Fletcher King Plc

Annual Report and Accounts 2023

CONTENTS

Directors and Advisers	*1*
Highlights	*2*
Chairman's Statement	*3*
Corporate Governance Statement	*5*
Strategic Report	*12*
Directors' Report	*15*
Independent Auditor's Report	*20*
Consolidated Statement of Profit or Loss and Other Comprehensive Income	*27*
Consolidated Statement of Financial Position	*28*
Company Statement of Financial Position	*29*
Consolidated Statement of Cash Flows	*30*
Company Statement of Cash Flows	*31*
Consolidated and Company Statements of Changes in Equity	*32*
Notes to the Financial Statements	*33*
Notice of Annual General Meeting	*55*

Directors
D J R Fletcher FRICS *Non-Executive Chairman*
R E G Goode FRICS *Non-Executive Director*
D H Stewart *Non-Executive Director*
D A E Gibbs *Non-Executive Director*
M I Wise *Non-Executive Director*
P J Andrews MRICS *Managing Director*
R A Dickman FRICS *Executive Director*
P E Bailey ACA *Finance Director*

Secretary and Registered Office
P E Bailey ACA
19-20 Great Pulteney Street, London W1F 9NF

Financial Advisers and Stockbrokers
Cairn Financial Advisers LLP
9th Floor, 107 Cheapside, London EC2V 6DN

Solicitors
Boodle Hatfield
240 Blackfriars Road, London SE1 8NW

Wedlake Bell LLP
71 Queen Victoria Street, London, EC4V 4AY

Auditor
CLA Evelyn Partners Limited
45 Gresham Street, London EC2V 7BG

Principal Bankers
NatWest Bank Plc
38-39 Strand, London WC2N 5JB

Registrars and Transfer Office
Computershare Investor Services Plc
The Pavilions, Bridgwater Road, Bristol BS13 8AE
Dedicated shareholder telephone number: 0370 889 4095

Audit Committee
D H Stewart *Chairman*
D J R Fletcher

Remuneration Committee
D H Stewart, *Chairman*
D J R Fletcher

Company Number
02014432

Certificate Nº **FS27825**

HIGHLIGHTS

- Revenue for the year of **£3,079,000** (2022: £2,967,000)
- Statutory profit before tax of **£192,000** (2022: £134,000)
- Adjusted profit before tax of **£165,000** (2022: £144,000) *
- Adjusted basic earnings per share of **2.01p** (2022: 1.73p) (see note 11) **
- Final proposed dividend: **0.75p per share** (2022: 0.50p per share)
- Significant cash reserves: **£2.8m** as at 30 April 2023 (2022: £3.4m)

*Adjusted profit before tax is before share based payment expenses and after other comprehensive income (see note 5). The Board considers the adjusted results to be an important measure of performance due to the nature of the Company, and with share options being awarded to directors and key staff only.

**Adjusted basic earnings per share is calculated using adjusted profits (see note 11).

FINANCIAL CALENDAR

Annual General Meeting
11 October 2023

Results

Revenue for the year was £3,079,000 (2022: £2,967,000). Adjusted profit before tax (see note 5) was £165,000 (2022: £144,000). Statutory profit before tax was £192,000 (2022: £134,000).

The Board considers the adjusted results to be an important measure of performance and to be more representative of performance for the year than the statutory results (which have been prepared in accordance with International Financial Reporting Standards).

Dividend

The Board is proposing a final dividend of 0.75p per share. The final dividend is subject to shareholder approval at the AGM and will be paid on 27 October 2023 to shareholders on the register at the close of business on 29 September 2023. With no interim dividend paid (2022: £nil per share) the dividend for this year will amount to 0.75p per share (2022: 0.5p per share).

The Commercial Property Market

Looking back to my statement twelve months ago, I reported that both the letting and capital markets were considerably more buoyant than the previous year. Regrettably that state of affairs did not continue.

Due to the uncertainties of the economy, with interest rates rising and inflation falling much more slowly than expected, the commercial property capital markets are currently moribund. The potential for a change of Government is further clouding investors' vision and whilst there is a considerable volume of funds waiting to enter the market, the timing is unpredictable.

In contrast to the property capital markets, the letting markets, particularly in London and other big cities, are still reasonably active, although this is primarily for grade A office space which is still in demand with higher rents achieved than in the previous year.

Business Overview

Despite the difficult market I am pleased to report an overall growth in revenue and profit for the year.

Once again, Property Asset and Fund Management enjoyed a strong year with new clients added.

Bank valuations also continued to grow, with an increase in instructions from new lenders.

I am pleased to report that, at last, rating appeals moved ahead, and some very long-standing large appeals were successfully concluded and hopefully that progress will continue.

The Investment department has had a very difficult year, along with most in the property industry, and recorded its worst results for some time. We believe this was a reflection of falling capital values resulting from the political and economic uncertainties reported above.

Outlook

It continues to be impossible to accurately predict the future of the property markets and thus our performance, whilst current uncertainties prevail. Nevertheless, we are reasonably optimistic for the coming year particularly as we are in discussion with a number of potential new Property Management instructions.

We anticipate that the volume of valuations will continue to grow and we expect rating appeals to do likewise.

We also expect the Investment Department to do much better this coming year but the volume of their work is particularly difficult to predict under current circumstances.

The general state of the market has not been conducive to generating activity with our new large shareholder but we will continue to look for opportunities to collaborate in the forthcoming period.

As usual, our balance sheet and cash reserves remain strong and that continues to be of great importance in these volatile times.

Our loyal clients and hard-working and talented staff have enabled us to perform well this year and on behalf of the Board I thank them all.

DAVID FLETCHER
CHAIRMAN
7 August 2023

All members of the Board believe strongly in the value and importance of good corporate governance and in our accountability to all stakeholders including shareholders, clients and employees. In order to meet the requirements of AIM Rule 26 we have chosen to follow the QCA Corporate Governance Code.

As Chairman, I lead the Board and take ultimate responsibility for ensuring that there is absolute clarity in our strategy and our quantitative and qualitative objectives and the collective and individual responsibilities of the Directors.

Importantly my responsibilities include ensuring that the Company maintains its strong values of delivery, integrity, trust, client service and good corporate governance and in so doing delivers value for shareholders over the medium to long term.

In the following statement we give a summary of how our Board and its committees operate and how we are applying the ten principles of the QCA Code.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

The Group provides a range of property services and expert advice throughout the United Kingdom, including property fund management, property asset management, rating, valuations and investment broking. We always seek to be a company that values clarity, consistency, delivery and integrity.

Although we face significant competition in all of our activities, we believe that, by delivering outstanding services, managed or overseen personally by experienced Directors and staff who are readily available to clients, and by doing so in a flexible and non-hierarchical manner, we will continue to maintain existing client relationships and attract new clients who like our personal and non-standardised approach.

The Group's Key Performance indicators and Principal Risks and Uncertainties are set out in the Strategic Report on pages 12 to 14.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Board attaches great importance to providing shareholders with clear and transparent information on the Company's strategy, activities and financial position. Details of all shareholder communications are provided on the Company website. Our strategy and approach have remained consistent over many years. The Board seeks to present a fair and balanced assessment of the Company's financial position and prospects in its Annual and Interim Reports. Comments from shareholders on the quality and content of the reports and areas for improvement are always welcomed.

The Annual General Meeting ("AGM") provides a forum for discussion between the Board and Shareholders. Outside of AGMs, the Chairman is available by arrangement for discussions with Shareholders. The Company's Senior Independent director, David Stewart, is also available for meetings and discussions and the Company Secretary can also be contacted on shareholder and investor relations issues and matters of governance.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board's communication with shareholders and how it seeks their feedback is explained under Principle 2 above and also in the S.172 Statement in the Strategic Report.

The majority of the Company's clients have been engaged for many years and some since inception. A close partnering relationship is developed with clients where we can fully understand their thoughts and the strategy they have for their business and property portfolios. Our business objective is to ensure that our clients' assets perform to agreed criteria which are clear, unequivocal and understandable.

Our philosophy is to deliver a highly personal service with directors involved at all stages. Continuity of personnel is paramount.

The Company operates to Quality Assurance ("QA") standards and holds ISO9001:2015 certification. The QA process includes annual external audit of internal processes and includes feedback from clients. Feedback from clients has been consistently positive. The Company achieved QA recertification in April 2022 following a comprehensive audit process and certification is valid for a further 3 years.

Our ability to fulfil client services and develop strong client relationships depends on having talented and motivated staff who enjoy working for the company and this is reflected in high employee retention rates. Annual reviews and regular two-way communication with staff provide opportunities for feedback leading to enhancement of management practices and staff incentives.

As a Company we are always cognisant of our social responsibilities and wish to be and be seen to be a good employer, a reputable company and a responsible member of Society.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Company's key risks and uncertainties are set out in the Strategic Report and the main risks arising from the Company's financial instruments and how these are managed by the Board are set out in note 24 to the Financial Statements.

The Company reviews principal risks and uncertainties on an ongoing basis and maintains a Risk Register which is reviewed by the Board at each board meeting.

Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair

The members of the Board have a collective responsibility and legal obligation to promote the interests of the Group, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the Chair of the Board.

Following retirement of David Fletcher and Richard Goode from executive positions on 30 April

2021, and the appointment of David Gibbs and Matthew Wise to the Board in March 2022, the Board now consists of eight Directors of which three are Executive Directors, four are Non-Executive Directors, and one an Independent Non-Executive Director. As the company grows the Board will consider adding additional independent Non-Executive Directors. However, for now the Board considers its composition appropriate given the size of the Company, its revenues and profitability.

The Board is supported by two committees: audit and remuneration. The Board does not consider that it is of a size at present to require a separate nominations committee, and all members of the Board are involved in the appointment of new Directors.

Director biographies for the current Directors are shown in the Directors Report.

The Board sets the Company's strategic aims and ensures that necessary resources are in place in order for the Company to meet its objectives. All members of the Board take collective responsibility for the performance of the Company and all decisions are taken in the interests of the Company.

Whilst the Board has delegated the normal operational management of the Company to the Executive Directors and other senior management, there are detailed specific matters subject to decision by the Board of Directors. These include acquisitions and disposals, and investments and projects of a capital nature. The Non-Executive Directors have a particular responsibility to challenge constructively the strategy proposed by the Executive Directors; to scrutinise and challenge performance; to ensure appropriate remuneration and that succession planning arrangements are in place in relation to Executive Directors and other senior members of the management team. The Chairman holds informal meetings with the Independent Non-executive Director without other Executives present. The senior Executives enjoy open access to the Non-executive Directors with or without the Chairman being present.

The Board of Directors meets at least four times a year to review the performance of the Group. There are clearly defined lines of responsibility and delegation of authority from the Board to the Executive Committee, which meets on a monthly basis to review and make decisions on business, financial and operational matters of the subsidiary companies.

The Chairman is responsible for ensuring that, to inform decision-making, Directors receive accurate, sufficient and timely information. The Company Secretary compiles the board and Committee papers which are circulated to Directors prior to meetings.

Controls and systems

The Board is responsible for ensuring that a sound system of internal control exists to safeguard shareholders' interests and the Group's assets. It is responsible for the regular review of the effectiveness of the systems of internal control. Internal controls are designed to manage rather than eliminate risk and therefore even the most effective system cannot provide assurance that each and every risk, present and future, has been addressed. The Board reviews the adequacy and effectiveness of internal controls on at least an annual basis.

