recognised at the undiscounted amount expected to be received.

Allowances for bad and doubtful debt

Allowances are made for bad and doubtful debts. Estimates of recoverability are based on ageing of the debts, historical experience and current knowledge of the counterparty.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call with banks.

Fiduciary assets

The Group, through its subsidiaries, acts as trustee and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets/liabilities and income/expenses arising thereon are excluded from the financial statements, as they are not assets, liabilities, income or expenses of the Company or of the Group.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instruments' contractual obligations, rather than the financial instruments' legal form.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Deferred consideration

Deferred consideration is measured initially at fair value at the date of acquisition and reviewed annually against the terms of the acquisition. Any adjustments to deferred consideration are recognised in the period in which they are identified.

Notes to the Consolidated Financial Statements (continued)

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are determined by the expected future cash flows at a pre-tax rate that reflects current market assessments of the risks specific to the liability.

Leases

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the lease term.

The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight line basis.

Pension costs

The Group operates defined contribution pension schemes. Contributions to the Group's defined contribution pension schemes are charged to the profit and loss in the year in which they become payable.

Foreign exchange

Functional currency and presentation currency

The functional currency of the Group is Sterling (£). For the purpose of the consolidated and individual financial statements of the Group, the results and financial position are also presented in Sterling (£).

Transactions and balances

In preparing the financial statements of the individual Group entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in other comprehensive income.

Translation of Group companies

The results of foreign operations are translated at the average rates of exchange during the year and their balance sheets at the rates ruling at the financial year end. Exchange differences arising on consolidation are recognised in the capital reserves.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at the annual general meeting.

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the profit and loss account is charged with the fair value of goods and services received.

Notes to the Consolidated Financial Statements (continued)

Treasury shares

Treasury shares consist of shares held with an employee benefit trust. The Group has an employee benefit trust for the granting of shares to applicable employees. Treasury shares are recognised at cost as a deduction from equity shareholders' funds. Subsequent consideration received for the sale of such shares is also recognised in equity, with any difference between the sale proceeds and the original cost being taken to retained earnings. No gain or loss is recognised in the financial statements on transactions in treasury shares.

3. Critical judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following key judgements:

Determine whether there are indicators of impairment of the Group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty

Valuation of accrued income

Accrued income is valued using average recovery rates appertaining during the year. This is reviewed by management to ensure recovery rates are appropriate based on past experience and knowledge of the client.

Acquisition accounting (notes 12, 25, 26, 27, 28, 29 & 30)

The expected useful life of the goodwill arising on consolidation is estimated based on a variety of factors, such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life, and assumptions that market participants would consider in respect of similar businesses.

Impairment of debtors (note 16)

The trade debtors balance in the Group's Consolidated Statement of Financial Position comprises a large number of relatively small balances. An allowance is made for the estimated irrecoverable amounts from debtors and this is determined by reference to past default experience.

Impairment of intangible assets (note 12)

Should any of the factors taken into account in determining the expected useful life of goodwill arising on consolidation experience a significant change, an impairment charge will be recognised to the extent that the value and estimated remaining useful life of the goodwill are a true reflection of its value to the business, based on the factors above.

Release of provision for the AON client transfer (note 20)

The provision for the AON client transfer was first recognised in the year ended 30 April 2018 and relates to the transfer of pensions administration customers from AON Hewitt to RiskCo Group BV. The provision includes the costs of adapting the pensions administration system of RiskCo Group BV and transferring of the client data.

Release of provision for the APG client transfer (note 20)

The provision for the APG client transfer was recognised and released in the year end 30 April 2019 and relates to the transfer of pensions administration customers from APG Deelnemingen N.V. to RiskCo Group BV. The provision includes the costs of adapting the pensions administration system of RiskCo Group BV and transferring of the client data.

Brexit

The Group continues to appraise the potential of the United Kingdom's referendum on EU membership ("Brexit"). Based on management's judgement, the impact of Brexit itself in the global alternatives market is unlikely to damage the overall demand for services. The Group's presence in the EU has benefitted from an increase in demand. The Group therefore believes that it is well protected against any uncertainty with regards to Brexit.

Notes to the Consolidated Financial Statements (continued)

4. Prior year adjustment

In the prior year financial statements, Praxis Holdings Employee Benefit Trust ("the EBT") was not included in the Group's consolidated financial statements as the definition of control was not met. A technical clarification has subsequently been identified which concludes that the Group does have de-facto control of the EBT and it should therefore be included as part of the consolidated financial statements of the Group.

The restatement of the prior year financial statements and the opening balance sheet for this period represents the consolidation of the EBT into the Group. Each set of adjustments is presented in its own table.

The restatement of the opening consolidated statement of financial position and consolidated statement of changes in equity as at 1 May 2017 had the following impact;

Line Item	**Before Restatement**	**Adjustment**	**As Restated**
	£'000	**£'000**	**£'000**
Consolidated Statement of Financial Position			
Trade debtors and prepayments	15,584	(4,014)	11,570
Creditors: amounts falling due within one year	(13,873)	(228)	(14,101)
Net current assets	12,875	(4,242)	8,633
Creditors: amounts falling due after more than one year	(4,821)	(1,272)	(6,093)
Net assets	31,738	(5,514)	26,224
Treasury Shares	-	(4,961)	(4,961)
ESOP Reserve	-	155	155
Profit and loss account	(2,565)	(708)	(3,273)
Equity attributable to owners of the parent company	31,654	(5,514)	26,140
Consolidated Statement of Changes in Equity			
Treasury Shares	-	(4,961)	(4,961)
ESOP Reserve	-	155	155
Profit and loss accounts	(2,565)	(708)	(3,273)
Amount attributable to owners of parent	31,654	(5,514)	26,140

The restatement of the consolidated financial statements for the year ended 30 April 2018 had the following impact;

Line Item	**Before Restatement**	**Adjustment**	**As Restated**
	£'000	**£'000**	**£'000**
Consolidated Income Statement			
Direct costs	(21,764)	(263)	(22,027)
Gross profit	20,687	(263)	20,424
Administrative expenses	(2,965)	(4)	(2,969)
Operating profit	5,047	(267)	4,780
Interest receivable and similar income	9	2	11
Interest payable and similar charges	(264)	(80)	(344)
Profit before taxation	4,792	(345)	4,447
Tax on profit	(981)	(9)	(990)

