



Impact Statement

2023

Promoting, supporting and connecting members
of the insolvency and restructuring profession

About **R3**

As the trade association for restructuring and insolvency professionals R3 is at the heart of the profession providing a home for our community of members throughout their careers.

What we do...

- Strive to ensure that the work of our members is publicly recognised, understood and valued.
- Give our members a united voice on the issues and legislation which affect them and the hundreds of thousands of businesses and individuals with whom they work.
- Work to develop and maintain the highest standards across the profession.
- Provide access to career long learning and personal development crucial to our members reaching the top of the profession.
- Bring the profession together to collaborate and share expertise and best practice.
- Provide timely access to newsletters, email updates and informative resources to help our members stay on top of recent developments.

For more information about R3, visit: [**www.r3.org.uk**](http://www.r3.org.uk)

Welcome to R3's Impact Statement for 2023



Caroline Sumner
Chief Executive Officer,
R3

Nicky Fisher
R3 President,
Herron Fisher

2023 was another busy year for R3, which demonstrates the vital role R3 plays in promoting, supporting and connecting members at every stage of your careers and across the full breadth of the insolvency and restructuring profession within the UK.

Members, now numbering over 3,200, are at the heart of everything we do. Our work with, and on behalf of members, is only possible because of the support and commitment of the 236 member volunteers on R3's regional and national committees and R3 Council. Thank you.

With the number of formal insolvency appointments expected to continue rising throughout 2024, further consultations anticipated on firm regulation and changes expected to the personal insolvency framework, not to mention a general election on the horizon, 2024 promises to be another busy year for our members and R3 as your association.

We look forward to working together with all members and stakeholders during the coming year to shape a positive and forward looking future for the profession.

Promoting and protecting the profession

Throughout the year we promoted and protected the profession and the work that you do, highlighting the support restructuring and insolvency professionals provide to businesses, individuals and the economy across the UK every day.

Consultations and consultation outcomes

R3's representation of members' views and interests in responding to consultations by Government, regulators and others on key issues for the profession is critical in ensuring an effective legislative and regulatory framework for the restructuring and insolvency profession. Through our member surveys, and the collective experience of those on our many national and regional committees, we enable members to directly influence the policies and legislation that affect the profession.

During 2023 we gathered, collated and analysed member feedback to inform our responses to a broad and varied range of Government consultations, including:

- UNCITRAL New model laws on cross-border insolvency
- Digital assets and English insolvency law
- Crypto asset regulation
- Financial Conduct Authority – The decision to ban debt packager firms from receiving remuneration from debt solution firms
- HMRC - Tougher consequences for promoters of tax avoidance
- SIP 3.3 'Trust Deeds' (Scotland)



We also contributed to the EU Retained Law Bill as it made its way through Parliament (albeit many provisions have now largely been abandoned).

In September 2023 the Government finally published its long awaited and oft-delayed response to the 'Future of insolvency regulation' consultation (which ran from December 2021 to March 2022). We used the delay to both reiterate and reinforce the views of our members to Government Ministers, MPs from the main parties and policy makers within the civil service. In what was one of the largest member-engagement exercises ever undertaken by R3, we gathered up as many member views as possible, giving our representations to Government both weight and credibility.

We strongly believe that our member-informed lobbying helped to shape the final decision to abandon the proposal to create a single, and most likely Government, regulator for the profession, instead retaining the existing Recognised Professional Body (RPB) system, of regulation.

We also welcomed the introduction of firm regulation and changes to the bonding scheme, albeit subject to further details and consultation, which we had supported in our submissions on behalf of members as part of the consultation process.

With the publication of their response came the prospect of further Government consultations on matters such as bonding and a compensation scheme.

R3 will work closely with members on preparing evidenced and robust responses to these follow-on consultations, as and when they are released.

Lobbying and Government engagement

Throughout the year we engaged with parliamentarians and officials from across all parts of the UK to explain the valuable role played by restructuring and insolvency professionals when businesses and individuals find themselves facing financial distress.

Activity ranged from written correspondence with MPs to providing analysis on insolvency trends in their constituencies and regions, through to providing comprehensive briefings ahead of parliamentary debates. As an example of the latter, we were approached by the Shadow Insolvency Minister to provide her with a detailed briefing on director duties and director disqualification ahead of a Westminster Hall debate. The Shadow Minister referenced R3 several times during the course of the debate.