Independence of the Directors

The independent Non-Executive Director of the Company, David Stewart, was appointed to the Board on 1 July 2002. In the Board's opinion, based on the consistent independent oversight and constructive challenge of the Executive Directors that has been demonstrated since appointment, he is considered to be independent, despite the length of time that he has been a member of the Board, taking into account his experience, skills, and personal qualities.

Directors' time commitments
Executive Directors are employed under full-time service agreements. Non-Executive Directors are required to attend four board meetings per year and to be available at other times as required for face-to-face and telephone meetings with the executive team and investors.

Audit and Remuneration Committees
Audit and Remuneration committees, each comprised of the Non-Executive Director, David Stewart, and the Non-Executive Chairman, David Fletcher. The Audit Committee meets at least twice a year and is responsible for ensuring that the financial performance, position and prospects of the Group are properly monitored and reported on, meeting the auditors and reviewing their reports relating to accounts and internal controls. The Remuneration Committee reviews the performance of Executive Directors and sets the scale and structure of their remuneration and the terms of their service agreements with due regard to the interests of shareholders. The Remuneration Committee also determines the payment of bonuses to Executive Directors and the allocation of share options to employees.

Board and Committees' attendance
The Board met on four occasions and the Audit and Remuneration Committees met on two occasions during the last year. There was full attendance by all representative members at each meeting.

Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The Board as a whole is confident that it has a strong team containing the necessary mix and balance of experience, skills, personal qualities and capabilities to deliver the Company's strategy for the benefit of shareholders over the medium to long-term. Directors attend seminars and other regulatory, trade and capital markets events to ensure that their knowledge remains current.

The Board will continue to review the collective resources of its Directors and whether further resource and skills may be required to deliver on the Company's strategic objectives. The Board has, between its members, a broad balance of skills, experience and personal qualities to operate the Company in areas including property, industry, financial and governance.

Principle 7: Evaluate board performance based on clear relevant objectives, seeking continuous improvement

An annual assessment of the effectiveness of the Board is carried out through an internal questionnaire process. The outcomes and principal findings are reported to the Board for consideration by the Company Secretary with recommendations as to any action that might be taken and changes that could be made.

The review considers effectiveness in a number of areas including general supervision and oversight, business risks and trends, succession and related matters, communications, ethics and compliance, corporate governance and individual contribution.

As a result of the evaluation, the Board considers the performance of each Director to be effective and concluded that both the Board and its Committees continue to provide effective leadership and exert the required levels of governance and control.

The Board currently considers that the use of external consultants to facilitate the Board evaluation process is unlikely to be of significant benefit to the process, although the option of doing so is kept under review

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximise shareholder value. The Company maintains and annually reviews a Staff Handbook and Quality Assurance manual that includes clear guidance on what is expected of every employee and officer of the Company. Adherence of these standards is a key factor in the evaluation of performance within the company, including during annual performance reviews.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

The Board provides strategic leadership for the Group and operates within the scope of a robust corporate governance framework. Its purpose is to ensure the delivery of long-term shareholder value, which involves setting the culture, values and practices that operate throughout the business, and defining the strategic goals that the Group implements in its business plans. The Board defines a series of matters reserved for its decision and has approved terms of reference for its Audit and Remuneration Committees to which certain responsibilities are delegated. The chair of each committee reports to the board on the activities of that committee.

The Audit Committee monitors the integrity of financial statements, oversees risk management and control, and reviews external auditor independence.

The Remuneration Committee sets and reviews the compensation of Directors including the setting of targets and performance frameworks for cash and share-based awards.

The Executive Committee, consisting of the Executive Directors, operates as a management committee which reviews operational matters and performance of the business, and is responsible for significant management decisions while delegating other operational matters to individual managers within the business.

The Chairman has overall responsibility for corporate governance and in promoting high standards throughout the Group. He leads and chairs the Board, ensuring that committees are properly structured and operate with appropriate terms of reference, ensures that performance of individual Directors, the Board and its committees are reviewed on a regular basis, leads in the development of strategy and setting objectives, and oversees communication between the Group and its shareholders.

The Executive Directors are responsible for implementing and delivering the strategy and operational decisions agreed by the Board, making operational and financial decisions required in the day-to-day operation of the Group, providing executive leadership to managers, championing the Group's core values and promoting talent management.

The Independent Non-Executive Director contributes independent thinking and judgement through the application of external experience and knowledge, scrutinises the performance of management, provides constructive challenge to the Executive Directors and ensures that the Group is operating within the governance and risk framework approved by the Board.

The Company Secretary is responsible for providing clear and timely information flow to the Board and its committees and supports the board on matters of corporate governance and risk.

The Board has approved the adoption of the QCA Code as its governance framework against which this statement has been prepared and will monitor the suitability of this Code on an annual basis and revise its governance framework as appropriate as the Group evolves.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to maintaining an open dialogue with shareholders. Communication with shareholders is co-ordinated by the Chairman and Company Secretary.

The Board believes that the Annual Report and Accounts, and the Interim Report published at the half-year, play an important part in presenting all shareholders with an assessment of the Group's position and prospects. All reports and press releases are published on the Group's website.

The AGM is the principal opportunity for private shareholders to meet and discuss the Group's business with the Directors. There is an open question and answer session during which shareholders may ask questions both about the resolutions being proposed and the business in general. The Directors are also available after the meeting for an informal discussion with shareholders.

In addition to the investor relations activities described above, the following Audit and Remuneration committee reports are provided:

Audit Committee Report

During the year, the Audit Committee has continued to focus on the effectiveness of controls throughout the Group.

The Audit Committee consists of David Stewart, Chair, and David Fletcher. The committee met twice during the year, with the external auditor and the Finance Director attending both meetings. Consideration was given to the audit plan and the audit findings reports and these provided opportunities to review the accounting policies, internal controls and the financial information contained in both the annual and interim reports.

Remuneration Committee Report

The remit of the Remuneration Committee is to determine the framework, policy and level of remuneration, and to make recommendations to the Board on the remuneration of Directors. In addition, the Committee oversees the creation and implementation of employee share plans. The Remuneration Committee consists of David Stewart, chair, and David Fletcher. The committee met twice during the year.

During the year the Remuneration Committee considered and approved the bonus arrangements for the Directors and Executive Team. No share options were granted in the year.

David Fletcher
Chairman

7 August 2023

The Directors present the Group Strategic Report for Fletcher King Plc ("the Company") and its subsidiary companies for the year end 30 April 2023 (together "the Group").

Principal Activities

The Group provides a comprehensive range of property services and expert advice throughout the United Kingdom, including property fund management, property asset management, rating, valuations and investment broking

Business Review

The Group continued its strategy of providing a range of property services to existing and new clients and key performance indicators ("KPIs") for the Group for the year to 30 April were as follows:

	2023	2022
Revenue	£3,079,000	£2,967,000
Profit before taxation	£192,000	£134,000
Adjusted profit before taxation*	£165,000	£144,000
Total comprehensive income	£189,000	£152,000
Adjusted profit after tax**	£206,000	£162,000
Basic earnings per share	2.27p	1.62p
Adjusted basic earnings per share (note 11)	2.01p	1.73p

*Adjusted profit before tax reflects adding back a share-based payment expense of £17,000 incurred in respect of share options that were issued in the prior year, together with the inclusion of the unrealised loss in the year on revaluation of the interest in the Stratton House Investment Property Syndicate (SHIPS 16) which is required to be shown in the Statement of Profit or Loss and Other Comprehensive Income as other comprehensive income (see note 5).

**Adjusted profit after tax reflects the adjustments noted above, after tax.

The Chairman's Statement contains a review of the Group's performance, financial results, future development and prospects and is incorporated into this Strategic Report by reference.

Principal Risks and Uncertainties

The Directors have identified below a number of risks which they believe may affect the Group's ability to deliver its strategic goals. This list does not purport to be an exhaustive summary of the risks affecting the Group, is given in no particular order of priority and contains risks considered to be outside the control of the Directors.

(i) Economic Risk

The main economic risks that would affect the Group's performance are a major slowdown in the UK economy and a slump in UK commercial property values. The Group has, where possible, implemented actions to mitigate some of the effects of these risks. This includes providing a comprehensive range of services (including property fund management, property asset management, rating, valuations, and investment broking), some being less influenced by economic factors than others.

(ii) Attraction and Retention of Key Employees

The Group will depend on the continued service and performance of the Executive Directors and key employees and whilst it has entered into contractual arrangements with these individuals with the aim of securing the services of each of them, retention of these services cannot be guaranteed. The loss of the services of Executive Directors or other key employees could damage the Group's business. Equally the ability to attract new employees and senior executives with the appropriate expertise and skills cannot be guaranteed. The Group may experience difficulties in hiring appropriate employees and failure to do so may have a detrimental effect upon the trading performance of the Group.

(iii) Financial Risk Management

Details of the Group's approach to financial risk management are disclosed in detail in note 24 to the financial statements.

Engaging with our stakeholders (Companies Act S.172 disclosures)

The following disclosure is made in line with the Companies (Miscellaneous Reporting) Regulations 2018 which requires Companies to report on employee and stakeholder engagement. The Board remains committed to further strengthening its dialogue with employees and the Company's wider stakeholder group. The Board recognises that engagement is fundamental to the success of the Company and, in performing its duties under s172, considers the views of key stakeholders in its decision-making, recognising that they are central to the long-term prospects of the Company.

Clients: Our clients are key to the success of our business. We are in continuous contact with our clients, to understand their requirements, to listen to their feedback on our service levels and to understand their expectations in terms of the development of our service offering. It is the responsibility of dedicated relationship managers to gain a deep understanding of our clients' businesses through regular dialogue and to share this knowledge with the wider client service teams. The quality of our service performance is regularly assessed to help us better understand how we are managing the relationship and to provide the added value that our clients expect. Positive feedback from clients each year supports the Company's continued certification under the ISO 9001 Quality Management system.

Our People: Our people are our most valuable asset. We firmly believe that our people are key to delivering excellent service to our clients and achieving our objectives. Our long-standing philosophy is founded on the premise that staff in our sector are motivated through incentive and performance based (and, therefore, variable) remuneration. We believe that this approach best aligns Shareholders' and management's interests and incentivises superior performance and the creation of long-term Shareholder value. We are committed to providing a working environment that promotes employee's wellbeing, facilitates high performance, and acts in their best interests. We continue to monitor and develop our approach to employee engagement in light of emerging best practice. The Company supports employees with practical training and a route to RICS professional qualifications. The Company has an Employee Assistance Programme to support the wellbeing of employees, particularly mental health, as well as additional welfare benefits for all employees in the form of Life Assurance cover and Income Protection.

Community and environment: We are mindful of the impact of Company operations on both the community and the environment, and expect employees and suppliers to meet exacting standards in everyday business conduct. The Company operates a number of green initiatives including, for example, reducing paper usage and operating a cycle-to-work scheme to encourage employees to travel to work in an environmentally friendly way.

Shareholders: We believe that engaging with our shareholders and encouraging an open dialogue helps to ensure mutual understanding. Delivering for our shareholders ensures the business continues to be successful in the long term and can therefore continue to deliver for all our stakeholders. The directors provide information for shareholders through the AGM, the annual report, the interim report, and public announcements made through RNS. The Board is available at the AGM to meet and engage with shareholders. The Chairman and other senior Directors are also available to engage with shareholders at all other times as required. The last AGM took place on 12 October 2022. The Company welcomes shareholder engagement and has interacted with shareholders during the year via other communication channels including email, telephone and in person.