Notes to the Consolidated Financial Statements (continued)

Line Item	Before Restatement £'000	Adjustment £'000	As Restated £'000
Consolidated Income Statement (continued)			
Profit for the financial year	3,811	(354)	3,457
Profit for the financial year attributable to:			
Owners of the parent	3,566	(354)	3,212
Earnings per share per ordinary share			
Basic	4.2	(0.4)	3.8
Diluted	-		3.6
Consolidated Statement of Comprehensive Income			
Profit for the financial year	3,811	(354)	3,457
Total comprehensive income for the financial year	3,270	(354)	2,916
Total comprehensive income for the financial year attributable to:			
Owners of the parent	3,025	(354)	2,671
Consolidated Statement of Financial Position			
Trade debtors and prepayments	20,104	(5,838)	14,266
Creditors: amounts falling due within one year	(17,573)	(477)	(18,050)
Net current assets	20,409	(6,316)	14,093
Creditors: amounts falling due after more than one year	(7,589)	(1,810)	(9,399)
Net assets	50,611	(8,126)	42,485
Treasury Shares	-	(7,634)	(7,634)
ESOP Reserve	-	335	335
Profit and loss account	(1,182)	(827)	(2,009)
Equity attributable to owners of the parent company	49,537	(8,126)	41,411
Consolidated Statement of Changes in Equity			
Treasury Shares	-	(7,634)	(7,634)
ESOP Reserve	-	335	335
Profit and loss accounts	(1,182)	(827)	(2,009)
Amount attributable to owners of parent	49,537	(8,126)	41,411
Consolidated Statement of Cash Flows			
Profit of operating activities before taxation	4,792	(345)	4,447
Interest expense	264	80	344
Interest income	(9)	(2)	(11)
Increase in debtors	(921)	(18)	(939)
Increase in creditors	2,018	(624)	1,394
Cash from operating activities	8,323	(926)	7,397
Income taxes paid	(444)	(9)	(453)

Notes to the Consolidated Financial Statements (continued)

Line Item	Before Restatement	Adjustment	As Restated
	£'000	£'000	£'000
Consolidated Statement of Cash Flows (continued)			
Net cash from operating activities	7,879	(935)	6,944
Purchase of subsidiary undertakings	(10,022)	(68)	(10,090)
Interest received	9	2	11
Net cash used in investing activities	(6,858)	(66)	(6,924)
Bank loan movements	(1,436)	788	(648)
EBT loan movements	999	(999)	-
Interest paid	(264)	(80)	(344)
Net cash from financing activities	5,880	622	6,502
Net increase in cash and cash equivalents	6,901	(379)	6,522
Effect of foreign exchange rate changes	(469)	379	(90)

5. Segmental reporting

All of the Group's divisions engage in trust and corporate administration. Declared revenue is generated by external clients.

The Group has 5 reportable segments: Trust and Corporate, Pensions, Funds, Acquisitions and Other. Acquisitions represents businesses acquired in the year. Notes 25, 26, 27, 28, 29 and 30 detail the business acquisitions in the year ended 30 April 2019. No client represents more than 10% of revenue.

The chief operating decision maker has been identified as the Board of Directors of PraxisIFM Group Limited. Each segment is defined as a set of business activities generating a revenue stream determined by divisional responsibility and the management information reviewed by the Board of Directors. The Board evaluates segmental performance on the basis of gross profit, after the deduction of direct staff costs and direct client costs. Assets and liabilities for each segment are also monitored on an ongoing basis.

For the year ended 30 April 2019:

	Trust & Corporate	Pensions	Funds	Acquisitions	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	28,561	8,320	9,622	19,072	1,338	66,913
Staff costs	(12,018)	(5,132)	(5,644)	(10,460)	(929)	(34,183)
Gross profit	**16,543**	**3,188**	**3,978**	**8,612**	**409**	**32,730**
Gross margin	**58%**	**38%**	**41%**	**45%**	**31%**	**49%**
Other operating income						4,699
Operating expenses						(33,302)
Operating profit						**4,127**

Acquisitions in the year ended 30 April 2019 included InAdmin N.V, Global Forward B.V., Global Forward Trust B.V., Nerine Trust, Jeffcote Donnison (Overseas) Limited, JD Associates Limited and Jeffcote Donnison LLP.

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 April 2018:

	Trust & Corporate	Pensions	Funds	Acquisitions	Other as restated	Total as restated
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	24,156	3,901	8,968	4,262	1,164	42,451
Staff costs	(11,042)	(2,443)	(5,357)	(2,296)	(889)	(22,027)
Gross profit	**13,114**	**1,458**	**3,611**	**1,966**	**275**	**20,424**
Gross margin	**54%**	**37%**	**40%**	**46%**	**24%**	**48%**
Other operating income						132
Operating expenses as restated						(15,776)
Operating profit						**4,780**

Acquisitions in the year ended 30 April 2018 included Kompas International, Private Equity Services (Amsterdam) BV and RiskCo Group BV.

Geographical information

The Group's revenue from external customers by geographical location of contracting Group entity is detailed below;

	2019 £'000	2018 £'000
Channel Islands	34,874	29,981
Netherlands	15,062	4,810
Rest of Europe	11,942	6,410
Rest of World	5,035	1,250
	66,913	**42,451**

6. Staff costs and other direct costs

	2019 £'000	2018 as restated £'000
Staff salaries	27,249	19,239
Staff pension contributions	1,637	771
Staff health cover	760	765
Share options expense	368	279
Other direct costs	4,169	973
	34,183	**22,027**

Notes to the Consolidated Financial Statements (continued)

7. Interest receivable and similar income

	2019 £'000	2018 as restated £'000
Bank interest	209	11

8. Interest payable and similar charges

	2019 £'000	2018 as restated £'000
Bank loans	1,000	344

9. Tax on profit on ordinary activities

The tax assessed for the year is higher than the standard rate of income tax in Guernsey on taxable activities at 0% (2018: 0%). The tax charge for the year represents local tax on overseas subsidiaries, along with Jersey and Guernsey tax at the intermediate rate on both regulated fiduciaries and fund administration services carried out in Guernsey.

