

FRONTIER ECONOMICS LIMITED

Report and Financial Statements

YEAR ENDED

30 APRIL 2025

COMPANY NUMBER 3752719

FRONTIER ECONOMICS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

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DIRECTORS

D Aitman
M Bell
J Bellis
J Dietrich
A Grimwade
G Houpis
D Hume
D O'Flaherty
L Tobin
R Webster
S Wegner
Dame S White

SECRETARY AND REGISTERED OFFICE

L Garment, Worship Square, 65 Clifton Street, London, EC2A 4JE

COMPANY NUMBER

3752719

AUDITORS

BDO LLP, 55 Baker Street, London, W1U 7EU

FRONTIER ECONOMICS LIMITED

STRATEGIC REPORT

This strategic report is presented by the directors of Frontier Economics Limited ('Frontier').

RESULTS AND DIVIDENDS

This year, turnover was £97,073,286 (2024: £86,233,610) and profit before tax was £1,354,454 (2024: £1,285,812).

Turnover has increased by 13% (2024: 7%) and, based on the post-year-end results to date and work in the pipeline, we believe a good level of trading will continue in FY26.

In line with company policy, no dividends are payable (2024: £nil).

REVIEW OF THE BUSINESS

Frontier Economics is an economics consultancy that tackles the big questions facing governments, business and society. We help our clients to analyse and understand their markets and to formulate strategies based on sound economics. The methods and models we use are often complex, but our advice is always succinct, clear and honest.

Our clients are mainly located in the UK, Ireland and mainland Europe, but many operate in other regions, like the Middle East, Africa and Central and South America. We continue to operate offices in Belgium, France, Germany, Ireland, Spain and the UK. We operate as one legal entity, with our offices set up as permanent establishments and some payrolls in other geographies where we have employees based.

We performed strongly this year, with turnover up 13% on the prior year. We expect a good level of revenue across the rest of 2025 and into 2026. During the year we completed the fit-out and move to our new London office at Worship Square. We also implemented a permanent change to bonus timing for Practice Directors to strengthen financial resilience. These actions contributed to the year-end position moving from net current assets to net current liabilities whilst total net assets increased to £8,390,098 (2024: £8,150,233). There have been no changes in the scope of our activities this year.

KEY PERFORMANCE INDICATORS

We use a range of key performance indicators (KPIs). They're focused on promoting profitable and sustainable income streams, using our staff effectively and managing cash flow – rather than pursuing growth for its own sake.

Some key financial statement KPIs are as follows:

	2025	YOY increase /(decrease)	2024	YOY increase /(decrease)
	£	%	£	%
Turnover	97,073,286	13%	86,233,610	7%
Trade debtors	19,864,386	4%	19,034,032	24%
Accrued income	9,214,679	(14)%	10,661,326	(23)%

FRONTIER ECONOMICS LIMITED

STRATEGIC REPORT (CONTINUED)

KEY PERFORMANCE INDICATORS (CONTINUED)

As stated above, we've grown our turnover this year by 13%, mainly through organic growth (existing clients and disciplines). We review timesheet data on a monthly basis, focusing on utilisation and work-life balance. This helps us to manage Frontier employees' workloads effectively and proactively.

EMPLOYMENT

Owned entirely by our staff, our business attracts the best people and the most interesting work. All permanent staff are issued shares and share options, according to their grade. Frontier also operates a profit-sharing bonus scheme, which is distributed on a bi-annual basis.

Frontier has a strong culture of openness and employee engagement, with clear policies for training, personal development and mentoring. These policies help us to support the career progression of our employees, who are encouraged to bring forward ideas for how we can do things better and make them happen.

Our equal opportunities employment policy demonstrates our opposition to all forms of discrimination. Our selection processes are non-discriminatory, and we always seek to give full consideration to those with disabilities when recruiting. In the event of an employee becoming disabled, we'd make every effort to ensure their employment with the company continued, and appropriate training would be arranged.

The company complies with all relevant health and safety legislation to ensure, as far as we can, the health, safety and welfare at work of all our employees.

PRINCIPAL RISKS AND UNCERTAINTIES

The market in which Frontier operates is highly competitive. Our strategy for success is based on providing our clients with world-class economic advice. This balances rigorous academic standards with a detailed understanding of the commercial and regulatory arenas in which our clients operate.

How we mitigate the principal risks we face:

- **People risk.** To provide world-class advice, we need economists of the highest quality. That's why we place considerable emphasis on recruitment, training and retention of staff, at all levels and across all geographies.
- **Price risk.** To ensure we remain competitive and to pick up any price sensitivities, fee rates achieved are analysed on a monthly basis across all disciplines and sectors. In addition, fee rates are reviewed and updated annually for all economists at an individual level.
- **Liquidity risk.** The company monitors cash flow as part of its day-to-day control procedures. Management considers cash flow projections on a monthly basis, and ensures that appropriate facilities are available to be drawn upon. We have a revolving credit facility and an overdraft facility with HSBC, and cash is held in a mixture of short-term deposit and current accounts, which earn interest at a variable rate: combined these meet the cash demands of the business across this next financial year.
- **Credit risk.** Because of the strong relationships we build with our clients, many of whom we work with on multiple projects over many years, credit risk has historically been very low. However, the directors continue to monitor debtors regularly, and the risk is not considered to be significant at the year end date.

FRONTIER ECONOMICS LIMITED

STRATEGIC REPORT (CONTINUED)

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

- **Foreign exchange risk.** Management monitors exposure to foreign currencies. Where possible, contracts and invoices are drawn in the currency of the cost base to minimise exposure to movements in exchange rates.
- **Going concern risk.** The directors have continued to pay particular attention to the assessment of the continued going concern of the company. With a material fit-out project completed last year on new office premises in London, the directors carefully reviewed the future financial position of the firm to ensure financial resilience over the coming period. They conclude that there is a reasonable expectation the company will be able to continue to operate for at least 12 months after the signing of the Financial Statements at the balance sheet date.

