



THE FAIRSTONE GROUP OF COMPANIES
ANNUAL REPORT

BUILDING ON PROVEN
FOUNDATIONS

FY23

FY23 AT A GLANCE

47,000
wealth clients

Funds under
management topped
£16BN

32%
**GROWTH IN
REVENUE**
compared to 2022

94%
repeating income

We have welcomed
15 FIRMS
into Fairstone through our market
leading Downstream Buy Out model

1,160
colleagues across
the Group

30%
adjusted EBITDA
growth


£1.9BN
annual mortgage
lending

CONTENTS

New channels, new territories, new ways of working	4
5 new elements to our strategy	5
Introducing Fairstone	6
Enhancing operational efficiency through regional hubs	10
Our people, an investment in our future	12
Adopting a proven blueprint for success	15
Streamlined advice anytime, anywhere	16
Driving efficiencies for tomorrow	18
Our unique business model	20
Chairman's statement: culture driving performance	23
Financial strength	24
Financial statements	25
Principal risks and uncertainties	28
2024 - Half year at a glance	30

Fairstone 

THE MOST TRUSTED
WEALTH ADVISORY FIRM

★ Trustpilot 
Ranked #1 with 11,500+ reviews

NEW CHANNELS NEW TERRITORIES NEW WAYS OF WORKING

LEE HARTLEY, CEO



£2.5BN
growth in FUM

£154M
pro forma fee income at the end of 2023

80TH
DBO signed

2023 was a year defined by evolving market conditions and a strategic shift in our plans.

The financial landscape remained challenging, with inflation, rising interest rates and geopolitical instability impacting global economies. Despite these headwinds, I am proud to say that our business was robust enough to not only weather the storm, but to thrive.

The year saw client numbers reach 109,000 across our mortgage and wealth services, with funds under management exceeding £16bn for the first time and mortgage lending reaching £1.9bn. This was accompanied by a 32% growth in revenue run rate, which was underpinned by an impressive 94% in repeat income — a testament to the long-lasting relationships we have with our clients.

Over the course of 2023, we continued to harness the best talent in our industry, growing our number of advisers to 530 and welcoming 181 new hires into the business. Further investment in professional development saw our graduate programme double in scale and the number of colleagues on the chartered pathway reach 80.

This growth stands us in good stead for the implementation of the next phase of our strategy. While there remains some turbulence in the broader market, we are committed to delivering exceptional value, outcomes and service to our clients.

Looking forward, we have laid the foundation for a new chapter, grounded in five key elements that will carry us into the next decade, ensuring that Fairstone not only adapts to the current market but thrives in it.

5 NEW ELEMENTS TO OUR STRATEGY

Our strategy builds on our proven business model whilst embracing new opportunities. By focusing on five key areas, we will solidify our position as a leader in wealth management, while maintaining the high standards that our clients expect.

The highest priority is to ensure that our core business remains strong. We will enhance our advice processes in order to serve more clients, more efficiently, while augmenting the technology that supports our operations.

To complement our core business, our Mineral service is evolving. As an advisory channel tailored for clients with straightforward financial needs, Mineral offers simplified, remote-based advice at a lower cost. This solution not only meets current demands but ensures we maintain important intergenerational connections within our client base.

Within the last year, we saw an acceleration of our Irish business. The market in Ireland offers vast potential with a thriving economy and growing demand for professional wealth advice. We believe we can establish ourselves as a dominant force in the country. Our Irish operations demonstrate the portability of our Downstream Buy Out model and we look forward to leveraging our expertise of working in a highly regulated environment to further strengthen our presence.

Our hub strategy will play a crucial role in our ongoing ability to scale. Over time, each hub will evolve into a fully equipped operational centre, mirroring our head office and allowing us to bring key functions closer to local teams. This decentralised approach will enable faster decision-making, a closer proximity to regional markets and more progression opportunities for our people, creating a more agile and responsive organisation.

Launching in 2025, our Private Client service will be the final piece of this strategic jigsaw. This premium offering will give high-net-worth individuals direct

access to a dedicated team of wealth managers who are experienced in dealing with clients who have the most complex requirements. Our Private Client business will combine tailored investment strategies with access to expert legal and tax advice.

Most importantly, we remain committed to putting our clients at the heart of everything we do. As the first independent national firm to introduce a new client proposition in line with Consumer Duty regulations, we have already demonstrated our ability to lead in this space. Our new proposition increases consistency in fee charging and service delivery, ensuring we continue to deliver outstanding value to all clients. We are proud that client satisfaction remains at 98%, as reflected by over 11,500 independent reviews.

