

Registered Number: 02235016 (England and Wales)

PA Holdings Limited

Strategic Report, Directors' Report and

Unaudited Financial Statements for the Year Ended 31 December 2024

PA Holdings Limited

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for the Year Ended 31 December 2024**

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PA Holdings Limited
Company Information
for the Year Ended 31 December 2024

Directors:	C R S Barrett K Janjua H J Maule C D F Norris
Secretary:	J W Greenfield
Registered office:	10 Bressenden Place London United Kingdom SW1E 5DN
Registered number:	02235016 (England and Wales)
Bankers:	HSBC Bank plc West End CBC 69 Pall Mall London SW1Y 5EY

PA Holdings Limited

Strategic Report for the Year Ended 31 December 2024

The directors present their strategic report for the year ended 31 December 2024.

Review of business

The Company is a member of the PA Consulting Group of companies (the "Group"). The company provides consulting and administrative staff to PA Consulting Services Limited and PA Technology Solutions Limited, both fellow group companies.

Following a challenging year for the consulting industry in 2023, in which economic headwinds, arising in part from inflationary pressures and political uncertainty ahead of general elections in the UK and US in 2024, contributed to a reduction in client demand. As a result, the Group took decisive action to reduce the overall cost base which included ensuring alignment of skills in the team to match client needs. These actions resulted in a decrease in headcount of 6% year on year due to restructuring activities, which led to a decrease in turnover to £383.7 million in 2024 compared with £411.2 million in 2023. This resulted in a gross profit of £17.6 million (2023: £24.7 million).

During the year, PA Consulting Group underwent a group simplification exercise to reduce the number of entities in the group. As a result, four of the directly held investments were reorganised in the group structure and the value of the investments held by the company were reduced. As part of the process the Company's parent changed from PACG2 Limited to PA Consulting Government Services Limited on 13 September 2024.

The Company received dividend income from subsidiaries of £2,440,912 (2023: £nil) in relation to this reorganisation. Additionally, return of capital of £50,308,385 resulted in a decrease to total investment values. There was a corresponding net increase in intercompany debtors of £52,749,297.

After the year end, the four directly held investments as well as one indirectly held subsidiary were struck off.

Principal risks and uncertainties

Business performance and principal risks and uncertainties of the Company are integrated with the performance and principal risks of the Group and are not managed separately. For this reason, the Company's directors believe that further analysis is not necessary for an understanding of the development, performance, position or risks of the business. A detailed review of the business of the Group and a description of the risks and uncertainties facing it can be found in the PA Consulting Group Limited report and accounts for 2024.

PA Holdings Limited

Strategic Report for the Year Ended 31 December 2024

Section 172(1) statement

The directors of PA Holdings Limited present their Section 172(1) Statement.

The directors of the Company have acted in a way they considered, in good faith, to be most likely to promote the success of the Company for the benefit of the members as a whole, and in doing so had regard, among other things to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining its reputation for high standards of business conduct;
- the need to act fairly between the members of the Company.

The governance and control framework, which is in place across the Group, ensures that our core values are upheld and that decisions made by the board give due regard to the long-term impact of those decisions, the interests of the Company's stakeholders, and the impact of the Company's activities on the community, the environment and the Company's reputation. The key stakeholders, which are considered by the board when making decisions, include our people, clients and shareholders, as well as suppliers, the environment and the communities around us.

The board receives regular and timely information on all key aspects of the business. Decisions are made after thorough consideration and debate, using all available information and detailed papers that focus on relevant stakeholder considerations. The directors also have access to advice and guidance from the Group Company Secretary, as well as PA's Group legal function, when discharging their duties.

Our people

We engage with our people regularly throughout the year and in a variety of ways. We have a comprehensive intranet site, digital learning academy, weekly PA news updates, and regular all-staff messages from our Chief Executive Officer and other members of our senior leadership team. We also hold many in-person events and gatherings throughout our global offices and provide updates to employees throughout the year on financial and economic factors affecting the performance of the Company.

Each year, we undertake an engagement survey of our people. Listening and responding to this feedback is a huge part of delivering on our commitment to creating a place which attracts the best and brightest minds and enables everyone to thrive and develop their skills, every day.

We frequently assess our ethical responsibilities to ensure fairer treatment of our people, gender parity, and social mobility through recruitment. We are a UK Living Wage accredited employer, we are a member of the UN Global Compact, and we comply with the Ethical Trading Initiative base code on good labour practices.

Our communities and the environment

We take pride in the dedication of our people to engaging with communities and addressing climate change and environmental challenges. This commitment is reflected in the work we do with our clients and within our own organisation.

Our suppliers

Our policy is to place contracts with suppliers who provide value for money and adopt sustainable practices in line with appropriate international and local guidelines and standards, which we monitor via our supplier pre-qualification questionnaire.

We seek a diverse range of suppliers in order to provide a fair opportunity to compete for and win work from PA. In exercising this policy, we seek to increase competition by identifying suppliers who are the most efficient, flexible, innovative and committed to CSR best practice.

We strive to ensure that the purchase of goods, services and facilities is undertaken in line with our diversity and inclusivity commitments and, wherever possible, that we purchase from agencies or companies who share our values on equality of opportunity and diversity.

We remain an approved signatory to the UK Prompt Payment Code and we report twice annually on our payment practices and performance in accordance with the regulations made under the Small Business, Enterprise and Employment Act 2015 in the UK.

PA Holdings Limited
Strategic Report
for the Year Ended 31 December 2024

Approved by the board and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'K Janjuah', enclosed within a thin black rectangular border.

.....
K Janjuah - Director

Date: 26 June 2025

PA Holdings Limited

Directors' Report for the Year Ended 31 December 2024

The directors present their report with the financial statements of the Company for the year ended 31 December 2024.

Principal activity

The principal activity of the Company in the year under review was that of holding investments and the supply of consultants and administrative staff services to PA Consulting Services Limited and PA Technology Solutions Limited, both fellow Group companies.

Dividends

No dividends will be distributed for the year ended 31 December 2024.