The differences are explained as follows:

	2019 £'000	2018 as restated £'000
Profit on ordinary activities before tax	3,370	4,447
Profit on ordinary activities multiplied by standard rate of corporation tax in Guernsey on taxable activities of 0% (2018: 0%)	-	-
Effects of:		
Guernsey 10% tax activities	534	420
Overseas tax charges	512	570
Tax on results of ordinary activities	**1,046**	**990**

10. Dividends

Amounts recognised as distributions to equity holders in the year:

	2019 £'000	2018 £'000
November dividend paid	2,044	1,299
April dividend paid	1,807	1,000
Total paid during the year	**3,851**	**2,299**

Notes to the Consolidated Financial Statements (continued)

11. Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

	2019	**2018 as restated**
Profit for the year (£'000)	2,324	3,457
Weighted average number of ordinary shares in issue	106,753,407	91,139,672
Basic earnings (pence per share)	2.2	3.8
Dilutive shares	7,616,468	4,919,904
Diluted earnings (pence per share)	2.0	3.6

All shares relating to deferred consideration and options are in issue and therefore have no dilutive effect.

12. Intangible assets

	Goodwill £'000	**Business software £'000**	**Total £'000**
Cost			
At 1 May 2018	**39,431**	**1,180**	**40,611**
Additions	28,822	2,274	31,096
Disposals	-	(8)	(8)
Acquisitions	-	733	733
Impairments to goodwill	(113)	-	(113)
Adjustments to goodwill	1,515	-	1,515
FX movement	(421)	(14)	(435)
At 30 April 2019	**69,234**	**4,165**	**73,399**
Amortisation			
At 1 May 2018	**5,617**	**237**	**5,854**
Amortisation for the year	4,156	299	4,455
Disposals	-	(8)	(8)
Acquisitions	-	412	412
FX movement	-	(10)	(10)
At 30 April 2019	**9,773**	**930**	**10,703**
Net book value			
At 30 April 2019	**59,461**	**3,235**	**62,696**
At 30 April 2018	**33,814**	**943**	**34,757**

Goodwill arising on consolidation is being amortised over the directors' estimate of its useful life. The estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Notes to the Consolidated Financial Statements (continued)

Goodwill is reviewed annually for impairment. The review assesses whether the carrying value of goodwill could be supported by the recoverable amount which is determined through value in use calculations of each cash-generating-unit (CGU). The key assumptions in the value in use calculations are the discount rates applied, which represent;

- A risk based discount based on the profile of the business, its client base, history and reputation
- A market based discount which reflects recent transactions on similar businesses

Based on the value in use calculations, two of the CGU's showed indicators of impairment and were impaired. These were;

Entity	**Impairment Recognised £,000**
Ryland Gray	89
Agility Limited	24

Management believe that any reasonably possible change in the key assumptions, on which recoverable amount per CGU is based, would not cause the aggregate carrying amount to materially exceed the recoverable amount on the CGUs.

An analysis of goodwill movements in the year is provided in note 32.

Individually significant components of goodwill are as follows;

Entity	**Acquisition Date**	**Carrying Value at 30 April 2019 £'000**	**Amortisation Period Years**	**Amortisation Period Remaining Years**
Nerine Trust	27/06/18	19,203	20	19.0
Private Equity Services (Amsterdam) BV	02/02/18	7,333	10	9.0
IFM Group Limited	01/01/15	6,772	20	16.0
Confiance Limited	08/12/15	5,971	20	16.5
Kompas International	02/02/18	3,610	10	9.0
Global Forward B.V. and Global Forward Trust B.V.	15/08/18	3,093	10	9.0
Cavendish Corporate Investments PCC Limited	20/01/17	3,066	20	18.0
RiskCo Group BV	15/11/17	2,905	20	18.5
Jeffcote Donnison (Overseas) Limited	15/08/18	1,457	20	19.0
Jeffcote Donnison LLP	15/08/18	1,339	10	9.0
InAdmin N.V.	31/05/18	1,287	10	9.0
Ampersand Management (Geneva) SA & Ampersand Management (Mauritius) Limited	31/03/16	1,129	20	17.0
JD Associates Limited	15/08/18	767	20	19.0
Trireme Pension Services (Guernsey) Limited	21/10/15	697	20	16.5

Notes to the Consolidated Financial Statements (continued)

13. Tangible assets

	Computer equipment £'000	Leasehold property and improvements £'000	Furniture fixtures & fittings £'000	Total £'000
Cost				
At 1 May 2018	**4,524**	**1,047**	**598**	**6,169**
Additions	3,573	538	262	4,373
Acquired in business combination	1,865	57	1,507	3,429
Eliminated on disposal	(240)	-	(152)	(392)
FX movement	(40)	(3)	(28)	(71)
At 30 April 2019	**9,682**	**1,639**	**2,187**	**13,508**
Depreciation				
At 1 May 2018	**2,244**	**858**	**318**	**3,420**
Depreciation for the year	829	128	192	1,149
Acquired in business combination	1,709	56	1,390	3,155
Eliminated on disposal	(240)	-	(140)	(380)
FX movement	(98)	-	13	(85)
At 30 April 2019	**4,444**	**1,042**	**1,773**	**7,259**
Net book value				
At 30 April 2019	**5,238**	**597**	**414**	**6,249**
At 30 April 2018	**2,280**	**189**	**280**	**2,749**

Notes to the Consolidated Financial Statements (continued)

14. Investments

At 30 April the Group had interests in the following entities:

Other interests	**Country of incorporation**	**Types of shares**	**Proportion held %**	**2019 Value £'000**	**2018 Value £'000**
Electro Holdings Limited	Guernsey	Ordinary	49.0	2,326	-
The International Stock Exchange	Guernsey	Ordinary	3.30	299	213
Sequoia Economic Infrastructure Fund	Guernsey	Ordinary	0.02	58	54
AF Spa	Italy	Ordinary	4.0	15	15
SICAV	UAE	Ordinary	100	3	3
DPV Limited	Guernsey	Ordinary	12.5	-	-
				2,701	**285**

Electro Holdings Limited

On 12 October 2018 the Group acquired 49% of Electro Holdings Limited for £2,292,105, settled in the form of 814,525 shares in PraxisIFM Group Limited and £1,000,000 in cash. On completion, 212,903 shares were issued and £1,000,000 cash paid, with the remainder being deferred consideration of £932,514 payable over 2 years.