Suppliers: In this area our primary focus is on developing strong relationships with our property management supply partners to help us to provide consistent standards and the high quality services required by clients across our property management business.

During the year the Board has, amongst other things, considered and evaluated a number of potential growth opportunities with a view to strengthening the financial position and operational capability of the Company. Whilst no transactions or projects have been initiated in the year, the Board will continue to assess growth opportunities as may arise from time to time.

Section 172(1) Statement

The Board of Directors of Fletcher King Plc consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing this, the Directors have had regard to the stakeholders and amongst other matters to those set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 30 April 2023:

- the likely long-term consequences of any of their decisions;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, clients and others;
- the impact of the Company's operations on the community and environment;
- the Company's reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The Company has responded to these objectives in ways, for example, that are outlined above.

Approved by the board of Directors
and signed on behalf of the board

David Fletcher
7 August 2023

The Directors present their report and accounts for the year ended 30 April 2023.

General information

Fletcher King Plc is a public limited company which is listed on the AIM market of the London Stock Exchange and is incorporated and domiciled in the UK. The Company's registration number is 02014432.

Results and dividend

The consolidated statement of profit or loss and other comprehensive income is set out on page 27. The total comprehensive income for the year after taxation is £189,000 (2022: £152,000).

The Board is proposing a final dividend of 0.75p per share. The final dividend is subject to shareholder approval at the AGM and will be paid on 27 October 2023 to shareholders on the register at the close of business on 29 September 2023. With no interim dividend paid (2022: £nil per share) the dividend for this year will amount to 0.75p per share (2022: 0.5 per share).

Additional information on performance for the year is shown in the Chairman's Statement and the Strategic Report and also in the profit reconciliation (see note 5).

Future developments

Future developments for the business are covered in the Chairman's Statement on pages 4 to 5 and in Note 27 regarding subsequent events.

Capital and equity interests

During the year, no new ordinary shares were issued.

The total number of ordinary shares in issue at 30 April 2023 was 10.25 million (2022: 10.25 million).

Cash flow and liquidity

Net cash outflow from operating activities amounted to £13,000 (2022: inflow of £322,000) which, after allowing for cash flows including investing activities, share issues, dividends and lease payments (including settlement of outstanding sums due on the former head office), resulted in a net decrease in cash balances of £610,000 (2022: increase of £473,000).

At 30 April 2023, the Group's cash at bank and on short term deposit amounted to £2.76 million (2022: £3.36 million). This was deposited with leading banks.

Financial risk management

The Group manages its treasury operations in accordance with policies and procedures approved by the Board. Information about the Group's policies on financial instruments is set out in note 3 of the accounts. The Group has no borrowings. As the Group operates almost exclusively in the United Kingdom, there are no significant direct foreign exchange risks. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group and these are outlined in note 24 to the accounts.

Directors

The current Directors of the Company are set out below.

D J R Fletcher	Non- Executive Chairman
R E G Goode	Non-Executive Director
R A Dickman	Executive Director
P J Andrews	Managing Director
P E Bailey	Finance Director
D H Stewart	Non-Executive Director
D A E Gibbs	Non-Executive Director
M I Wise	Non-Executive Director

D J R Fletcher (FRICS), is a founding partner and Chairman of the Company. He has extensive experience in property and fund management, advising clients such as the pension funds of IBM, Debenhams, BHS, Allied Domecq and the Industrial Training Boards as well as the Stratton House Investment Property Syndicates and other clients.

R E G Goode FRICS, was jointly responsible for running the Company from 2000 until handing over Managing Director responsibilities to Paul Andrews on 1 May 2020. Previously he worked in the property investment department of DTZ and Hillier Parker. He has been involved in fund and asset management for a number of major institutional and in-house clients.

P J Andrews (MRICS) heads up the Asset Management department and he has worked at Fletcher King since 2007. He was appointed a Director in May 2016 and appointed Managing Director on 1 May 2020.

R A Dickman BSc (Hons) Est Man FRICS, is a Chartered Surveyor, and has been a Director of Fletcher King since May 1992. He has been in charge of the Valuation and Rating department since that date.

D H Stewart, had a long career in banking. At Abbey National Group, he led business banking and the asset finance activities of First National Bank. Prior to that he held senior appointments with TSB Group, Hill Samuel Bank, Creditanstalt and Country NatWest Limited.

P E Bailey (ACA) is Finance Director and has been Company Secretary at Fletcher King since 2008. He was appointed a Director in November 2019.

D A E Gibbs was the Managing Partner of Sunrise Brokers, an inter dealer brokerage which employed 200 people in London, New York and Hong Kong, from 2005 to 2017. It was sold to BGC Cantor Fitzgerald in 2016. He is currently a director of Chelsfield Capital LLP and Chelsfield Retech Investments Limited.

M I Wise was, until April 2021, Chief Operating Officer and Head of Asset Management at Chelsfield Group. Since April 2021, he has been advising Elliott Bernerd's Private Office on a number of domestic and international transactions. Prior to joining Chelsfield Group in 2011, Mr Wise worked for a number of private and publicly quoted property companies, working on property throughout Western Europe and the UK.

DJR Fletcher, PE Bailey, DAE Gibbs, and MI Wise retire by rotation in accordance with the

Company's Articles of Association, and being eligible offer themselves for re-election at the forthcoming Annual General Meeting.Meeting.

Directors' Remuneration

	Salary	Fees	Benefits	Bonus	Pension	2023	2022
	£000	£000	£000	£000	£000	£000	£000
D J R Fletcher	-	50	26	-	-	76	71
R E G Goode	-	20	17	-	-	37	36
R A Dickman	130	-	19	29	1	179	160
P J Andrews	150	-	15	29	1	195	190
P E Bailey	100	-	6	13	1	120	116
D H Stewart	-	15	-	-	-	15	15
D A E Gibbs	-	-	-	-	-	-	-
M I Wise	-	-	-	-	-	-	-
	380	85	83	71	3	622	588

David Gibbs and Matthew Wise were appointed on 4 March 2022.

In October 2021, P E Bailey was granted 200,000 share options and R A Dickman and P J Andrews were each granted 250,000 share options under an EMI share option scheme at an exercise price of 50p. The options can be exercised between October 2026 and October 2031 subject to a minimum increase in share price of 20%

As at 30 April 2023, P E Bailey held 200,000 share options (2022: 200,000), and R A Dickman and P J Andrews each held 250,000 share options (2022: 250,000).

Directors' Indemnity Insurance

As permitted by Section 233 of the Companies Act 2006, the Company has purchased insurance cover on behalf of the Directors indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

Corporate social responsibility

The Board recognises the importance of social and environmental matters in the conduct of the Group's business and remains committed to social and environmental awareness throughout its operations, notwithstanding the relatively low environmental impact of the Group's activities (see also Companies Act S.172 disclosures in Strategic Report).

Energy efficiency, recycling and the use of "fair trade" products are encouraged.

The Board recognises that enthusiastic, well-trained and high-quality staff are essential to the achievement of the Group's commercial objectives. Participation in the success of the Group is encouraged via comprehensive incentive schemes.

The Group provides employment on an equal basis irrespective of race, sex, disability, sexual orientation and religious beliefs. Employee communication and feedback is encouraged across the Group.

Authority to Allot Unissued Shares

In accordance with normal practice the Directors propose to take the usual authorities under Sections 551 and 570 of the Companies Act 2006. Therefore it is proposed to extend the Section 551 authority given at the last Annual General Meeting on 12 October 2022 for a further year in respect of ordinary 10p shares up to a maximum of 3,075,663 shares (£307,566.30). Apart from possible issues under Employee Share Option Schemes there is at present no intention of issuing any further ordinary shares. In any event, no issue will be made which would effectively alter the control of the Company without the prior approval of the Company in general meeting.

Purchase of Shares

The Directors, in line with boards of directors of other listed companies, consider that it would be appropriate for the Company to have the authority to purchase its own shares as one of a range of investment options available to them, more especially if the purchase of its own shares produced an improvement in earnings per share. Shareholders should be assured that the Board will commence share purchases only after careful consideration and after taking account of the overall financial position of the Group. An ordinary resolution will be proposed to authorise the Company to make market purchases of up to a maximum of 512,610 of its own shares, representing 5% of the existing issued ordinary shares. The maximum price to be paid on any exercise of the authority will be restricted to 5% above the average of the middle market quotation as derived from The London Stock Exchange Daily Official List for the ordinary shares for the ten dealing days immediately prior to purchase. The minimum price that may be paid for the ordinary shares is the nominal value of 10p per share. The authority for the purchase sought at the Annual General Meeting will expire at the conclusion of the following Annual General Meeting which is expected to take place in October 2024. The intention of the Board is to seek to renew the authority at future Annual General Meetings.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK-adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether UK-adopted international accounting standards have been followed subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for ensuring that they meet their responsibilities under the AIM Rules for Companies.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditor

In the case of each person who was a Director at the time this report was approved, so far as that Director was aware there was no relevant available information of which the Group and Company's auditor was unaware; and that Director had taken all steps that the Director ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group and Company's auditor was aware of that information. This information is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Auditor

A resolution to reappoint the auditor, CLA Evelyn Partners Limited, will be proposed at the forthcoming Annual General Meeting.

This report was approved by the Board on 7 August 2023.

P E Bailey
Company Secretary
Registered Number: 02014432

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLETCHER KING PLC

Opinion

We have audited the financial statements of Fletcher King plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2023 which comprise the Consolidated statement of profit or loss and other comprehensive income, the Consolidated statement of financial position, the Company statement of financial position, the Consolidated statement of cash flows, the Company statement of cash flows, the Consolidated Statement of changes in equity, the Company statement of changes in equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion,

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2023 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance withUK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 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.

Our approach to the audit

Of the Group's three reporting components, we subjected all components to audits for Group reporting purposes. The components within the scope of our work covered 100% of Group revenue, Group profit before tax and Group net assets.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter	Description of risk	How the matter was addressed in the audit
Valuation of financial asset investments - Group	The valuation of the Group's financial asset investment in the Stratton House Investment Property Syndicate ('SHIPS 16') is inherently subjective due to, amongst other factors, determining the value of the underlying property within the SHIPS 16 accounts (due to the individual nature of the property, its location and the expected future rentals for that particular property), in order to estimate the fair value of the Group's financial asset investment in SHIPS 16. As a result, there is a risk that management's estimate of fair value may not be materially correct. The Directors of the Group prepare a fair value paper each year setting out the methodology adopted in the fair value calculation and the underlying assumptions and inputs used in the valuation. For the SHIPS 16 investment the Directors obtained a valuation for the underlying property held as at 30 April 2023. The property valuation was carried out by employees of Fletcher King Services Limited ('FKS'), Chartered Surveyors, a subsidiary of the Parent Company. In determining the fair value of the financial asset investment, the FKS valuation specialists apply assumptions for tenure, letting and condition and repair of the property and sites, which are influenced by comparable market transactions, to arrive at the final valuation for the Group's share of the SHIPS 16 financial asset investment. The Group's accounting policy for financial asset investments is included within note 3. Details of the Group's valuation methodology and resulting valuation can be found in note 14.	As part of our procedures, we read the Directors' fair value paper and the underlying valuation report for the property within SHIPS 16 to understand the valuation approach. We carried out procedures to verify the Group's share of the SHIPS 16 and considered the appropriateness of the basis of valuation. We challenged management's estimate and carried out procedures to satisfy ourselves of the reasonableness of the inputs used by the Directors in their valuations via the corroboration to external market data. We reviewed sensitivity analysis performed on certain key metrics and assumptions used by management. We considered the adequacy of disclosures made in note 14.

