

EY Professional Services Limited

Annual Reports and Financial Statements

27 June 2025

Registered No. 06015277

Registered in England and Wales

EY Professional Services Limited

Registered No: 06015277

Directors

C Cowling
S Orr
J Hughes
S Dawe

Secretary

C McSwiggan

Auditor

BDO LLP
55 Baker Street
London W1U 7EU

Registered Office

1 More London Place
London SE1 2AF

EY Professional Services Limited

Strategic report

The directors present their strategic report for the period from 29 June 2024 to 27 June 2025, the prior period being period from 1 July 2023 to 28 June 2024.

Principal activity and review of the business

The principal activity of EY Professional Services Limited (the “company”) is the provision of technology consulting and people advisory services.

The key financial and other performance indicators during the period were as follows:

	27 June 2025 £k	28 June 2024 £k
Revenue	95,993	110,145

Revenue has decreased by 13% compared to the prior period. Performance has been impacted by challenging Consulting market conditions, which have seen clients reduce discretionary spend and some clients defer investment decisions on major technology transformation programmes, contributing to slower sales pipeline conversion. Revenue growth and profitability are expected to improve in the coming years as the company’s recent acquisitions continue to benefit from synergies with the ultimate parent company.

The loss before tax for the period was £8,849k (2024: £13,755k), after recognising impairments of intangible assets of £11,410k (2024: £14,830k). As disclosed in note 9, the impairments reflect economic changes in the Consulting sector.

Future developments

The directors consider that the demand for the provision of the company’s services will continue in the future, and they will review opportunities made available through synergies created by being a part of the wider EY network.

Principal risks and uncertainties

The principal risks facing the company relate to the current challenging market conditions, and the ability to attract and retain talent to ensure the quality of services to the clients. The directors manage these risks well through continuous pipeline evaluation, and through creating attractive commercial offerings for the company’s clients.

The policies for managing the risks relating to financial instruments are set out in note 18.

Disabled employees

The company gives full and fair consideration to application for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person.

Where existing employees become disabled, it is the company’s policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

The company has made significant progress in activating essential mechanisms to advance its ‘diverse abilities’ agenda. Diverse abilities are defined as physical, cognitive, developmental, learning, and/or neurological differences, or diversity, in ability levels, including conditions that may fluctuate, long-term health conditions and mental health. During the financial period, the company’s ultimate parent entity, Ernst & Young LLP (“EY LLP”), has invested in its strategy, mobilising a steering committee to bring function leaders and key decision-makers to improve the lived experience of all people with disabilities and improve the efficiency and effectiveness of processes. The company has a specific focus on improving its accessibility and adjustments, providing more practical support to visitors as well as employees. These practical changes are complemented by innovative learning to enhance the quality of management and upskill in disability fluency and confidence.

Strategic report

Employee engagement statement and fostering of business relations statement

Engagement with the company's employees takes place in conjunction with EY LLP, which engages with the company's employees in a variety of ways. With the health and wellbeing of the company's employees being at the forefront, this includes EY Voice which provides for an ongoing dialogue between leadership and employees. The forum consists of 15 representatives elected from across the business for a two-year term. They meet with senior leaders, including the UK chairman, on a quarterly basis, as well as presenting to the Public Interest Board ("PIB") and meeting with non-executive directors to share ideas. EY People Pulse and EY Connect sessions present channels for two-way communication with our people. These meetings are facilitated locally within teams, to foster social interaction and reinforce our shared purpose. For example, in FY25 the sessions covered emotional intelligence, diverse abilities, gen AI and neuro inclusivity. These EY Connect sessions are supplemented with local town halls and focus groups on relevant topics when required.

Leadership also regularly engage with colleagues from our seven employee networks: Embrace (Faith & Belief), Unity (LGBT+), EY Women's Network, REN (race and ethnicity), EY/EY Foundation Social Mobility Network, and LIFE (family, carers, military).

As described in note 20, the company is an indirect subsidiary of EY LLP. EY LLP maintains/fosters business relationships with suppliers, customers and others, which benefit both EY LLP and its direct and indirect subsidiaries, including the company. The company's engagement with EY LLP takes place primarily at board level. One of the directors of the company also sits on the board of EY LLP and facilitates communication between EY LLP and the company, to the extent required. Any other engagement with third parties in order to foster the company's business relationships with suppliers, customers and others, takes place, as relevant, by EY LLP on the company's behalf

Going concern

The company actively manages its operating cash flows to ensure that all repayment and funding needs are met. EY Professional Services Limited continues to manage both operational and business risks well.