As the Economic Crime and Corporate Transparency Bill passed through parliament, we engaged with MPs across both the House of Commons and the House of Lords. As the Bill passed through the Lords we were approached by a senior Conservative peer to provide further information and briefings on specific aspects of the Bill relating to insolvency and restructuring.

We also had R3 recommended amendments put forward in both the Commons and the Lords as the Bill progressed. Unfortunately, our amendments were not accepted, but we built a significant amount of political capital in the process.

“R3 has provided published evidence to guide the passage of the Economic Crime and Corporate Transparency Act which was of high quality in its grasp of the issues and steps which could be taken to tackle and recover the proceeds of economic crime.”

Member of the Business and Trade Committee, House of Commons

Leading the way on policy development

Our member-informed policy work is a powerful tool that is used to instigate engagement with Government and to help us influence how policy develops.

As part of this, we have undertaken a series of expert led and specialist roundtables during the course of last year, bringing together members from across the profession to discuss topics, including:

- Members' Voluntary Liquidations – challenges being faced by professionals working in this sector
- Special Situations Mergers and Acquisitions
- The adoption of ESG goals across the profession.

Such discussions have helped accelerate the shaping of R3's policy position on these key issues. For our programme of work on personal insolvency matters we conducted a member survey to inform development of clear and concise lines to take ahead of the Government's consultation on the review of the Personal Insolvency Framework, expected in 2024.

In other policy activity we have undertaken work looking at the impact of crypto currency and cyber assets on the profession.

Beyond Westminster, we were invited to provide R3 representation at an evidence session hosted by the Scottish Parliament's Economy and Fair Work Committee on the Bankruptcy and Due Diligence Bill. The committee wished to hear our expert opinion on proposed amendments to the Bill. R3's contribution was well received and will lead to further engagement with the Scottish Parliament.

Our annual President's Lunch was attended by around 30 parliamentarians from across all the main parties and senior figures from the profession. The event is always very well received and places R3 as the voice of the profession and enables greater engagement with parliamentarians and policy makers.

The voice of insolvency and restructuring in the media

R3 has acted as the voice of the profession with around 2,000 mentions in regional, national and specialist media including being featured in: The Times; Financial Times; The Guardian; BBC News London and BBC South East Today and more.

We also respond to stories in the media, providing briefings for journalists and correcting misunderstandings around how the profession operates.

R3 also contributes to sector briefings and specialist media.



R3 CEO, Caroline Sumner being interviewed for Christie & Co Business Outlook

“A fantastic letter to HMRC. A massive thank you from the whole restructuring team.”

R3 Member

Representing members with HMRC

R3 continued to engage with HMRC at every level to improve processes and systems for insolvency professionals when engaging with HMRC. This was evident in R3's letter to HMRC's Director General titled 'HMRC's management of insolvency from a tax perspective: impeding the insolvency process to the detriment of creditors'. R3 also sits on the HMRC Representative Bodies Steering Group representing our members interests.

Influencing regulation - Economic Crime Anti-Money Laundering Levy Regulations 2022 - a key win

R3 achieved key amendments to the Economic Crime Anti-Money Laundering Levy Regulations 2022, as the regulations did not appear to consider whether this levy related to a pre-appointment or post-appointment period, so in effect would make the office holders personally liable for the levy. As a result of R3's representations on behalf of members, amendments were introduced to provide clarity to office holders.

Guidance for users of insolvency and restructuring services

We updated our guidance for creditors, explaining the different options available to businesses and individuals in financial distress and demonstrating how creditors can engage effectively with the insolvency process.

We also updated our guidance for directors and shareholders, advocating that early advice should be sought, and followed, from a trusted source such as an R3 member. The seeking of early advice really does maximise the options available and the opportunities to save the business, retain jobs and maximise returns to creditors.



Providing practical support and solutions

Technical updates and guidance

Practical advice and guidance remained a key area of support for members in 2023.

We issued 33 Technical Alerts covering a range of specific topics including important case law, HMRC updates, relevant legislation and AML.