Future developments

In 2025 the Company will continue to provide consulting and administrative staff to PA Consulting Services Limited and PA Technology Solutions Limited, and will continue to derive all of its turnover from this activity.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Directors

The directors shown below have held office during the whole of the period from 1 January 2024 to the date of this report.

C R S Barrett
K Janjuah
H J Maule

Other changes in directors holding office are as follows:

C D F Norris - appointed 23 April 2024

PA Holdings Limited

Directors' Report for the Year Ended 31 December 2024

Going concern

PA Holdings Limited is a subsidiary of PA Consulting Group Limited (the "Group"). The Company heads up the operational PA Group, and has access to substantially all of the resources available to the wider group, with the exception of the debt funding.

Having considered the financial position, trading performance and forecast cash flows, along with the principal risks of the business, of the Company and wider PA Group, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

As described in the Group Annual Report the directors of the Group have taken into account short and mid-term trading and cash forecasts, covering the period to 31 December 2026, potential global or economic impacts on the numbers included in those forecasts and the availability of funding sources for the Group.

The forecast providing the basis for the review has been formed from the Board-approved 2025 budget, with 2026 numbers from the Group's longer term strategic plan. In creating the budget, consideration has been given to the shape, size and location of workforce required to service anticipated client demand and the appropriate utilisation level for various consultant groupings. The national insurance increase announced in the UK Budget of October 2024 has been incorporated into employment costs. Additionally, expected inflationary impacts have been factored into the Group's more volatile cost components, primarily utility costs and lease service charges. Although expectation is that UK financing rates will reduce over the coming year, the forecast debt servicing costs have been modelled consistent with the higher 2024 rates experienced. The forecast shows operating cashflow to be strong throughout the review period.

The directors have also assessed the tolerance of the cash flows to adverse impacts on these assumptions for the key financial performance drivers. These are considered in the review period to be the risk of client demand dropping as the new UK public sector procurement policies are embedded, and cost inflation remaining higher than anticipated across the Group's global footprint. The downside case, incorporating a combination of significant revenue reduction and overhead cost increase, demonstrated that the Group's business model is sufficiently robust and has excess liquidity headroom to absorb a sizeable and sustained downturn.

The Group's financing is a combination of debt and cash on hand. The maturities on these debt instruments are well beyond 12 months and include £270 million headroom within the revolving credit facility. There are no financial covenants that would cause default during the period under consideration. The directors believe these sources provide the Group with access to sufficient longer-term funding and the ultimate lender has appropriate backing and headroom to support the lending for the foreseeable future.

The Group's net liability position arises from the classification of its preference shares as debt rather than equity. Settlement of these instruments is contingent upon either an investment disposal by Jacobs Engineering Group Inc. or a liquidity event, as defined in PA Consulting Group Limited's articles of association. This event is expected to occur around five years from the March 2021 issue date, at which point a valuation agreed between the shareholding parties will trigger return of capital to the existing preference shareholders from the new investment funds raised, either through re-investment from existing shareholders or disposal of holdings to new investors. PA Consulting Group Limited is not required to fund or supplement any return of capital in these scenarios and consequently the directors do not expect settlement to require utilisation of the Group's own resources.

On the basis of the Group's forecast position, and from the outcome of the downside scenario, the directors are satisfied that the Company's business model is robust and flexible. The directors are further satisfied that the Company has sufficient resources and liquidity to continue to trade for the foreseeable future and conclude that there are no significant doubts about the Company's ability to continue as a going concern.

Directors liabilities

In accordance with the Articles of Association, the sole shareholder has provided to all the directors an indemnity (to the extent permitted by the Companies Act 2006) in respect of liabilities incurred as a result of their office. The Group has taken out an insurance policy in respect of those liabilities for which directors may not be indemnified. Neither the indemnity nor insurance provides cover in the event that the director is proved to have acted dishonestly or fraudulently.

PA Holdings Limited

Directors' Report for the Year Ended 31 December 2024

Investing in our people

Our people are at the heart of everything we do. Every day, our multidisciplinary teams collaborate, bringing diverse expertise and insights to help our clients tackle the world's most complex challenges.

We are just as dedicated to creating an exceptional workplace as we are to delivering impactful results. That's why we've built a culture that fosters collaboration, diversity, inclusion, and growth - where our people feel valued, empowered, and inspired to do their best work.

Employee engagement

At PA, we believe that engaged employees are fundamental to driving innovation, delivering exceptional outcomes for our clients, and fuelling long-term organisational growth. When our people feel heard, valued, and empowered, they bring their best ideas and energy to work - enabling us to thrive as a business and make a greater impact in the world.

That's why listening to our people remains a top priority. Our employee engagement surveys are a vital tool in helping us understand their experiences, assess how our strategy is resonating, and identify opportunities to improve.

In 2024, we continued to enhance our engagement approach. Following the October engagement survey, we continued to refine our approaches and introduced new initiatives to strengthen employee experience. We also evolved our survey strategy to gather feedback more frequently and effectively. Through a new format of three shorter pulse surveys each year we will collect timely insights and respond with greater agility to enhance our people's experience. This approach will allow us to stay closely connected to employee sentiment and act quickly on what matters most.

Growth

At PA, we believe in the power of personal growth and development. Embracing a growth mindset and a strong drive to keep evolving is essential for both our people and our business. Our core philosophy is that every individual at PA, from the most senior to the most junior, should passionately invest in their own growth and development. When we all commit to this journey, we safeguard our collective talents and ensure we reach our highest performance potential.

Learning and development is an integral part of how PA delivers excellence to our clients and creates a dynamic learning culture. We apply a widely used model to ensure learning and development can be achieved primarily through on-the-job experiences, supplemented by learning from others and complemented by formal learning - ranging from self-directed online learning to face-to-face workshops and certified courses.

Our inclusive blended learning approach brings digital learning, virtual classrooms, in-person sessions, and LinkedIn Learning together, ensuring everyone has access to diverse and enriching educational experiences. We prioritise accessibility and are deeply committed to inclusivity, empowering every learner to fully participate, thrive, and reach their highest potential.