The directors are closely monitoring the ongoing impact of the current macro-economic environment. The directors have prepared a base case forecast and forecasts with multiple downside sensitivities through to 31 December 2026 focusing on the impact of a range of declines in revenue, cash collection rates and increased costs. These sensitised forecasts include severe but plausible scenarios and the resulting impact on the company's cash flows has then been considered, alongside reverse stress testing. They have also considered what mitigations could be put in place if required by the parent entity.

The directors believe EY Professional Services Limited has sufficient cash flows and is well placed to manage the risks and uncertainties arising. Under some scenarios modelled, additional funding would be required. The ultimate parent entity has confirmed in a letter of support to the Directors of the company that it is committed to providing funding if required.

Accordingly, the directors of EY Professional Services Limited have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the date of signing the financial statements and so continue to adopt the going concern basis of accounting in preparing the annual financial statements.

EY Professional Services Limited

Strategic report

Section 172 statement

The company is an indirect subsidiary of Ernst & Young LLP ("EY LLP"). The company's principal activity is stated above. EY LLP commits to the Audit Firm Governance Code published by the Financial Reporting Council. To do this, EY LLP has therefore put in place certain processes, procedures and arrangements, which apply, as relevant, to the company.

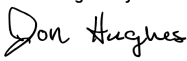
Consequently, governance and related decision-making generally operates at the EY LLP level, consistent with EY LLP's service lines and functions (including the talent function), and EY LLP maintains/fosters business relationships with suppliers, customers and others, which benefit both EY LLP and its direct and indirect subsidiaries, including the company. Therefore, EY LLP's governance process applies, as relevant, to the company, to ensure that decisions are made at the appropriate level in the organisation (given, for example, EY LLP is the principal contracting entity with third parties), and that transactions are carried out by the appropriate legal entity. Such governance processes also ensure that related decisions and engagement with certain groups of stakeholders (e.g. the company's employees and its suppliers) are conducted by EY LLP on the company's behalf, or in conjunction with the company, as appropriate. As they are also members of EY LLP, the directors are cognisant of all of the above and they have access to relevant information available to them on matters directly impacting the company, including regular reports and updates on EY LLP's activities and performance.

Given the governance arrangements stated above, and the fact that the company is an indirect subsidiary of EY LLP, EY LLP's performance directly influences the future performance and direction of the company. Accordingly, and taking into account the company's principal activities, the company's directors consider that the company's key stakeholders are the company's employees, its clients and EY LLP.

During the period, the company's directors acted in a way that they considered, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, have had regard to the matters set out in section 172(1)(a)-(f) of the Companies Act 2006 when making decisions. In addition, the company's directors also had regard to other factors and matters that they considered relevant to decisions made.

When required, the company's directors held board meetings to make key decisions relating to the company, where such matters and factors (including those factors set out in section 172(1)(a) - (f) of the Companies Act 2006) were considered, as relevant. This took place, for example, when the company resolved to (i) amend its pension arrangements (in line with arrangements being implemented by EY LLP), and (ii) make further deferred consideration payments in respect of acquisitions completed in previous financial years. In each case, the directors considered that the relevant resolutions would promote the long-term success of the company, for the benefit of its members as whole, and, in particular, had regard to the consequences of these decisions in the long term, the potential impact on the company's key stakeholders, including the interests of the company's employees, and on the broader community and environment.

For and on behalf of the Board

DocuSigned by:

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J Hughes
Director
14 November 2025

Directors' report

The directors present their report and financial statements for the company.
The strategic report, the directors' report and financial statements cover the period from 29 June 2024 to 27 June 2025, the comparative period being from 1 July 2023 to 28 June 2024.

Results and dividends

The loss for the period after taxation amounted to £9,195k (2024: £13,765k).
The company's business activities, together with its future expected business developments and risk exposures are described in the strategic report.
No dividends were declared or paid during the period (2024: nil).

Financial instruments

The directors are responsible for setting objectives and policies in relation to financial instruments, details of which can be found in note 18.

