

THE FAIRSTONE GROUP OF COMPANIES

ANNUAL REPORT

SETTING OUR VISION FOR CONTINUED
LONG-TERM GROWTH

FY22

FY22 - A YEAR OF GROWTH ON EVERY SINGLE FRONT

CONTENTS

Setting new standards

Our vision for the next seven years

The ten pillars of our wider strategy

Reflecting on 2022:

Introducing Fairstone

A full service wealth management house

Our unique business model

Client Survey results 2022

Financial strength

Financial statements

Principal risks and uncertainties

2023 - Half year at a glance

4

5

6

11

15

16

20

22

23

24

28

30

46,425
Wealth clients

Funds under
management topped

£13.5BN

33%
GROWTH IN
REVENUE RUN RATE
Compared to 2021

94%
Repeat income

Completed
8 ACQUISITIONS
in contrast to a well-recognised downturn in
M&A activity across the sector

13%
Acquisition
outperformance
at the end of 2022

1,065
Colleagues across
the Group

£2.5BN
Annual mortgage
lending

Please note that all 2021 comparative data is based on a 10 month period, due to a Group restructure

SETTING NEW STANDARDS

LEE HARTLEY, CEO



33%
increase in revenue run rate

£114M
fee income in the last three months of 2022 annualised

Up from
£86M
in the last three months of 2021 annualised

2022 was certainly a turbulent time for financial markets, including at one stage an unprecedented simultaneous drop in values of both bonds and equities across the main indices. This was against the historic norm of their traditional negative correlation. Despite this volatility, I am proud to say that Fairstone continued to thrive, growing client numbers, advisers, revenue and EBITDA respectively.

This robust performance resulted in a 33% increase in revenue run rate, all while upholding our commitment to delivering outstanding service to our valued clients.

As we strive to build upon this success, the initial eight months of 2023 have been dedicated to laying the groundwork for a significant strategic

shift in our trajectory, with a view to extending our strategy over the course of the next seven years.

A pivotal point in this journey was our relocation to The Campus, our new corporate headquarters, formerly occupied by Nike's UK operations. Situated within Doxford International Business Park on the periphery of Durham, this move has unquestionably marked the start of an exciting new era for our business.

Our new headquarters will serve as the focal point for the expanding teams responsible for propelling our growth initiatives and strategic objectives. Moreover, it will play a core role in our appetite to attract and retain the very best talent, bolstering our core capabilities and supporting our continued success.

OUR VISION FOR THE NEXT SEVEN YEARS

Over the course of 2023 we have evolved our mission statement into a more meaningful form, moving away from a vision that uses quantitative measures and towards an objective that has a more qualitative focus – our aim is to establish Fairstone as the most trusted whole-of market wealth advisory firm within the United Kingdom and Ireland.

What does setting ourselves the task of being 'the most trusted' actually mean in reality? For Fairstone it means that clients will trust us with a broader spectrum of their wealth advisory needs, it also describes a relationship where even more of our clients will feel confident in recommending Fairstone to their friends, colleagues, and wider family. Above and beyond these factors, a strong relationship built upon trust and transparency will encourage a greater number of clients to entrust us with the financial planning requirements of their children and grandchildren. So, a mission statement of this form has far more purpose than simply saying 'we want to be number one'.

With this foundation of client trust underpinning everything we do, we are confident that we can solidify our status within the wealth management sector, setting new standards for professionalism within the market.

And clearly, this trust is not limited to our valued clients but extends to our dedicated colleagues and our business partners. We want to ensure that all of our stakeholders continue to see Fairstone as the right organisation to develop their careers, grow and enhance their business and ultimately protect their legacy.

With this foundation of client trust underpinning everything we do; we have real conviction that we can solidify our status within the wealth management sector whilst setting new standards for professionalism within the market.