Inclusion

Our people strategy is 'inclusive by design', fostering a culture of inclusivity and meritocracy, encouraging diverse thought and experience, mitigating bias in all areas of work, and ensuring we attract, retain, and promote the very best talent throughout our organisation.

Our 2024 Pay and Inclusion Report, which is published on our external website, provides a detailed overview of our broader work on inclusion and equality and demonstrates our progress and activity over the last year.

Wellbeing

We continue to prioritise the health and wellbeing of our people, recognising that this spans five key areas: mental, physical, financial, social, and career-related wellbeing.

We are actively addressing each of these through education - such as webinars and live events - as well as ongoing improvements to our policies, resources and processes, ensuring our people feel fully supported in every aspect of their wellbeing inside and outside of work. For the first time, we are also reporting externally on our work in this space, following the UK Government's voluntary reporting framework, where more information is available on how we are supporting and managing mental health and wellbeing at work.

PA Holdings Limited

Directors' Report for the Year Ended 31 December 2024

Supporting our communities

Building a positive human future extends beyond our clients and our people to include our contribution to social and environmental outcomes in the communities where we live and work. We give our time and expertise to develop and inspire people, particularly those facing disadvantage, to be the innovators and leaders of tomorrow, applying their ingenuity to solve the world's biggest challenges. We do that at a firm-wide level through our PA in the Community programme and by partnering with charitable organisations that are having a demonstrable impact in society.

In 2024, we delivered community impact at scale through our partnership with The PA Foundation. By the end of 2024, the Foundation had distributed over £2 million in grant funding to 42 charitable organisations in the UK, US, Nordics and Netherlands, reaching 8,900 people from disadvantaged backgrounds.

Through all our community engagement initiatives, PA's people, being employees of the Company or its subsidiaries, contributed more than 21,000 hours of volunteer time and supported over 250 charities and non-profit organisations. Of this, 73 percent of our volunteering activity was skills-based, demonstrating our commitment to sharing expertise and skills for the benefit of our communities.

Governance

The Company is a subsidiary of PA Consulting Group Limited. The Group has established a governance structure which is appropriate for the business in terms of complexity and risk profile. During the year, two directors of PA Holdings Limited sat on the board of PA Consulting Group Limited. As a subsidiary within the Group the Company did not apply a separate corporate governance code.

The board of PA Consulting Group Limited (the "Board") is the key governance body and is responsible for overall strategy, performance of the business and ensuring appropriate and effective risk management. During the year, the board comprised a non-executive Chair, a non-executive Director, the Chief Executive Officer, the Group Company Secretary, and three directors appointed by the Group's majority shareholder.

The corporate governance arrangements in place at PA are aligned to the Wates Corporate Governance Principles for Large Private Companies. Full details of the corporate governance practices are disclosed in the Group annual report.

Approved by the board and signed on its behalf by:



.....
K Janjua - Director

Date: 26 June 2025

PA Holdings Limited

Statement of Directors' Responsibilities
for the Year Ended 31 December 2024

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

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

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

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

PA Holdings Limited

**Income Statement
for the Year Ended 31 December 2024**

	Notes	2024 £	2023 £
Turnover	4	383,686,330	411,177,005
Cost of sales		(366,059,456)	(386,470,013)
Gross profit		17,626,874	24,706,992
Administrative expenses		(2,477,444)	(1,947,452)
		15,149,430	22,759,540
Exceptional items		(1,152,535)	(6,185,848)
Operating profit	7	13,996,895	16,573,692
Income from shares in group undertakings		2,440,912	-
Interest receivable and similar income	9	220,308	64,082
		16,658,115	16,637,774
Interest payable and similar items	10	(2,232,959)	(4,791,325)
Profit before taxation		14,425,156	11,846,449
Tax on profit	11	(4,495,983)	(4,237,270)
Profit for the financial year		9,929,173	7,609,179

The notes on pages 15 to 33 form part of these financial statements

PA Holdings Limited

Other Comprehensive Income
for the Year Ended 31 December 2024

Notes	2024 £	2023 £
Profit for the year	9,929,173	7,609,179
Other comprehensive loss		
Net loss on defined benefit pension	(1,100)	(3,400)
Income tax relating to other comprehensive loss	-	-
	<u> </u>	<u> </u>
Other comprehensive loss for the year, net of income tax	(1,100)	(3,400)
	<u> </u>	<u> </u>
Total comprehensive income for the year	<u><u>9,928,073</u></u>	<u><u>7,605,779</u></u>

The notes on pages 15 to 33 form part of these financial statements

Statement of Financial Position
31 December 2024

	Notes	2024 £	2023 £
Fixed assets			
Investments	12	276,089,022	326,397,407
Current assets			
Debtors: amounts falling due within one year	13	50,447,283	25,367,049
Debtors: amounts falling due after more than one year	13	3,846,880	9,811,136
Cash at bank	14	2,108,387	3,136,905
		<u>56,402,550</u>	<u>38,315,090</u>
Creditors			
Amounts falling due within one year	15	(10,901,702)	(63,436,420)
Net current assets/(liabilities)		<u>45,500,848</u>	<u>(25,121,330)</u>
Total assets less current liabilities		321,589,870	301,276,077
Creditors			
Amounts falling due after more than one year	16	(314,245)	(324,625)
Pension liability	19	(102,900)	(196,700)
Net assets		<u><u>321,172,725</u></u>	<u><u>300,754,752</u></u>
Capital and reserves			
Called up share capital	17	13,455,679	13,455,679
Share premium	18	35,968,626	35,968,626
Capital redemption reserve	18	415,000	415,000
Other reserves	18	23,182,219	12,692,319
Retained earnings	18	248,151,201	238,223,128
Shareholders' funds		<u><u>321,172,725</u></u>	<u><u>300,754,752</u></u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

The members have not required the Company to obtain an audit of its financial statements for the year ended 31 December 2024 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

Statement of Financial Position - continued
31 December 2024

The financial statements were approved by the Board of Directors and authorised for issue on 26 June 2025 and were signed on its behalf by:



.....
K Janjua - Director

PA Holdings Limited

Statement of Changes in Equity
for the Year Ended 31 December 2024

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2023	13,455,679	230,617,349	35,968,626
Profit for the year	-	7,609,179	-
Other comprehensive income	-	(3,400)	-
Total comprehensive income	-	7,605,779	-
Balance at 31 December 2023	13,455,679	238,223,128	35,968,626
Profit for the year	-	9,929,173	-
Other comprehensive income	-	(1,100)	-
Total comprehensive income	-	9,928,073	-
Balance at 31 December 2024	13,455,679	248,151,201	35,968,626
	Capital redemption reserve £	Other reserves £	Total equity £
Balance at 1 January 2023	415,000	6,935,883	287,392,537
Profit for the year	-	-	7,609,179
Other comprehensive income	-	-	(3,400)
Total comprehensive income	-	-	7,605,779
Share based payment transactions	-	5,756,436	5,756,436
Balance at 31 December 2023	415,000	12,692,319	300,754,752
Profit for the year	-	-	9,929,173
Other comprehensive income	-	-	(1,100)
Total comprehensive income	-	-	9,928,073
Share based payment transactions	-	10,489,900	10,489,900
Balance at 31 December 2024	415,000	23,182,219	321,172,725

The notes on pages 15 to 33 form part of these financial statements

PA Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

1. Statutory information

PA Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The principal accounting policies used in preparing these financial statements are set out below. These policies have been consistently applied to all the years presented in dealing with items that are considered material in relation to the financial statements.

3. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards.

The financial statements have been prepared on the going concern basis of accounting under the historical cost convention.

Going concern

PA Holdings Limited is a subsidiary of PA Consulting Group Limited (the "Group"). The Company heads up the operational PA Group, and has access to substantially all of the resources available to the wider group, with the exception of the debt funding.

Having considered the financial position, trading performance and forecast cash flows, along with the principal risks of the business, of the Company and wider PA Group, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

As described in the Group Annual Report the directors of the Group have taken into account short and mid-term trading and cash forecasts, covering the period to 31 December 2026, potential global or economic impacts on the numbers included in those forecasts and the availability of funding sources for the Group.

The forecast providing the basis for the review has been formed from the Board-approved 2025 budget, with 2026 numbers from the Group's longer term strategic plan. In creating the budget, consideration has been given to the shape, size and location of workforce required to service anticipated client demand and the appropriate utilisation level for various consultant groupings. The national insurance increase announced in the UK Budget of October 2024 has been incorporated into employment costs. Additionally, expected inflationary impacts have been factored into the Group's more volatile cost components, primarily utility costs and lease service charges. Although expectation is that UK financing rates will reduce over the coming year, the forecast debt servicing costs have been modelled consistent with the higher 2024 rates experienced. The forecast shows operating cashflow to be strong throughout the review period.

The directors have also assessed the tolerance of the cash flows to adverse impacts on these assumptions for the key financial performance drivers. These are considered in the review period to be the risk of client demand dropping as the new UK public sector procurement policies are embedded, and cost inflation remaining higher than anticipated across the Group's global footprint. The downside case, incorporating a combination of significant revenue reduction and overhead cost increase, demonstrated that the Group's business model is sufficiently robust and has excess liquidity headroom to absorb a sizeable and sustained downturn.

The Group's financing is a combination of debt and cash on hand. The maturities on these debt instruments are well beyond 12 months and include £270 million headroom within the revolving credit facility. There are no financial covenants that would cause default during the period under consideration. The directors believe these sources provide the Group with access to sufficient longer-term funding and the ultimate lender has appropriate backing and headroom to support the lending for the foreseeable future.

PA Holdings Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

The Group's net liability position arises from the classification of its preference shares as debt rather than equity. Settlement of these instruments is contingent upon either an investment disposal by Jacobs Engineering Group Inc. or a liquidity event, as defined in PA Consulting Group Limited's articles of association. This event is expected to occur around five years from the March 2021 issue date, at which point a valuation agreed between the shareholding parties will trigger return of capital to the existing preference shareholders from the new investment funds raised, either through re-investment from existing shareholders or disposal of holdings to new investors. PA Consulting Group Limited is not required to fund or supplement any return of capital in these scenarios and consequently the directors do not expect settlement to require utilisation of the Group's own resources.

On the basis of the Group's forecast position, and from the outcome of the downside scenario, the directors are satisfied that the Company's business model is robust and flexible. The directors are further satisfied that the Company has sufficient resources and liquidity to continue to trade for the foreseeable future and conclude that there are no significant doubts about the Company's ability to continue as a going concern.

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about PA Holdings Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, PA Consulting Group Limited, 10 Bressenden Place, London, SW1E 5DN.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 not to disclose related party transactions with wholly owned subsidiaries within the PA Consulting Group Limited group.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

3. Accounting policies - continued

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect reported amounts of assets and liabilities, income and expenses. The Company bases its estimates and judgements on historical experience and other factors deemed reasonable under the circumstances, including any expectations of future events. Actual results may differ from these estimates. The estimates and judgements considered to be significant are detailed below:

Taxation

Judgement is required when determining the provision for taxes as the tax treatment of some transactions cannot be finally determined until a formal resolution has been reached with the tax authorities. Assumptions are made around the level of disallowable expenses, and provisions are also made for uncertain exposures; this affects the tax calculation and can have an impact on both deferred and current tax. Tax assets are not recognised unless it is probable that the benefit will be realised. The final resolution of these transactions may give rise to adjustments to the income statement and/or cash flow in future periods. The Company reviews each significant tax asset or liability each period to assess the appropriate accounting treatment.

Impairment of investments

Annually, the Company considers whether investments are impaired. This requires an estimation of the value-in-use of the underlying cash-generating units to which the investments relate. Value-in-use calculations require assumptions to be made regarding the expected future cash flows from the cash-generating unit and choice of suitable discount rate to calculate the present value of those cash-flows. If the actual cash flows are lower than estimated, impairments may be necessary.