Directors

The directors during the period ended 27 June 2025 and the period up until approval of the financial statements were:

C Cowling	(Appointed with effect from 31 March 2025)
S Dawe	
J Hughes	
G Jordan	(Resigned with effect from 31 March 2025)
S Orr	

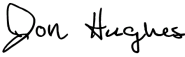
Auditor

Having made enquiries of the company's auditor, the directors at the date of approving this annual report confirm that:

- to the best of their knowledge and belief, there is no information (that is, information needed by the company's auditor in connection with preparing their report) of which the company's auditor is unaware; and
- the directors have taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditor is aware of that information.

BDO LLP were appointed as auditor to the company for the period ending 3 July 2026 and have expressed their willingness to continue in office.

For and on behalf of the Board

DocuSigned by:

J Hughes
Director
14 November 2025

Statement of directors' responsibilities

The directors are responsible for preparing the annual reports and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the company financial statements in accordance with UK adopted international accounting standards. 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 and 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 UK adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 company 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.

EY Professional Services Limited

Independent auditor's report

to the shareholder of EY Professional Services 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 27 June 2025 and of its loss for the period then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of EY Professional Services Limited ("the Company") for the 12-month period ended 27 June 2025 which comprise Statement of comprehensive income, Statement of changes in equity, Balance sheet, Cash flow statement and notes to 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 UK adopted international accounting standards.

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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, 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.

EY Professional Services Limited

Independent auditor's report

to the shareholder of EY Professional Services Limited

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 period 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.

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 including general counsel; 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 Companies Act 2006 and international accounting standards.

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 data protection laws, anti-money laundering regulations and UK employment and taxation legislation.

EY Professional Services Limited

Independent auditor's report to the shareholder of EY Professional Services Limited

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; 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; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, revenue recognition at period end and the valuation of unbilled receivables.

Our procedures in respect of the above included:

Management Override of Controls:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Incorporating unpredictability testing;
- Assessing significant estimates made by management for bias; and
- Challenging and assessing the appropriateness of the estimation uncertainty and judgement made by Management having regard to supporting evidence and historical outcomes. The key estimates and judgements were identified as revenue recognition and the assumptions used in the impairment testing of goodwill and intangible assets.

Revenue recognition and valuation of unbilled receivables:

- Tests of controls: We tested the operating effectiveness of key controls in the revenue transaction cycle where revenue was a significant audit risk. This included controls over the review and approval of contractual agreements, accuracy of timecard entries and costs incurred on engagements, automated calculation of unbilled receivables and confirmation of the stage of completion at and around the period end.
- Tests of detail: For engagements open at the period end, we also performed substantive testing procedures to address the risk over revenue recognition at period-end as follows:
 - Recalculating expected revenue to ensure alignment with contractual terms, the Group's accounting policies, and applicable financial reporting standards;
 - Challenging management's assessment of stage of completion, revenue recognised, and provisions against unbilled amounts through enquiry and corroborative evidence;
 - Assessing open engagements using data available before and after the period end to substantiate estimates used in revenue recognition;
 - Conducting retrospective reviews of prior and current period samples against finalised information to evaluate the accuracy of management's estimates;
 - Evaluating accruals for interfirm invoices in transit and their impact on period-end work-in-progress and payments on account.

EY Professional Services Limited

Independent auditor's report

to the shareholder of EY Professional Services Limited

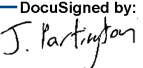
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

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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Jason Partington (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
14 November 2025

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

EY Professional Services Limited

Statement of comprehensive income

for the period ended 27 June 2025

	Notes	27 June 2025 £k	28 June 2024 £k
Revenue	3	95,993	110,145
Expenses billed to clients		(7,560)	(5,727)
Net revenue		<u>88,433</u>	<u>104,418</u>
Other operating income	4	11,759	12,179
Operating expenses	5	(39,281)	(49,674)
Staff cost	6	(56,171)	(63,162)
Impairment		(12,313)	(14,998)
Depreciation and amortisation		(1,414)	(2,635)
Operating loss		<u>(8,987)</u>	<u>(13,872)</u>
Finance income		264	149
Finance costs		(126)	(32)
Loss before tax		<u>(8,849)</u>	<u>(13,755)</u>
Tax charge	8	(346)	(10)
Loss and total comprehensive loss for the period		<u><u>(9,195)</u></u>	<u><u>(13,765)</u></u>