The investment is accounted for using the equity method, and the movements on the investment value are shown in the table below;

	£,000
Cost	
At 1 May 2018	-
Additions	2,292
At 30 April 2019	**2,292**
Share of retained profits	
At 1 May 2018	-
Profit for the year	34
At 30 April 2019	**34**
Net book value	
At 30 April 2019	**2,326**
At 30 April 2018	**-**

SICAV

The shares held in SICAV do not carry any voting rights. There is no ability for the Group to exercise control, and therefore the results of SICAV have not been consolidated.

DPV Limited

The Group owns a 12.5% holding in DPV Limited. DPV Limited is a holding vehicle for shares issued in consideration of acquisition and no consideration was given for the shares. Therefore no value has been assigned to the shareholding.

Notes to the Consolidated Financial Statements (continued)

15. Subsidiaries

Per section 6.6.2.4 of the TISE listing rules, the directors are of the opinion that compliance with section 6.6.2.3(d) of the listing rules would result in a disclosure of excessive length. They have therefore obtained a waiver from TISE to disclose only those subsidiaries carrying on business, the results of which materially affect the amount of the profit or loss of the Group or the amount of assets of the Group.

Subsidiaries whose results materially affect the profit or loss of the Group or the amount of assets of the Group are;

Subsidiary	Type of shares	Proportion held (%)	Country of incorporation	Reporting segment
Praxis Corporate Finance Limited	Ordinary	100	Guernsey	Advisory
PES (Anguilla) Ltd	Ordinary	100	Anguilla	Fiduciary
PES (Barbados) Inc	Ordinary	100	Barbados	Fiduciary
Nerine Trust Company (BVI) Limited	Ordinary	100	BVI	Fiduciary
PES Curacao NV	Ordinary	100	Curacao	Fiduciary
Confiance Limited	Ordinary	100	Guernsey	Fiduciary
PraxisIFM Trust Guernsey	Ordinary	100	Guernsey	Fiduciary
Praxis Central Services Limited	Ordinary	100	Guernsey	Fiduciary
Nerine Trust Company Limited	Ordinary	100	Guernsey	Fiduciary
Acconsult Services Limited	Ordinary	100	Guernsey	Fiduciary
Nerine Corporate Services Limited	Ordinary	100	Guernsey	Fiduciary
PraxisIFM JD (Hong Kong)	Ordinary	100	Hong Kong	Fiduciary
PraxisIFM Nerine (Hong Kong) Limited	Ordinary	100	Hong Kong	Fiduciary
PraxisIFM Nerine Fiduciaries (Hong Kong) Limited	Ordinary	100	Hong Kong	Fiduciary
Nerine Advisory Services India Private Limited	Ordinary	100	India	Fiduciary
Nerine Trustee Company Private Limited	Ordinary	100	India	Fiduciary
PraxisIFM Trust Limited	Ordinary	100	Isle of Man	Fiduciary
PraxisIFM Trust Limited Jersey	Ordinary	100	Jersey	Fiduciary
PraxisIFM Trust Limited Malta	Ordinary	100	Malta	Fiduciary
PraxisIFM Management (Mauritius) Limited	Ordinary	100	Mauritius	Fiduciary
PraxisIFM Netherlands Holding BV	Ordinary	100	Netherlands	Fiduciary
PraxisIFM International BV	Ordinary	100	Netherlands	Fiduciary
PraxisIFM Netherlands BV	Ordinary	100	Netherlands	Fiduciary
Private Equity Services BV	Ordinary	100	Netherlands	Fiduciary
Global Forward B.V.	Ordinary	100	Netherlands	Fiduciary
Global Forward Trust B.V.	Ordinary	100	Netherlands	Fiduciary

Notes to the Consolidated Financial Statements (continued)

Subsidiary	Type of shares	Proportion held (%)	Country of incorporation	Reporting segment
PraxisIFM Trust (NZ) Limited	Ordinary	100	New Zealand	Fiduciary
PraxisIFM Trust SA	Ordinary	100	Switzerland	Fiduciary
IFM Trust SA	Ordinary	100	Switzerland	Fiduciary
Ampersand Management (Geneva) SA	Ordinary	100	Switzerland	Fiduciary
Nerine Fiduciare S.A.	Ordinary	100	Switzerland	Fiduciary
PraxisIFM Corporate Services (UK) Limited	Ordinary	100	UK	Fiduciary
Praxis Trustees (UK) Limited	Ordinary	100	UK	Fiduciary
PraxisIFM JD Corporate Services Limited	Ordinary	100	UK	Fiduciary
International Fund Management Limited	Ordinary	100	Guernsey	Funds
Praxis Fund Services Limited	Ordinary	100	Guernsey	Funds
Nerine Fund Administrators Limited	Ordinary	100	Guernsey	Funds
Praxis Fund Services (Jersey) Limited	Ordinary	100	Jersey	Funds
Praxis Luxembourg SA	Ordinary	85	Luxembourg	Funds
Praxis Fund Services (Malta) Limited	Ordinary	100	Malta	Funds
PraxisIFM Fund Services (UK) Limited	Ordinary	100	UK	Funds
Cavendish Admin Limited (UK)	Ordinary	100	UK	Funds
Praxis Wealth Solutions	Ordinary	100	Guernsey	Non-Trading
Cavendish Corporate Investments PCC Limited	Ordinary	100	Guernsey	Pensions
Trireme Pension Services (Guernsey) Limited	Ordinary	100	Guernsey	Pensions
Trireme Pension Services (Malta) Limited	Ordinary	100	Malta	Pensions
RiskCo Group BV	Ordinary	50	Netherlands	Pensions
RiskCo Experts BV The Netherlands	Ordinary	50	Netherlands	Pensions
RiskCo Administrations BV	Ordinary	50	Netherlands	Pensions
RiskCo Philippines	Ordinary	50	Philippines	Pensions
RiskCo LDA	Ordinary	50	Portugal	Pensions
PraxisIFM Trust Limited (UAE)	Ordinary	100	UAE	Pensions
PraxisIFM Consultancy FZE	Ordinary	100	UAE	Pensions
RiskCo USA Inc	Ordinary	50	USA	Pensions
PraxisIFM Treasury Services Limited	Ordinary	100	Guernsey	Treasury
PraxisIFM Group Limited Employee Benefit Trust	-	-	Guernsey	Non-Trading

The results of RiskCo Group BV were fully consolidated due to the Group's shareholding representing a controlling interest.