Revenue recognition - Group	Revenue growth is a key performance indicator of the Group. Revenue and profit-based targets and expectations may place pressure on management to distort revenue recognition. This may result in overstatement or deferral of revenues to assist in meeting current or future targets or expectations. The Group's accounting policy for revenue recognition is included in note 3.	In testing revenue recognition, we documented and walked through the controls over revenue recognition for the different services provided by the Group. We performed detailed substantive testing of: • a sample of revenue transactions selected from the accounting records, including agreement to invoice and subsequent client payment to ensure that revenue exists; • a sample of revenue transactions spanning the year end to confirm that revenue has been recognised in the correct accounting period, including recalculation of accrued and deferred income amounts; and • a sample of sales invoices raised in the year, as selected from invoice listings maintained by the relevant departments, including agreement to the accounting records to ensure that revenue is complete. During the above testing we assessed whether revenue had been recognised in accordance with the Group's accounting policies and accounting standards, specifically IFRS 15.

Our application of materiality

The materiality for the group financial statements as a whole ("group FS materiality") was set at £61,570. This has been determined with reference to the benchmark of the group's revenue, which we consider to be one of the principal considerations for members of the company in assessing the group's performance. Group FS materiality represents 2% of the group's total revenue presented on the face of the consolidated statement of profit or loss and other comprehensive income.

The materiality for the parent company financial statements as a whole ("parent FS materiality") was set at £49,250. This has been determined with reference to the benchmark of the parent company's total assets as it exists only as a holding company for the group and carries on no trade in its own right. Parent FS materiality represents 2.7% of the parent company's total assets as presented on the face of the parent company statement of financial position.

Performance materiality for the group financial statements was set at £49,255, being 80% of group FS materiality, for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. We have set it at this amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds group FS materiality. We judged this level to be appropriate based on our understanding of the group and its financial statements, as updated by our risk assessment procedures and our expectation regarding current period misstatements including considering experience from previous audits. It was set at 80% to reflect the fact that in our historical experience management are keen to process adjustments and there are few areas of judgement and estimation in the Group financial statements.

Performance materiality for the parent company financial statements was set at £39,400, being 80% of parent FS materiality. It was set at 80% to reflect the fact that in our historical experience management are keen to process adjustments and there are few areas of judgement and estimation in the Parent Company financial statements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the future cash flow forecast prepared by management and challenging the inputs and assumptions included in the forecast. Where appropriate, we corroborated the inputs and assumptions to supporting information.
- Reviewing the current cash reserves and comparing these to the cash outflows forecast over the period to the end of September 2024.
- Testing the underlying model for mathematical accuracy.
- Reviewing alternative scenarios prepared by management to assess the impact of changing key assumptions and performing additional stress testing of the forecast.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Accounts, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Accounts. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their 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 Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, 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 directors' responsibilities statement set out on page 18, 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.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We obtained a general understanding of the Parent Company and Group's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Parent Company and Group's industry and regulation.

We understand that the Parent Company and Group comply with the framework through:

- Outsourcing payroll and insurance services to external experts.
- Subscribing to relevant updates from external experts and making changes to internal procedures and controls as necessary.
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.
- The directors' relevant knowledge and expertise of the property fund management, property asset management, rating, valuations and investment broking industries, and related laws and regulations.
- Provision of staff training and maintenance of a Money Laundering Compliance manual.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the Parent Company and Group's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Parent Company and Group:

- The Companies Act 2006 and UK-adopted international accounting standards in respect of the preparation and presentation of the financial statements; ;
- AIM rules and UK Market Abuse Regulations;
- Royal Institution of Chartered Surveyors Standards;
- The Proceeds of Crime Act 2002; and
- The UK regulatory principles, including those governed by the Financial Conduct Authority (FCA).

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Made enquiries of management;
- Inspected correspondence with regulators;
- Reviewed board meeting minutes held during the year and post year-end; and
- Obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Parent Company and Group's financial statements to material misstatement, including how fraud might occur. The key areas identified in this discussion were with regard to the manipulation of the financial statements through manual journal entries, including those in relation to estimates, and incorrect recognition of revenue.

These areas were communicated to the other members of the engagement team who were not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Testing of manual journal entries, selected based on specific risk assessments based on the Group and Parent Company's processes and controls surrounding manual journal entries;
- Substantive testing of revenue transactions (see KAM section above); and
- Reviewing and challenging estimates made by management.

A further description of our responsibilities is available on the FRC'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 Chapter 3 of Part 16 of the Companies Act 2006. 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.

Julie Mutton
Senior Statutory Auditor, for and on behalf of
CLA Evelyn Partners Limited
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG

7 August 2023

for the year ending 30 April 2023

Notes		2023	2022
		£000	£000
4	**Continuing operations**		
	Revenue	**3,079**	2,967
7	Employee benefits expense	**(1,704)**	(1,630)
12	Depreciation and amortisation expense	**(197)**	(346)
	Gain recognised on remeasurement of lease liability	**-**	125
	Other operating expenses	**(1,064)**	(1,014)
21	Share based payment expense	**(17)**	(10)
		(2,982)	(2,875)
	Other operating income	**51**	39
8	Investment income	**42**	18
8	Finance income	**21**	-
8	Finance expense	**(19)**	(15)
	Profit before taxation	**192**	134
9	**Taxation**	**41**	18
	Profit for the year	**233**	152
	Other comprehensive income: amounts not to be reclassified to profit or loss		
14	Fair value loss on financial assets through other comprehensive income	**(44)**	-
	Total comprehensive income for the year attributable to equity shareholders	**189**	152
	Earnings per share		
11	Basic	**2.27p**	1.62p
11	Diluted	**2.09p**	1.48p
	Adjusted earnings per share		
11	Basic	**2.01p**	1.73p
11	Diluted	**1.84p**	1.58p

The notes on pages 33 to 54 form part of the financial statements.

as at 30 April 2023

Notes		2023	2022
		£000	£000
	Assets		
	Non-current assets		
12a	Intangible assets	**61**	76
12b	Property, plant and equipment	**205**	266
12b	Right-of-use asset	**378**	494
14	Financial assets	**485**	529
19	Deferred tax assets	**73**	32
		1,202	1,397
	Current assets		
15	Trade and other receivables	**1,553**	1,329
	Corporation tax debtor	**-**	97
16	Cash and cash equivalents	**2,755**	3,365
		4,308	4,791
	Total assets	**5,510**	6,188
	Liabilities		
	Current liabilities		
17	Trade and other payables	**901**	1,124
18	Provisions	**-**	25
26	Lease liabilities	**141**	610
		1,042	1,759
	Non current liabilities		
26	Lease liabilities	**286**	402
	Total liabilities	**1,328**	2,161
	Shareholders' equity		
20	Share capital	**1,025**	1,025
	Share premium	**522**	522
	Investment revaluation reserve	**(145)**	(101)
	Share option reserve	**27**	*10*
	Retained earnings	**2,753**	2,571
	Total shareholders' equity	**4,182**	4,027
	Total equity and liabilties	**5,510**	6,188

Approved by the Board on 7 August 2023 and signed on its behalf by

David Fletcher
Chairman
Registered Number: 02014432 England and Wales

The notes on pages 33 to 54 form part of the financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

as at 30 April 2023

Notes		2023	2022
		£000	£000
	Assets		
	Non-current assets		
19	Deferred tax asset	**73**	*32*
13	Investments in subsidiaries	**145**	128
		218	160
	Current assets		
15	Trade and other receivables	**30**	15
16	Cash and cash equivalents	**1,598**	1,706
		1,628	1,721
	Total assets	**1,846**	1,881
	Liabilities		
	Current liabilities		
17	Trade and other payables	**234**	49
	Total liabilities	**234**	49
	Shareholders' equity		
20	Share capital	**1,025**	1,025
	Share based payment reserve	**27**	10
	Share premium	**522**	522
	Retained earnings	**38**	275
	Total shareholders' equity	**1,612**	1,832
	Total equity and liabilities	**1,846**	1,881

As permitted by section 408(3) of the Companies Act 2006, the Company has taken advantage of the legal dispensation not to present its own Statement of Profit or Loss and Other Comprehensive Income. The loss after taxation of the Company for the year was £186,000 (2022: profit of £241,000).

Approved by the Board on 7 August 2023 and signed on its behalf by
David Fletcher
Chairman
Registered Number: 02014432 England and Wales
The notes on pages 33 to 54 form part of the financial statements.

for the year ended 30 April 2023

	2023	2022
	£000	£000
Cash flows from operating activities		
Profit before taxation from continuing operations	**192**	134
Adjustments for:		
Movement in provision	**(25)**	(75)
Depreciation and amortisation expense	**197**	346
Remeasurement of lease liability	**-**	(125)
Investment income	**(42)**	(18)
Finance income	**(21)**	-
Finance expense	**19**	15
Share based payment expense	**17**	10
Cash flows from operating activities before movement in working capital	**337**	287
Increase in trade and other receivables	**(224)**	(181)
(Decrease)/increase in trade and other payables	**(223)**	216
Cash (absorbed by) / generated from operations	**(110)**	322
Taxation received	**97**	-
Net cash flows from operating activities	**(13)**	322
Cash flows from investing activities		
Purchase of fixed assets	**(5)**	(352)
Investment income	**42**	18
Finance income	**21**	-
Net cash flows from investing activities	**58**	(334)
Cash flows from financing activities		
Lease payments	**(604)**	(1)
Proceeds of share placing	**-**	547
Placing costs	**-**	(61)
Dividends paid to shareholders	**(51)**	-
Net cash flows from financing activities	**(655)**	485
Net (decrease)/increase in cash and cash equivalents	**(610)**	473
Cash and cash equivalents at start of year	**3,365**	2.892
Cash and cash equivalents at end of year (note 16)	**2,755**	3,365

The notes on pages 33 to 54 form part of the financial statements.

for the year ended 30 April 2023

	2023	2022
	£000	£000
Cash flows from operating activities		
Profit/(loss) before taxation	**(227)**	209
Adjustments for:		
Finance income	**(16)**	-
Dividends received from subsidiary undertakings	**(51)**	-
Cash flows from operating activities before movement in working capital	**(294)**	209
Increase in trade and other payables	**(15)**	(1)
Increase/(decrease) in trade and other payables	**185**	(279)
Cash absorbed by operations	**(124)**	(71)
Cash flows from investing activities		
Dividends received from subsidiary undertakings	**51**	-
Finance income	**16**	-
Net cash flows from investing activities	**67**	-
Cash flows from financing activities		
Proceeds of share placing	**-**	547
Placing costs	**-**	*(61)*
Dividends paid to shareholders	**(51)**	-
Net cash flows from financing activities	**(51)**	486
Net (decrease)/increase in cash and cash equivalents	**(108)**	415
Cash and cash equivalents at start of year	**1,706**	1,291
Cash and cash equivalents at end of year (note 16)	**1,598**	1,706

The notes on pages 33 to 54 form part of the financial statements.