Statement of changes in equity

for the period ended 27 June 2025

	Called up share capital £k	Share premium £k	Retained earnings £k	Total equity £k
At 30 June 2023	25,479	55,959	(22,370)	59,068
Loss and total comprehensive loss for the period	–	–	(13,765)	(13,765)
At 28 June 2024	<u>25,479</u>	<u>55,959</u>	<u>(36,135)</u>	<u>45,303</u>
Loss and total comprehensive loss for the period	–	–	(9,195)	(9,195)
At 27 June 2025	<u><u>25,479</u></u>	<u><u>55,959</u></u>	<u><u>(45,330)</u></u>	<u><u>36,108</u></u>

The notes on pages 15 to 30 form part of these financial statements

EY Professional Services Limited

Balance sheet

as at 27 June 2025

Registered number 06015277

	Notes	27 June 2025 £k	28 June 2024 £k
ASSETS			
<i>Non-current assets</i>			
Intangible assets	9	41,284	54,081
Property, plant and equipment	10	244	268
Right-of-use asset	11	–	–
Investment in subsidiaries	12	8,213	8,213
<i>Total non-current assets</i>		<u>49,741</u>	<u>62,562</u>
<i>Current assets</i>			
Trade and other receivables	13	20,448	16,725
Tax receivables		1,145	–
Cash		15,338	27,081
<i>Total current assets</i>		<u>36,931</u>	<u>43,806</u>
TOTAL ASSETS		<u><u>86,672</u></u>	<u><u>106,368</u></u>

The notes on pages 15 to 30 form part of these financial statements

EY Professional Services Limited

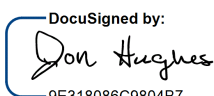
Balance sheet

as at 27 June 2025

Registered number 06015277

	Notes	27 June 2025 £k	28 June 2024 £k
EQUITY AND LIABILITIES			
<i>Current liabilities</i>			
Trade and other payables	14	45,709	55,347
Tax payables		–	118
Provisions	15	256	174
Lease liabilities	17	656	693
<i>Total current liabilities</i>		46,621	56,332
<i>Non-current liabilities</i>			
Lease liabilities	17	1,964	1,596
Provisions	15	752	1,089
Deferred tax liability	8	1,227	2,048
<i>Total non-current liabilities</i>		3,943	4,733
<i>Equity</i>			
Called up share capital	16	25,479	25,479
Share premium	16	55,959	55,959
Retained earnings		(45,330)	(36,135)
<i>Total equity</i>		36,108	45,303
TOTAL EQUITY AND LIABILITIES		86,672	106,368

The financial statements of EY Professional Services Limited for the period ended 27 June 2025 were authorised for issue by the board of directors and signed on their behalf by:

DocuSigned by:

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 J Hughes
 Director
 14 November 2025

The notes on pages 15 to 30 form part of these financial statements

EY Professional Services Limited

Cash flow statement

for the period ended 27 June 2025

	27 June 2025 £k	28 June 2024 £k
Operating activities		
Loss before tax	(8,849)	(13,755)
Adjusted for:		
Depreciation, amortisation and impairment	13,727	17,633
Loss on disposal of property, plant and equipment	–	4
Net finance income	(138)	(117)
Net foreign exchange loss/(gain)	443	(124)
Movements in provisions	(255)	(249)
(Increase)/decrease in trade and other receivables	(3,723)	2,494
(Decrease)/increase in trade and other payables	(9,638)	3,427
	(8,433)	9,313
Corporation tax paid	(2,430)	(2,767)
Net cash (outflows)/inflows from operating activities	(10,863)	6,546
Investing activities		
Purchase of property, plant and equipment	(3)	(58)
Purchase of intangible assets	–	(39)
Interest received	264	149
Net cash inflows from investing activities	261	52
Financing activities		
Payment of principal portion of lease liabilities	(572)	(683)
Payment of interest portion of lease liabilities	(126)	(32)
Net cash outflows from financing activities	(698)	(715)
(Decrease)/increase in cash	(11,300)	5,883
Net foreign exchange differences	(443)	124
Cash at beginning of period	27,081	21,074
Cash at end of period	15,338	27,081

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

1. Corporate information

EY Professional Services Limited is a private company limited by shares incorporated, domiciled and registered in England and Wales (registered number 06015277). The company's registered office address is 1 More London Place, London SE1 2AF.