Notes to the Consolidated Financial Statements (continued)

16. Debtors and prepayments

	2019	2018 as restated
Trade debtors	20,687	10,561
Prepayments	3,019	2,368
Other debtors	1,175	1,270
VAT debtor	785	67
	25,666	**14,266**

The Group considers all trade debtors over 90 days to be past due. Overdue debtors are reviewed on a line by line basis as they become older than 90 days, and provisions raised where debt recovery has become doubtful. A provision of £3,571,128 (2018: £643,718) was recognised against trade debtors.

17. Creditors: amounts falling due within one year

	2019 £'000	2018 as restated £'000
Deferred income	9,695	5,404
Deferred consideration (Note 31)	7,135	1,749
Trade creditors	5,021	2,619
Sundry creditors	4,594	1,816
Bank loans	2,978	1,377
Taxation	1,522	1,616
VAT creditor	1,364	204
Wage tax creditor	1,024	299
Other loans	556	273
	33,889	**15,357**

Deferred income

Deferred income principally relates to annual fees raised in advance relating to the period after the balance sheet date, for which payment has already been received.

Deferred consideration

Deferred consideration relates to the acquisition of IFM Group Limited, Kompas International, Private Equity Services (Amsterdam) BV, RiskCo Group BV, Global Forward B.V. and Global Forward Trust B.V., Nerine Trust, Jeffcote Donnison (Overseas) Limited, JD Associates Limited and Jeffcote Donnison LLP. Notes 25, 26, 27, 28, 29 and 30 provide details of the acquisitions in the year ended 30 April 2019.

Bank loans

On the 31st May 2018 PraxisIFM Group Limited (the "Company"), International Fund Management Limited, Praxis Fund Services Limited, Trireme Pension Services (Guernsey) Limited, Confiance Limited, PraxisIFM Trust Limited (Guernsey) and PraxisIFM Trust Limited (Jersey) (together the "Subsidiaries" and "Guarantors") entered into a Multicurrency Term and Revolving Facilities Agreement (the "Facility") with The Royal Bank of Scotland International Limited ("RBSI"), as Lender.

The Guarantors are jointly and severally liable.

Notes to the Consolidated Financial Statements (continued)

The purpose of the Facility is towards:-

a) Financing acquisitions of companies, business and undertakings; and
b) Financing any amounts payable under the existing £3.5m loan and £3.5m overdraft between the Company and the Lender in full; and
c) The general corporate and working capital purposes of the Group (including capital expenditure)

Other loans

The Group has entered into the following loans with Lombard Finance (CI) Limited;

Date Entered	Amount £	Repayment Period Years	Interest Over Repayment Period £	Implicit Interest Rate %
17 December 2015	127,115	5	14,354	11.29
25 August 2016	30,071	5	3,997	13.29
25 August 2016	360,893	5	47,966	13.29
21 December 2016	389,058	5	57,504	14.78

18. Creditors: amounts falling due after more than one year

	2019 £'000	2018 as restated £'000
Bank loans	17,835	3,835
Deferred consideration (Note 31)	5,684	4,965
Loan notes in issue	1,090	-
Other loans	199	406
Taxation	-	193
	24,808	**9,399**

Note 17 provides details of the loans in issue and the deferred consideration.

Loan notes in issue

Loan notes in issue relates to loan notes issued as part of the consideration for the purchase of Confiance Limited. The loan notes bear interest at a 6.00% and are repayable on 31 October 2020.

19. Borrowings

The aggregate borrowings of the Group are as follows;

	2019 £'000	2018 as restated £'000
Within one year	3,534	1,173
Between one year and two years	2,669	1,024
Between two years and five years	15,365	1,407
After five years	-	-

Notes to the Consolidated Financial Statements (continued)

20. Provisions for liabilities

	AON client transfer £'000	APG client transfer £'000	Total £'000
At 1 May 2018	2,693	-	2,693
Arising on business combination	-	4,371	4,371
Utilised in year	(1,919)	(2,874)	(4,793)
At 30 April 2019	**774**	**1,497**	**2,271**

Provision for AON client transfer

Provision for AON client transfer relates to the transfer of pensions administration customers from AON Hewitt to RiskCo Group BV. The provision includes the costs of adapting the pensions administration system of RiskCo Group BV and transferring of the client data. The project is estimated to take 19 months, with 12 months of the provision released in the year ended 30 April 2019.

Provision for APG client transfer

Provision for APG client transfer relates to the transfer of pensions administration customers of InAdmin N.V. to the system of RiskCo Group BV. The provision includes the costs of adapting the pensions administration system of RiskCo Group BV and transferring of the client data. The project is estimated to take 19 months, with 12 months of the provision released in the year ended 30 April 2019.

21. Financial instruments

The Group's financial instruments may be analysed as follows:

	2019 £'000	2018 as restated £'000
Financial assets		
Financial assets measured at amortised cost	36,313	27,232
Financial assets measured at fair value	2,701	285
Financial liabilities		
Financial liabilities measured at amortised cost	47,363	20,236

Financial assets measured at amortised cost comprise trade debtors, other debtors and cash and cash equivalents.

Financial assets measured at fair value through profit and loss comprise investments in unlisted companies.

Financial liabilities measured at amortised cost include all creditors shown in notes 17 and 18, other than deferred income and taxation.

All bank loans held by the Group are commercial loans issued at market value and thus were not subject to fair value adjustments.

Notes to the Consolidated Financial Statements (continued)

22. Called up share capital

	2019 £'000	2018 £'000
Authorised, allotted and issued		
112,607,690 ordinary shares of £0.01 each	1,126	1,025
	1,126	**1,025**

Reconciliation of share movements	
Closing share capital at 30 April 2018	**102,491,432**
Issued in acquisition of Global Forward B.V. and Global Forward Trust B.V. (note 26)	732,701
Issued in acquisition of Nerine Trust (note 27)	6,380,297
Issued in acquisition of Jeffcote Donnison (Overseas) Limited (note 28)	468,961
Issued in acquisition of JD Associates (note 29)	534,299
Issued in crystallisation of earn out consideration (note 32)	2,000,000
Closing share capital at 30 April 2019	**112,607,690**

23. Capital and Reserves

Called up share capital - represents the nominal value of shares that have been issued.