Our monthly technical round-ups continue to give members direct and instant access to the latest developments and what this means for you all in one place.

New and updated guides and resources for members during 2023 included:

- An overview of digital assets – Highlighting key focus areas for any officeholder in relation to crypto assets.
- Updated creditor guides – A key resource for creditors who have a desire to learn about the insolvency process they are experiencing.
- Case summaries – Digestible summaries of legal judgments that highlight important considerations for R3 members.
- Podcast episodes on:
 - Restructuring Plans - looking at the administration of Goodbox
 - Anti-money laundering



Working together with stakeholders

R3 continues to work closely with a number of organisations on behalf of members to address issues and concerns, including:

- Regulators
 - The Insolvency Service
 - The RPBs
 - Financial Conduct Authority (FCA)
 - Information Commissioner's Office (ICO)
- Other representative bodies
 - IFT
 - INSOL International
 - INSOL Europe
 - MALG

“Through your help to get me to the right people at the Insolvency Service, a small miracle has occurred.... I would really like to say thank you on behalf of the person whose life has been turned around from absolute disaster to joy.”

R3 Member

Training

R3's Training Academy has continued to expand its offering from certificated training on the essentials of insolvency and restructuring through to sharing best practice on emerging areas of work in a range of online, on-demand and face to face formats to meet the different needs of members at every stage of your career.

Training Academy programmes, designed and delivered by leading subject experts drawn from across R3's membership and beyond, have delivered training courses to over 375 delegates during 2023, with over 1,100 delegates also attending online and face to face training events.

Highlights of the programme have included:

- Introduction to insolvency e-learning series – increased delegate numbers from previous year
- NEW - Creditors' Voluntary Liquidation (CVL) refresher – online series introduced
- In conversation with webinar series - attended by over 560 delegates
 - o Energy supply company failures
 - o Restructuring plans: a practical perspective
 - o Property industry views on Restructuring Plans – what do landlords think about them and how do they think they could be improved?



- One-day forums
 - o Contentious insolvency and creditors forum
 - o Restructuring Conference with Insol Europe
 - o Personal insolvency forum
 - o Restructuring forum
 - o New professionals' forum – held live in London and Manchester and attended by over 100 delegates
- Insolvency and Restructuring boot camps - 6 – 8-week online learning courses for more experienced and returning practitioners – increased numbers from previous years.

“The ‘go-to’ provider of training in the insolvency and restructuring world”

R3 Training Academy delegate

Making connections

- bringing the profession together

Over 6,000 delegates attended R3 events and training during last year, as R3 demonstrated its central role in bringing the restructuring and insolvency profession together in every region of the UK. We deliver a range of events, providing a trusted environment where like-minded individuals can come together to share ideas, strengthen ties, collaborate and make connections.

R3's regional networks

Our regional committees support engagement with the local insolvency and restructuring profession across all of the nations and regions of the UK, through a dedicated programme of activities and provide representation of the membership ensuring regional views are heard throughout R3 and beyond.

With over 50 regional events held across the R3 regions during 2023, highlights included:

- Four regional forums – in Eastern, Northern, Southern and Scotland
- Free to member regional meetings



- Major social events from lunches, dinners and quizzes each attracting over 250 guests
- New Professional led social and technical events
- International Women's Day events
- Activity based opportunities for networking including: golf, cycling, bowling and treasure hunts.

A big thank you to our regional committee members for making these happen.

“So good to catch up with clients and contacts and everyone seemed delighted to be there...excellent speakers”

Delegate at Southern and Thames Valley breakfast briefing.

Our National events programme included:

- Our first overseas conference in five years in Venice
- The agenda setting Fraud Conference in collaboration with the Fraud Advisory Panel and Insol Europe
- The Smaller Practice Group (SPG) Forum bringing together over 200 members from the smaller practice community
- Introduction of member briefing webinars to update members on R3's work on your behalf, each attracting over 300 registrations
- The R3 Business Lunch in October attended by, as one guest observed, over 500 of the "who's who" of the restructuring and insolvency profession

A big thank you to all of our committees, key sponsor partners, national and regional event sponsors who make these events possible for our members.



Recovery magazine and Recovery News

Our publications offer a platform for members to share experiences and expertise with colleagues on the big issues facing the profession.