Pension assets and liabilities

The present values of pension assets and liabilities are determined on an actuarial basis and depend on a number of actuarial assumptions that are disclosed in note 18. Any change in these assumptions will impact on the carrying amount of pension liabilities. Note 18 describes the key assumptions used in the accounting for retirement benefit obligations.

Share based payments

The Company provides benefits to certain senior personnel in the form of equity-settled share-based payment transactions, whereby employees render services in exchange for shares in PA Consulting Group Limited (the "Group").

Equity-settled share awards are recognised as an expense based on their fair value at date of grant. The fair value of equity-settled awards is estimated through the use of an option pricing model which requires inputs such as the share price, risk-free interest rate, expected dividends, expected volatility and the expected option life. While most of these inputs can be based to a certain extent on historical factual data for shares that are freely traded, the Group's Management Equity Plan shares are not traded. Therefore, alternative, more judgement-based methods are required to obtain certain input values, the most significant being the share price or equity value (derived from the Group's deemed enterprise value) and volatility.

The Group's equity value has been calculated by a third party expert. The valuation relies on inputs such as management's performance forecasts and application of an appropriate discount factor. If these forecasts were overly aggressive or prudent, the resulting fair value and related share-based payment charge to be recognised could be higher or lower.

As there is insufficient historical share price data to calculate an appropriate company-specific volatility, an estimation, using a selection of comparable listed companies, is required. The choice of companies included and methodology adopted to calculate volatility can influence the volatility outcomes and in turn, the resulting fair value and related charge.

The resulting cost recognised in profit or loss is determined by applying the fair value to the number of awards expected to vest. As the only performance criteria is continued employment, the vesting judgement applied is in relation to the level of leavers (and therefore award lapses) expected during the vesting period. Should the level of lapses be different from the initial estimated level, the charge booked will be adjusted to reflect the actual lapse level which may lead to a higher or lower charge.

PA Holdings Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

3. Accounting policies - continued

The input values used in the fair value model are included in the PA Consulting Group Limited annual report.

Turnover

All turnover recognised within PA Holdings Limited is received from PA Consulting Services Limited or PA Technology Solutions Limited, both fellow group companies, via recharges under the revenue sharing agreement.

Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

The Company has adopted the accrual model for the recognition of government grants.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses, the related costs for which the grants are intended to compensate.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

Financial instruments

Trade receivables and other receivables do not carry interest and are stated at amortised cost net of any provisions.

Trade and other payables are not interest bearing and are stated at amortised cost.

Tax

Taxation for the year comprises current and deferred tax.

Current tax

The current tax charge/credit represents an estimate of the amounts payable to tax authorities in respect of the Company's taxable profit and is based on an interpretation of existing tax laws. Taxable profit differs from profit before tax as reported in the income statement as it excludes certain items of income and expense that are taxable or deductible in other years or are never taxable or deductible.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial purposes and the amounts used for taxation purposes.

- Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.
- Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted, or substantively enacted, at the balance sheet date.
- Deferred tax assets and liabilities are offset against each other where there is a legally enforceable right to set off current taxation assets against current taxation liabilities and it is the intention to settle these on a net basis.

Foreign currencies

(a) Functional and presentation currency

The functional currency of the Company is the currency of the primary economic environment in which it operates. The financial statements are presented in sterling, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at rates ruling at the statement of financial position date. Such exchange differences are included in the profit and loss account under other administrative expenses. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the initial transactions.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

3. Accounting policies - continued

Pension costs and other post-retirement benefits

Defined benefit pension obligation

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations), and is based on actuarial advice. When a settlement, amendment or a curtailment occurs, the change in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss that is recognised in the income statement during the period in which it occurs.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate at the start of the period, and taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability (excluding amounts included in net interest) are recognised immediately in other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the income statement in subsequent periods.

The defined net benefit pension asset or liability in the statement of financial position comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high-quality corporate bonds) less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Defined contribution pension obligation

Contributions to defined contribution schemes are recognised in the income statement in the period in which they become payable.

Share based payments

The Company provides benefits to certain senior personnel in the form of equity-settled share-based payment transactions, whereby employees render services in exchange for shares in PA Consulting Group Limited.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period (the expense being recorded within the Company's employment costs together with a corresponding capital contribution from PA Consulting Group Limited recorded in other reserves), based on the estimate of the number of equity instruments that will eventually vest. At each reporting date, the estimate of the number of equity instruments expected to vest as a result of the effect of service or non-market-based vesting conditions is revised. The impact of the revision of the original estimates, if any, is recognised in employment costs in the income statement such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

The cumulative capital contributions from PA Consulting Group Limited are recorded in the other reserve.

Details of the share-based payment arrangements are disclosed in the annual report of PA Consulting Group Limited.

PA Holdings Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

3. Accounting policies - continued

Exceptional items

Items are disclosed as exceptional if by virtue of their size or nature they distort the underlying trading performance.

Interest income and expense

Interest income and expense is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

Cash

Cash includes cash in hand, deposits held with banks, other short-term deposits and other liquid investments accessible within 24 hours without penalty.

Share capital

Ordinary shares are classified as equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are measured at the fair value of the cash or other proceeds received or receivable, net of direct issue costs, with the nominal value of the instrument credited to share capital and the excess to the share premium account.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

4. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by class of business is given below:

	2024	2023
	£	£
Rendering of services	383,686,330	411,177,005
	<u>383,686,330</u>	<u>411,177,005</u>

All turnover is derived from the rendering of services to PA Consulting Services Limited and PA Technology Solutions Limited, both fellow Group companies.