As we implement our new strategy, we are reinforcing our appetite to build a stronger, more agile and more client-centric organisation. By placing a greater emphasis on operational efficiency as well as outright growth, we are confident our expanded strategy will allow us to reach £40bn in client assets by the end of 2030.

Our 2030 vision is ambitious and clear: build on our differentiated business model and create great client outcomes, which together will lead us to be the most trusted wealth advisory firm in every market we serve.



INTRODUCING FAIRSTONE

A FULL SERVICE WEALTH MANAGEMENT HOUSE



Fairstone is one of the fastest growing financial services organisations in the UK and Ireland.

We offer clients independent and whole-of-market financial advice, while delivering intelligent investment solutions with no lower wealth limits or exit penalties.

We strive to combine market leading service with exceptional client outcomes, which has resulted in Fairstone continuing to carry a Defaqto 5-star rating for our core managed investment portfolios.

Our unique Downstream Buy Out (DBO) programme continues to yield unprecedented results for ambitious business owners, not seen elsewhere within our industry. The DBO model offers a standout proposition for growth-focused IFA firms, which you can read more about on page 20.

OUR CREDENTIALS

Our advice business is fully independent, offering whole-of-market choice. The Fairstone Group incorporates one of the largest Chartered Financial Planning firms in the UK.



We are the **number one ranked wealth management** firm on Trustpilot with a client satisfaction score of 98%.



Core managed investment portfolios have been Defaqto **5 star rated for eight years.**

EXCELLENT PROFESSIONAL SERVICE

"My wife and I have used Fairstone for many years. Their professional service makes the whole process stress free and incredibly easy. I have recommended Fairstone to many friends and family over the years and will continue to do so."

 by James

April 2024

11,500+ reviews





Our clients benefit from a full-service offering which includes retirement planning, as well as wealth advice and investment management.

OUR HOLISTIC APPROACH INCLUDES:

1 WEALTH ADVICE

We offer personalised investment planning to help you reach your financial goals and adjust to changing circumstances. Our advice includes assessing risk, creating practical plans, and providing tax-efficient guidance, helping you make informed decisions and manage your wealth confidently.

2 INVESTMENT MANAGEMENT

We provide whole-of-market advice and tailored solutions to grow your wealth. Our team will guide you in making the right investment choices that align with your financial goals and future plans.

3 MORTGAGE ADVICE

Our expert guidance will help you navigate the mortgage market and find the right product for your needs. We are here to support you through every step, offering advice on home moves, remortgaging, buy-to-let, equity release and commercial mortgages.

4 FINANCIAL PROTECTION

As your circumstances change, so do your protection needs. We offer independent advice to make sure you have the most suitable insurance policies in place, recommending appropriate products based on your situation. Where appropriate, we advise on the use of trusts to ensure any funds are passed on to the right people at the right time.

5 CORPORATE ADVICE

We help business owners manage employee benefits, group pensions, and protect against the loss of key personnel. Our advice covers shareholder protection, loan protection, and relevant life plans, all with a focus on tax efficiency.

6 RETIREMENT PLANNING

We provide personalised advice to help you retire on your terms, with the flexibility you need. We will assist you in making a smooth transition into retirement, ensuring your wealth is managed in line with your changing lifestyle and financial needs.

7 ESTATE PLANNING

We offer tailored advice to help you preserve your wealth for future generations. Our support includes managing tax obligations, working with the best will writers for your specific needs, and developing long-term care plans, ensuring financial security for your loved ones as your circumstances evolve.



ENHANCING OPERATIONAL EFFICIENCY THROUGH REGIONAL HUBS

Regional expansion and localised strategies are a core part of our plans. To establish a stronger physical framework, we are building a series of hubs across the UK and Ireland.

Our goal is to ensure that each hub is within a one-hour drive from 95% of the population in the areas we serve. We are making significant strides toward this goal, with three new hubs launched in Farnborough, the North West, and the North East of England in the past 18 months.

DRIVING SCALABILITY AND AGILITY

Our hub vision is not just about creating larger offices. Each hub will develop into a fully equipped operational centre, replicating head office functions. This decentralised approach gives our colleagues more responsibility for local performance and business plans, allowing for faster decision-making, stronger regional connections, and more opportunities for career progression.