By design, Frontier has a resilient business model, which would be able to withstand periods of revenue significantly below current levels. Flexibility is built into our bonus scheme, which tracks the operating profit of the company. In the event of any prolonged period of lower revenue and/or higher variable costs, the directors would take mitigating action, such as reducing overheads, whilst in extreme circumstances, such as seen during the Covid pandemic, the timing of bonus payments earned through our bonus scheme can also be flexed to manage any material and unexpected timing delays on cash payments from clients.

Overall, the future revenue pipeline remains positive and demand for our services strong, with good levels of revenue expected across the next financial year. Frontier has a three year term revolving credit facility in place, entered into in June 2024 and has an overdraft facility of £2m, reduced from £4m in January 2025. After discussions with the bank, the overdraft facility is expected to be renewed in December 2025. In a sensitised forecast, the directors would utilise the overdraft facility to cover any potential shortfalls in cash, over and above any drawdowns from the revolving credit facility while maintaining compliance with the covenants throughout the going concern period.

The company operates a successful hybrid model with employees which balances the flexibility of working from home with the obligation to spend significant time in the office to meet the requirements of our clients, our colleagues and our culture. Given sustained demand from clients and the appeal of Frontier as a place to work, we've continued to successfully recruit into key areas of the business.

On this basis, it is the directors' expectation that the group will have sufficient cash flow and available resources to continue operating for at least 12 months from the approval date of these financial statements. Accordingly, the company continue to adopt the going concern basis in preparing the statements.

FRONTIER ECONOMICS LIMITED

STRATEGIC REPORT (CONTINUED)

COMPANIES ACT SECTION 172 STATEMENT

Section 172 of the Companies Act 2006 requires directors to consider the interests of stakeholders, among other matters, in their decision making. At Frontier, the directors continue to take into account the interests of our key stakeholders: our employees and shareholders (who, as a wholly employee-owned company, almost completely overlap), our clients and our suppliers; plus taking into account the impact of the company's activities on the community and the environment, Frontier's reputation for good business conduct and the need to act fairly.

It's in this context that the directors consider what is most likely to promote the success of the company in the long term, engaging with stakeholders in a number of ways, as explained below:

- The directors are fully aware of their responsibilities to promote the success of the company in accordance with section 172 of the Companies Act 2006. To ensure the company follows good corporate practice, all directors receive training on the scope and application of section 172 when they join the board and it is kept front of mind at board meetings, with a reminder of the board directors' section 172 responsibilities included in board papers. The company secretary helps the board ensure that sufficient consideration is given to the matters set out in s172(1)(a)-(f).
- The board regularly reviews the company's principal stakeholders and how it engages with them. They do this by reviewing information provided by management, and also by speaking directly to the stakeholders themselves.
- As well as the legally appointed board directors, the company appoints four shareholder representatives drawn from across the business, with each serving an c18 month term. They are not representatives of a particular group, office or cohort, but bring their own perspectives to Board meetings as shareholders and consider discussions through the lens of what is best for the whole company. They provide observations, questions and challenge on agenda items, support efforts to responsibly communicate the outcome of meetings to the wider firm and lead the planning and execution of the Annual Shareholders Meeting (ASM).

The values of the firm – Open, Interesting, Profitable and Fun – reflect the way that we want to work which underpins a culture that is a key competitive strength. This culture requires us to be engaged and entrepreneurial; to ensure that all parts of the firm strive to achieve their full potential; and that each part makes a strong contribution to promoting our culture internally and enhancing our reputation and brand externally.

As an employee-owned company, Frontier has a strong culture of employee and shareholder engagement. This culture is the responsibility of all employees, but particularly those who are part of the board and other governance bodies.

We aim to work responsibly with all our other stakeholders, including clients and suppliers. Examples of how we have given sufficient consideration to matters set out in section 172(1)(a)-(f) for decisions taken by us during the year are set out as follows:

FRONTIER ECONOMICS LIMITED

STRATEGIC REPORT (CONTINUED)

COMPANIES ACT SECTION 172 STATEMENT (CONTINUED)

BOARD DISCUSSIONS AND DECISIONS	BOARD CONSIDERATIONS INCLUDING ACTIONS AND IMPACT
Governance reform and ExCo establishment	<ul style="list-style-type: none"> ■ Approved the new governance model with creation of an Executive Committee (ExCo) as the new day-to-day decision-making body, replacing the Management Committee. ■ Considered how to streamline decision-making while maintaining inclusivity and employee representation. ■ Appointed new Managing Directors and ExCo members with a clear remit for strategic leadership and stronger stakeholder engagement.
Leadership succession	<ul style="list-style-type: none"> ■ Appointed Sharon White as incoming Chair and confirmed new Board Directors and Non-Exec Directors (NEDs) to ensure continuity, strategic capability and greater diversity (including Continental Europe representation) ■ Considered long-term leadership planning and effective firm-wide communication of transitions.
New London office move and fit-out	<ul style="list-style-type: none"> ■ Oversaw progress and financing of Worship Square office fit-out, including staggered occupation planning. ■ Considered implications for employee experience, collaboration, ESG standards, and cost. ■ Approved a Revolving Credit Facility (£6m) to support the move. ■ Confirmed alignment with sustainability goals (net-zero, BREEAM Outstanding rating).
Hybrid working culture and office engagement	<ul style="list-style-type: none"> ■ Reviewed hybrid work policy and office vibrancy. ■ Reaffirmed trust-based flexibility while underlining the importance of office presence for collaboration, innovation, and development. ■ Endorsed stronger leadership on attendance expectations and approved targeted internal messaging on the career and cultural benefits of in-person engagement.
Equity, Diversity & Inclusion (EDI) and gender diversity	<ul style="list-style-type: none"> ■ Monitored EDI progress and reaffirmed commitment to leadership visibility and accountability. ■ Recognised gender diversity challenges, particularly at senior levels, and requested systematic tracking to inform future interventions.