Our vision

TO BE THE MOST TRUSTED WEALTH MANAGEMENT FIRM IN THE UK AND IRELAND

THE TEN PILLARS OF OUR WIDER STRATEGY

01

ONE CORE PROPOSITION

To create greater consistency and simplicity we will transition our client proposition to a new design – based upon one core level of service and one default pricing point. This is a fundamental aspect of ensuring that we provide the right level of service, to every single client, on each and every single occasion. Moreover, this refinement to our proposition will enable us to stay ahead of our Consumer Duty obligations whilst continuing to grow in a responsible and sustainable manner.

02

MULTIPLE SERVICE CHANNELS

How clients choose to interact with us and how they want to manage their wealth will continually change over time. That is why we are building multiple service channels to support our clients – building upon our proven face-to-face engagement we will be introducing a remote advice channel, execution only functionality for certain areas, and an app-based environment to facilitate simple administration tasks.

03

PRIVATE CLIENT DIVISION

To supplement our existing wealth advisory business, we will start to build a new division, targeting clients with high levels of wealth and more sophisticated financial planning arrangements. We will support these clients through an extended suite of investment solutions, by integrating tax and legal work into our offering and by attracting private client advisers who are highly experienced in dealing with individuals, families and trusts who have extremely complex requirements.

04

LIFETIME PLANNING

Our client promise is something that we truly believe in - we'll deliver advice you can trust across all of life's cycles. To bring this to life, we will utilise lifetime cashflow planning as a central tool in our advice process. By embedding a holistic and long-term approach into every aspect of our client work we will be able to deliver financial planning which encompasses all of the key milestones and aspirations of our clients. Crucially it will create a financial blueprint which spans a lifetime and often beyond.

05

1:1 STAFFING RATIO

As a modern, technology leveraged firm, we are committed to driving efficiencies while maintaining the highest levels of client service and care. To ensure we remain as lean as possible and utilise the full suite of technology available to us, we are aiming to achieve a highly optimised 1:1 ration of client facing to operational staff. This means that 50% of our colleagues are dedicated to directly advising clients, supported by the remaining half of the business to deliver those wealth solutions in the most effective way possible.



06

GRADUATE RECRUITMENT

In recent years Fairstone has cultivated strategic alliances with several regional universities as a means of attracting new talent into the organisation. We want to extend this initiative across the UK & Ireland and ultimately look at graduate recruitment, matched to clear development pathways, as a means to deliver 50% of our hiring requirement on an ongoing basis.



07

CHARTERED COMMITMENT

In 2015, Fairstone successfully attained Corporate Chartered status. This demonstrates our clear intent to provide the highest quality of advice and to embed exceptional standards of professionalism into our training and development programme. Fairstone's belief in the value of being a Chartered organisation is resolute, and as a manifestation of this commitment, we have pledged that by 2030 all of our colleagues that interact with clients will hold Chartered-level qualifications or be on the pathway to achieving this accreditation.

09

BUY OR BUILD THE BEST

In line with our growth aspirations, we are also looking to evolve our M&A proposition. Historically our M&A approach has centred on acquiring high-quality firms and partnering with ambitious business owners. This is a highly-proven part of our strategy and in the coming years we firmly intend to increase the number and size of transactions we complete through our Downstream Buy Out model.

Going forward we will also be looking to attract teams into 'new formation' companies which we will resource, fund, regulate and support. Using the DNA of our DBO model, this initiative will allow groups of professionals to build a business within our framework and then realise the capital value of that operation at a pre-agreed point in the future. The hope is that we will be able to offer a route to those individuals who want to become shareholders in a wealth advisory business but who feel they are unable to do so on their own.

Ultimately this will allow us to follow a 'no compromise' approach to each identified geography. We will either acquire the best or build the best.

08

HUBS AND SATELLITES

Regional expansion and localised strategies remain a core part of the Fairstone outlook. To ensure that we establish a stronger physical framework we want to build a new series of hubs in specific locations across the UK and Ireland. A hub will not just be bigger office to house 3 or 4 business in any given region, it will carry an imprint of head office functions, supporting individuals more directly within that area.