MODERN WORKSPACES FOR IMPROVED CLIENT OUTCOMES

Fairstone hubs are designed to encourage collaboration and innovation. These open, modern spaces are intended to support teamwork and efficiency, which will help deliver better outcomes for our clients.

DRIVING GROWTH WITHOUT SACRIFICING CLIENT FOCUS

Our hub strategy brings wealth advice, investment management, and mortgage services closer to our clients. By decentralising operations, we can expand our full range of services into each region while continuing to prioritise the personalised, client-focused approach that defines Fairstone.

ATTRACTING AND DEVELOPING TOP TALENT

This approach is not just focused on infrastructure, it's also about people. We are committed to attracting the best talent through partnerships with universities and fast-tracking recruits into key roles. With clear career pathways for both new recruits and existing team members, we enhance our advisory capability to ensure clients receive up-to-date, high-quality advice.

INVESTING IN THE FUTURE OF CLIENT SERVICE

Through initiatives such as our internal programme, Fairstone Futures, which offers training and development opportunities, we continue to invest in our people. This ensures that our teams are supported, rewarded, and equipped to provide the best advice possible.

OUR FAMILY VALUES

THE ATTRIBUTES WE EXPECT FROM OUR COLLEAGUES

COLLABORATION
AMBITION
RESILIENCE
EXCELLENCE

COMPREHENSIVE WEALTH ADVICE

Our hubs integrate wealth advice, investment management and mortgage services, giving clients access to a broad range of financial expertise. This holistic approach ensures that every aspect of a client's financial plan is addressed under one roof, improving service and convenience, while strengthening the client-adviser relationship.



THE CAMPUS

OUR PEOPLE

AN INVESTMENT IN OUR FUTURE

Our people are absolutely fundamental to the success of our business. As we strive to build upon our successes to date, recruiting and retaining top industry talent is vital. This year has been dedicated to laying the groundwork for a significant strategic shift in trajectory and in doing so, we have set a solid foundation for the future.



A NEW ORGANISATIONAL DESIGN

In 2024 we announced a new organisational design, unifying our Partnership and National wealth advisory business.

For the first time in our history, Training and Development, Paraplanning and Professional Development have been consolidated together under one umbrella – Fairstone Financial Planning.

As part of this new structure, we have appointed six Managing Directors. Focused on our North, Central and Southern regions, as well as Financial Planning, Growth

and Mortgage, our Managing Directors are supported by dedicated Operations Directors and Performance Directors. The new structure has also created a number of new roles including Head of Technical and Head of Development.

As we continue to grow our client base and assets under management, this new structure is a strategic leap forward for our business. It ensures that all appropriate functions create even more support and mentoring for advisers, on a local basis.

REFINING OUR INVESTMENT PROPOSITION



We have appointed Nick Stebbing as Chief Operating Officer to support the continued growth of our investment management business and enhance our service offering. Nick brings extensive experience in platform and investment management. His expertise will be key in developing our client proposition and reinforces our commitment to continually expand our whole-of-market options.

A NEW WEALTH LEAD

We are delighted to welcome Russell Bignall to Fairstone, who has joined us as Group Managing Director, reporting into CEO Lee Hartley as part of our new organisational design.

With over 30 years worth of experience in financial services, Russell will lead our six new Managing Directors.

He will play an invaluable role in helping to develop the next generation of advisers and recruiting the best talent in our industry.





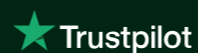
GREAT ADVICE!

"I have full visibility of my portfolio which is exceeding my financial expectations and receive a detailed annual report which is easy to understand and contains details of any recommended changes. I would not hesitate to recommend Fairstone based on financial returns, client service and transparency."

★★★★★ by Pam

October 2024

11,500+ reviews



ADOPTING A PROVEN BLUEPRINT FOR SUCCESS

Ireland is a key market for Fairstone, driven by its thriving economy and expanding wealth sector.

As our first venture outside the UK, Ireland was strategically chosen for its dynamic financial services landscape and the high-calibre of its advisory firms. Our expansion is informed by the success of our UK operations, with a focus on delivering a bespoke client experience, locally.

GROWTH IN THE IRISH MARKET

We entered the Irish market in 2022, with the acquisition of Pax Asset Management, Clear Choice and Broker Assist. We have since partnered with six more firms through our Downstream Buy Out (DBO) model.

As we continue to implement our DBO programme across Ireland, we are committed to providing high-quality financial planning for clients across the country.