FRONTIER ECONOMICS LIMITED

STRATEGIC REPORT (CONTINUED)

COMPANIES ACT SECTION 172 STATEMENT (CONTINUED)

BOARD DISCUSSIONS AND DECISIONS	BOARD CONSIDERATIONS INCLUDING ACTIONS AND IMPACT
Financial oversight and going concern	<ul style="list-style-type: none"> Reviewed and approved FY24 financial statements with a clean audit report. Conducted a long-term working capital review, implementing a permanent change to bonus timing for Practice Directors and enhanced bonus policy clarity. Confirmed strong FY25 revenue and positive outlook, with resilience even in downside scenarios. Asked ExCo to develop a formal working capital policy.
Strategic planning and investment priorities	<ul style="list-style-type: none"> Approved revised FY25 budget and FY26 budget, including profit distribution. Endorsed strategic investments in AI, internal systems and recruitment. Initiated a strategic plan refresh to align growth and culture, including input on market risks and opportunities across practices.
Practice development and sustainability workstreams	<ul style="list-style-type: none"> Reviewed updates on Litigation & Dispute Support and Sustainability as part of medium-term planning. Encouraged cross-practice collaboration, brand positioning, and external visibility in emerging areas. Tasked the Sustainability workstream to develop a business plan for future investment.
Committee restructuring and risk oversight	<ul style="list-style-type: none"> Approved creation of an Audit & Risk Committee with an expanded remit in response to increasing complexity. Refreshed all Board Committees to enhance risk management and decision-making clarity.

Approval

This strategic report was approved on behalf of the board on 12 November 2025.



A Grimwade
Director

FRONTIER ECONOMICS LIMITED

STREAMLINED ENERGY AND CARBON REPORTING

Streamlined Energy and Carbon Reporting (SECR) is a Companies Act 2006 requirement for annual reporting and disclosure of energy and carbon information within company accounts. This section gives an overview of how Frontier has managed and audited its carbon emissions and provides the necessary information for compliance with SECR.

MANAGING AND AUDITING OUR CARBON EMISSIONS

Frontier's vision for environmental sustainability is built on our values, which distinguish us and guide our actions. We are committed to actively minimising the adverse impact that our business has on the environment. We seek engagement both within the business and with the wider community to promote greater environmental responsibility as a company.

Frontier also reaffirmed its annual commitment to the UN Global Compact this year. This is an initiative which, among other areas, demonstrates our undertaking to promote greater environmental responsibility and encourage the use of environmentally friendly technology.

We have been a 'carbon-zero' company since 2010 and our green remit continue to work to integrate environmental sustainability into Frontier's day-to-day operations. As well as working on issues mentioned above, they engage Frontier employees in green policy debates through discussion and events, and encourage environmental responsibility across the company through behavioural nudges.

The total carbon emissions from this period decreased by 218.8tCO₂e (29%) vs the preceding 12-months' period.

This change is primarily linked to the decrease in emissions from electricity and air travel. Whilst emissions from air travel continue to be the main reason for overall emissions (65.81%), this assessment period sees a reduction in air travel by over 33%. There is also a further notable decrease in emissions from electricity with a reduction of 11.30%. It is noted that the emissions per person remain low for an international company, at well under 2 tCO₂e per employee.

The latest carbon audit report includes once again the carbon emissions related to Frontier's home working model. These estimates are based on the Home Emissions Whitepaper produced by EcoAct in partnership with Lloyds Banking Group and NatWest Group.

Looking ahead, Frontier remains committed to affect further reduction in emissions and to achieving Net Zero emissions by 2030. In order to continue our progress towards achieving Net Zero, Frontier has set its own emissions reduction targets that are aligned with the Science Based Targets initiative (SBTi).

To achieve this target, Frontier commits to reduce absolute Scope 1 and Scope 2 emission by 46% by 2030 from a 2019 base year. On a per full-time equivalent employee (FTE) basis this equates to 0.1 tCO₂e per employee by 2030, which is a reduction of 77% on 2019 per FTE emissions. Frontier also commits to continue measure and reduce Scope 3 emissions.

FRONTIER ECONOMICS LIMITED

STREAMLINED ENERGY AND CARBON REPORTING (CONTINUED)

BACKGROUND AND METHODOLOGY

As an economics consultancy operating in an office environment, our main environmental impacts are electricity and business travel emissions. For offices for whom energy data is unavailable¹, CO₂e per sqm of air-conditioned office space is applied. Emissions for rail and taxi travel are based on pounds (£) spent per category (CO₂e per £).

Frontier uses the firm CO₂balance UK Ltd to run an audit of its greenhouse gas emissions each year. These annual reviews are based on the data Frontier produces, which CO₂balance analyse and review. Emissions factors are taken from Defra/DECC's 'UK government conversion factors for company reporting'.

The assessment methodology for the greenhouse gas review follows the reporting guidelines provided by the Greenhouse Gas Protocol, which is published by the World Business Council for Sustainable Development and the World Resources Institute (WBCSD/WRI Protocol).

Frontier has 16 years of CO₂ reports, audited by CO₂balance UK Ltd, and to date we have offset 9,223.41 tonnes of carbon dioxide emissions to balance out our carbon footprint. Offsets are conducted through social impact carbon offset projects in Africa, run by CO₂balance.

ORGANISATIONAL BOUNDARY

Frontier operates as one company registered in the UK so, for the purpose of our annual carbon footprint report, CO₂balance calculate the emissions for all Frontier offices (Berlin, Brussels, Cologne, Dublin, London, Madrid and Paris), reporting overall company emissions.

Our annual review reports emissions under all three scopes defined under the Greenhouse Gas Protocol and the ISO 14064_1 standard, as below:

- Scope 1 – Direct emissions
- Scope 2 – Indirect emissions
- Scope 3 – Indirect emissions (outsourced operations)

¹ Applies to the Berlin office only.