Our hub strategy will mean that will be in closer proximity to our clients over time – it will also mean that we will be able to give our colleagues more tangible ownership over local performance and local business plans. Where hubs may be located slightly farther away from smaller pools of clients, we will also establish satellite operations to ensure that we can meet with clients in a manner which is convenient to them. Our overarching goals are to extend our reach deeper into key regions, create superior environments for our colleagues and clients, and to widen our talent pool to attract the very best people into our organisation.

10

NEW MARKETS

In 2022 we established our presence in Ireland via our acquisition, marking our first foray outside of the UK. We are hugely enthused about the opportunity to establish a commanding presence within the Irish market which is perfectly poised for professionalisation and consolidation.

We have now proven that our model is both adaptable and portable and can be taken into new territories with different regulation and market dynamics. Whilst there is a huge amount of market share to be taken in both the UK and Ireland, we will be keeping a watchful eye on other geographies if we believe they present a compelling commercial opportunity that can be captured without diluting our focus on our existing group.

REFLECTING ON 2022

REFLECTING ON 2022:

A YEAR OF UNDENIABLE PROGRESS
DAVID HICKEY, CHAIRMAN



2022 proved to be a tumultuous period for the financial services industry. Despite this, Fairstone saw continued growth across the Group. Throughout the course of the year revenues rose significantly to £95.9 million, due to an increase in both adviser and client numbers. In parallel, adjusted EBITDA* also moved up to a new high-water mark and our run rate revenues increased by an incredible 33% over 2021.

Recurring revenues continued to run at a consistently high rate of 76%, with repeating revenues (recurring income plus repeat business from existing clients) exceeding 90%. These robust metrics are a direct result of achieving exceptional levels of client satisfaction as evidenced through our continuous feedback activity.

All regulated entities within the Group continued to trade profitably and regulatory capital levels remained well above required levels.

2022 full year revenues rise to

£95.9M

Fairstone ended the year with 424 advisers (2021: 393) of whom 67% managed relationships with wealth clients and the balance supported our transactional mortgage services.

** Adjusted EBITDA is earnings before interest, tax, amortisation, depreciation, employee share schemes and exceptional items which are significant items that are one-off in nature and do not reflect the underlying performance of the Group.*



EXPANSION INTO IRELAND

The acquisition of Pax Asset Management DAC, a leading Irish financial advice firm, marked Fairstone's first international transaction. In addition to this strategic step, the Group acquired a related financial services technology provider, and a dedicated back-office support business. Together these firms were brought together to replicate the foundation that we have in the UK.

This combination created a broad platform which will allow the Group to roll out our DBO offering across this new jurisdiction, and I am delighted to welcome the Irish team into the Fairstone family.

UK ACQUISITIONS

In addition to extending our geographical reach, we completed eight acquisitions in the UK during the year, further enhancing our market position.

Fairstone's M&A team was bolstered during the year by the recruitment of new senior executives, including a new Chief Development Officer and a new Corporate Finance Director, as well as the further development of the team of Business Analysts who are tasked with conducting a research and outreach programme that spans the sector, thereby identifying suitable new partner firms.

Interest in our unique DBO offering remains strong and our systematic and disciplined approach to identifying and evaluating potential acquisitions opportunities means that we are confident that the pipeline extending well into 2023 will be successfully converted. **At the end of the year, we had seventeen mature discussions in the UK and nine in Ireland where the proposition has only just launched.**

LAUNCHING NEW SERVICES

Access to financial advice for clients with less complex requirements remains a national problem. Accordingly, during the year, Fairstone soft-launched Mineral, a dynamic offering allowing clients seeking straightforward financial solutions to benefit from high quality financial advice, delivered remotely and using technology as a key facilitator.

Mineral is a centrally operated channel that was created to support a broad range of clients who have relatively simple investment and pension requirements. This new service offering is positioned at a highly competitive pricing point, achieved by leveraging the efficiency of delivering advice in a remote rather than a face-to-face environment. While still being a nascent operation in 2022 I am enthusiastic about the potential of Mineral as it is fully rolled out over the course of 2023.