“Comprehensive, wide ranging, and professional looking”

Feedback from reader survey

Social media



Engagement with members and the profession through social media continues to grow and R3's LinkedIn and X (formally Twitter) accounts now reach over 10,000 followers.

Promoting, supporting and connecting members of the insolvency and restructuring profession in 2023

Supporting the profession



33 TECHNICAL ALERTS & BULLETINS



MONTHLY TECHNICAL ROUND UPS



4 ISSUES OF RECOVERY MAGAZINE



12 ISSUES OF RECOVERY NEWS

NEW AND UPDATED RESOURCES INCLUDE:



- An overview of digital assets
- Updated creditor guides
- Case summaries



- Podcast episodes on:
- Restructuring Plans - looking at the administration of Goodbox.
 - Anti-money laundering



ACCESS TO:

- The Insolvency Service
- HMRC
- Financial Conduct Authority (FCA)
- Key stakeholders

Promoting the profession



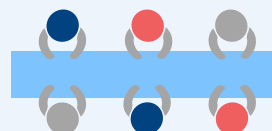
2,000

Mentions in regional, national and specialist media including being featured in: The Times; Financial Times; The Guardian and BBC News.



10,000+

Social media followers on LinkedIn and X (formerly Twitter)



CONSULTATIONS

- Financial Conduct Authority – Debt packagers
- HMRC - Tougher consequences for promoters of tax avoidance
- SIP 3.3 'Trust Deeds' (Scotland)
- Digital assets and English insolvency law
- Crypto asset regulation
- UNCITRAL new model laws on cross-border insolvency
- Personal Insolvency Framework member survey

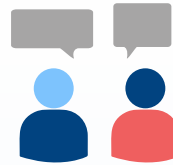
Connecting the profession



6,000+
DELEGATES AT
R3 TRAINING AND
EVENTS



140
CPD HOURS

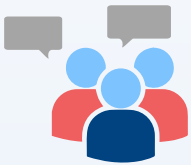


60+
NATIONAL AND
REGIONAL FACE-TO-
FACE EVENT



350+
DELEGATES AT NEW
PROFESSIONAL
EVENTS

Representative and inclusive association



3200+
MEMBERS



230+
MEMBER
REPRESENTATIVES
ON R3 NATIONAL
AND REGIONAL
COMMITTEES



54,000+
UNIQUE VISITORS TO
THE R3 WEBSITE



780+
FIRMS WITH R3
MEMBERS

“R3 helps us be the best we can in terms of keeping up to date with everything in terms of law, regulation, profession, business climate and the economy. It opens up opportunities for staff at all levels to grow a network of contacts.”

R3 membership survey respondent

Looking forward to 2024

R3's role as the voice for the profession will be more important than ever during 2024, with further Government consultations expected on matters such as changes to the personal insolvency framework, firm regulation, standard setting, bonding and a proposed compensation scheme. R3 will work closely with members on preparing evidenced and robust responses to these consultations.

With a general election also expected in 2024, R3 will be making the case for the value of the profession to the wider economy to all political parties as they set their policy agendas for a new parliament.

We will also be conducting a comprehensive piece of work with members to create a shared vision for the future of the profession. This work will focus on understanding the expectations and aspirations of members to give a picture of where the profession is now and opportunities for what it can become. This will guide us in shaping the design and delivery of our member services, so that we can be most effective in supporting and representing the views of the profession towards a positive future.

R3's technical guidance will continue to keep members briefed on the important technical and regulatory issues which impact on members and your firms. R3's Training Academy will develop more courses and opportunities for gaining knowledge and expertise for members at every stage of your careers - from new professionals to experienced practitioners - in a range of formats that meet members' changing needs for training content - when and how you want to access this. R3's member faculties and committees will focus and shape our work on key issues facing the profession including



- restructuring, special situations M and A, solvent liquidations, fraud and much more. R3's programme of regional and national events for 2024 will continue to create opportunities for members to meet to debate the key issues facing the profession and for networking with colleagues old and new, including: the Annual Conference focused on Global pathways: UK insolvency and restructuring in a post-Brexit world; New Professionals Forum; Fraud Conference; Contentious Insolvency and Creditors Forum; and the SPG Forum. R3's support for members in the regions will continue to expand, and our regional committees are planning a comprehensive programme of activities across the country to enable members to engage in discussions on the technical issues that are important to you and provide opportunities to bring the profession together to make connections across the insolvency and restructuring community. To see events coming up in 2024, visit our website <https://www.r3.org.uk/events-training/>

We look forward to working together with all members and stakeholders during the coming year to shape a positive and forward looking future for the profession.