FRONTIER ECONOMICS LIMITED

STREAMLINED ENERGY AND CARBON REPORTING (CONTINUED)

ORGANISATIONAL BOUNDARY (CONTINUED)

CATEGORY	ACTIVITY	SCOPE
ENERGY/PREMISE	Gas consumption	Scope 1
	Electricity	Scope 2
	Water usage	Scope 3
	Waste disposal	Scope 3
BUSINESS TRAVEL	Air travel	Scope 3
	Rail travel	Scope 3
	Taxis	Scope 3
	Eurostar	Scope 3
	Hotel stays	Scope 3
	Public transport travel	Scope 3
	Staff-owned vehicles	Scope 3

INTENSITY RATIO

Since 2009, Frontier has grown significantly. Our total number of employees has increased year on year, and we've expanded our office space across Europe. We've therefore normalised our data by reporting an intensity ratio of tCO₂e per full-time employee (FTE), allowing for a more meaningful comparison over time.

EMISSIONS REPORTING OVERVIEW

For the current report, which covers the financial year May 2024 to April 2025, we show results to the previously reported 12 months covering the financial year May 2023 to April 2024.

FRONTIER ECONOMICS LIMITED
STREAMLINED ENERGY AND CARBON REPORTING (CONTINUED)

FIGURE 1: COMPARISON OF EMISSIONS BETWEEN CURRENT AND PREVIOUS PERIOD

	Current reporting period May 2024 to Apr 2025		Previous reporting Period May 2023 to Apr 2024	
	UK (TCO2E)	EU OFFICES ² (TCO2E)	UK (TCO2E)	EU OFFICES (TCO2E)
Energy Usage (kWh)	268,028	133,551	351,171	120,899
Emissions from activities that the company own or control (scope 1)	-	-	-	-
Emissions from purchased electricity, steam and cooling (scope 2 – market based)	55.50	38.50	72.72	33.25
Total gross scope 1 & 2 emissions	55.50	38.50	72.72	33.25
Total scope 3 emissions	239.19	202.49	361.47	287.03
Total emissions – scope 1, 2 & 3	294.69	240.99	434.19	320.28
Total company emissions	535.67		754.47	
Intensity ratio – tCO2e per FTE	1.01	1.49	1.50	2.14
Total company intensity ratio – tCO2e per FTE	1.18		1.71	
Information about energy efficiency action taken by the organisation	Our goal continues to be the integration of environmental sustainability into our day-to-day operations, decision-making and organisational values. Our objectives are focussed on developing measures and a long-term carbon footprint reduction strategy (incorporating sustainability targets and indicators and inputting into business policies which have a direct or indirect impact on the environment)			

SOURCE: CO2 AUDIT REPORT BT CO2BALANCE UK LTD

² Defined as emissions from the company's offices based in Berlin, Brussels, Cologne, Dublin, London, Madrid and Paris

FRONTIER ECONOMICS LIMITED
STREAMLINED ENERGY AND CARBON REPORTING (CONTINUED)

COMPARISON OF EMISSIONS & INTENSITY REDUCTION OVER YEARS

YEAR	TC02 EMISSIONS	TC02 EMISSION OFF-SET	TC02 /FTE
2009	388.35	389.00	3.96
2010	468.86	468.86	4.38
2011	503.35	503.35	3.92
2012	471.95	471.95	3.69
2013	508.55	508.55	3.48
2014	550.83	550.83	3.38
2015	609.43	609.43	3.26
2016	569.88	569.88	2.63
2017	505.82	506.00	1.95
2018	604.96	605.00	1.99
Jan 2019 - Apr 2020 ^{*1}	870.08	871.00	1.91
May 2020 - Apr 2021	188.70	654.00	0.54
May 2021 - Apr 2022	262.41	654.00	0.70
May 2022 - Apr 2023	571.42	571.42	1.33
May 2023 - Apr 2024	754.47	754.47	1.71
May 2024 - Apr 2025	535.67	535.67	1.18
^{*1} Jan-Dec 2019 = 652.56 & Jan-Apr 2020 = 217.52			
Total	8,364.73	9,223.41	

FRONTIER ECONOMICS LIMITED

DIRECTORS' REPORT

DIRECTORS

The directors of the company this year were:

D Aitman
M Bax (resigned 18 May 2024)
M Bell
J Bellis (appointed 1 January 2025)
P Burns (resigned 31 December 2024)
J Dietrich (appointed 15 July 2025)
A Grimwade
G Houpis
Lord O'Donnell (resigned 19 January 2025)
D Hume (appointed 15 July 2025)
D O'Flaherty (appointed 1 January 2025)
C Riechmann (resigned 31 December 2024)
J Romano (resigned 15 July 2025)
S Snelson (resigned 29 April 2025)
L Tobin
R Webster (appointed 15 July 2024)
S Wegner (appointed 15 July 2025)
Dame S White (appointed 20 January 2025)

COMPANY NUMBER

3752719

CHARITABLE DONATIONS

This year, donations totalling £30,716 (2024: £40,361) were made to charitable organisations.

QUALIFYING INDEMNITY PROVISIONS

Directors' insurance cover has been established for all directors to provide appropriate cover for their reasonable actions on behalf of Frontier. The indemnities, which constitute a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006, were in force during the 2025 financial year and remain in force for all current and past directors of Frontier.

COMPANIES ACT 2006 SECTION 172 AND STREAMLINED ENERGY AND CARBON REPORTING

The Companies Act 2006 section 172 statement has been included in the Strategic Report and the Streamlined Energy and Carbon Report is included separately above.

FRONTIER ECONOMICS LIMITED

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the strategic report, directors' report and the financial statements, in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have chosen to prepare the financial statements in accordance with UK GAAP (UK accounting standards and applicable law). Under company law, the directors must not approve the financial statements unless they're satisfied that they give a true and fair view of the state of affairs of the company, and of the company's profit or loss, for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records. These should show and explain the company's transactions, disclose the financial position of the company and enable the directors to ensure the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the company's assets, and so must take reasonable steps towards the prevention and detection of fraud and other irregularities.

Frontier's financial statements are published on the company's website, in accordance with UK legislation. The maintenance and integrity of the company's website is the responsibility of the directors, and so is the ongoing integrity of the financial statements.