THE LEGISLATIVE LANDSCAPE

The Financial Conduct Authority (FCA) has been focusing on the introduction of a new Consumer Duty requirement, which sets out far higher expectations for the standard of financial care to be provided to consumers. Fairstone welcomes this development, not least since it reflects how we already conduct ourselves through deploying a clear client focused approach.

Throughout 2022 we worked to prepare for the official launch by enhancing our training programs and building the systems necessary to demonstrate our commitment to these duties.

OUR CLIENTS

At Fairstone, everything starts with our clients and an informed understanding of their needs. The business operates with complete transparency to ensure we deliver clear, first-class outcomes. This has resulted in Fairstone continuing to be independently ranked the number one-rated wealth management house on Trustpilot.

Our annual Client Index highlights three very tangible outputs; client satisfaction, repeating advice, and investment cost savings, each of which illustrates the value we bring to our clients in a holistic and balanced manner.

98%

Client satisfaction

94%

Repeat advice

£6.1M

Annual client cost savings

Our latest research figures show a **98% client satisfaction** score and **repeat advice levels of 94%**, both of which illustrate a clear measure of our clients' trust and confidence in Fairstone. We have an extremely loyal client base, which is testament to our client-facing colleagues and the excellent service they provide.

As we look to the future, we are committed to developing our client proposition to ensure that it continues to deliver the highest-quality outcomes that meet the requirements of all our clients. There remains much truth in the maxim that if a business takes care of its clients, the clients take care of the business.

OUR PEOPLE

At Fairstone we believe in investing in growth, and this applies to our people as much as it does to financial results.

We are committed to supporting the development of all of our colleagues and the Fairstone Academy is fundamental to the progression pathways that we have established as part of our People Strategy. **Fairstone has set out a 10-year target to ensure that all client-facing colleagues will be Chartered in their own right or are well-progressed on the journey to achieving Chartered-level qualifications within this timeframe.**

We provide a development programme to everyone within the business and as a result a further 72 advisers are currently on the pathway to being Chartered and 19 are pursuing other professional qualifications.

Looking to the recruitment future, we want to place greater emphasis on nurturing new talent, not least by forging additional links with universities across the country and supporting the hiring and development of ambitious graduates throughout the UK.

Our commitment to our people has also seen staff retention rates remain consistently high across our fully owned estate of businesses.

INTRODUCING FAIRSTONE

OUR FAMILY VALUES

THE ATTRIBUTES
WE EXPECT FROM
OUR COLLEAGUES

COLLABORATION
AMBITION
RESILIENCE
EXCELLENCE

LOOKING AHEAD

The past year saw significant growth in virtually every aspect of the Group's activities. This has created substantial momentum which has been carried into 2023, and I look forward to reporting very significant further progress in our next report.



A FULL SERVICE WEALTH MANAGEMENT HOUSE

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

We offer clients independent whole of market financial advice, while delivering intelligent solutions with no lower wealth limits or exit penalties. We also offer a unique acquisition model for IFA businesses which you can read more about on page 20.

As a business we are committed to quality and delivering exceptional client outcomes, which has resulted in Fairstone continuing to carry a Defaqto 5-star rating for our core managed investment portfolios.

OUR CREDENTIALS

We remain fully **independent**, offering **whole of market choice**.

Incorporating one of the **largest Chartered Financial Planning organisations** 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 seven years**.

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

OUR HOLISTIC APPROACH INCLUDES:

- 1

WEALTH MANAGEMENT

Tailored wealth management advice, including investment planning to help you achieve your individual goals while utilising all personal allowances.
- 2

RETIREMENT PLANNING

Individual advice to enable you to plan for the long-term. We'll help you transition into retirement, income and support you in managing your wealth when you are no longer working.
- 3

ESTATE PLANNING

Estate and inheritance planning that enables you to create a legacy for future generations, ensuring that your wealth outlasts your lifetime.