OUR JOURNEY IN IRELAND SO FAR

Since expanding into Ireland, we have made several senior appointments, including Compliance Director, Sales Director and Head of M&A, strengthening our leadership team to drive both acquisitive and organic growth. These moves have already delivered results, with 12% growth in 2023.

IMPLEMENTING THE DBO PROGRAMME IN IRELAND

Our Irish DBO proposition builds on the proven success of our UK model, but is designed specifically for the Irish market. This framework allows advisory firms to join a larger, well-established organisation providing firm owners with a clear exit strategy, while ensuring our clients continue to receive personalised, high-quality financial advice.

So far, we have added over £1 million to our fully embedded EBITDA through new partners joining our DBO programme and we have launched our first Fairstone-managed investment product in Ireland during the second quarter of 2024. Further fund launches are planned, with the aim of creating sophisticated and low-cost investment options for our clients.

With our tried-and-tested UK blueprint for success, we are confident of becoming a dominant force in the Irish market.

Partnered with

12% organic growth in 2023

6 new firms through our DBO model

€1.5BN assets under management

STREAMLINED ADVICE ANYTIME, ANYWHERE

In 2023, demand for our Mineral service grew. Developed for individuals with straightforward financial needs, Mineral delivers FCA-regulated advice through a streamlined, remote service. By integrating our portal, app and video consultations, Mineral offers a user-friendly approach to financial management.

BRIDGING THE ADVICE GAP

Mineral provides an inclusive service, open to clients across all demographics and wealth levels. As long as clients have a digital device and are comfortable with video consultations, they can access the service.

As the demand for entry-level financial advice continues to rise, we are committed to narrowing the advice gap and ensuring financial guidance is accessible to all who need it.

We identified three key gaps in the market: affordable advice, awareness and referral. We believe Mineral is narrowing the gap for each of these challenges. Existing clients are increasingly referring siblings, children and grandchildren to Mineral, recognising its value and accessibility. As a result, we are seeing greater engagement from younger generations who may not know where to seek financial advice.

Our market-leading pricing model ensures that clients can benefit from the advice they need, no matter their financial circumstances.

EMPOWERING THE DIGITAL GENERATION

This year, we integrated app technology and a web portal into the Mineral service. This enhancement allows our clients to monitor key financial information on demand, whilst also providing

instant access to their core documentation.

Our advisers remain readily available via phone and email to address non-advisory queries and are accessible for regular video consultations.

This multi-channel approach has been well-received by our Mineral clients. The option to choose their preferred communication method has been popular, allowing them to engage through the channels that suit them best.

PATHWAYS FOR OUR CLIENTS AND OUR PEOPLE

Our clients' needs evolve over time.

The introduction of our Mineral service allows us to optimise our core wealth management offering by accommodating clients with straightforward requirements. This service provides our advisers with the flexibility to transition clients to more streamlined solutions where appropriate.

The growth of Mineral this year has led to a targeted recruitment initiative, creating opportunities for skilled professionals within Fairstone to advance their careers and join a dynamic team of advisers. This expansion reinforces our commitment to providing quality service to a growing client base while supporting the development and progression of our people.



LOW FEES AND PRACTICAL

"Great service provided by Mineral by Fairstone. My adviser listened attentively and put me at ease straight away. Clear guidance avoiding unnecessary jargon. I came away with a plan of action I could implement easily and most important, fees are kept low."