Appendix

Statutory Annual Report and Financial Statements

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
(A Company Limited by Guarantee and not having a Share Capital)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2023

Registered number: 02553435

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2023**

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**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
LEGAL AND ADMINISTRATION
FOR THE YEAR ENDED 31ST DECEMBER 2023**

PRESIDENT	N J Fisher
VICE PRESIDENT	T Cooper
DEPUTY VICE PRESIDENT	T Russell
CHIEF EXECUTIVE OFFICER	C W Sumner
ADDRESS	3 rd Floor (East) Clerkenwell House 67 Clerkenwell Road London EC1R 5BL
Telephone	020 7566 4200
Email	association@r3.org.uk
External Auditor	Haysmacintyre LLP 10 Queen Street Place Statutory Auditors London EC4R 1AG

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT OF THE COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2023**

REPORT OF THE COUNCIL

The Council has pleasure in submitting the Association's Report and Accounts for the year ended 31 December 2023.

Further details can be found in the Annual Members' Report which can be found at: <https://www.r3.org.uk/about-r3-insolvency-restructuring/about-r3/r3-s-articles-of-association-accounts/>

PRINCIPAL ACTIVITIES

The Association of Business Recovery Professionals (trading as R3) is a membership association with over 3,000 members. As the trade association for the insolvency and restructuring profession R3 protects and promotes the environment and strong insolvency and restructuring framework required to enable our members to fulfil their vital role in the economy and in society. R3 also plays a key role in ensuring the UK has an effective legislative and regulatory framework for the restructuring and insolvency profession. As the trade association we provide the right environment within which our members can develop their skills, experience and potential whatever their career stage or specialism. We achieve this through:

- Hosting conferences, forums and social events bringing together members of the profession to share expertise and best practice, build networks and discuss the key issues affecting the profession.
- Promoting high standards and best practice through the provision of training, education and technical support.
- Representing our members' interests in dealings with regulators, the government, external stakeholders and the media.
- Publishing a quarterly member magazine.
- Ensuring that the work and value of our members is publicly recognised, understood and valued.
- Reflecting our members' views in consultations by Government, regulators and others on key issues for the profession.

FINANCIAL RESULTS

The surplus for the year, after taxation, amounted to £122.5k (2022 - £60.2k).

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31ST DECEMBER 2023

COUNCIL

Council members are elected by the membership to serve for a term of three years. The President, Vice President and Deputy Vice President are chosen by Council from its elected members. The President usually serves for one year. Along with the Immediate Past President this group within Council are known as Office Holders. The following have been members of the Council and have also served as directors of the Association for all or part of the year:

President	N J Fisher, Herron Fisher, Eastbourne
Vice President	T Cooper, Addleshaw Goddard LLP, Edinburgh
Deputy Vice President	T Russell, James Cowper Kreston, Southampton
Other Members	L Benmore, Mercer and Hole, London (co-opted 29 th June 2023) T J Bond, Isadore Goldman, London (appointed 27 th April 2023) A C Cadman, Xeinadin Corporate Recovery Limited, Manchester A M Curry, AlixPartners, London L A Durkan, Deloitte LLP, London S J Edel, EY Parthenon, London C D Fitzgerald, Isadore Goldman, London R J Harrison, Interpath Advisory, Manchester (appointed 27 th April 2023) S V Harrison, Burness Paull LLP, Edinburgh (appointed 27 th April 2023) R W L Horton, R2 Advisory, London (appointed 27 th April 2023) S A Jordan, IBB Law, London P M Kings, Begbies Traynor, Newcastle S J Leonard, Isadore Goldman, Norwich (appointed 27 th April 2023) J D Neill, KMPG, Belfast (appointed 27 th April 2023) S J Perry, Fieldfisher LLP, London N J Pike, Pike Restructuring Limited, London S J Rome, Penningtons Manches Cooper, Birmingham M A Strong, Strong Anderson, (appointed 27 th April 2023) C H Turner, Opus Business Advisory Group, London (co-opted 27 th April 2023) M Weir, PPF, London L Winterborne, EY Parthenon, London
Outgoing Members	J M O'Connor, AlixPartners, London (resigned 23 rd November 2023) M R Pink, Interpath Advisory, London (resigned 27 th April 2023) G McPhie, Wedlake Bell, London (resigned 27 th April 2023) S I Kirkhope, FTI Consulting LLP, London (resigned 27 th April 2023) M T Neill, A&L Goodbody, Belfast (resigned 27 th April 2023) J Bradshaw, Barker Gotelee LLP, Ipswich (resigned 27 th April 2023) C M T Haig, Azets, London (resigned 27 th April 2023)
Chief Executive Officer and Company Secretary	Caroline W Sumner, Association of Business Recovery Professionals, London