CONSOLIDATED	Share capital	Share premium	Investment revaluation reserve	Share based payment reserve	Retained earnings	TOTAL EQUITY
	£000	£000	£000	£000	£000	£000
Balance as at 1 May 2021	921	140	(101)	-	2,419	3,379
Total comprehensive income for the year	-	-	-	-	152	152
Share issue	104	443	-	-	-	547
Cost of share issue	-	(61)	-	-	-	(61)
Shared based payment expence	-	-	-	10	-	10
Balance at 30 April 2022	1,025	522	(101)	10	2,571	4,027
Profit for the year	-	-	-	-	233	233
Fair value loss on financial assets through other comprehensive income	-	-	(44)	-	-	(44)
Share based payment expense	-	-	-	17	-	17
Equity dividends paid	-	-	-	-	(51)	(51)
Balance at 30 April 2023	1,025	522	(145)	27	2,753	4,182

COMPANY	Share capital	Share premium	Share based payment reserve	Retained earnings	TOTAL EQUITY
	£000	£000	£000	£000	£000
Balance at 1 May 2021	921	140	-	34	1,095
Total comprehensive income for the year	-	-	-	241	241
Share issue	104	443	-	-	547
Cost of share issue	-	(61)	-	-	(61)
Share based payment expense	-	-	10	-	10
Balance at 30 April 2022	1,025	522	10	275	1,832
Total comprehensive income for the year	-	-	-	(186)	(186)
Share based payment expense	-	-	17	-	17
Equity dividends paid	-	-	-	(51)	(51)
Balance at 30 April 2023	1,025	522	27	38	1,612

1. General information

Fletcher King Plc ('the Company') and its subsidiaries (together 'the Group') carry on the business of property fund management, property asset management, rating, valuations and investment broking throughout the United Kingdom. The Company is a public limited company incorporated and domiciled in England and Wales and listed on the AIM Market of The London Stock Exchange. The registered office address is 19-20 Great Pulteney Street, London W1F 9NF. These consolidated financial statements were approved for issue by the Board of Directors on 7 August 2023. They are presented in Sterling which is the Group's functional currency. The Group has no overseas operations.

2. Basis of preparation and presentation of financial statements

These consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and under the historical cost convention, except for the revaluation of certain financial assets.

2.1 Going concern

The Directors have carried out an analysis to support their view that the Group is a going concern and under which basis these financial statements have been prepared.

Underlying their conclusion is the Group's cash balance as at 30 April 2023 of £2.8 million. The Board believes it is well placed to navigate a prolonged period of uncertainty if necessary.

Analysis and scenario testing has been carried out on the Group's main income streams:

- contingent transactional fees such as property transactions and rating assessments,
- bank valuations,
- recurring fee income associated with fund and property management contracts, and
- cash returns from investments.

The Group is well supported by its management contracts and strong balance sheet even if transactional fee income is materially lower than would otherwise be expected.

Based on the results of the analysis carried out as outlined above the Board believes that the Group has the ability to continue its business for at least 12 months from the date of approval of the financial statements and therefore has adopted the going concern basis in the preparation of this financial information.

2.2 Changes in accounting policies and disclosures

(a) New and amended standards and interpretations adopted by the Group and Company

Standards, amendments and interpretations mandatorily effective for the first time for the financial year beginning 1 May 2022 include the following (none of which have a material impact on the Group):

- Conceptual Framework for Financial Reporting – Amendments to IFRS 3
- IAS 16 Property, Plant and Equipment – Proceeds before Intended Use.
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Annual improvements to IFRS Accounting Standards 2018-2020 Cycle

(b) New and amended Standards and Interpretations issued but not effective for the financial year beginning 1 May 2022 (none of which are expected to have a material impact on the Group):

- o IFRS 17: "Insurance Contracts"
- o Amendment to IAS 1: "Classification of Liabilities as Current or Non-current"
- o Amendment to IAS 12 'Deferred tax related to assets and liabilities arising from a single transaction'
- • IAS 8: Definition of accounting estimates
- • IAS 1: Disclosure initiative – accounting policies
- • Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

3. Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies, which are also applicable to the financial statements of the Company, have been consistently applied to all the years presented.

Basis of consolidation

Both the consolidated and the Company's financial statements are for the year ended 30 April 2023 and present comparative information for the year ended 30 April 2022. All intra-group transactions, balances, income and expenditure are eliminated upon consolidation.

The Group's financial statements incorporate the financial statements of Fletcher King plc and other entities controlled by the Company ('the subsidiaries'). The control principle in IFRS 10 sets out the following three elements of control: power over the investee; exposure, or rights, to variable returns from involvement with the investee; and. the ability to use power over the investee to affect the amount of those returns. The financial statements of these other entities cease to be included in the Group financial statements from the date that control ceases.

Computer software, property, plant and equipment and depreciation

Computer software, property, plant and equipment are stated at historical cost, net of depreciation, at rates calculated to write off the cost, less residual value, of each asset over its expected useful life. Depreciation rates on a straight line basis are as follows:

Computer software	Straight line over 3-7 years
Office furniture and fittings	25%
Computer equipment	33%
Leasehold improvements	Straight line over life of lease
Right-of-use asset (head office)	Straight line over life of lease

Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss and Other Comprehensive Income.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker as required by IFRS 8 "Operating Segments". The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee.

Investment in subsidiaries

Investments held by the Company in subsidiary entities are shown at cost less any provision for impairment.

Financial instruments

Financial assets and liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Measurement depends on their classification and is discussed below:

(i) Investments

The Directors determine the classification of investments held by the Group at initial recognition and re-evaluate this designation at each reporting date. At the reporting date all these investments were designated as financial assets at fair value through other comprehensive income (FVOCI). Financial assets are initially recognised at the fair value of the consideration given, including associated acquisition costs, which may equate to cost. On subsequent measurement, financial assets are measured at either fair value or at cost where fair value is not reliably measurable. Changes in fair value are recognised in Other Comprehensive Income, together with the related deferred tax asset or liability.

Financial assets are included in non-current assets unless management intends to dispose of the investment within twelve months of the reporting date.

(ii) Trade and other receivables

Trade and other receivables are initially measured at transaction price and are subsequently measured at amortised cost using the effective interest method. The Group applies the simplified approach to measuring expected credit losses ("ECL"). Trade receivables have been grouped according to shared credit risk characteristics and days past due. The ECL rates are based on historic payment profiles and credit losses experienced, adjusted for forecasts of future economic conditions. The amount of any provision is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

All financial assets (with the exception of financial assets measured at fair value through other comprehensive income) are reviewed annually for impairment, with any losses reflected in the statement of profit or loss and other comprehensive income. Investment income is recognised in the statement of profit or loss and other comprehensive income.

(iii) Cash and cash equivalents

Cash and cash equivalents include cash in hand, call deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(iv) Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

- **Trade and other payables**
  Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest rate method.
- **Share capital**
  Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Taxation
Current income tax is provided on taxable profits at the current rate. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using rates enacted at the reporting date which are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Income tax and deferred tax are reflected in the Statement of Profit or Loss and Other Comprehensive Income, unless they relate to items recognised in equity, in which case they are recognised in equity.

Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that the Group will be required to settle the obligation, and the amount can be reliably estimated. The dilapidations provision is measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date.

Revenue recognition
Revenue is measured based on the consideration specified in a contract with a client and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a client.

Revenue comprises commissions and fees receivable excluding value added tax. Asset management and administration fees are recognised in the statement of profit or loss and other comprehensive income as services are rendered. Performance related fees are recognised when the performance calculation can be performed with reasonable certainty, and it is highly probable there will not be a significant reversal of revenue in a future period, which is normally when the performance period has ended. Transaction fees are recognised once the relevant transaction has completed.

Transaction fees are invoiced to the client upon completion. Payment arrangements for property management and fund management services vary between contracts and are generally invoiced quarterly in advance or quarterly in arrears.

There has been no material change in the recognition of revenue year on year.

Interest and investment income is recognised on a time-proportion basis using the effective interest method.

Operating profit
Operating profit is stated before income from investments, finance income, costs and losses on impairment of financial assets and taxation.

Employee benefits
Contributions to employees' money-purchase pension schemes are made on an arising basis where these form part of contractual remuneration obligations. The Group recognises a liability and an expense for cash-settled bonuses when contractually obliged or when there is a past practice creating a constructive obligation.

Share based payments
The Group issues options over the Company's equity to certain employees and these are measured for fair value at the date of grant using the adjusted Black-Scholes model. Where material, this fair value is fully expensed over the vesting period and is credited to the share-based payment reserve shown under shareholders' equity in the statement of financial position. Management's best estimates of leavers, price volatility and exercise restrictions have been used in the valuation method.

Leases
A right of use asset and a lease liability has been recognised for all leases except leases of low value assets, which are considered to be those with a fair value below £4,500, and those with a duration of 12 months or less. The right-of-use asset has been measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, and any lease payments made in advance of the lease commencement date.

The Group will depreciate the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Where impairment indicators exist, the right of use asset will be assessed for impairment.

The lease liabilities are measured at the present value of the lease payments due to the lessor over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

After initial measurement, any payments made will reduce the liability and the interest accrued will increase it. Any reassessment or modification will lead to a remeasurement of the liability. In such case, the corresponding adjustment will be reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Dividend Distributions
Dividends to the Company's shareholders are recognised as a liability when paid (if interim dividends) or approved by shareholders (if final dividends).

Critical accounting judgments and key sources of estimation uncertainty
The preparation of the consolidated financial statements in conformity with International Financial Reporting Standards requires management to make estimates and judgments concerning the future. While the resulting accounting estimates will, by definition, seldom equal the related actual results, in the opinion of the Directors the estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

(i) Fair value of financial assets (estimate)
The fair value of financial assets is determined by reference to the underlying value of the assets of those investments at each reporting date. The Directors have made adjustments to fair value where

there is objective evidence that fair value is higher or lower than cost. Details of carrying amounts are provided in note 14.

(ii) Provisions for expected credit losses relating to trade receivables (estimate)
Trade and other receivables are initially measured at transaction price and are subsequently measured at amortised cost using the effective interest method. The Group applies the simplified approach to measuring expected credit losses ("ECL"). Trade receivables have been grouped according to shared credit risk characteristics and days past due. The ECL rates are based on historic payment profiles and credit losses experienced, adjusted for forecasts of future economic conditions. The amount of any provision is recognised in the Statement of Profit or Loss and Other Comprehensive Income (see note 15).

4. Revenue and Segment Information – Group

All revenue was generated in the UK.

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segments and to assess their performance. The chief operating decision maker has been identified as the Executive Committee. They review the Group's internal reporting in order to assess performance and allocate resources. The Executive Committee considers that the business comprises a single activity being General Services as resources are not allocated between individual General Services and therefore these do not meet the definition of an operating segment in IFRS 8. Therefore, the Group is organised into one operating segment and there is one reporting segment. The segment information is the same as that set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows.

Transaction based fees (recognised at a point in time) such as investment deals, property valuations and rating appeals accounted for 47% of revenue for the year (2022: 42%). The balance of revenue was from less transactional activity (recognised over time), including recurring fee income from property asset management and fund management contracts.