★★★★★ by Sarah

May 2024

11,500+ reviews



DRIVING EFFICIENCIES FOR TOMORROW

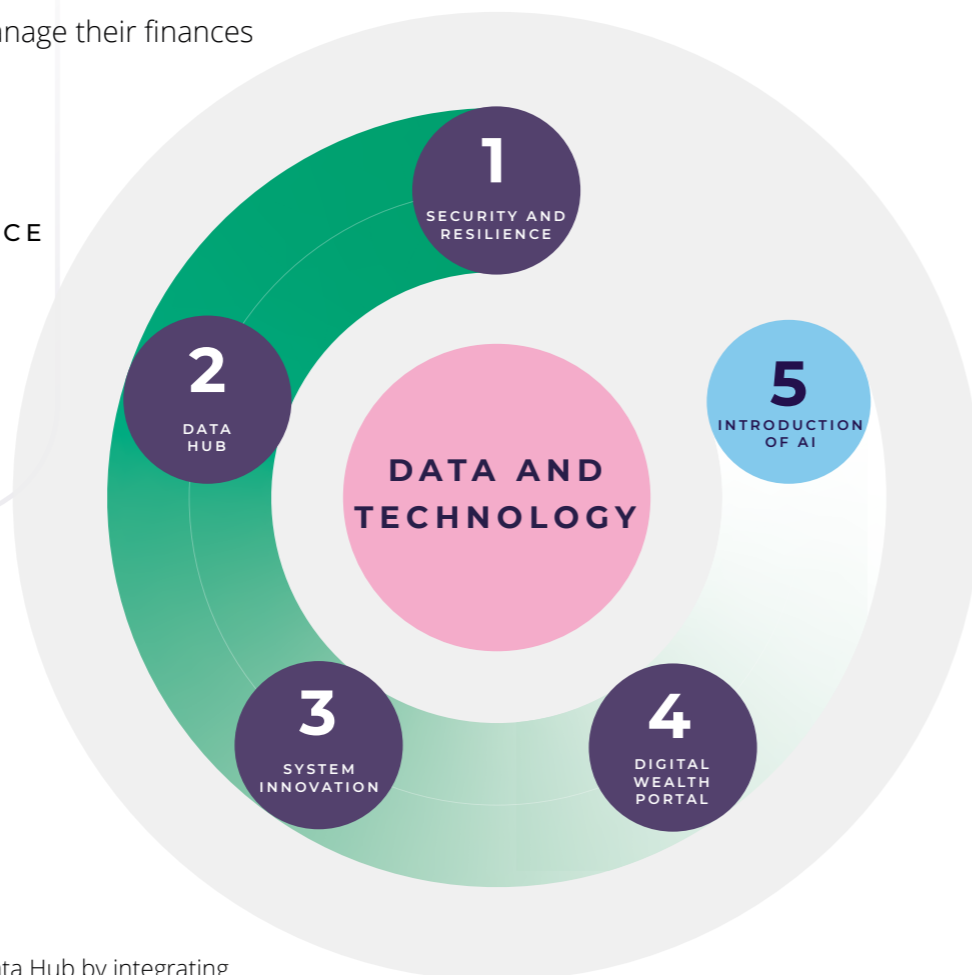
We are driving digital innovation to transform our operations and client experiences. By constantly upgrading our financial products and services, we are committed to boosting engagement with clients and advisers alike. Our 5-step digital plan provides clients personalised access to portfolio monitoring, ensuring they can manage their finances effortlessly and securely.

1. SECURITY AND RESILIENCE

We continue to invest significantly in cyber security to strengthen protection and reduce risk. Over the past year, we have implemented Manage Detect and Respond (MDR) software. MDR offers 24/7 monitoring, threat detection and rapid incident response to deliver robust protection and peace of mind for our clients.

2. DATA

We continue to advance our Fairstone Data Hub by integrating data from multiple platforms. The hub offers comprehensive valuations and insights. This allows for more informed decision making, which enables advisers to strategically plan and forecast for their clients.



3. SYSTEM INNOVATION

Our proprietary back-office system, Gateway, sits at the core of our operations. We have mapped an extensive plan to take the next leap forward in its development, further improving our operational efficiency. Recent additions have enhanced our data security, compliance, and client request processing, earning positive feedback from both clients and advisers.

4. DIGITAL ACCESS

We have developed our new Digital Wealth Portal and mobile apps (iOS and Android), offering clients real-time, secure access to financial information. Advisers can personalise the client experience with documents and market insights. The two-way data exchange and integrated client authorisation feature enable instant messaging and the ability to authorise documents online.

5. FAIRSTONE AI

We have already started to explore how best to embrace artificial intelligence (AI) for our clients, advisers, and investors. Our focus is on advancing our back-office operational processes, which in turn helps to simplify the end-to-end advice journey and creates more capacity for adding value for our clients.

CONTINUOUS INNOVATION

Our commitment to continuous digital innovation ensures that our clients benefit from improved access to financial services, safe in the knowledge that their data remains secure.

A VERY INTERACTIVE ONLINE PLATFORM

"A very interactive online platform. I have been a client for several years and always been pleased with the level of service and results provided. Highly recommended."



By Alessandra

September 2024

11,500+ reviews



**REAL TIME
PORTFOLIO
DATA AT
YOUR
FINGERTIPS**

OUR UNIQUE BUSINESS MODEL

Our market-leading Downstream Buy Out (DBO) programme continues to drive the growth of IFA and wealth management practices, creating significant capital events.