- 4

CORPORATE ADVICE

Corporate finance advice that supports you in growing your business, developing your people, and protecting you against the unexpected.
- 5

FINANCIAL PROTECTION

Protecting the financial future of you and your loved ones is paramount in the bigger picture of financial planning. We'll help ensure you are covered when the unexpected hits.
- 6

MORTGAGE ADVICE

Bespoke advice that supports your property needs from securing your family home to expanding your portfolio. Whatever your circumstances, we'll help find the right mortgage solution for you.

OUR CLIENT
PROMISE

*We'll deliver advice
you can trust across
all of life's cycles*

OUR UNIQUE BUSINESS MODEL

Our standout acquisition model and progressive approach to growth puts us in a great position to help IFA businesses.

Our Downstream Buy Out (DBO) proposition supports the growth of IFA and wealth management practices, shielding business owners against a host of negative sector pressures, allowing them to optimise the sale value for their business and providing long-term stability for them, their staff and their clients.

Thanks to the success of our unique business model and our progressive approach to growth, we now enjoy a truly national footprint, delivering first-class service to clients across the UK.



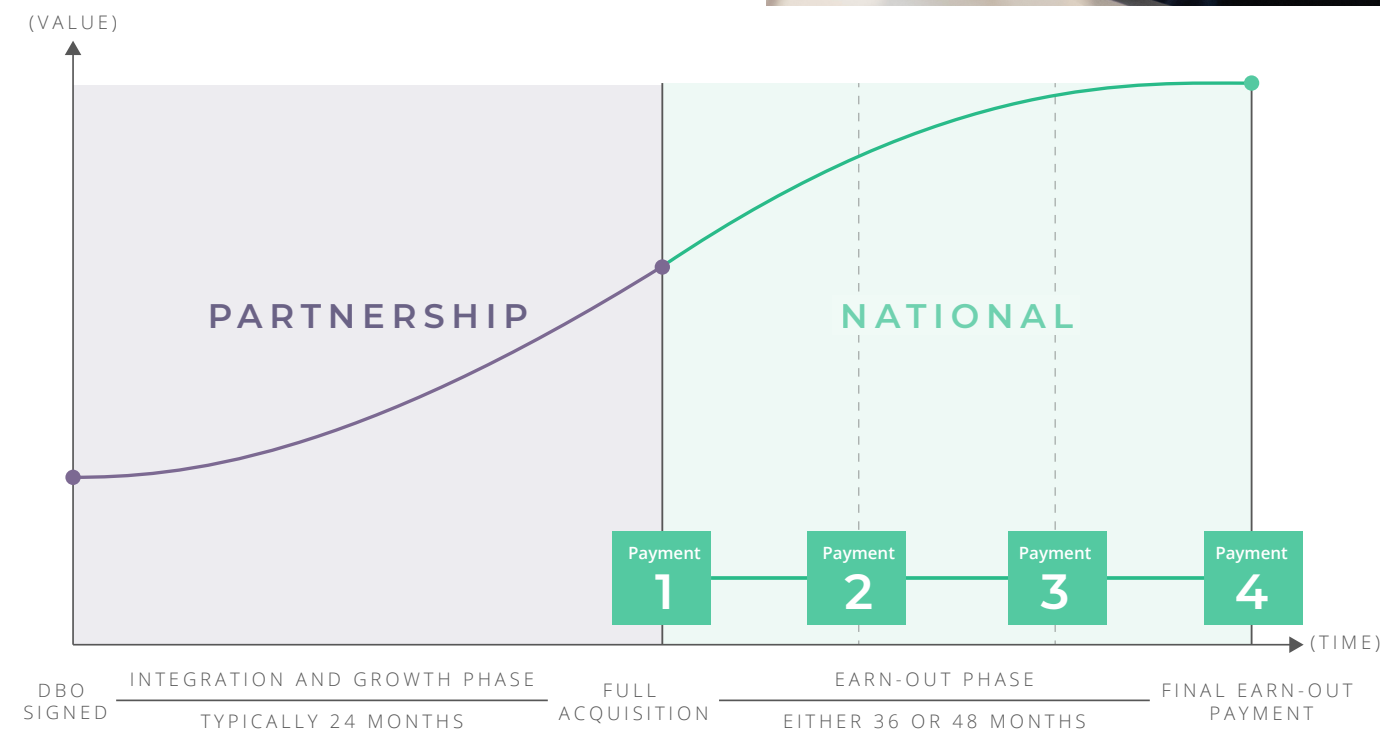
WE SHARE THE UPSIDE

We have a long-term commitment to working in true partnership with successful business owners and sharing the value that we create together.