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

5. Employees and directors

The aggregate payroll costs (including directors' remuneration) were as follows:

	2024	2023
	£	£
Wages and salaries	286,630,045	310,762,662
Social security costs	29,762,976	31,427,088
Pension costs for the defined contribution scheme	17,666,919	18,809,185
Share-based payment expenses	10,489,900	5,756,436
Other employee expense	22,509,616	25,511,084
	<u>367,059,456</u>	<u>392,266,455</u>

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2024	2023
	No.	No.
Consultants	2,485	2,639
Administration and support	558	595
	<u>3,043</u>	<u>3,234</u>

6. Directors' emoluments

	2024	2023
	£	£
Directors' remuneration	2,547,863	1,454,054
Directors' pension contributions to money purchase schemes	12,978	12,824
	<u>2,560,841</u>	<u>1,466,878</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2024	2023
	£	£
Emoluments etc	<u>752,681</u>	<u>721,604</u>

The emoluments of all of the directors of the Company are disclosed above including emoluments paid by other PA Group undertakings. The directors perform duties for multiple entities in the PA Group. There is no allocation of their compensation between group entities as it is impractical to do so.

7. Operating profit

The operating profit is stated after charging/(crediting):

	2024	2023
	£	£
Foreign exchange differences	<u>(139,052)</u>	<u>(53,350)</u>

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

8. Exceptional costs

	2024	2023
Note	£	£
Pension fees	8.1 1,152,535	109,045
Restructuring	8.2 -	6,076,803
	<u>1,152,535</u>	<u>6,185,848</u>

(1) In 2023, the costs were professional fees associated with the UK closed defined benefit scheme. In 2024, there were £1.2 million of one-off costs related to the UK defined contribution pension scheme.

(2) In 2023, these costs related to restructuring plans executed during the year.

9. Interest receivable and similar income

	2024	2023
	£	£
Deposit account interest	61,372	64,082
Interest receivable on amounts owed by group undertakings	158,936	-
	<u>220,308</u>	<u>64,082</u>

10. Interest payable and similar items

	2024	2023
	£	£
Interest on defined benefit pension arrangement	3,050	23,800
Interest payable on amounts owed to group undertakings	2,229,909	4,767,525
	<u>2,232,959</u>	<u>4,791,325</u>

11. Taxation

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2024	2023
	£	£
Current tax:		
UK corporation tax	3,191,599	1,572,162
UK corporation tax adjustment to prior periods	(819,380)	(34,696)
Total current tax	<u>2,372,219</u>	<u>1,537,466</u>
Deferred tax:		
Deferred tax adjustment relating to previous years	(776,596)	(48,259)
Arising from origination and reversal of timing differences	2,900,360	2,748,063
Total deferred tax	<u>2,123,764</u>	<u>2,699,804</u>
Tax on profit	<u>4,495,983</u>	<u>4,237,270</u>

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

11. Taxation - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2024 £	2023 £
Profit before tax	14,425,156	11,846,449
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 23.500%)	3,606,289	2,783,916
Effects of:		
Expenses not deductible for tax purposes	2,394,937	1,536,309
Adjustments to tax charge in respect of previous periods	(1,505,243)	(82,955)
Total tax charge	<u>4,495,983</u>	<u>4,237,270</u>

Tax effects relating to effects of other comprehensive income

	2024		
	Gross £	Tax £	Net £
Net loss on defined benefit pension	<u>(1,100)</u>	<u>-</u>	<u>(1,100)</u>
	2023		
	Gross £	Tax £	Net £
Net loss on defined benefit pension	<u>(3,400)</u>	<u>-</u>	<u>(3,400)</u>

Deferred tax

Deferred tax assets and liabilities

	Asset 2024 £	Asset 2023 £
Accelerated capital allowances	3,576	4,361
Recognition of tax losses	6,970,337	9,806,775
	<u>6,973,913</u>	<u>9,811,136</u>

As at 31 December 2024 there are unrecognised tax losses of £nil (2023: £nil).

Factors that may affect future tax charges

Temporary differences have been measured using the enacted tax rates that are expected to apply when the liability is settled or the asset realised.

PA Holdings Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

12. Investments in subsidiaries

	Shares in group undertakings £
Cost	
At 1 January 2024	326,397,407
Return of capital	(50,308,385)
	<hr/>
At 31 December 2024	276,089,022
	<hr/>
Net book value	
At 31 December 2024	276,089,022
	<hr/> <hr/>
At 31 December 2023	326,397,407
	<hr/> <hr/>

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

12. Investments in subsidiaries - continued

Subsidiary undertakings

During the year, PA Consulting Group underwent a group simplification exercise with the aim of rationalising the number of entities in the group. As part of enacting the simplification, the Company received distributions from certain of its subsidiaries and as a consequence the value of the investments held in Sparkler Limited, We Are Friday Limited, Nyras Limited and PA International Consulting Group Limited were reduced. The existing indirect holding in PA Overseas Holdings Limited was reorganised to a direct holding. PA Government Services Limited, previously a direct holding of the Company, became the immediate parent of the Company. The net impact was a decrease in the value of the company's investments of £50,308,385 through a return of capital. In addition the Company received dividend income of £2,440,912 recorded in the profit for the year, and had a net increase in amounts owed by group undertakings of £52,749,297.

After the year end, Sparkler Limited, We Are Friday Limited, Nyras Limited, PA International Consulting Group Limited and Nyras Capital LLP were struck off. See note 22.

The subsidiary undertakings as at 31 December 2024 are shown below. All are wholly owned either directly or indirectly by the Company unless otherwise stated.

Directly held

Name	Country	Registered office address	Class of share held	Date of last year end
PA Consulting Services Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
Nyras Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	30 June 2024
PA Knowledge Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
7 Safe Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Perfect Cost Grid Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA International Consulting Group Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	30 June 2024
Sparkler Limited	United Kingdom	3rd Floor, 58-60 Berners Street, London, W1T 3NQ	Founder shares, growth shares and ordinary shares	30 June 2024
We Are Friday Limited	United Kingdom	50 Farringdon Road, London, EC1M 3HE	Ordinary	30 June 2024
PA Consulting Design Partners Limited	Ireland	IDA Business Park, Southern Cross Route, Bray. Co. Wicklow, Ireland	Ordinary	31 December 2024

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

12. Investments in subsidiaries - continued

PA Consulting Mexico Services S.A.de C.V.	Mexico	Vito Alessio Robles 51-202, Colony ExHacienda de Guadalupe Chimalistac, Municipality Alvaro Obregon, 01505 Mexico City	Ordinary	31 December 2024
The PA Foundation	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Company limited by guarantee; PA Holdings Limited guarantee of £1	31 December 2024
PA Overseas Holdings Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024