Details of the principal activity of EY Professional Services Limited can be found in the Strategic Report.

The financial statements of EY Professional Services Limited for the period from 29 June 2024 to 27 June 2025 were authorised for issue by the Board of Directors on 14 November 2025.

2. Accounting policies

The principal accounting policies are summarised below and have all been applied consistently throughout the period and the preceding period, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards in conformity with the Companies Act 2006 ("IFRS").

The financial statements have been prepared on the accrual basis of accounting using a number of measurement bases as set out in the accounting policies below.

The directors believe it is appropriate to present the accounts on a going concern basis. The directors have concluded that it is appropriate to adopt the going concern basis having considered multiple forecasts, covering a period up to 31 December 2026. The forecasts consider a range of severe but plausible scenarios including varying declines in revenue, reduced cash collection rates and increased costs. The resulting impact on the company's cash flows has then been considered, alongside reverse stress testing. Under some scenarios modelled, additional funding would be required. The ultimate parent company has confirmed in a letter of support to the Directors of the company that it is committed to providing funding if required. The directors of the company have concluded that there is no material uncertainty relating to going concern and that it is appropriate to present the financial statements of the company on a going concern basis. Further details of this assessment can be found within the Strategic report.

The functional currency of the company is pounds sterling. The financial statements are presented in pounds sterling and, unless otherwise indicated, are rounded to the nearest thousand pounds (£k).

The financial statements have been drawn up for the period from 29 June 2024 to 27 June 2025 (the comparative period being the period from 1 July 2023 to 28 June 2024).

The company is exempt from the obligation to prepare group accounts under section 400 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking and its ultimate parent undertaking prepares group accounts (see note 20). Consequently, these financial statements contain information about EY Professional Services Limited as an individual entity.

Key judgements and sources of estimation uncertainty

The preparation of financial statements requires the application of judgement and the use of estimates that affect the amounts reported for assets, liabilities, revenues and expenses. Information about these judgements and estimates is included in the accounting policies and other notes. Although estimates are based on the best information available, actual outcomes could differ from the amounts included in the financial statements. There are no significant judgements in the preparation of the financial statements in the current or preceding period.

Estimates

- Revenue recognition - estimating the costs to complete and the value of unsatisfied/partially satisfied performance obligations (page 16)
- Impairment of intangible assets (18)

Notes to the financial statements

for the period ended 27 June 2025

2. Accounting policies (continued)

Business combinations

Business combinations are accounted for using the acquisition method. When a business is acquired its identifiable assets and liabilities are measured at fair value at the acquisition date. Goodwill is measured at the excess of the consideration over the net identifiable assets and liabilities acquired less any accumulated impairment losses.

Revenue recognition

Revenue is earned under contracts with clients to provide a variety of consulting services. Revenue is recognised when control of services is transferred to the client at an amount that reflects the consideration to which the company expects to be entitled in exchange for those services.

Each contract is assessed to identify the performance obligation(s) and to estimate the total transaction price. The transaction price includes variable consideration only to the extent that it is highly probable it will not be subsequently reversed. The total transaction price is then allocated to each performance obligation within the contract.

The company recognises the transaction price as revenue over time because most contracts give the company the right to receive payment for work performed to date. Where this is not the case, the firm recognises revenue at a point in time, typically when the service has been completed and delivered to the client.

When recognising revenue over time, the company measures generally progress towards complete satisfaction of the performance obligations using time and costs incurred as a proportion of the total estimated time and costs. The firm considers this to be the best measure of how services are transferred to clients over time.

The company has not disclosed the transaction price allocated to unsatisfied or partially unsatisfied performance obligations at the period end as the performance obligations had an original expected duration of less than one year.

Payment terms are negotiated separately with each client, but typically involve periodic billings as services are provided. Where amounts billed to clients are less than the revenue recognised at the period end date, the difference is recognised as unbilled receivables. Where the amounts billed exceed, the revenue recognised at the period end date, the difference is recognised as payments on account. The performance obligations related to any payments on account are generally satisfied within a year of such billing.