Every single one of the firms that we have acquired is achieving their target sale value and receiving pay-outs that far exceed their original aspirations. On average the firms that have joined Fairstone under the Downstream Buy Out (DBO) strategy have banked 113% of their initial sale value, some a great deal more, and most importantly, none have received less than 100%.

These results are unprecedented anywhere in the wealth advisory space and are a direct function of our unique approach - investing in growth ahead of the ultimate acquisition and then sharing the upside that comes from continued success.

13% ACQUISITION OUTPERFORMANCE



ACQUISITION	ADDITIONAL SALE CONSIDERATION SECURED	TOTAL CONSIDERATION PAYABLE AS % OF SALE VALUE
Acquisitions with earn-out fully completed	£5,091,936	108%
Within final 6 months	£1,313,805	147%
Within final 12 months	£1,935,943	127%
Within final 24 months	£902,709	104%
Within final 36 months	£7,150,058	129%
Longer than 36 months	£47,508	101%
Total	£16,441,958	113%

CLIENT SURVEY RESULTS 2022

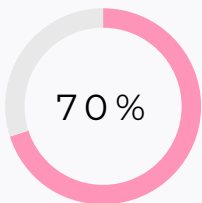
WHAT KEEPS YOU AWAKE AT NIGHT?

We annually survey our clients annually for insight into our service delivery, but also their thoughts on the wider financial markets. For 2022 we focussed on their financial concerns.

WE ASKED OUR CLIENTS WHAT THEIR BIGGEST FINANCIAL WORRIES ARE

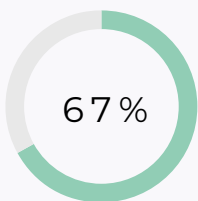
- 1 Not having enough money for retirement
- 2 Funding future care home fees
- 3 Falling victim to scammers

Our latest survey revealed that over two thirds (70%) of respondents said the expertise of their financial adviser was the thing they valued most. **Fairstone clients also rated the comfort of an experienced financial adviser as significantly more important than the time (12%) or costs (14%) saved by managing their wealth themselves.**

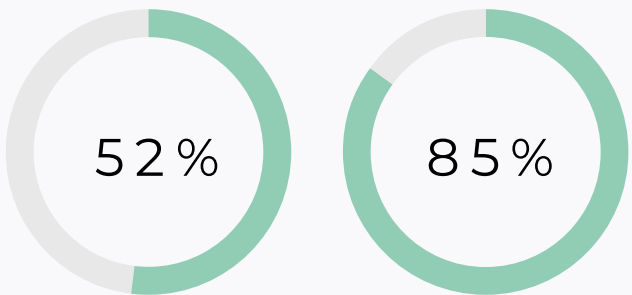


OUR COMMITMENT TO CHARTERED

Over two thirds of our clients said that Chartered accreditation would be one of their main criteria when choosing a new financial adviser. This feedback prompted us to commit to the goal of all client facing colleagues being on the pathway to being Chartered over the next seven years.

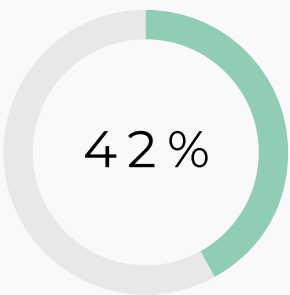


OTHER SURVEY HIGHLIGHTS INCLUDE:



Over half (52%) regarded peace of mind as their top benefit

85% said they are committed to a long-term plan and investment strategy



42% of respondents first took financial advice under the age of 40

FINANCIAL STRENGTH

Fairstone remains extremely well-funded and has the ongoing support of a wide and committed shareholder base. This strong footing gives us the ability to draw capital from a number of sources and provides further avenues for external financing.