Indirectly held

Name	Country	Registered office address	Class of share held	Last year end
PA Consulting Group A/S Limited	Denmark	Portland Towers, Goteborg Plads 1, K-1250 Copenhagen	Ordinary	31 December 2024
PA Consulting Holdings ApS	Denmark	Portland Towers, Goteborg Plads 1, K-1250 Copenhagen	Ordinary	31 December 2024
PA Consulting Group GmbH	Germany	Youco24 Business Center, Amelia-Mary-Earhart Str 8, 60549 Frankfurt am Main, Germany	Ordinary	31 December 2024
PA Consulting Group Limited	Hong Kong	Suite 1106-8, 11/F, Tai Yau Building, No. 181 Johnston Road, Wanchai	Ordinary	31 December 2024
PA Consulting Services (India) Private Limited	India	4A & 4B Gold Nest, Wind Tunnell Road, Murugeshpalya, Bangalore 560017	Ordinary	31 March 2024
PA Consulting Group, S.de R.L. de C.V.	Mexico	Vito Alessio Robles 51-202, Colony ExHacienda de Guadalupe Chimalistac, Municipality Alvaro Obregon, 01505 Mexico City	Quota	31 December 2024
PA Consulting Services BV	Netherlands	Loft 2.06 & 2.07, Creative Valley Utrecht CS. Stationsplein 32, 3511 ED Utrecht	Ordinary	31 December 2024
PA International Holdings BV	Netherlands	Loft 2.06 & 2.07, Creative Valley Utrecht CS. Stationsplein 32, 3511 ED Utrecht	Ordinary	31 December 2024

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

12. Investments in subsidiaries - continued

PA Consulting Group BV	Netherlands	Loft 2.06 & 2.07, Creative Valley Utrecht CS. Stationsplein 32, 3511 ED Utrecht	Ordinary	31 December 2024
PA Holdings BV	Netherlands	Loft 2.06 & 2.07, Creative Valley Utrecht CS. Stationsplein 32, 3511 ED Utrecht	Ordinary	31 December 2024
PA Consulting Group Limited	New Zealand	BDO Auckland, Level 4, BDO Centre, 4 Graham Street, Auckland Central 1010	Ordinary	31 December 2024
PA Consulting Group AS	Norway	Verkstedveien 1, PO Boc 150, Skoyen, 0277 Oslo	Ordinary	31 December 2024
PA Consulting Group AB	Sweden	Jakobsbergsgaten 17, 111 44 Stockholm	Ordinary	31 December 2024
Nyras Capital LLP	United Kingdom	10 Bressenden Place, London, SW1E 5DN		30 June 2024
PA Finance Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Group Treasury Services Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Middle East Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Netherlands Treasury Services Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Technology Solutions Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Treasury Services (US) Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Pension Trustees Limited	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Pension Trustees Two Limited (1)	United Kingdom	10 Bressenden Place, London, SW1E 5DN	Ordinary	31 December 2024
PA Consulting Group Inc.	USA	14 Scenic Drive, Dayton, New Jersey 08810	Common and preference	31 December 2024
PA US Holdings Inc.	USA	14 Scenic Drive, Dayton, New Jersey 08810	Common and preference	31 December 2024
Essential Inc.	USA	Tower Point, 6th Floor, 27-43 Wormwood Street, Boston MA 02210	Common	31 December 2024

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

12. Investments in subsidiaries - continued

Cooper Perkins Inc.	USA	Middlesex Green, Building 3, 1st & 2nd Floors, 575 Virginia Road, Concord, MA 01742	Common stock of no-par value	31 December 2024
The Cambridge Group LLC	USA	850 New Burton Road, Suite 201, Dover, DE 19940, USA	Member interests	31 December 2024

(1) 48% owned by PA Consulting Services Limited, 52% owned by trustees.

PA Consulting Group (Qatar) LLC was liquidated on 20 November 2024.

13. Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	47,178,767	25,145,626
Other debtors	-	29,566
VAT asset	-	32,097
Deferred tax asset	3,127,033	-
Prepayments	141,483	159,760
	<u>50,447,283</u>	<u>25,367,049</u>
Amounts falling due after more than one year:		
Deferred tax	<u>3,846,880</u>	<u>9,811,136</u>
Aggregate amounts	<u>54,294,163</u>	<u>35,178,185</u>

14. Cash at bank

	2024	2023
	£	£
Cash at bank	<u>2,108,387</u>	<u>3,136,905</u>

15. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	2,633	27
Amounts owed to group undertakings	1,354,020	54,949,547
Corporation tax liability	7,983,900	6,359,531
Social security and other taxes	7,212	-
Deferred income	78,561	64,925
Other creditors	1,310,297	561,960
Deferred consideration on acquisition of subsidiaries	-	1,416,142
Accrued expenses	165,079	84,288
	<u>10,901,702</u>	<u>63,436,420</u>

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

16. Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Deferred income	314,245	324,625
	<u>314,245</u>	<u>324,625</u>

Deferred income relates to government grants received and released to the Income Statement over the periods the grant is intended to compensate, ending 31 December 2029. An initial grant of £202,500 was received in 2019. Further grants have been received of £262,500 in 2021, £142,500 in 2023, and £75,000 in 2024.

17. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024	2023
			£	£
134,556,790	Ordinary shares	£0.10	13,455,679	13,455,679
			<u>13,455,679</u>	<u>13,455,679</u>

18. Reserves

Share premium

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

Capital redemption

This reserve is the result of the purchase of own shares and subsequent cancellation of those shares.

Other reserve

This reserve records the capital contribution from PA Consulting Group Limited as a result of share-based payments.