Share premium account - includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Treasury shares – includes shares held by the EBT in order to satisfy share options contracts and deferred consideration for acquisitions.

ESOP reserve – represents cumulative expenses related to issue of employee share options, net of options that have subsequently exercised or lapsed.

Capital reserve - represents exchange differences arising on consolidation of foreign operations.

Profit and loss account - includes all current and prior period retained profits and losses.

24. Financial commitments

The Group's future minimum operating lease payments are as follows:

	2019 £'000	2018 £'000
Within one year	1,661	1,427
Between one year and five years	4,030	2,166
After five years	275	34

All operating leases relate to office premises occupied by subsidiary entities. The lease expense in the year ended 30 April 2019 was £2,723,839 (2018: £1,419,874).

Notes to the Consolidated Financial Statements (continued)

25. Business combination - Acquisition of InAdmin N.V.

On 31 May 2018 the Group acquired 100% of InAdmin N.V. for £1, settled in the form of £1 in cash. On completion £1 cash paid.

In calculating goodwill arising on acquisition, the fair value of the net assets of InAdmin N.V. have been assessed and adjustments from book values made where necessary.

	Fair value £'000
Fixed assets	
Tangible	-
Intangible	321
Current assets	
Debtors	1,751
Sundry debtors	2,427
Cash at bank and in hand	-
Total assets	**4,499**
Creditors	
Due within one year	5,967
Fair value of net assets acquired	**(1,468)**
Goodwill	1,468
Total purchase consideration	**-**
Purchase consideration settled in cash	-
Cash and cash equivalents in subsidiary acquired, as above	-
Cash outflow on acquisition	**-**

The useful economic life has been estimated to be 10 years.

For the period ended 30 April 2019, 11 months of the results of InAdmin N.V. were consolidated as control was obtained from 1 June 2018.

The results of InAdmin N.V. in the 11 months since its effective acquisition are as follows:

Revenue	£5,719,530
Loss	£1,443,576

Notes to the Consolidated Financial Statements (continued)

26. Business combination - Acquisition of Global Forward B.V. and Global Forward Trust B.V.

On 15 May 2018 the Group acquired 100% of Global Forward B.V. and Global Forward Trust B.V. for £3,678,001, settled in the form of 1,483,449 shares in PraxisIFM Group Limited and £1,436,724 in cash. On completion, 732,701 shares were issued and £972,138 cash paid, with the remainder being deferred consideration of £1,183,380 payable over 18 months, settled in the form of 509,783 shares in PraxisIFM Group Limited and £464,586 in cash, and contingent consideration of £463,859 due over 3 years. The contingent consideration was share settled on 19 February 2019.

In calculating goodwill arising on acquisition, the fair value of the net assets of Global Forward B.V. and Global Forward Trust B.V. have been assessed and adjustments from book values made where necessary.

	Fair value £'000
Fixed assets	
Tangible	-
Intangible	-
Current assets	
Debtors	61
Sundry debtors	85
Cash at bank and in hand	-
Total assets	**146**
Creditors	
Due within one year	-
Fair value of net assets acquired	**146**
Goodwill	3,532
Total purchase consideration	**3,678**
Purchase consideration settled in cash	972
Cash and cash equivalents in subsidiary acquired, as above	-
Cash outflow on acquisition	**(972)**

The useful economic life has been estimated to be 10 years.

For the period ended 30 April 2019, 12 months of the results of Global Forward B.V. and Global Forward Trust B.V. were consolidated as control was obtained from 1 May 2018.

The results of Global Forward B.V. and Global Forward Trust B.V. in the 12 months since its effective acquisition are as follows:

Revenue	£943,818
Profit	£335,335

Notes to the Consolidated Financial Statements (continued)

27. Business combination - Acquisition of Nerine Trust

On 27 June 2018 the Group acquired 100% of Nerine Trust for £24,103,648, settled in the form of 6,380,297 shares in PraxisIFM Group Limited and £14,214,188 in cash. On completion, 4,466,208 shares were issued and £10,094,862 cash paid, with the remainder being deferred consideration of £7,086,164 payable over 2 years, settled in the form of 1,914,089 shares in PraxisIFM Group Limited and £4,119,326 in cash.

In calculating goodwill arising on acquisition, the fair value of the net assets of Nerine Trust have been assessed and adjustments from book values made where necessary.

	Fair value £'000
Fixed assets	
Tangible	263
Intangible	-
Current assets	
Debtors	4,310
Sundry debtors	1,581
Cash at bank and in hand	2,919
Total assets	**9,073**
Creditors	
Due within one year	5,007
Fair value of net assets acquired	**4,066**
Goodwill	20,038
Total purchase consideration	**24,104**
Purchase consideration settled in cash	10,095
Cash and cash equivalents in subsidiary acquired, as above	(2,919)
Cash outflow on acquisition	**(7,176)**

The useful economic life has been estimated to be 20 years.

For the period ended 30 April 2019, 10 months of the results of Nerine Trust were consolidated as control was obtained from 1 July 2018.

The results of Nerine Trust in the 10 months since its effective acquisition are as follows:

Revenue	£10,395,708
Profit	£1,299,365

Notes to the Consolidated Financial Statements (continued)

28. Business combination - Acquisition of Jeffcote Donnison (Overseas) Limited

On 15 August 2018 the Group acquired 100% of Jeffcote Donnison (Overseas) Limited for £2,507,589 settled in the form of 468,961 shares in PraxisIFM Group Limited and £1,797,084 in cash. On completion, 281,377 shares were issued and £1,423,512 cash paid, with the remainder being deferred consideration of £622,619 payable over 2 years, settled in the form of 151,858 shares in PraxisIFM Group Limited and £373,572 in cash.

In calculating goodwill arising on acquisition, the fair value of the net assets of Jeffcote Donnison (Overseas) Limited have been assessed and adjustments from book values made where necessary.