The success of the DBO model accelerated throughout 2023, marking a record-breaking year. Through the programme, we completed six full acquisitions and partnered with 15 high-quality advisory firms. This culminated with the signing of our 80th firm through the DBO model.

By investing in growth prior to the full acquisition and sharing in the value we create together, we ensure alignment of interests for both parties. The ongoing success of this model has produced a robust pipeline across the UK and Ireland, with firms managing over £6bn of assets under management (AUM) currently either in advanced discussions or engaged in the full acquisition process with us.

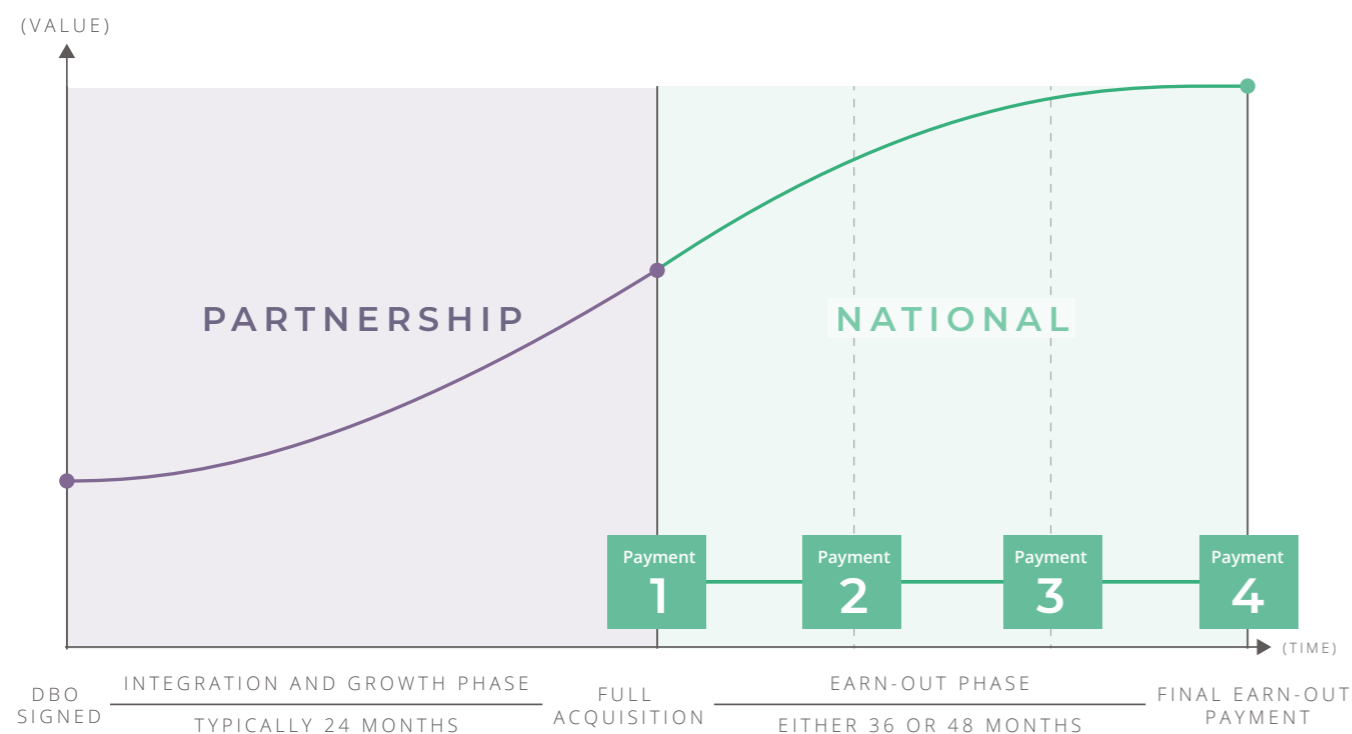
The DBO model remains central to our acquisition strategy. It continues to offer mutually beneficial outcomes for both parties and reduces financial integration risk. Every firm that has joined Fairstone through the DBO model has received at least 100%, and in many cases significantly more, of the capital value attributed to their business at the point of full acquisition. This is a notable achievement within the industry and a direct result of our unique approach.

Due to its ongoing success, we have expanded the reach of the DBO programme even further.



ENHANCING THE REACH OF THE DBO PROPOSITION

The success of our unique DBO model has driven demand from firm principals who have completed the programme and have the vision to build another business of scale. In addition, we have further developed the DBO model to support entrepreneurial independent advisers, seeking to create their own capital event.