.5. Alternative performance measures – profit reconciliation
The reconciliation set out below provides additional information to enable the reader to reconcile to the numbers discussed in the Chairman's Statement and Strategic Report.

	2023	2022
	£000	£000
Profit before taxation	**192**	134
Add back: Share based payment expense	**17**	10
Include: Fair value loss on financial assets through OCI	**(44)**	-
Adjusted profit before share-based payment expense and taxation	**165**	144
Taxation	**41**	18
Adjusted profit after tax for the year	**206**	162

The fair value loss on financial assets represents the unrealised loss in the year on the revaluation of the Group's interest in the SHIPS 16 syndicate.

6. Operating profit

Operating profit is stated after charging / (crediting):

Year ended 30 April	2023	2022
	£000	£000
Depreciation and amortisation	197	346
Rental income	(51)	(39)
Fees payable to the Company's auditor for the audit of the Company's consolidated annual financial statements	25	20
Fees payable to the Company's auditor and its associates for other services:		
• the audit of the Company's subsidiaries	35	35
• other assurance services	3	3

Fees payable to the Company's auditors for non-audit services to the Company itself are not disclosed in the individual financial statements of Fletcher King plc because the Company's consolidated financial statements are required to disclose such fees on a consolidated basis.

7. Employee benefits expense

Year ended 30 April	**Group 2023 £000**	Group 2022 £000	**Company 2023 £000**	Company 2022 £000
Basic wages and salaries	**1,217**	1,186	**130**	133
Performance-based payments	**185**	163	**-**	-
	1,402	1,349	**130**	133
Social security costs	**170**	181	**19**	18
Pension costs	**18**	18	**-**	-
Other costs	**114**	82	**42**	36
	1,704	1,630	**191**	187

The average number of persons (including directors) employed by the Group was as follows:

Year ended 30 April	**Group 2023 No**	Group 2022 No	**Company 2023 No**	Company 2022 No
Management	**5**	5	**3**	3
Professional	**6**	6	**-**	-
Administration	**5**	5	**-**	-
	16	16	**3**	3

Directors' emoluments

	2023 £000	2022 £000
Salaries and benefits	**548**	540
Performance-related bonuses	**71**	45
Pension contributions	**3**	3
	622	588

Highest paid director

	2023	2022
	£000	£000
Basic pay	150	150
Benefits	15	14
Performance related bonus	29	25
Pension contributions	1	1
	195	190

Key management compensation

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. In the opinion of the Board, the Group's key management comprises the Executive and Non-Executive Directors of Fletcher King plc. Information regarding their compensation, all of which are short-term benefits, is set out below:

Aggregate compensation for key management, being the Directors of the Company, was as follows:-

	2023	2022
	£000	£000
Short term employee benefits	707	669

In accordance with AIM Rule 19, information of individual director's remuneration has been disclosed in the Directors' Report.

8. Finance income and expense

Year ended 30 April	2023	2022
	£000	£000
Finance income		
Investment income	42	18
Bank interest receivable	21	-
	63	18

Investment income of £42,000 was received in the year from interests in SHIPS syndicates.

Year ended 30 April	2023	2022
	£000	£000
Finance expense		
Finance charges on lease liabilities	19	15

9. Taxation

Year ended 30 April	**2023**	2022
	£000	£000
Current tax		
UK corporation tax – current year	**-**	-
UK corporation tax – prior years	**-**	14
	-	14
Deferred tax		
UK deferred tax – current year	**(41)**	(32)
	(41)	(32)
Total tax credited for the year	**(41)**	(18)

The effective rate of UK corporation tax is calculated as the standard rate of UK corporation tax of 19%. Deferred tax has been calculated using the substantively enacted rate of 25% from 1 April 2023. The difference between the total current tax shown above and the amount calculated applying the effective rate of UK corporation tax, to the profit before taxation is as follows:

Year ended 30 April	**2023**	2022
	£000	£000
Profit before taxation	**192**	134
Tax on Group profit at UK corporation tax rate of 19% (2022: 19%)	**36**	25
Expenses not deductible for tax purposes	**11**	6
Income not taxable	**(6)**	(19)
Accelerated capital allowances	**14**	(2)
Prior year adjustment	**-**	14
Movement in deferred tax not recognised	**-**	(6)
Deferred tax on losses previously not recognised	**(41)**	(32)
Trading losses utilised	**(10)**	-
Other adjustments	**(4)**	(4)
Group total tax credit for the year	**(41)**	(18)

10. Dividends

Year ended 30 April	2023	2022
	£000	£000
Equity dividends on ordinary shares:		
Declared and paid during year		
Ordinary final dividend for the year ended 30 April 2022: 0.50p per share (2021: nil)	51	-
Interim dividend for the year ended 30 April 2023: nil per share (2022: nil)	-	-
	51	-
Proposed ordinary final dividend for the year ended 30 April 2023: 0.75p per share	77	

A dividend of £600,000 has been proposed by the Company's subsidiary, Fletcher King Services Limited, which, when paid, will enable the Company to have sufficient distributable reserves to pay the proposed dividend on the dividend payment date. Updated Relevant Accounts for the Company will be used to confirm the retained earnings available for distribution.

11. Earnings per share

	2023	2022
Number of Shares	No	No
Weighted average number of shares for basic earnings per share	10,252,209	9,375,425
Share Options	920,000	920,000
Weighted average number of shares for diluted earnings per share	11,172,209	10,295,425
	£000	£000
Earnings		
Profit after tax for the year (used to calculate the basic and diluted earnings per share)	233	152
Add back: Share based payment expense	17	10
Include: Fair value loss on financial assets through OCI	(44)	-
Adjusted profit after tax for the year (used to calculated adjusted basic and diluted earnings per share)	206	162
Earnings per share		
Basic	2.27p	1.62p
Diluted	2.09p	1.48p
Adjusted earnings per share		
Basic	2.01p	1.73p
Diluted	1.84p	1.58p

12a. Intangible Assets - Group

	Computer software £000
Cost	
At 1 May 2022	79
Additions	-
As at 30 April 2023	79
Amortisation	
At 1 May 2022	3
Charge for the year	15
At 30 April 2023	18
Net book value at 30 April 2023	**61**
Cost	
At 1 May 2021	-
Additions	79
As at 30 April 2022	79
Amortisation	
At 1 May 2021	-
Charge for the year	3
At 30 April 2022	3
Net book value at 30 April 2022	**76**

12b. Property, plant and equipment - Group

	Right of use	Furniture, fittings and computers	Leasehold Improvements	Total
	£000	£000	£000	£000
Cost				
At 1 May 2022	546	101	190	837
Additions	-	5	-	5
As at 30 April 2023	546	106	190	842
Depreciation				
At 1 May 2022	52	18	7	77
Charge for the year	116	23	43	182
At 30 April 2023	168	41	50	259
Net book value at 30 April 2023	**378**	**65**	**140**	**583**
Cost				
At 1 May 2021	816	195	290	1,301
Additions	546	83	190	819
Disposals	(816)	(177)	(290)	(1,283)
As at 30 April 2022	546	101	190	837
Depreciation				
At 1 May 2021	544	186	287	1,017
Disposals	(816)	(177)	(290)	(1,283)
Charge for the year	324	9	10	343
At 30 April 2022	52	18	7	77
Net book value at 30 April 2022	**494**	**83**	**183**	**760**

Lease liabilities relating to the right of use asset are £427k.

13. Investments in Group undertakings - Company

Year ended 30 April	2023	2022
	£000	£000
Shares in Group undertakings	145	128

The movement in the year relates to accounting for a share-based payment expense of £17,000 (2022: £10,000), the charge for which is borne by Fletcher King Services Limited which employs the employees.

As at 30 April 2023, the Company owns 100% of the ordinary share capital of the following companies registered in England and Wales, the accounts of which are consolidated into the Group accounts: Fletcher King Services Limited, which is the trading subsidiary through which the Fletcher King business is carried out and Fletcher King Investment Management Plc, the Group's FCA-regulated investment services company. Fletcher King Services Ltd also own 100% of the ordinary share capital of the following nominee companies in which the Company has no beneficial interest: Stratton 11 Limited and Stratton 12 Limited. The registered office of all the above named companies is 19-20 Great Pulteney Street, London, W1F 9NF.

14. Financial assets – Group

Year ended 30 April	2023	2022
	£000	£000
At 1 May	529	529
Decrease in fair value in year	(44)	-
At 30 April	485	529

The Group holds unlisted investments in property syndicates managed by it. All are held at fair value. All of the assets have been designated at fair value through other comprehensive income upon the adoption of IFRS 9. Fair value has been arrived at by applying the Group's percentage holding in the investments to the fair value of their net assets. The investment is as follows:

An amount of £485,000 (2022: £529,000) represents a syndicate interest in the Stratton House Investment Property Syndicate (SHIPS 16).

Fair value of the net assets of the investment is determined by professional valuers at Fletcher King Services Limited based primarily on the expected rental value and yield of the underlying properties. Valuations are reviewed and challenged by the Group's Executive Committee and Audit Committee to verify that the fair value represents the amount at which the assets could be exchanged by a knowledgeable willing buyer and a knowledgeable willing seller in an arms-length transaction. Valuations are inherently subjective with uncertainty with regard to future yields and the amounts which may ultimately be realised in respect of any given property may differ from the valuations shown in the Statement of Financial Position. A movement of approximately 0.61% in the yield assumptions would have a material effect on the financial statements. Under IFRS7 Financial instruments: Disclosures and IFRS13 Fair value measurements, UK unlisted equity investments are classified under the fair value hierarchy as Level 3.

15. Trade and other receivables

Year ended 30 April	**Group 2023 £000**	Group 2022 £000	**Company 2023 £000**	Company 2022 £000
Trade receivables	**1,164**	977	**-**	-
Other receivables	**50**	46	**2**	3
Prepayments	**137**	178	**13**	12
Accrued income	**202**	128	**15**	-
	1,553	1,329	**30**	15

Trade receivables are non-interest bearing and generally have a 30-90 day term. Due to their short maturities, the fair value of trade receivables approximates their book value.

A provision is made against trade receivables based on expected credit losses, determined by reference to past payment history, current financial status of the customer and future expectations.

As at 30 April 2023, there were expected credit losses of £nil (2022: £nil).

As at 30 April 2023, trade receivables of £363,000 (2022: £518,000) were past due, but not impaired. In the opinion of the Directors the Group is not exposed to any one material credit risk and all trade receivables are assessed by the Group to be good quality. The ageing analysis of these trade receivables is as follows:

Year ended 30 April	**Group 2023 £000**	Group 2022 £000	**Company 2023 £000**	Company 2022 £000
				-
Up to 3 months past due	**350**	442	**-**	-
3 to 6 months past due	**13**	76	**-**	-
Over 6 months past due	**-**	-	**-**	-
	363	518	**-**	-

16. Cash and cash equivalents

	Group 2023 £000	Group 2022 £000	**Company 2023 £000**	Company 2022 £000
Cash at bank and in hand	**2,755**	3,365	**1,598**	1,706
	2,755	3,365	**1,598**	1,706

Cash and cash equivalents are all denominated in Sterling. The effective interest rate on Group cash balances for the year ended 30 April 2023 was 0.76% (2022: 0.01%). There is no material difference between the fair value and book value of cash and cash equivalents.