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

The Council Members are responsible for preparing the Council's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Council Members to prepare financial statements for each financial year. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Council 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 Association and of the surplus or deficit of the Association for the accounting period. In preparing these financial statements, the Council are required to:

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

The Council Members are responsible for keeping proper accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Council Members' report has been prepared taking advantage of the special exemptions applicable to small companies conferred by Section 415A of the Companies Act 2006.

**ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2023**

AUDIT INFORMATION

So far as the Council Members are aware, there is no relevant audit information of which the Company's Auditors are unaware. The Council Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

AUDITORS

Messrs Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted to the Annual General Meeting.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

This report was approved by the Board on 14th March 2024 and signed by Order of the Council:


N J Fisher
President


I Cooper
Vice President

67 Clerkenwell Road
London EC1R 5BL

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS**

Opinion

We have audited the financial statements of the Association of Business Recovery Professionals (the 'company') for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income and the Statement of Financial Position, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its surplus/deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies 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 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 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 Council members 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 annual report, other than the financial statements and our auditor's report thereon. The Council members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Council for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Council has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Council members' report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS (Continued..)**

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Council members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council members were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Council members' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Council members' responsibilities statement set out on page 4, the Council members 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 Council members 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 Council members are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council members either intend to liquidate the 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.

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the Investment advisory business and trade regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS (Continued..)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Kathryn Burton (Senior statutory auditor)
for and on behalf of Haysmacintyre LLP,
Statutory Auditors**

**10 Queen Street Place
London
EC4R 1AG**

Date: 19th March 2024

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Notes	2023 £'000	2022 £'000
TURNOVER			
Subscription income		1,085.2	1,028.5
Training, events and conferences		1,293.5	922.2
Sponsorship		301.2	282.8
Advertising		24.0	2.6
Other income		43.2	101.0
		<u>2,747.1</u>	<u>2,337.1</u>
OPERATING EXPENSES			
Direct course expenses		(958.5)	(659.0)
Administrative expenses		(1,703.3)	(1,624.6)
		<u>(2,661.8)</u>	<u>(2,283.6)</u>
OPERATING SURPLUS/(DEFICIT)	2	85.3	53.5
Interest receivable and similar income		46.8	8.1
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>132.1</u>	<u>61.6</u>
Taxation	4	(9.6)	(1.4)
SURPLUS/(DEFICIT) FOR THE YEAR		<u><u>122.5</u></u>	<u><u>60.2</u></u>

The notes on pages 11 to 15 form part of these financial statements.

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS

STATEMENT OF FINANCIAL POSITION

AT 31ST DECEMBER 2023

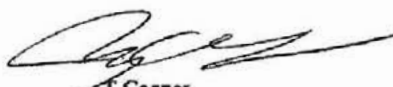
Company Registration No. 02553435

	Note	2023		2022	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible fixed assets	7		9.5		16.9
CURRENT ASSETS					
Debtors	8	526.2		261.0	
Cash at bank and in hand		1,931.2		1,913.1	
		<u>2,457.4</u>		<u>2,174.1</u>	
CREDITORS: amounts falling due within one year	9	<u>(1,045.5)</u>		<u>(892.1)</u>	
NET CURRENT ASSETS			<u>1,411.9</u>		<u>1,282.0</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,421.4		1,298.9
PROVISIONS FOR LIABILITIES	10		(100.0)		(100.0)
NET ASSETS			<u>1,321.4</u>		<u>1,198.9</u>
ACCUMULATED SURPLUS	11	<u>1,321.4</u>		<u>1,198.9</u>	

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006.