	Fair value £'000
Fixed assets	
Tangible	9
Intangible	-
Current assets	
Debtors	493
Sundry debtors	46
Cash at bank and in hand	689
Total assets	**1,237**
Creditors	
Due within one year	250
Fair value of net assets acquired	**987**
Goodwill	1,521
Total purchase consideration	**2,508**
Purchase consideration settled in cash	1,424
Cash and cash equivalents in subsidiary acquired, as above	(689)
Cash outflow on acquisition	**(735)**

The useful economic life has been estimated to be 20 years.

For the period ended 30 April 2019, 10 months of the results of Jeffcote Donnison (Overseas) Limited were consolidated as control was obtained from 1 July 2018.

The results of Jeffcote Donnison (Overseas) Limited in the 10 months since its effective acquisition are as follows:

Revenue	£743,324
Profit	£139,783

Notes to the Consolidated Financial Statements (continued)

29. Business combination - Acquisition of JD Associates Limited

On 15 August 2018 the Group acquired 100% of JD Associates Limited for £1,048,473, settled in the form of 534,299 shares in PraxisIFM Group Limited and £172,069 in cash. On completion, 320,580 shares were issued and £172,069 cash paid, with the remainder being deferred consideration of £350,653 payable over 2 years, settled in the form of 213,719 shares in PraxisIFM Group Limited.

In calculating goodwill arising on acquisition, the fair value of the net assets of JD Associates Limited have been assessed and adjustments from book values made where necessary.

	Fair value £'000
Fixed assets	
Tangible	2
Intangible	-
Current assets	
Debtors	322
Sundry debtors	43
Cash at bank and in hand	22
Total assets	**389**
Creditors	
Due within one year	143
Fair value of net assets acquired	**246**
Goodwill	802
Total purchase consideration	**1,048**
Purchase consideration settled in cash	172
Cash and cash equivalents in subsidiary acquired, as above	(22)
Cash outflow on acquisition	**(150)**

The useful economic life has been estimated to be 20 years.

For the period ended 30 April 2019, 10 months of the results of JD Associates Limited were consolidated as control was obtained from 1 July 2018.

The results of JD Associates Limited in the 10 months since its effective acquisition are as follows:

Revenue	£434,218
Loss	£4,516

Notes to the Consolidated Financial Statements (continued)

30. Business combination - Acquisition of Jeffcote Donnison LLP

On 15 August 2018 the Group acquired the client book of Jeffcote Donnison LLP for £1,461,047, settled in cash. On completion, £1,131,047 cash was paid, with the remainder being deferred consideration of £330,000 payable over 2 years, settled in cash.

The clients were engaged by a newly created entity, PraxisIFM JD Corporate Services Limited.

In calculating goodwill arising on acquisition, the fair value of the net assets of Jeffcote Donnison LLP have been assessed and adjustments from book values made where necessary.

	Fair value £'000
Fixed assets	
Tangible	-
Intangible	-
Current assets	
Debtors	-
Sundry debtors	-
Cash at bank and in hand	-
Total assets	**-**
Creditors	
Due within one year	-
Fair value of net assets acquired	**-**
Goodwill	1,461
Total purchase consideration	**1,461**
Purchase consideration settled in cash	1,131
Cash and cash equivalents in subsidiary acquired, as above	-
Cash outflow on acquisition	**(1,131)**

The useful economic life has been estimated to be 10 years.

For the period ended 30 April 2019, 10 months of the results of PraxisIFM JD Corporate Services Limited were consolidated.

The results of PraxisIFM JD Corporate Services Limited in the 10 months since its effective acquisition are as follows:

Revenue	£897,853
Profit	£71,666

Notes to the Consolidated Financial Statements (continued)

31. Reconciliation of deferred consideration

	£'000
As at 1 May 2018	**6,713**
Recognised in the period ;	
Global Forward B.V. and Global Forward Trust B.V.	1,183
Nerine Trust	7,086
Jeffcote Donnison (Overseas) Limited	623
JD Associates Limited	351
Jeffcote Donnison LLP	330
Electro Holdings Limited	933
Private Equity Services (Amsterdam) BV	98
Paid out in the period ;	
Ampersand Management (Geneva) SA & Ampersand	(117)
Balmor Management SA	(50)
Private Equity Services (Amsterdam) BV	(2,483)
Kompas International	(1,270)
PraxisIFM Fund Services (UK) Limited	(134)
Nerine Trust	(268)
Written off in the period ;	
Ryland Gray Technology Consultancy	(158)
Exchange movement on deferred consideration	(18)
As at 30 April 2019	**12,819**

The final tranche of deferred consideration for Ryland Gray Technology Consultancy was written off in the period due to a decline in the retained turnover of the acquired business. The residual goodwill in Ryland Gray Technology Consultancy was also written off (note 32).

Notes to the Consolidated Financial Statements (continued)

32. Reconciliation of goodwill

	£'000
As at 1 May 2018	**33,814**
Purchased goodwill in the period:	
InAdmin	1,468
Global Forward B.V. and Global Forward Trust B.V.	3,532
Nerine Trust	20,038
Jeffcote Donnison (Overseas) Limited	1,521
JD Associates Limited	802
Jeffcote Donnison LLP	1,461
Adjustment to Confiance Limited goodwill	1,265
Adjustment to Kompas International goodwill	114
Adjustment to Private Equity Services (Amsterdam) BV goodwill	218
Adjustments to Ampersand Management (Geneva) SA & Ampersand Management (Mauritius) Limited goodwill	63
Adjustment to Ryland Gray Information Technology Consultancy goodwill	(158)
Other adjustments	13
Impairment of Ryland Gray Information Technology Consultancy goodwill	(89)
Impairment of Agility Limited goodwill	(24)
Exchange movement on goodwill on foreign subsidiaries	(421)
Amortisation	(4,156)
As at 30 April 2019	**59,461**

The adjustment to Confiance Limited goodwill represents an adjustment to the deferred consideration based on the final calculation of the retained turnover. New information was obtained during the year which caused a change in the calculation of the loan notes to be issued in consideration of the acquisition.