AUDITORS

The current directors have taken all the necessary steps to make themselves aware of any information needed by the company's auditors, and to establish that the auditors are aware of that information. The directors are not aware of any relevant information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487(2), they will be automatically re-appointed as auditors 28 days after these accounts are sent to the members.

By order of the board



A Grimwade

Director

12 November 2025

FRONTIER ECONOMICS LIMITED

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRONTIER ECONOMICS LIMITED

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Frontier Economics Limited ("the Company") for the year ended 30 April 2025 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes Forming Part of the Financial Statements, 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).

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

Independence

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.

CONCLUSIONS RELATING TO GOING CONCERN

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

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 Directors with respect to going concern are described in the relevant sections of this report.

FRONTIER ECONOMICS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

OTHER INFORMATION

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OTHER COMPANIES ACT 2006 REPORTING

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

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

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 Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

FRONTIER ECONOMICS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the reporting framework of Financial Reporting Standard 102 and the Companies Act 2006, labour regulations and tax regulations in the appropriate jurisdiction.

FRONTIER ECONOMICS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Non-compliance with laws and regulations (continued)

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation, PAYE legislation, UK Corporate tax legislation and VAT legislation.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

FRONTIER ECONOMICS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Fraud (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be the valuation of accrued income and management override of controls which would result in an overstatement of performance in the year.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criterion, through agreement to supporting documentation;
- In response to the risk of fraud in accrued income we have agreed, on a sample basis, the valuation of the accrued revenue to engagement letters, time recorded on projects and subsequent billings; and
- Assessing in aggregate, material estimates and judgements made by management which would inflate performance.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

FRONTIER ECONOMICS LIMITED
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

DocuSigned by:

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Stuart Godfrey (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
12 November 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FRONTIER ECONOMICS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

	Note	2025 £	2024 £
Turnover	3	97,073,286	86,233,610
Cost of Sales		(4,237,575)	(4,496,113)
		-----	-----
Gross profit		92,835,711	81,737,497
Administrative costs		(91,394,501)	(80,369,182)
		-----	-----
Operating profit	4	1,441,210	1,368,315
Interest receivable		7,338	4,998
Interest payable		(94,094)	(87,501)
		-----	-----
Profit on ordinary activities before taxation		1,354,454	1,285,812
Taxation on profits on ordinary activities	7	(1,115,627)	(767,784)
		-----	-----
Profit for the financial year and total comprehensive income		238,827	518,028
		=====	=====

All amounts relate to continuing activities.

There are no recognised gains and losses other than those included in the above statement of comprehensive income.

The notes on pages 26 to 40 form part of these financial statements.

FRONTIER ECONOMICS LIMITED

BALANCE SHEET

COMPANY NUMBER 3752719

	Note	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	8		9,301,753		2,855,121
Intangible assets	9		670,884		899,418
			-----		-----
Total fixed assets			9,972,637		3,754,539
Current assets					
Debtors	10	33,061,146		33,852,012	
Cash at bank and in hand		8,575,019		3,146,552	
		-----		-----	
			41,636,165		36,998,564
Creditors: amounts falling due within one year	11	43,218,704		32,602,870	
		-----		-----	
Net current (liabilities)/assets			(1,582,539)		4,395,694
			-----		-----
Total assets less current liabilities			8,390,098		8,150,233
			-----		-----
Net assets			8,390,098		8,150,233
			=====		=====
Capital and reserves					
Called-up share capital	14		3,451		3,303
Share premium			8,004		7,291
Capital redemption reserve			528		351
Profit and loss account			8,378,115		8,139,288
			-----		-----
Shareholders' funds			8,390,098		8,150,233
			=====		=====

The financial statements were approved by the board of directors and authorised for issue on 12 November 2025.



A Grimwade

Director

The notes on pages 26 to 40 form part of these financial statements.

FRONTIER ECONOMICS LIMITED

STATEMENT OF CHANGES IN EQUITY

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total equity £
1 May 2024	3,303	7,291	351	8,139,288	8,150,233
Profit and total comprehensive income for the year	-	-	-	238,827	238,827
Contributions by and distributions to owners					
Cancellation of shares	(177)	-	177	-	-
Issue of shares	325	713	-	-	1,038
	-----	-----	-----	-----	-----
Total contributions by and distributions to owners	148	713	177	-	1,038
	-----	-----	-----	-----	-----
30 April 2025	3,451	8,004	528	8,378,115	8,390,098
	=====	=====	=====	=====	=====
	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total equity £
1 May 2023	3,053	6,469	228	7,621,260	7,631,010
Profit and total comprehensive income for the year	-	-	-	518,028	518,028
Contributions by and distributions to owners					
Cancellation of shares	(123)	-	123	-	-
Issue of shares	373	822	-	-	1,195
	-----	-----	-----	-----	-----
Total contributions by and distributions to owners	250	822	123	-	1,195
	-----	-----	-----	-----	-----
30 April 2024	3,303	7,291	351	8,139,288	8,150,233
	=====	=====	=====	=====	=====

The notes on pages 26 to 40 form part of these financial statements.

FRONTIER ECONOMICS LIMITED

STATEMENT OF CASH FLOWS

	Note	2025 £	2024 £
Cash flows from operating activities			
Profit for the financial year		238,827	518,028
Adjustments for:			
Depreciation	8	1,403,193	1,239,923
Amortisation	9	228,534	213,843
Net interest		86,756	82,503
Taxation charge	7	1,115,627	767,784
Decrease/(increase) in trade and other debtors		702,520	(1,874,246)
Increase in trade and other creditors		10,517,590	1,120,888
Loss on disposal of tangible fixed assets		4,706	580
		-----	-----
Cash from operations		14,297,753	2,069,303
Interest paid		(94,094)	(87,501)
Interest received		7,338	4,998
Taxation paid		(929,037)	(503,763)
		-----	-----
Net cash generated from operating activities		13,281,960	1,483,037
		-----	-----
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets		3,337	3,006
Purchases of tangible fixed assets	8	(7,857,868)	(1,340,014)
Purchases of intangible assets	9	-	(79,166)
		-----	-----
Net cash used in investing activities		(7,854,531)	(1,416,174)
		-----	-----
Cash flows from financing activities			
Proceeds from borrowings		2,000,000	-
Repayment of borrowings		(2,000,000)	-
Issue of shares		1,038	1,195
		-----	-----
Net cash generated from financing activities		1,038	1,195
		-----	-----
Net increase in cash and cash equivalents		5,428,467	68,058
Cash and cash equivalents at beginning of year		3,146,552	3,078,494
		-----	-----
Cash and cash equivalents at end of year		8,575,019	3,146,552
		=====	=====

The notes on pages 26 to 40 form part of these financial statements.