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

The balance sheet at the year-end has net assets of £150.8m and the debt on the Group's balance sheet remains appropriate for the cashflows and profitability that the business delivers, while reflecting the acquisitive growth the Group has undertaken.

On 31 December 2022, Fairstone reported **46,425 wealth clients** and client retention rates for the financial year were 98%.

Repeating income, which encapsulates all revenues generated from existing clients, stood at 94% of turnover.

Fully embedded EBITDA at the end of the financial year was £25m.

Our adviser numbers continue to rise, and we now have 512 advisers within the UK and Ireland across the business with 80% managing relationships with wealth clients and 20% supporting our transactional mortgage service.

£25M
Fully embedded EBITDA



FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

CONTINUING OPERATIONS	YEAR ENDED DEC 2022 (£'000)	PERIOD ENDED DEC 2021 (£'000)
Revenue	95,869	71,839
Cost of sales	(57,530)	(44,323)
Gross Profit	38,339	27,516
Other operating income	287	206
Administrative expenses	(26,377)	(16,586)
Adjusted EBITDA	12,249	11,136
Exceptional items	801	(5,523)
Depreciation of tangible assets	(1,876)	(1,270)
Acquisition related income statement charges	(2,673)	132
Amortisation of intangible assets	(4,900)	(3,398)
Operating profit	3,601	1,077
Finance costs	(9,916)	(6,248)
Finance income	84	—
Other gains on financial instruments	872	—
Loss before tax	(5,359)	(5,171)
Tax charge	(1,116)	(3,424)
Loss for the year attributable to the equity shareholders of the company	(6,475)	(8,595)
Loss attributable to:		
Owners of the parent	(6,497)	(8,609)
Non-controlling interests	22	14
	(6,475)	(8,595)

Adjusted EBITDA comprises profit before charging share option costs, exceptional costs, acquisition related income statement charges, interest, tax, depreciation and amortisation.

There were no items of other comprehensive income for 2022 and 2021 other than that included in the statement above.

All 2021 comparisons are of a 10 month period.

CONSOLIDATED BALANCE SHEET

	DEC 2022 (£'000)	DEC 2021 (£'000)
ASSETS		
Non-current assets		
Goodwill	200,734	180,473
Intangible assets	112,755	95,267
Property, plant and equipment	6,290	4,727
Investments in associates	750	—
	320,529	280,467
Current assets		
Trade and other receivables	8,399	5,039
Current tax asset	—	782
Derivative financial instruments	1,097	—
Cash and cash equivalents	11,656	7,539
	21,152	13,360
Total assets	341,681	293,827
LIABILITIES		
Current liabilities		
Trade and other payables	15,120	12,959
Deferred purchase consideration	19,703	17,442
Finance lease liabilities	1,242	804
Provisions	338	40
	36,403	31,245
Non-current liabilities		
Borrowings	105,516	60,135
Deferred purchase consideration	24,535	27,002
Deferred tax	20,967	15,364
Finance lease liabilities	2,638	2,021
Provisions	774	780
	154,430	105,302
Total liabilities	190,833	136,547
Net assets	150,848	157,280
Equity		
Ordinary share capital	2,808	2,765
Preference share capital	163,110	163,110
Accumulated losses	(15,106)	(8,609)
Equity attributable to owners of the parent	150,812	157,266
Non-controlling interests	36	14
TOTAL EQUITY	150,848	157,280