The adjustments to Kompas International and Private Equity Services (Amsterdam) BV goodwill represent an adjustment to the contingent consideration based on the final calculation of EBITDA performance. On 19 February 2019 the contingent consideration was crystallised and paid in shares (see note 22). The table below provides a reconciliation of the contingent consideration movement in the year. The contingent consideration and uplift related to Global Forward is included in the goodwill recognition total above.

	£'000
As at 1 May 2018	3,073
Global Forward contingent consideration	464
Adjustment based on performance	364
Paid out on crystallisation	(3,901)
As at 30 April 2019	**-**

The adjustment to Ampersand Management (Geneva) SA & Ampersand Management (Mauritius) Limited goodwill represents an adjustment to the deferred consideration based on the final calculation of retained turnover.

The goodwill of Ryland Gray Information Technology Consultancy was impaired during the period, due to a decline in the retained turnover of the acquired business. The final tranche of deferred consideration was also written off (note 31).

The goodwill of Agility Limited was impaired during the period, due to a decline in the retained turnover of the acquired business.

Notes to the Consolidated Financial Statements (continued)

33. Share based payments

The Group operates seven equity-settled share based remuneration schemes for employees:

Buy As You Earn ("BAYE") Scheme

All employees of the Group are eligible to participate in the BAYE scheme once they have completed their probation period, the only vesting condition being that the individual remains an employee of the Group over the period of the scheme. Options relating to 207,484 shares (2018: 105,350) were granted and exercised by employees participating in the scheme.

Qualified persons with non-market vesting conditions

Under this scheme, employees are granted options based on promotion into qualifying positions. The only vesting condition being that the individual remains an employee of the Group until the vesting date. In addition, the options will lapse if the individual leaves within 3 years of exercising their options.

Qualified persons with performance based vesting conditions

Under this scheme, options vest if the performance of a subsidiary of the Group increases above a threshold set at the time of granting the option.

Qualified persons with probation and performance based vesting conditions

Under this scheme, the first tranche of options vests if the individual passes their probationary period of employment, and further tranches vest if the performance of a subsidiary of the Group increases above a threshold set at the time of granting the option.

Qualified persons with promotion and performance based vesting conditions

Under this scheme, the first tranche of options vests if the individual is promoted to a specified level, and further tranches vest if the performance of a subsidiary of the Group increases above a threshold set at the time of granting the option.

Qualified persons with probation and performance based vesting conditions

Under this scheme, the first tranche of options vests if the individual passes their probationary period of employment, and a further tranche vests if the individual is promoted to a specified level.

Qualified persons with market-based vesting conditions

Under this scheme, options vest if the share price of the Group increases above a threshold set at the time of granting the option.

During the year to 30 April 2019, 2,194,125 stock options were granted for no consideration (2018: 4,356,750), and 3,951,742 were exercised (2018: 6,783,792). The valuation applied to the options was the market price on the grant date.

	2019 Weighted Average Exercise Price £	2019 Number of shares '000	2018 Weighted Average Exercise Price £	2018 Number of shares '000
Balance at 1 May 2018	0.92	19,903	0.73	23,852
Expired during the period	0.85	(1,308)	0.40	(1,522)
Exercised during the period	1.01	(3,952)	0.64	(6,784)
Granted during the period	1.40	2,194	1.41	4,357
Balance at 30 April 2019	**1.01**	**16,837**	**0.92**	**19,903**

The exercise price of vested options outstanding at the end of the year ranged between £0.48 and £1.96 (2018: £0.48 and £1.48).

Of the total numbers of options outstanding at the end of the year, 5,292,821 (2018: 3,823,750) had vested and were exercisable at the end of the year.

The weighted average share price (at the date of exercise) of options exercised during the year was £1.01 (2018: £0.64) at the date of exercise of options.

Notes to the Consolidated Financial Statements (continued)

The following information is relevant in the determination of the fair value of options granted during the current and previous years under the equity-settled share based remuneration schemes operated by the Group.

	2019	2018
Equity-settled		
Option pricing model used	Black-Scholes	Black-Scholes
Expected volatility	24.84%	9.37%
Expected dividend yield	1.44%	2.86%
Risk-free interest rate	2.10%	2.00%

The Black-Scholes option pricing model was used to value the share-based payment awards as it was considered that this approach would result in a materially accurate estimate of the fair value of options granted.

The volatility assumption, measured as the standard deviation of expected share price returns, is based on a statistical analysis of daily share prices over the last three years of comparable publically quoted companies.

The share-based remuneration expense is included in direct costs and comprises:

	2019 £'000	2018 £'000
BAYE scheme	55	15
Equity-settled schemes	313	264
	368	**279**

The Group did not enter into any share-based payment transactions with parties other than employees during the current or previous periods.

The movements on the ESOP share reserve were;

	2019 £'000	2018 £'000
Brought forward	(335)	(155)
Expense relating to options issued in the year	(313)	(264)
Options exercised/lapsed in the year	122	84
Carried forward	**(526)**	**(335)**

During the year 1,682,562 share options were net settled, resulting in a transfer from treasury shares to retained earnings of £1,331,449.

Notes to the Consolidated Financial Statements (continued)

34. Transactions with related parties

There is no immediate or ultimate controlling party of the Group. No individual shareholder holds sufficient voting rights in order to exercise control.

Balances and transactions between the parent company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

The Group's other significant related parties are key management personnel, comprising all members of the Group board and the Executive Committee who are responsible for planning and controlling the activities of the Group.

	2019 £'000	2018 £'000
Key management personnel compensation	2,294	1,943
Dividends paid to shareholders who are also key management personnel	646	653

Key management personnel compensation includes Directors' salaries and related benefits including pension contributions.

A director of a subsidiary of the Group has a loan with the EBT related to the settlement of their share options. The loan is being settled via cash payments from the director and the dividends from their shares. The loan is secured against the shares held in the Group, interest free, and repayable on demand.

	2019 £'000	2018 £'000
Loan due from director of subsidiary	86	62

No contract of significance to which a director of the issuer is or was materially interested was entered into during the period.

35. Post balance sheet events

Share Options Granted and Exercised

Since the year end, 1,046,738 options have been granted, 788,970 have been exercised and 1,110,000 have expired or been cancelled.

Acquisitions

Consistent with the Group's strategy, the Board continues to pursue acquisition targets.

Expertise *in action.*
Globally.

praxisifm.com