FRONTIER ECONOMICS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Frontier Economics Limited is a private company limited by shares and incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page, and the nature of the company's operations and its main activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland.

Preparing financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the company's management to exercise judgement in applying accounting policies.

The following principal accounting policies have been applied:

TURNOVER

In line with FRS 102, revenue for services is measured at the fair value of the consideration received or receivable, and when the company has obtained a right to consideration for those services. Unbilled work in progress at the end of the period, which is charged on a time and materials basis, is valued according to timesheet records. Unbilled work in progress at the end of the period, which is charged on a fixed or capped fee basis, is valued according to the stage of completion, taking into account the estimated total costs. Where the right to consideration is conditional or contingent on the outcome of a specified future event, the occurrence of which is outside the company's control, then the revenue is not recognised until the critical event occurs.

GOING CONCERN

The directors have continued to pay particular attention to the assessment of the continued going concern of the company. Having entered into an agreement to lease new office premises in London from July 2024, with a material fit-out project then completed across the current financial year, the directors carefully reviewed the future financial position of the firm to ensure financial resilience over coming period. The directors acknowledge the net current liability position of the company (as detailed in the Business Review) in their review of the going concern assumption. They conclude that there is a reasonable expectation the company will be able to continue to operate for at least 12 months after the signing of the Financial Statements at the balance sheet date. The directors have considered the impact of the macroenvironment in the cash flows.

By design, Frontier has a resilient business model, which would be able to withstand periods of revenue significantly below current levels. Flexibility is built into our bonus scheme, which tracks the operating profit of the company. In the event of any prolonged period of lower revenue and/or higher variable costs, the directors would take mitigating action, such as reducing overheads, whilst in extreme circumstances, such as seen during the Covid pandemic, the timing of bonus payments earned through our bonus scheme can also be flexed to manage any material and unexpected timing delays on cash payments from clients.

FRONTIER ECONOMICS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN (CONTINUED)

Overall, the future revenue pipeline remains positive and demand for our services strong, with good levels of revenue expected across the next financial year. Frontier has a three year term revolving credit facility in place, entered into in June 2024 and has an overdraft facility of £2m, reduced from £4m in January 2025. After discussions with the bank, the overdraft facility is expected to be renewed in December 2025. In a sensitised forecast, the directors would utilise the overdraft facility to cover any potential shortfalls in cash, over and above any drawdowns from the revolving credit facility while maintaining compliance with the covenants throughout the going concern period.

The company operates a successful hybrid model with employees which balances the flexibility of working from home with the obligation to spend significant time in the office to meet the requirements of our clients, our colleagues and our culture. Given sustained demand from clients and the appeal of Frontier as a place to work, we've continued to successfully recruit into key areas of the business.

On this basis, it is the directors' expectation that the group will have sufficient cash flow and available resources to continue operating for at least 12 months from the approval date of these financial statements. Accordingly, the company continue to adopt the going concern basis in preparing the statements.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at bank and in hand, and highly liquid interest-bearing securities with maturities of three months or less, subject to insignificant risk of change in value.

INTANGIBLE FIXED ASSETS

(a) Website development costs

The future revenues generated by the company website are expected to outweigh the cost of developing the website. When all other capitalisation criteria are met, expenditure on the functionality of the website is capitalised and treated as an intangible fixed asset. Expenditure incurred on maintaining and developing websites used only for advertising and promotional purposes is written off as incurred.

Amortisation is charged to the income statement on a straight-line basis, over the estimated useful life of the asset. The estimated useful life of the website development costs is five years. Assets under construction are not amortised until the asset is fully brought into use.

(b) Information system

The future revenues generated by the use of information systems are expected to outweigh the cost of developing the system. When all other capitalisation criteria are met, expenditure on the functionality of the system is capitalised and treated as an intangible fixed asset. Expenditure incurred on maintaining the live system is written off as incurred.

Amortisation is charged to the income statement on a straight-line basis, over the estimated useful life of the asset. The estimated useful life of the information system costs is five years. Assets under construction are not amortised until the asset is fully brought into use.

FRONTIER ECONOMICS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated as historical cost, less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to operate in the manner intended by management.

To the carrying amount of a fixed asset, the company adds the cost of replacing part of the asset when the replacement part is expected to provide incremental benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

DEPRECIATION

Depreciation on assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Leasehold improvements	-	To the first break clause of the lease term
Fixtures and fittings	-	4-5 years
Computers and equipment	-	3-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if there is an indication of a significant change since the last reporting date.

FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Sterling, which is the company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the company's functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation, at year-end exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

FRONTIER ECONOMICS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

CURRENT AND DEFERRED TAXATION

The tax expense for the period is made up of current and deferred tax. Tax is recognised in profit or loss. There are some exceptions to this: charges attributable to items of income or expense recognised as other comprehensive income, or to items recognised directly in equity, are also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the country where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not been reversed by the balance sheet date, except:

- the recognition of deferred tax assets is limited to the extent that it is probable they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences, except for business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired, the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

LEASES

Where the group has a legal obligation, a dilapidations provision is created on inception of a lease. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease. Where the obligation arises from 'wear and tear', the provision is accrued as the wear and tear occurs.