The accounts were approved and authorised for issue on behalf of Council on 14th March 2024 and were signed below on its behalf by:


N J Fisher
President


I Cooper
Vice President

The notes on pages 11 to 15 form part of these financial statements.

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

1 ACCOUNTING POLICIES

(a) Basis of accounting

The Association of Business Recovery Professionals is a private company, limited by guarantee, registered in England and Wales.

The registered office is:
3rd Floor (East), Clerkenwell House
67 Clerkenwell Road
London EC1R 5BL

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, and the Companies Act 2006.

(b) Going concern

The Directors have assessed cash flow forecasts and budgets for at least 12 months after the date of approval of the financial statements and have determined that the entity is a going concern based on its strong cash position at the year end and the achievement of a surplus for the second year running.

(c) Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Provision of Services

Turnover from the provision of services is recognised when all of the following conditions are satisfied:

- The amount of turnover can be measured reliably;
- It is probable that the Company will receive the consideration due under the transaction;
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

(d) Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets over their estimated useful lives at the following rates:

Fixtures & fittings	25 per cent straight line
Computers & equipment	33 1/3 per cent straight line
Leasehold improvements	20 per cent straight line, or over the lease term

(e) Taxation

The Association has reviewed its tax status, which has been confirmed as part-mutual/ part-trader for taxation purposes. The Association is liable to tax on its investment income and any profits earned from non-members. The tax expense for the year comprises current tax. The current tax charge is based on the taxable element of the result for the year. The company's liability for current tax is calculated using tax rates that have been enacted or subsequently enacted by the reporting date.

(f) VAT

The Association is partially exempt. The irrecoverable proportion of VAT is included in administrative expenditure.

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

(g) Operating leases

Rents applicable to operating leases where substantially all of the benefits and risks remain with the lessor are charged to the profit and loss account evenly over the life of the lease.

(h) Pensions

The Association contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the Association to the scheme in respect of the year.

(i) Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods.

(j) Government grants

Government grants are credited to the Statement of Comprehensive Income as the related expenditure is incurred.

(k) Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2	OPERATING SURPLUS/(DEFICIT)	2023 £'000	2022 £'000
	This is stated after charging:		
	Auditors' remuneration – audit	13.3	12.5
	- other	3.1	2.8
	Depreciation	8.9	25.8
	Operating lease rentals - land and buildings	38.1	31.3
		<u> </u>	<u> </u>

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Council makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, not necessarily equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement

Dilapidation provision

The company is required, under the terms of its former property lease, to restore those offices to the condition they were in at the inception of the lease upon vacation. The Directors are therefore required to make a judgement of the company's expected future costs to carry out this work.

An estimate has been obtained from, and after consulting with, an external firm of chartered surveyors, in arriving at the expected cost. A provision has been included in the financial statements of this amount.

The Directors consider that a moderate provision is required in respect of the company's current leasehold premises.

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2023

4 TAXATION	2023	2022
	£'000	£'000
The tax charge for the year was as follows:		
UK Corporation tax at current rates	7.3	-
Adjustments in respect of prior periods		-
Origination and reversal of timing differences	1.8	1.1
Effects of changes in tax rates	0.5	0.3
	<u>9.6</u>	<u>1.4</u>
Corporation tax charge/(credit) for the year	<u>9.6</u>	<u>1.4</u>
Tax reconciliation		
Differences in the total taxed assessed are explained below:		
Surplus/(deficit) on ordinary activities before tax	<u>132.1</u>	<u>61.6</u>
Tax on surplus/deficit on ordinary activities at standard CT rate of 19%	25.1	11.7
Expenses not deductible for tax purposes	431.8	379.6
Income not taxable for tax purposes	(447.9)	(390.2)
Losses carried back	-	-
Adjustments to tax charge in respect of previous periods	-	-
Remeasurements of deferred tax for changes in tax rates	0.6	0.3
	<u>9.6</u>	<u>1.4</u>
Tax charge/(credit) for the period	<u>9.6</u>	<u>1.4</u>
5 STAFF COSTS	2023	2022
	£'000	£'000
Employee particulars are shown below:		
Wages and salaries	1,025.4	949.2
Social security costs	122.7	110.0
Other pension costs	55.0	47.4
	<u>1,203.1</u>	<u>1,106.6</u>
The average number of persons employed by the company during the year was:	No.	No.
Administration	<u>24</u>	<u>21</u>
None of the directors received any remuneration in either 2023 or 2022.		