17. Trade and other payables

Year ended 30 April	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Trade payables	**239**	421	**1**	22
Amount owed by group undertakings	**-**	-	**224**	13
Other taxation and social security	**201**	169	**-**	-
Accruals	**294**	393	**9**	14
Deferred income	**167**	141	**-**	-
	901	1,124	**234**	49

The carrying amounts of trade and other payables approximate their fair value.

18. Provisions - Group

Year ended 30 April	2023 £000	2022 £000
Current liabilities		
At 30 April	**-**	25

The provision at 30 April 2022 represented an assessment of potential dilapidations expenses on termination of the lease on the company's former offices. This was settled in the year.

Movements in the provision were as follows:

	2023 £000	2022 £000
Provision as at 1 May	**25**	100
Decrease in provision	**(25)**	(75)
Provision as at 30 April	**-**	25

19. Deferred taxation (non-current) - Group and Company

Year ended 30 April	2023	2022
	£000	£000
Deferred taxation asset:		
Temporary differences on provisions		
At 1 May	32	-
Movement during year	41	32
At 30 April	73	32

20. Share capital and other reserves

	30 April 2023	30 April 2023	30 April 2023	30 April 2023
	Number	Number	£000	£000
Ordinary shares of 10p each:				
Issued and fully paid	10,252,209	10,252,209	1,025	1,025

The Company has one class of ordinary shares which carry no rights to fixed income. During the prior year, 1,042,430 new ordinary shares were issued for cash consideration.

Details of movements in other reserves are set out in the Statement of Changes in Equity. A description of each reserve is set out below.

The Share Premium reserve records the amount above the nominal value received for shares sold, less transaction costs.

The Investment Revaluation reserve recognises the unrealised loss or gain on the fair value of financial assets.

The Share-based payment reserve relates to the fair value of the options granted which has been charged to the statement of profit or loss and other comprehensive income over the vesting period of the options and related taxation recognised in equity.

Retained earnings are the accumulated, undistributed profits of the Group or Company that have been recognised through the Statement of Profit or Loss and Other Comprehensive Income.

21. Share Options

A total of 920,000 share options were granted under the HMRC Enterprise Management Incentive Scheme in October 2021. These share options have an exercise price of 50p and are exercisable between October 2026 and October 2031, being conditional on a 20% increase in the share price of the Company. The Company had 920,000 share options outstanding at 30 April 2023 (2022: 920,000), including those noted in Directors' Remuneration in the Directors' Report. Upon exercise of these share options, the ordinary shares will rank pari possu with the existing Ordinary Shares.

The fair value of the 920,000 share options as at the grant date was £86,957 (2022: £86,957). The fair value was calculated using the adjusted Black-Scholes model with the following key assumptions: (i) volatility of 43% based on monthly historical volatility rates; (ii) risk free rate of 1.14%; (iii) dividend yield of 3.8%; (iv) life of 5 years; (v) bid discount of 10%; and (vi) share price at date of grant of 50p. This value has been adjusted to reflect the impact of market-based conditions. The Company has recognised a share based payment expense for the year of £17,391 (2022: £9,815).

22. Capital Commitments

As at 30 April 2023 and 30 April 2022 neither the Group nor the Company had any capital commitments.

23. Related party transactions

Transactions between the Company and its subsidiaries are in the normal course of business. Such transactions are eliminated on consolidation. Total inter-company balances between the Company and its subsidiaries, which are unsecured and which relate to the provision of working capital, are disclosed in the notes to the accounts.

Group companies hold investments in a number of property funds (see note 14) in which Group companies also act as fund manager. During the year, Group companies received fees and were owed amounts as follows:-

	Fees		**Amount Due**	
	2023	2022	**2023**	2022
	£000	£000	**£000**	£000
SHIPS 16 Fund	**75**	84	**11**	33

All transactions were made in the ordinary course of business.

Compensation paid to the Company's Board of Directors and key management is disclosed in note 7 and in the Directors Report.

24. Financial instruments

The Group's and the Company's financial instruments comprise UK unlisted investments, cash and cash equivalents, and items such as trade payables and trade receivables which arise directly from its operations. The main purpose of these financial instruments is to provide capital gains and finance for the Group's and the Company's operations.

The Group's and the Company's operations expose them to a variety of financial risks including credit risk, interest rate risk, and liquidity risk. Commensurate with the size of the Group, the Directors set the policies regarding financial risk management, and these are implemented accordingly by Group companies.

Financial assets at amortised cost	**Group**	Group	**Company**	Company
	2023	2022	**2023**	2022
	£000	£000	**£000**	£000
Trade receivables	**1,164**	977	**-**	-
Other receivables	**50**	46	**2**	3
Cash and cash equivalents	**2,755**	3,365	**1,598**	1,706
	3,969	4,388	**1,600**	1,709

Financial liabilities at amortised cost	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Trade payables	239	421	1	22
Amount due to group undertakings	-	-	224	13
Accruals	294	393	9	14
Provisions	-	25	-	-
Lease liabilities	427	1,012	-	-
	960	1,851	234	49

Financial assets at fair value through other comprehensive income

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Unlisted investments	485	529	-	-

Credit risk

The Group's credit risk is attributable both to trade receivables and to cash balances held. The Company's credit risk is attributable primarily to cash balances held. The Group has implemented policies to ensure that credit checks are made on potential clients before work is carried out on their behalf. The amount of exposure to any individual counterparty is subject to limits set by the directors. Cash balances held are deposited with leading banks.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Trade receivables	1,164	977	-	-
Cash and cash equivalents	2,755	3,365	1,598	1,706
Other receivables	50	46	2	3
	3,969	4,388	1,600	1,709

Interest rate risk

The Group and the Company have interest bearing assets, but no interest bearing liabilities. Interest bearing assets comprise only cash and cash equivalents which earn interest at a variable rate. The interest earned on the Group's and the Company's cash and cash equivalents, denominated in sterling, derived principally from Money Market deposits of differing fixed time periods, and from call deposits held with banks which provide short-term liquidity to meet liabilities when they fall due.

The Group and the Company are exposed to interest rate risk as a result of these positive cash balances. For the year ended 30 April 2023, if SONIA had increased by 0.5% with all other variables held constant, post tax profit and equity for the Group would have been £14,000 (2022: £17,000) higher, and for the Company £8,000 (2022: £8,000) higher. Conversely, if SONIA had decreased by 0.5% with all other variables held constant, post tax profit and equity for the Group would have been £14,000 (2021: £17,000) lower, and for the Company £8,000 (2022: £8,000) lower.

The Group's cash and cash equivalents earned interest during the year at an average of 0.76% (2022: 0.01%), and the Company's cash and cash equivalents earned interest during the year at an average of 1.02% (2022: 0.01%).

Liquidity risk

The Group and the Company actively maintain cash and cash equivalents to ensure that there are sufficient funds available for a period of at least six months to meet liabilities when they fall due.

The following tables shows the contractual maturities of the Group's and the Company's financial and lease liabilities, all of which are measured at amortised cost:

	Group 2023 £000	Group 2022 £000	**Company 2023 £000**	Company 2022 £000
Financial liabilities falling due:				
Within 1 month	**322**	532	**10**	36
From 2 to 3 months	**211**	282	**-**	-
	533	814	**10**	36

	Group 2023 £000	Group 2022 £000	**Company 2023 £000**	Company 2022 £000
Lease liabilities falling due:				
Within 6 months	**70**	536	**-**	-
From 6 to 12 months	**71**	77	**-**	-
After 12 months	**286**	444	**-**	-
	427	1,057	**-**	-

25. Capital risk management

The Group and the Company seek, when managing capital, to safeguard the Group's and the Company's ability to continue as going concerns, in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group and the Company define capital as being share capital plus reserves. The Board of Directors monitors the level of capital employed in order to achieve these objectives.

26. Reconciliation of liabilities arising from financing activities - Group

	As at 1 May 2021	Cashflow	Non-cash movements	**As at 30 April 2022**	Cashflow	Non-cash movements	**As at 30 April 2023**
	£000	£000	£000	**£000**	£000	£000	**£000**
Current liabilities							
Lease liabilities	577	(1)	34	**610**	(604)	135	**141**
Non-current liabilities							
Lease liabilities	-	-	402	**402**	-	(116)	**286**
	577	(1)	436	**1,012**	(604)	19	**427**

27. Subsequent event

On 7 August 2023, the Directors of Fletcher King Services Limited, a wholly owned subsidiary of Fletcher King plc, proposed the payment of a dividend amounting to £600,000 which will be paid prior to the approval of the proposed dividend in these financial statements (see note 10).

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to immediately seek your own advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in Fletcher King plc, please send this document and the accompanying form of proxy at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee

FLETCHER KING PLC

NOTICE OF ANNUAL GENERAL MEETING

11 October 2023

Notice of the AGM of the Company to be held at 19-20 Great Pulteney Street, London, England, W1F 9NF at 9.00 a.m. on 11 October 2023 is set out at the end of this document.

A Form of Proxy for use at the AGM is enclosed. To be valid, the Form of Proxy must be completed, signed and returned in accordance with the instructions printed on it to the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible but in any event so as to arrive no later than 9.00 a.m. on 9 October 2023.

Part I - Letter from the Chairman

Fletcher King Plc
19-20 Great Pulteney St
London
W1F 9NF

14 September 2023

Dear Shareholder,

FLETCHER KING PLC (Company) - 2023 ANNUAL GENERAL MEETING
I am pleased to enclose the Company's Notice of Annual General Meeting (AGM) for 2023. The AGM will be held at 9:00am on Wednesday 11 October 2023 at 19-20 Great Pulteney Street, London, England, W1F 9NF. The formal Notice of AGM and the explanatory notes to the same is set out in Part II of this document.

At the AGM it is intended that voting on each of the resolutions put to shareholders of the Company **(Shareholder)** will be conducted by way of a show of hands unless a poll is duly demanded in accordance with the Company's articles of association. This is a more straightforward method of voting on a practical level at the AGM.
The results of voting on all resolutions will be announced via a regulatory information service following the conclusion of the meeting.
The purpose of this letter is to explain certain elements of the business to be considered at the meeting. Resolutions 1 to 8 (inclusive) will be proposed as ordinary resolutions. Resolutions 9 to 10 (inclusive) will be proposed as special resolutions.
With regard to the resolutions proposed this year, I would like to draw your attention specifically to the following:

RESOLUTION 1 - Directors' Reports and Accounts

The purpose of this resolution is for shareholders to receive and consider the Annual Accounts and the Reports of the Directors and of the Auditor for the year ended 30 April 2023 (Annual Report). A copy of the Annual Report is enclosed with this document and available on the Company's website at www.fletcherking.co.uk/investor-relations.

RESOLUTION 2 – Final Dividend

The final dividend which Shareholders are being asked to approve is 0.75 pence per ordinary share. If approved, a final dividend will be paid on 27 October 2023 to shareholders on the register of members at the close of business on 29 September 2023. The dividend is to be paid in respect of each ordinary share.

RESOLUTIONS 3 to 6 – Re-election of Directors

Resolutions 3 to 6 concern the re-election of David Fletcher, Peter Bailey, David Gibbs, and Matthew Wise as directors who retire by rotation in accordance with the Company's articles of association.

RESOLUTION 7 – Re-appointment of the auditors

The current appointment of CLA Evelyn Partners Limited (Evelyn Partners) as the Company's auditors terminates at the conclusion of this year's AGM. Resolution 7 relates to the re-appointment of Evelyn Partners for the financial year ending 30 April 2024 and authorises the directors to set their remuneration.