All other leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

PENSION COSTS

Contributions to employees' personal pension plans are charged to the statement of comprehensive income in the year in which they become payable.

HOLIDAY PAY ACCRUAL

Any unused holiday pay entitlement that has accrued at the year end date is recognised as a liability and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement that was accrued at the year end date.

FRONTIER ECONOMICS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

RESERVES

The company's reserves are as follows:

- The called-up share capital reserve represents the nominal value of the shares issued.
- The share premium account includes the premium on issue of equity shares, net of any issue costs.
- The capital redemption reserve contains the nominal value of owned shares that have been acquired by the company and cancelled.
- The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

SHARE-BASED EMPLOYEE REMUNERATION

The company operates a long-term incentive plan and share option scheme. The fair value of the conditional awards of shares granted under these schemes is determined at the date of grant. This fair value is then expensed on a straight-line basis over the vesting period, based on an estimate of the number of shares that will eventually vest.

FINANCIAL INSTRUMENTS

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities – like cash and cash equivalents, trade and other debtors and creditors, loans from related parties and other third parties, and accrued expenses.

Debt instruments (other than those wholly repayable or receivable within one year), including loan and other debtors and creditors, are initially measured at the present value of the future cash flows. They are subsequently measured at amortised cost, using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors or creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, the financial asset or liability is measured, initially, at the present value of the future cash flow – discounted at a market rate of interest for a similar debt instrument – and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If evidence is found, an impairment loss is recognised in the income statement. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows, discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and a best estimate of the recoverable amount. The latter is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

FRONTIER ECONOMICS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

- Unbilled work in progress at the end of the period, which is charged on a time and materials basis, is valued according to timesheet records. Unbilled work in progress at the end of the period, which is charged on a fixed or capped fee basis, is valued according to the stage of completion, taking into account the estimated total costs or, in the case of milestone contracts, fully completed milestones.
- Share scheme assumptions are detailed within note 15.

3 TURNOVER

	2025 £	2024 £
United Kingdom	53,061,607	49,058,841
Europe	33,833,346	30,242,470
Rest of world	10,178,333	6,932,299
	-----	-----
	97,073,286	86,233,610
	=====	=====

Turnover is derived through the rendering of consultancy services.

4 OPERATING PROFIT

	2025 £	2024 £
This is arrived at after charging:		
Auditors' remuneration		
- audit services	71,200	72,100
- taxation	59,320	39,420
- non audit services	150,649	147,670
Depreciation	1,403,193	1,239,923
Amortisation	228,534	213,843
Operating lease rentals - land and buildings	4,563,636	3,180,052
Foreign exchange loss	331,820	110,332
Loss on sale of fixed assets	4,706	580
	=====	=====

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

5 EMPLOYEES

	2025 £	2024 £
Staff costs (including directors) consist of:		
Wages and salaries	62,799,853	55,565,517
Social security costs	8,896,888	7,585,890
Pension costs	811,807	778,338
	-----	-----
	72,508,548	63,929,745
	=====	=====

The average number of employees during the year was 458 (2024: 457).

6 DIRECTORS' REMUNERATION

	2025 £	2024 £
Emoluments	4,801,337	4,552,803
Pension costs	116,992	140,974
	-----	-----
	4,918,329	4,693,777
	=====	=====

Salary sacrifice contributions to personal pension plans were made in respect of 7 directors (2024: 5).

The highest paid director received emoluments totalling £789,074 (2024: £771,664) and salary sacrifice pension contributions of £7,613 (2024: £nil) were paid on their behalf during the year.

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

7 TAXATION ON PROFIT FROM ORDINARY ACTIVITIES

	2025 £	2024 £
<i>Current tax</i>		
UK corporation tax on profits of the year	-	428,968
Adjustment in respect of prior periods	132,806	194,455
Foreign taxes suffered	185,665	272,938
	-----	-----
Total current tax charge	318,471	896,361
	=====	=====
<i>Deferred tax</i>		
Total deferred tax charge/(credit)	797,156	(128,577)
	-----	-----
Total tax on profit from ordinary activities	1,115,627	767,784
	=====	=====

The tax assessed for the year is higher than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2025 £	2024 £
Profit before tax per financial statements	1,354,454	1,285,812
	=====	=====
Expected tax charge at standard UK corporation tax rate of 25% (2024: 25%)	338,614	321,453
<i>Effects of:</i>		
Expenses not deductible for tax purposes	442,061	85,644
Depreciation on assets not eligible for capital allowances	-	137,224
Other permanent differences	(6,493)	(2,449)
Adjustment in respect of previous periods – deferred tax	22,974	(118,333)
Adjustment in respect of previous periods – current tax	132,806	194,455
Foreign tax credit	32,698	9,796
Foreign taxes suffered	152,967	263,142
Double taxation relief provision	-	(155,659)
Timing differences not recognised in computation	-	32,511
	-----	-----
Total tax on profit from ordinary activities	1,115,627	767,784
	=====	=====

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

7 TAXATION ON PROFIT FROM ORDINARY ACTIVITIES (CONTINUED)

The company's overseas tax rates are higher than those in the UK. This is mainly because profits earned in Germany are taxed at an effective rate in excess of 32% (2024: 32%). There is no indication that these rates are likely to change in the near future.