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

19. Employee benefit obligations

PA Mirror Legacy Pension Scheme

On 29 February 2024, the buy-in insurance policy in the scheme was converted into individual policies in the members name with Pension Insurance Corporation plc (PIC), the insurer, such that the liabilities and assets were assigned to PIC. This was done via a Deed of Issue and Assignment. This event was treated as a settlement of benefits from the scheme, valued using the assumptions set out below. As the settlement value of the liabilities equals the value of the assigned asset, there was no settlement charge to the income statement. The only remaining liabilities in the scheme were for paying top-ups in respect of Guaranteed Minimum Pensions (GMP) equalisation for former members of the PA Pension Scheme.

On 3 July 2024, a deed of discharge and deed of determination and indemnity were signed. This resulted in the unpaid liabilities in relation to GMP equalisation being transferred to the Company and the PA Mirror Legacy Pension Scheme being wound up on 3 July 2024.

	GMP equalisation liability held by PA Holdings Limited UK closed	PA Mirror Legacy Pension Scheme UK closed	Total
At 31 December 2024			
Pension liability	(102,900)	-	(102,900)
Restriction to apply on recognition of surplus	-	-	-
	<u>(102,900)</u>	<u>-</u>	<u>(102,900)</u>
At 31 December 2023			
Pension liability	-	(196,700)	(196,700)
Restriction to apply on recognition of surplus	-	-	-
	<u>-</u>	<u>(196,700)</u>	<u>(196,700)</u>

Defined benefit pension arrangements

The most recent actuarial funding valuation has been updated by Lane Clark & Peacock LLP, in order to assess the liabilities of the scheme at 29 February 2024. Scheme assets are stated at their market value at 29 February 2024.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2024 £	2023 £
Present value of funded obligations	-	(25,518,800)
Fair value of plan assets	-	25,322,100
	<u>-</u>	<u>(196,700)</u>
Present value of unfunded obligations	-	-
Deficit	<u>-</u>	<u>(196,700)</u>
Net liability	<u>-</u>	<u>(196,700)</u>

PA Holdings Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

19. Employee benefit obligations - continued

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Current service cost	300	-
Net interest from net defined benefit asset/liability	3,100	23,800
Past service cost	-	-
	3,400	23,800
	-	-
Actual return on plan assets	-	-

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Opening defined benefit obligation	25,518,800	25,611,600
Interest cost	190,400	1,210,300
Benefits paid	(360,800)	(1,899,300)
Curtailments	(102,900)	-
Settlements	(24,227,100)	-
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	-	(290,600)
Actuarial (gains)/losses from changes in financial assumptions	(953,600)	416,000
Experience (gains)/losses	(64,800)	470,800
	-	25,518,800
	-	25,518,800

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Opening fair value of scheme assets	25,322,100	24,992,100
Interest income	187,300	1,186,500
Running costs	(300)	-
Contributions by employer	98,300	450,000
Benefits paid	(360,800)	(1,899,300)
Settlements	(24,227,100)	-
Return on plan assets (excluding interest income)	(1,019,500)	592,800
	-	25,322,100
	-	25,322,100

PA Holdings Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

19. Employee benefit obligations - continued

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	-	290,600
Actuarial (gains)/losses from changes in financial assumptions	953,600	(416,000)
Experience (gains)/losses	64,800	(470,800)
Return on plan assets (excluding interest income)	(1,019,500)	592,800
	<u>(1,100)</u>	<u>(3,400)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Buy-in insurance policy	-	25,322,100
	<u>-</u>	<u>25,322,100</u>

Return on scheme assets

	2024	2023
	£	£
Return on scheme assets	<u>832,200</u>	<u>711,450</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2024	2023
Retail Price Inflation	3.30%	3.20%
CPI until 31 January 2030	2.30%	2.20%
CPI after 31 January 2030	3.20%	3.10%
Weighted average CPI	2.70%	2.60%
Discount rate	5.00%	4.50%
Pension increase rate RPI	3.30%	3.20%
Pension increase rate CPI	2.70%	2.60%

Post retirement mortality assumptions

	2024	2023
	Years	Years
Life expectancy of pensioners age 60 in 2024/2023		
Men	28.4	28.4
Women	31.2	31.1
Life expectancy of pensioners age 60 in 2038/2037		
Men	29.8	29.7
Women	32.4	32.3

PA Holdings Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

19. - continued

Defined contribution scheme

The company operated a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £17,666,919 (2023: £18,809,185).

20. **Parent and ultimate parent undertaking**

The Company's immediate parent is PA Consulting Government Services Limited, incorporated in England and Wales. Up to 13 September 2024, prior to the reorganisation activities performed in the year, the immediate parent was PACG2 Limited, also incorporated in England and Wales.

The ultimate controlling shareholder is Jacobs Solutions Inc. incorporated in United States of America.

The most senior parent entity producing publicly available financial statements is Jacobs Solutions Inc. These financial statements are available upon request from 1999 Bryan Street, Suite 1200, Dallas, TX 75201, USA.

The ultimate controlling party is Jacobs Solutions Inc.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Jacobs Solutions Inc. incorporated in the United States of America.

The address of Jacobs Solutions Inc is:
1999 Bryan Street, Suite 1200, Dallas, TX 75201, USA

The parent of the smallest group in which these financial statements are consolidated is PA Consulting Group Limited, incorporated in England and Wales.

The address of PA Consulting Group Limited is:
10 Bressenden Place, London, SW1E 5DN.

21. **Related party disclosures**

The total compensation paid to key management personnel for services provided was £5,914,518 (2023:£1,466,878). In 2024, key management personnel includes all directors and all members of the Executive Management team. For 2023, given some roles changing in the period, this was restricted to only the directors of the Company.

Key management personnel compensation is disclosed including amounts paid by other PA Group undertakings. The key management personnel perform duties for multiple entities in the PA Group. There is no allocation of their compensation between group entities as it is impractical to do so.

22. **Post balance sheet events**

After the year end, following the group simplification activities, five entities the Company held, either directly or indirectly, were struck off. Nyras Capital LLP was struck off on 18 March 2025. Sparkler Limited, We Are Friday Limited, Nyras Limited and PA International Consulting Group Limited were struck off on 20 May 2025. As the group restructuring had already been completed within the year, there is no material impact of these entities being struck off.