SUPPORTING ENTREPRENEURIAL ADVISERS

We have expanded our DBO model by introducing a Start-up Joint Venture (SJV) programme for independent advisers. The SJV proposition provides day-one working capital support, compliance, technology, and infrastructure support enabling advisers to become business owners in partnership with Fairstone. Over time, they will develop businesses of scale, creating long-term capital value for themselves. This new model enables ambitious advisers to achieve a capital event that, as employees elsewhere, they may not have been able to access.

INVESTING IN THE AMBITION OF OUR PRINCIPALS

In addition to supporting advisers at the beginning of their journey, we are fully committed to retaining those principals who have successfully navigated the DBO programme and completed a full acquisition with Fairstone. Our Special Purpose Vehicle (SPV) proposition is designed for those with the vision to contribute to our national hub strategy. It allows them to start, build, and ultimately sell a new business of significant scale, with the capital and infrastructure support from Fairstone, along with a future acquisition commitment.

CHAIRMAN'S STATEMENT: CULTURE DRIVING PERFORMANCE DAVID HICKEY, CHAIRMAN



REFLECTING ON 2023

Our culture at Fairstone is the foundation of everything we do. It shapes how we engage with all of our stakeholders, drives success and continues to differentiate us from others in our sector. Our culture is built on the values of collaboration, ambition, resilience and excellence. Together with our core principles of fairness and trust, these values have been instrumental in delivering another very successful trading year.

EXECUTING OUR GROWTH STRATEGY

In 2023, we established our strategic pillars for the next phase of growth, which we have begun executing. We have achieved several key milestones to date, including our first clients signing up to our enhanced proposition; accelerating the growth of our Mineral service; rolling out our new client portal and executing the first Irish DBO.

The UK's new Consumer Duty regulations raise client care standards across the industry. We welcome these changes which align with our client-first approach. We have positively engaged with the regulator, ensuring our updated client proposition exceeds these expectations.

MAINTAINING FINANCIAL STRENGTH

All regulated entities within the Fairstone Group traded profitably in 2023, with regulatory capital levels exceeding

the required thresholds. Fairstone remains one of the fastest-growing financial services organisations in the UK and Ireland, now overseeing £17 billion in funds under management. Our adviser network has grown to 530 regulated advisers, supported by 683 operational staff.

A CULTURE OF FAIRNESS AND CLIENT FOCUS

The "fair" in Fairstone is not just part of our name; it defines how we treat our clients, colleagues and partners. For us, fairness is not about meeting regulations— it's about doing what is right and delivering the high-quality advice our clients deserve.

As we continue to grow, we will nurture this culture, ensuring every interaction reflects our commitment to fairness and trust. We believe that in doing so, Fairstone will continue to thrive in the years ahead.

2023 full year revenues rise to

£127M

FINANCIAL STRENGTH

Fairstone is well-funded and has the ongoing support of a wide shareholder base. This gives our Group the ability to draw capital from a number of sources and provides further avenues for external financing.

The balance sheet at the year-end shows consolidated net assets of £140m. The level of leverage is appropriate for the cashflows and profitability that the business delivers, while reflecting the acquisitive growth the Group has undertaken.

At the date of this report £144m is drawn of a £215m facility which includes an additional £50m commitment made during 2024. The facility is dependent on reporting of satisfactory covenants, which the Group adheres to.

These scalable facilities provide a robust foundation for the business to accelerate growth and deliver sustained success.

Fairstone has continued to grow its UK revenue and repeating income, which encapsulates all revenues generated from existing clients. This stood at 94% of turnover up from 92% in 2022 and client retention rates remained at 98%. Fully Embedded EBITDA at the end of the financial year was £32m.

Our adviser numbers continue to rise and we now have 530 (2022: 424) advisers across the business, with 67% managing the relationships with wealth clients and 33% supporting our transactional service.