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2023

6 OPERATING LEASE COMMITMENTS

At 31 December 2023, the Association had commitments under operating leases as set out below:

	2023 £'000	2022 £'000
Total Commitment – less than 1 year	38.1	39.2
Total Commitment – between 2 to 5 years	72.8	-
	<u>110.9</u>	<u>39.2</u>

7 FIXED ASSETS

	Fixtures & Fittings £'000	Computers & Equipment £'000	Total £'000
Cost			
At 1 January 2023	28.2	76.2	104.4
Additions for year	-	1.5	1.5
At 31 December 2023	<u>28.2</u>	<u>77.7</u>	<u>105.9</u>
Depreciation			
At 1 January 2023	12.6	74.9	87.5
Charge for year	7.1	1.8	8.9
At 31 December 2023	<u>19.7</u>	<u>76.7</u>	<u>96.4</u>
Net Book Value			
At 31 December 2023	<u>8.5</u>	<u>1.0</u>	<u>9.5</u>
At 31 December 2022	<u>15.6</u>	<u>1.3</u>	<u>16.9</u>

8 DEBTORS

	2023 £'000	2022 £'000
Trade debtors	43.9	75.3
Other debtors	89.0	53.7
Prepayments	393.3	132.0
	<u>526.2</u>	<u>261.0</u>

Included in other debtors, above is £27,414 which is receivable after more than one year (2022: £27,414)

9 CREDITORS: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	283.8	112.7
Accruals and deferred income	701.9	740.7
Other taxes and social security	52.6	41.0
Corporation tax	7.2	(2.3)
	<u>1,045.5</u>	<u>892.1</u>

ASSOCIATION OF BUSINESS RECOVERY PROFESSIONALS

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2023

10 PROVISIONS:	2023	2022
	£'000	£'000
Dilapidations	100.0	100.0
	<u>100.0</u>	<u>100.0</u>

The 8th Floor of 120 Aldersgate Street, London, EC1A 4JQ, was leased by the Association of Business Recovery Professionals from 24 March 2016 to 25 December 2021. Within the lease agreement was a clause stating the property must be returned in the state at which it was taken on. Therefore, a provision has been in place to cover these costs.

The Council members have obtained an estimate of the dilapidations which are due to the previous landlord. The estimate was provided by a third-party surveyor. Based on this assessment of the likely amounts due, and further consideration of the likely amounts due under the current lease, Council members have included a provision of £75k in these financial statements. The final liability is still uncertain as no agreement between the two parties has yet been determined and timing of settlement remains unknown. Therefore, there remains a possible but uncertain obligation to pay more or less. The amount provided will be adjusted once the final amount has been determined.

The Council members consider that a moderate provision is required in respect of the company's current leasehold premises (3rd floor East, 67 Clerkenwell Street, London, EC1R 5BL), a provision of £25k has been included in the financial statements of this amount.

11 ACCUMULATED SURPLUS	2023	2022
	£'000	£'000
Type text here		
Accumulated surplus brought forward	1,198.9	1,138.7
Surplus/(deficit) for the year	122.5	60.2
	<u>1,321.4</u>	<u>1,198.9</u>

12 PENSION CONTRIBUTIONS

The Association contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the Association in an independently administered fund. The pension charge represents contributions payable by the company to the scheme which amounted to £55,042 (2022: £47,415). There were £Nil contributions outstanding at the year-end (2022: £Nil).

**R3 Association of
Business Recovery Professionals**

3rd Floor (East),
Clerkenwell House,
67 Clerkenwell Road,
London
EC1R 5BL

Tel: 020 7566 4200