CONSOLIDATED CASHFLOW STATEMENT

CASH FLOWS FROM OPERATING ACTIVITIES	YEAR ENDED DEC 2022 (£'000)	PERIOD ENDED DEC 2021 (£'000)
Cash generated from operations	8,540	3,062
Cash flows from investing activities		
Purchase of property, plant and equipment	(781)	(780)
Acquisition of intangible assets	(655)	(340)
Acquisition of investments in associates	(750)	—
Acquisition of subsidiaries	(19,731)	(4,919)
Acquisition of Fairstone Capital Investment Limited	—	(151,650)
Payment of deferred consideration	(20,021)	(15,581)
Net cash outflow from investing activities	(41,938)	(173,270)
Cash flows from financing activities		
Interest paid	(7,028)	(3,289)
Capital repayment of lease liabilities	(1,126)	(899)
Proceeds from share issue	43	165,875
Proceeds from borrowings	50,098	22,860
Repayment of borrowings	(4,472)	(6,800)
Net cash inflow from financing activities	37,515	177,747
Net increase in cash and cash equivalents	4,117	7,539
Cash and cash equivalents at 1 January	7,539	—
Cash and cash equivalents at 31 December	11,656	7,539

All 2021 comparisons are of a 10 month period.

PRINCIPAL RISKS AND UNCERTAINTIES

REGULATORY AND CONDUCT

There is a risk of new regulation or existing interpretation having a material impact on the Group's operations or cost base. We have confidence in our strong regulatory record which is driven by our risk-averse approach and supported by our exceptional quality framework and robust compliance systems. In addition to this we conduct extensive due diligence on all partner firms before they onboard to ensure that all joiners are aligned to our culture and working practices. We also have the infrastructure and experienced personnel in place to plan for and accommodate all regulatory changes to ensure that clients and the wider business are always fully protected.

TECHNOLOGY AND INFORMATION SECURITY

Fairstone operates a technology-led advice process using its own proprietary software and has, for business purposes, a large quantity of personal client data. The impact of the risk of service outages or data leaks affecting the operational business or resulting in the exposure of clients' personal data would be significant. To ensure that storage of data is secure and infrastructure is robust, best practice is constantly monitored and is part of ongoing investment and upgrade.



LIQUIDITY

Fairstone's business model is capital intensive and requires a significant amount of funding to execute. In line with our obligations to the Financial Conduct Authority (FCA) and Central Bank of Ireland (CBI), the business maintains regulatory capital and liquidity levels 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 requirements.

MARKET RISK

Fairstone 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. This volatility was seen during the second half of 2022 and impacted our revenue in the year. Such market conditions can provide a challenge as we see a dip in demand to invest further capital and it can be difficult to retain the value of assets under advice. We have 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.

2023 - HALF YEAR AT A GLANCE

WHERE WE WERE AT THE HALF WAY POINT

We have grown substantially to encompass

1,200
colleagues

We now oversee

£15BN

funds under management

We have reached

55,000
wealth clients

Now with

56

Locations
in the UK
& Ireland



4.9* rated on Trustpilot
with almost 8,000 reviews

Fairstone 

WE TRUST FAIRSTONE

We have entrusted our investments and our financial security to Fairstone for over thirteen years and will continue to do so. Our Financial Advisers have remained the same so we have a sense of continuity, and have provided an unparalleled level of tailored, financial advice and customer service. They are always available to answer our queries and to travel to our home for annual reviews. In short, we trust Fairstone and feel in very safe hands.

We can't recommend Fairstone highly enough. Thank you.

Felicity





HEAD OFFICE:

8 Camberwell Way
Doxford International Business Park
Sunderland
SR3 3XN

0845 6050 680

info@fairstone.co.uk

www.fairstone.co.uk

LONDON OFFICE:

2nd Floor
88 Leadenhall Street
London
EC3A 3BP

0207 665 8560



© Copyright 2023 Fairstone Group. All rights reserved.

Fairstone Capital Investment Limited. Registered in England and Wales no: 09928851.

Fairstone Financial Management (FRN: 475973), Fairstone Wealth Management (FRN: 188596) and Fairstone Private Wealth (FRN: 457558) are authorised and regulated by the Financial Conduct Authority. The regulated firms are all part of the Fairstone Group Limited. Company No: 06599555.