RESOLUTION 8 – Allotment of share capital

The purpose of this resolution is to renew the Directors' power to allot shares in accordance with section 551 of the Companies Act 2006. The authority will allow the Directors to allot new ordinary shares, or to grant rights to subscribe for or convert any security into shares, up to a maximum nominal amount of £307,566.30 (representing approximately 3,075,663 ordinary 10 pence shares), which is equivalent to approximately 30% of the issued share capital of the Company as at 12 September 2023 (latest practicable date prior to the publication of this document).

The board of directors of the Company (Board) consider that the Company will have sufficient flexibility with this level of authority to respond to market developments. This authority will be subject to renewal annually. If the resolution is passed, the authority will expire at the earlier of the close of the next annual general meeting or 11 October 2024.

As at 12 September 2023, the number of ordinary shares in issue was 10,252,209.

RESOLUTION 9 – Disapplication of pre-emption rights

Resolution 9 will, if passed, give the Director's power, pursuant to the authority to allot granted by Resolution 8, to allot equity securities (as defined by section 560 of the 2006 Act) or sell treasury shares for cash without first offering them to existing Shareholders in proportion to their existing holdings.
The resolution will allow the Directors to issue shares: (a) in relation to offers to the holders of equity securities in proportion (as nearly as may be practicable) to their respective holdings or as the Directors otherwise consider necessary and (b) in any other case, up to a maximum nominal amount of £2,050,441.80 (being 20% of the issued capital of the Company as at 12 September 2023, the latest practicable date prior to the publication of this document). As at close of business on 12 September 2023 the Company did not hold any treasury shares. If the resolution is passed, these authorities will expire at the earlier of the close of the next annual general meeting or 11 October 2024 (whichever is earlier).

RESOLUTION 10 – Purchase of own shares

Resolution 10 will, if passed permit the Directors to purchase up to 512,610 ordinary shares in the market (being approximately 5% of the Company's issued share capital as at 12 September 2023) at no less than £0.10 per share. The Directors, in line with boards of directors of other listed companies, consider that it would be appropriate for the Company to have the authority to purchase its own shares as one of a range of investment options available to them, more especially if the purchase of its own shares produced an improvement in earnings per share. Further, the Directors believe that it is an important part of the financial management of the Company to have the flexibility to repurchase issued shares in order to manage its capital base.

Repurchased shares may be held as treasury shares by the Company, and resold for cash, cancelled, either immediately or at some point in the future, or used for the purposes of employee share plans During the financial year ended 30 April 2023, the Company did not purchase any ordinary shares in the capital of the Company.

RECOMMENDATION

The Board believes that Resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. Accordingly, the Board recommends that you vote in favour of each resolution, as they intend to do in respect of their own beneficial holdings.

ACTION TO BE TAKEN

Whether or not you are able to attend the AGM, the Board urges you to exercise your right to vote as a shareholder of the Company and to complete and return the reply-paid Form of Proxy enclosed to the Company's Registrar, Computershare Investor Services Plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and, in any event, so as to arrive no later than 9:00 am on Monday, 9 October 2023.

If the Chairman of the AGM is appointed as proxy, they will vote in accordance with any instructions given to them. If the Chairman of the AGM is given discretion as to how to vote, they will vote in favour of each of the resolutions to be proposed at the AGM. The appointment of a proxy will not prevent you from attending the AGM and voting in person (in substitution for your proxy vote) should you wish to do so. The final proxy vote on each resolution will be available at the AGM. The results of voting on all resolutions will be announced via a regulatory information service as soon as possible after the conclusion of the AGM.

I would like to thank you, on behalf of the Board, for your continued support of Fletcher King.
Yours faithfully,

David Fletcher
Chairman

Fletcher King PLC
Registered Office: 19-20 Great Pulteney Street, London W1F 9NF. Registered in England and Wales No: 02014432

Part II - Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting **(AGM)** of Fletcher King Plc **(Company)** will be held at 19-20 Great Pulteney Street, London, England, W1F 9NF on Wednesday 11 October 2023 at 9.00am. You will be asked to consider and vote on the resolutions below. Resolutions 1 to 8 will be proposed as ordinary resolutions and resolutions 9 to 10 will be proposed as special resolutions. For ordinary resolutions to be passed, more than half of the votes cast must be in favour of the resolution, while in the case of special resolutions to be passed, at least three quarters of the votes must be cast in favour of the resolution.

ORDINARY RESOLUTION

Report and accounts
1. To receive and approve the Company's Annual Accounts and the Reports of the Directors and of the Auditor for the financial year ended 30 April 2023.

Final dividend
2. To declare a final dividend of 0.75 pence per ordinary share for the financial year ended 30 April 2023.

Election and re-election of Directors
3. To re-elect David Fletcher as a Director of the Company.
4. To re-elect Peter Bailey as a Director of the Company.
5. To re-elect David Gibbs as a Director of the Company.
6. To re-elect Matthew Wise as a Director of the Company.

Auditor re-appointment and remuneration
7. To re-appoint CLA Evelyn Partners Limited as the Company's auditor until the conclusion of the next general meeting of the Company at which accounts are laid, at a remuneration to be determined by the Directors.

Directors' authority to allot shares
8. To authorise the Directors generally and unconditionally, in accordance with section 551 of the Companies Act 2006 (2006 Act), to allot shares in the Company or to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £307,566.30.
This authority shall expire at the earlier of the close of the next annual general meeting or 11 October 2024 except that the Directors shall be entitled, at any time prior to the expiry of this authority, to make an offer or enter into an agreement which would, or might, require shares to be allotted or subscription or conversion rights to be granted after such expiry, and the Directors may allot shares or grant rights in accordance with such offer or agreement as if the authority conferred had not expired.
This authority revokes and replaces all unexercised authorities previously granted to the Directors but without prejudice to any allotment of shares already made or offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTIONS

Disapplication of pre-emption rights
9. Subject to the passing of resolution 8, to authorise the Directors of the Company, in accordance with section 570 of the 2006 Act, to allot equity securities (as defined in Section 560 of the 2006 Act) wholly for cash, including a sale of treasury shares, as if section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this authority shall be limited to:
(a) to the allotment of equity securities in connection with an offer of equity securities:
(i) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and

(ii) to the holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such other exclusions or arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements for legal or practical problems under the laws of any territory or the requirements of any recognised regulatory body or any stock exchange in any country; and
(b) the allotment of equity securities or the sale of treasury shares (otherwise than pursuant to sub- paragraph (a) above) up to an aggregate nominal amount of £2,050,441.80 (being 20% of the issued capital of the Company as at 12 September 2023).
This authority shall expire at the earlier of the close of the next annual general meeting or 11 October 2024 (unless renewed, varied or revoked by the Company prior to or on that date) except that the Directors shall be entitled, at any time prior to the expiry of this authority, to make an offer or enter into an agreement which would, or might, require equity securities to be allotted wholly or partly and treasury shares to be sold after such expiry and the Directors may allot equity securities and sell treasury shares in accordance with such offer or agreement as if the authority conferred had not expired.

Purchase of own shares
10. To authorise the Company generally and unconditionally, for the purpose of section 701 of the 2006 Act, to make market purchases (within the meaning of Section 693(4) of the 2006 Act) of the ordinary shares of 10 pence each in the capital of the Company provided that:
(i) the maximum number of ordinary shares that may be acquired is 512,610 being approximately 5% of the Company's issued share capital as at 12 September 2023;
(ii) the minimum price per ordinary share that may be paid for any such shares is the nominal value of 10 pence per share; and
(iii) the maximum price per share that may be paid for any such shares is not more than an amount equal to 5% above the average of the middle market quotation for shares of the same class as derived from The London Stock Exchange Daily Official List for an ordinary share for the ten dealing days immediately prior to the day on which the purchase of such shares is made.
This authority shall expire at the earlier of the close of the next annual general meeting or 11 October 2024 unless such authority is renewed, varied or revoked by the Company prior to such time, except that the Company shall be entitled, at any time prior to the expiry of this authority, to make a contract of purchase which would, or might, be executed wholly or partly after such expiry and to purchase ordinary shares in accordance with such contract as if the authority conferred had not expired.

By order of the Board

Peter Edwin Bailey
Company secretary
Registered Office: 19-20 Great Pulteney Street, London, England, W1F 9NF
Registered Number: 02014432

14 September 2023

Notes to the notice of annual general meeting

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at:

• 6.00pm on Monday, 9 October 2023; or

• if this meeting is adjourned, at 6.00pm on the day two days before the adjourned meeting shall be entitled to attend, speak and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Information regarding the meeting available on website

2. Information regarding the meeting, including the information required by section 311A of the 2006 Act, can be found at www.fletcherking.co.uk/investor-relations/.

Attending the meeting

3. The Board strongly encourages shareholders who wish to attend the meeting in person but do not feel well enough to carry out normal activities, to carefully consider whether it is appropriate for them to travel to and attend the AGM in person this year. Every eligible shareholder has the right to appoint one or more proxies to exercise all or any of their rights on their behalf at the meeting using the procedures set out in these notes.

Appointment of proxies

4. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights at the meeting and you should have received a proxy form with this notice of meeting. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

5. You may appoint more than one proxy, provided each proxy is appointed to exercise the rights attached to a different share or shares held by you. To appoint more than one proxy, contact the Company's registrars. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by you will result in the proxy appointment being invalid.

6. You can appoint a proxy or proxies and give proxy instructions by returning the enclosed proxy form by post (see note 7).

A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the meeting.

Appointment of proxy by post

7. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

• completed and signed;

• sent or delivered to the office of the Company's registrars at Computershare Investor Services Plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; and

• received by the Company's registrars no later than Monday, 9 October 2023 at 9:00am.

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact the Company's registrars.

Appointment of proxy by joint members

8. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

9. Shareholders may change proxy instructions by submitting a new proxy appointment. Note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company's registrars at Computershare Investor Services Plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointment

10. You may terminate a proxy instruction, but to do so you will need to inform the Company in writing sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the office of the Company's registrars, Computershare Investor Services Plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.

In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by the Company's registrar no later than Monday, 9 October 2023 at 9:00am.
If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.
Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

11. A corporation that is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that they do not do so in relation to the same shares.

Issued shares and total voting rights

12. As at 9.00am on 12 September 2023 (the latest practicable date before publication of this notice), the Company's issued share capital consists of 10,252,209 ordinary shares of 10 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 9.00am on 12 September 2023 is 10,252,209.

Voting

13. Voting on all resolutions will be conducted by way of a show of hands unless a poll is duly demanded in accordance with the Company's articles of association. On a vote by a show of hands, ordinary shareholders who are present at the AGM in person or by corporate representative are entitled to one vote. A proxy who is present and has been duly appointed by a shareholder entitled to vote, also has one vote on a show of hands. This is a more straightforward method of voting on a practical level at the AGM.

As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service.

Communication

14. Except as may be provided above, shareholders who have general queries about the meeting should contact the Company Secretary at his correspondence address, 19-20, Great Pulteney Street, London, England, W1F 9NF.

You may not use any electronic address provided either:
- in this notice; or
- in any related documents (including the annual report for the year ended 30 April 2023 and proxy form)

to communicate with the Company for any purposes other than those expressly stated.