8 TANGIBLE ASSETS

	Leasehold improvements £	Fixtures and fittings £	Computers and equipment £	Total £
<i>Cost</i>				
At 1 May 2024	7,519,909	1,849,337	4,779,004	14,148,250
Additions	6,721,251	735,400	401,217	7,857,868
Disposals	(757,212)	(542,689)	(679,152)	(1,979,053)
	-----	-----	-----	-----
At 30 April 2025	13,483,948	2,042,048	4,501,069	20,027,065
	-----	-----	-----	-----
<i>Depreciation</i>				
At 1 May 2024	5,495,674	1,538,686	4,258,769	11,293,129
Charge for year	796,532	219,470	387,191	1,403,193
Disposals	(757,212)	(535,045)	(678,753)	(1,971,010)
	-----	-----	-----	-----
At 30 April 2025	5,534,994	1,223,111	3,967,207	10,725,312
	-----	-----	-----	-----
<i>Net book value</i>				
At 30 April 2025	7,948,954	818,937	533,862	9,301,753
	=====	=====	=====	=====
At 30 April 2024	2,024,235	310,651	520,235	2,855,121
	=====	=====	=====	=====

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

9 INTANGIBLE ASSETS

	Information systems £	Websites £	Total £
<i>Cost</i>			
At 1 May 2024	1,000,074	321,598	1,321,672
Additions	-	-	-
Disposals	-	-	-
	-----	-----	-----
At 30 April 2025	1,000,074	321,598	1,321,672
	-----	-----	-----
<i>Amortisation</i>			
At 1 May 2024	214,734	207,520	422,254
Charge for year	200,014	28,520	228,534
Disposals	-	-	-
	-----	-----	-----
At 30 April 2025	414,748	236,040	650,788
	-----	-----	-----
<i>Net book value</i>			
At 30 April 2025	585,326	85,558	670,884
	=====	=====	=====
At 30 April 2024	785,340	114,078	899,418
	=====	=====	=====

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

10 DEBTORS

	2025 £	2024 £
Trade debtors	19,864,386	19,034,032
Other debtors	1,177,035	760,354
Accrued income	9,214,679	10,661,326
Prepayments	2,462,693	2,965,601
Deferred tax asset	-	430,699
UK corporation tax	342,353	-
	-----	-----
	33,061,146	33,852,012
	=====	=====

All amounts shown under debtors fall due for payment within one year.

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	2,113,448	2,294,037
Other creditors	727,023	798,237
Creditors for taxation and social security	3,902,877	3,685,305
Accruals and deferred income	36,108,899	25,557,078
UK corporation tax	-	268,213
Deferred tax	366,457	-
	-----	-----
	43,218,704	32,602,870
	=====	=====

Deferred income at the year-end was £388,208 (2024: £749,646).

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

12 FINANCIAL INSTRUMENTS

	2025 £	2024 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	39,197,506	33,899,594
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	38,949,370	28,649,352
	<u> </u>	<u> </u>

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

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and deferred income.

13 COMMITMENTS UNDER OPERATING LEASES

The company had minimum lease payments under non-cancellable operating leases as set out below:

	Land and buildings 2025 £	Land and buildings 2024 £
Within one year	1,301,420	2,270,985
In two to five years	13,948,048	4,131,949
After more than five years	12,899,284	1,368,563
	<u> </u>	<u> </u>
	28,148,752	7,771,497
	<u> </u>	<u> </u>

In July 2024, the Company signed a new lease agreement for its London office which covers a period of 15 years. To finance the new office and the associated fit out costs, the Company agreed a £6.0m Revolving Credit Facility (“RCF”) with its bank in June 2024. The RCF is for a term of 3 years with an interest at a rate of 2.55% per annum over the Bank of England Base Rate. The RCF is secured by a fixed and floating charge over the total assets of the company. During the year, an amount of £2m was drawn on the RCF facility and repaid by the year end.

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

14 SHARE CAPITAL

	Allotted, called up and fully paid	
	2025	2024
	£	£
6,902 (2024: 6,605) ordinary shares of 50p each	3,451	3,303

On 25 March 2025, 650 ordinary shares of 50p each were issued at par (2024: 745). During the year, 353 ordinary shares of 50p each were cancelled (2024: 246).

Share options

Date of grant	Number of shares	Expiry date	Option price
<i>Share option scheme</i>			
2016	1,356,350	10/03/2026	160p
2017	343,746	15/04/2027	160p
2018	94,955	01/03/2028	160p
2019	652,490	25/07/2029	160p
2021	915,503	18/03/2031	160p
2022	753,583	26/01/2032	160p
2023	842,798	24/03/2033	160p
2024	684,290	25/04/2034	160p
2025	1,123,582	25/03/2035	160p

The company has issued 1,127,578 new and replacement share options. For further details of options granted and outstanding at the year end, refer to note 15.

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

15 SHARE-BASED PAYMENT

The company operates two equity-settled share-based remuneration schemes for employees: an unapproved scheme and an Enterprise Management Incentive (EMI) scheme for qualifying employees.

Options are only exercisable if, in the opinion of the directors, there will be a change in control of the company or on the discretion of the directors. The directors don't believe this will happen in the foreseeable future, so no fair value charge has been reflected in these financial statements, and no charge is anticipated in future financial statements. At each year end, and prior to the approval of the financial statements, the directors will reconsider the likelihood of a change in control.

If an individual leaves the company, the option lapses.

	30 April 2025	30 April 2025	30 April 2024	30 April 2024
	Weighted average exercise price (pence)	Number	Weighted average exercise price (pence)	Number
Outstanding at the beginning of the period	160	6,719,395	160	6,256,894
Granted during the period	-	1,127,578	-	719,255
Forfeited during the period	-	(333,677)	-	(256,754)
Lapsed during the period	-	(745,999)	-	-
	-----	-----	-----	-----
Outstanding at the end of the period	160	6,767,297	160	6,719,395
	=====	=====	=====	=====

The exercise price of options outstanding at the end of the period was 160p (2024: 160p) and their weighted average contractual life was 5.0 years (2024: 5.3 years).

Of the total number of options outstanding at the end of the period, none (2024: none) had vested and were exercisable at the end of the period.

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

FRONTIER ECONOMICS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

16 BANK GUARANTEES

The company is a guarantor of letters of credit to its clients and landlords amounting to £359,904 (2024: £603,392) on the assets of the company for the purposes of rental and tender guarantees.

17 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party in the current and comparative year based on the shareholdings in the company.

Key management personnel include all directors and a number of senior managers across the company. Together, they have authority and responsibility for planning, directing and controlling the company's activities.

The total compensation paid to key management personnel for services provided to the company was £22,245,176 (2024: £18,465,686).

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