FINANCIAL STATEMENTS



£32M

Fully embedded EBITDA

CONSOLIDATED INCOME STATEMENT

CONTINUING OPERATIONS	YEAR ENDED DEC 2023 (£'000)	YEAR ENDED DEC 2022 (£'000)
Revenue	126,807	95,869
Cost of sales	(76,271)	(57,530)
Gross Profit	50,536	38,339
Other operating income	69	287
Administrative expenses	(34,645)	(26,377)
Adjusted EBITDA	15,960	12,249

Adjusted EBITDA comprises profit before charging exceptional or non-recurring costs, interest, tax, depreciation and amortisation.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	DEC 2023 (£'000)	DEC 2022 (£'000)
ASSETS		
Non-current assets		
Goodwill	206,610	200,734
Intangible assets	122,415	112,755
Property, plant and equipment	8,957	6,290
Investments in associates	3,613	750
	341,595	320,529
Current assets		
Trade and other receivables	13,455	8,399
Derivative financial instruments	561	1,097
Cash and cash equivalents	3,781	11,656
	17,797	21,152
Total assets	359,392	341,681
LIABILITIES		
Current liabilities		
Trade and other payables	17,343	15,120
Other liabilities	21,264	21,283
	38,607	36,403
Non-current liabilities		
Long-term liabilities	181,229	154,430
Total liabilities	219,836	190,833
Net assets	139,556	150,848



PRINCIPAL RISKS AND UNCERTAINTIES

REGULATORY AND CONDUCT

New regulation or existing interpretation may have a material impact on Fairstone's operations or cost base going forward. We have a strong regulatory record, driven by a risk-averse approach, an exceptional quality framework and robust compliance systems. Compliance due diligence is conducted on every partner firm before they onboard to Fairstone, to ensure all new entrants are aligned with Fairstone's standards and ethos. The Group considers that it has the necessary infrastructure and experienced personnel in place to stay at the forefront of the changes to the regulatory environment.

TECHNOLOGY AND INFORMATION SECURITY

The Group operates a technology-led advice process using its own proprietary software and holds, for business purposes, a large quantity of personal client data. Service outages or data leaks impacting the operational business or resulting in the exposure of clients' personal data is a significant risk. To ensure that storage of data is secure and infrastructure is robust, best practice is constantly monitored and is part of on-going investment and upgrade.

LIQUIDITY

The business model of Fairstone is capital intensive and requires a significant amount of funding to execute. The Group maintains its liquidity by having access to drawdown from well-funded finance providers for acquisitions and working capital funding. In line with the Group's obligations to the Financial Conduct Authority and Central Bank of Ireland, the



business maintains regulatory capital and liquidity within its regulated companies at levels which are well in excess of the minimum requirements. These requirements are proactively monitored by the business and appropriate long-term forecasting provides us with forward visibility of capital and stress testing adequacy.

MARKET RISK

The Group does not hold any financial assets which are directly correlated in value to the market. However, part of the recurring revenue of the business is linked to asset values on global equity and bond markets. Any material reduction in market prices, together with the resultant challenges to investment fund performance in periods of volatility, can result in downward pressure on asset prices. In these instances, the market conditions can provide a challenge in maintaining the attractiveness for clients to invest further capital and retaining the value of assets under advice. The business has significant protection against short-term market reactions due to the multi-asset nature of our clients' holdings, added to the fact that the vast majority of assets are held within tax wrappers.

A RIGOROUS COMPLIANCE REGIME

"My adviser is very knowledgeable on all aspects of pension planning and responsive whenever I need to discuss any matters about my pension with him. Fairstone maintain a rigorous compliance regime which is also very reassuring."

★★★★★ By Paul

October 2023

11,500+ reviews

★ Trustpilot

2024 - HALF YEAR AT A GLANCE

KEY METRICS TO THE END OF JUNE 2024



We have grown substantially to encompass

1,250

colleagues

We now oversee

£17BN

funds under management across the UK and Ireland

We have reached

125,000

clients

£160M

pro forma revenue

£100M

pro forma recurring revenue

£35M

fully embedded EBITDA



98% client satisfaction rating on Trustpilot with over 11,500 reviews

GIVING BACK TO OUR COMMUNITIES

At Fairstone, we believe in the importance of supporting both national and local initiatives to make a meaningful impact. To reflect this, the Fairstone Foundation has introduced a new approach in how we distribute our charitable contributions.

As part of our commitment to giving back, the Foundation will now divide its donations, with 50% going to a selected national charity each year, and the remaining 50% directed to regional charities in the areas where we operate. This year, our national charity partner is Cancer Research UK, while our regional beneficiaries are nominated and voted for by our colleagues.

This approach ensures we make a meaningful contribution to a major charity who have the scope to support individuals across the whole of the UK and Ireland, whilst also giving back to the local communities where we operate.

The Fairstone Foundation was registered by the Charity Commission on 5th November 2007. Registration number: 1121478

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EAST MIDLANDS HUB:

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Meridian Business Park
Leicester
LE19 1RJ

0116 497 2030

SOUTH EAST HUB:

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