Significant estimates

In determining the amount of revenue to be recognised on incomplete performance obligations, it is necessary to estimate the stage of completion, the remaining time and costs to be incurred and the amounts that will be received for the services provided. These estimates, which are normally resolved within a year of the reporting date when the performance obligation has been fully satisfied and fees agreed, are made at a performance obligation level and a different assessment of any of these factors would result in a change to the amount of revenue recognised.

The effect of making different assessments could, in aggregate, have a material effect on the carrying amounts of unbilled receivables and/or payments on account which are shown in notes 13 and 14 respectively. Revenue recognised in the current year in respect of performance obligations satisfied, or partially satisfied, in previous years amounted to £181k (2024: £28k), and includes revisions to such estimates.

Other operating income

Income earned from providing support services, to EYGS LLP and the network to further the international alignment, enhance cooperation and cohesion among Member Firms and the recharge of the cost of staff and members to other entities within the EY global network is recognised on the same basis as fee income and included in other operating income.

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

2. Accounting policies (continued)

Staff costs (including pensions)

Amounts relating to staff costs are recognised as an expense in the income statement as incurred. Unpaid staff costs are included in trade and other payables.

The company operates a defined contribution scheme. Contributions to the defined contribution scheme are charged to the income statement when they become payable. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Amounts relating to staff costs are recognised as an expense in the income statement as incurred. Unpaid staff costs are included in trade and other payables.

Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i) Right-of-use assets

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets comprises the amount of lease liabilities recognised adjusted for prepayments. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments.

In calculating the present value of lease payments, the company uses its incremental borrowing rate (IBR) at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the remaining lease payments.

Lease liabilities are presented in a separate line of the balance sheet.

Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are stated at cost less accumulated depreciation or amortisation and any impairment in value. The initial cost of an asset comprises its purchase price and any costs directly attributable to bringing the asset into operation.

Depreciation or amortisation is charged so as to write off the cost of assets to their residual value over their expected useful lives using the straight-line method. The expected useful lives are as follows:

Fixture and fittings	-	4 years
Computer equipment	-	3 years
Intangible assets	-	1.5-10 years

An item of property, plant and equipment or an intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognising the asset is included in the income statement. The residual values, useful lives and depreciation or amortisation methods of assets are reviewed, and adjusted if appropriate, at each financial period end.

Impairment of non-financial assets

The carrying value of non-financial assets is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable and goodwill is tested for impairment annually. If the carrying amount of an asset (or associated cash generating unit) is higher than its recoverable amount an impairment loss is recognised in the income statement.

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

2. Accounting policies (continued)

Impairment of non-financial assets

Significant estimates

For the purpose of impairment testing, goodwill is allocated to the cash generating unit ("CGU") from the business combination in which the goodwill arose. Where more than one business combination supplies the same product or service, they are combined into a single CGU. The carrying amount of goodwill is compared to the recoverable amount of the CGU, which is its value in use.

The estimation of value in use is based on assumptions including estimates on future growth rates and appropriate discount rates. These assumptions are based on future events and are therefore revised as circumstances change.

In carrying out impairment testing, consideration is given to events which have taken place after the balance sheet date. Those events which provide evidence of conditions that existed at the balance sheet date are taken into account when estimating value in use.

The effect of a change in the estimates could have a material effect on the carrying value of the goodwill and other intangible assets shown in note 9.

Financial instruments

Financial instruments are recognised when the company becomes party to the contracts that give rise to them and they are derecognised on settlement. They are measured initially at fair value, normally being the transaction price. The subsequent accounting treatment depends on the classification of an instrument as set out below.

Trade and other receivables

Trade receivables represent the company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Trade and other receivables are carried at amortised cost, which is equal to the original transaction amount, less a provision for expected credit losses (ECLs). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and the cash flows that the company expects to receive.

Trade and other payables

Trade and other payables are carried at amortised cost, which generally approximates to their nominal amount.

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the balance sheet date. If the effect of the time value of money is material, the expected future cash flows are discounted at a rate that reflects current market assessments of the time value of money and, where appropriate, risks specific to the liability. Any increase in the provision due to the passage of time is recognised as a finance cost, and any increases due to revised estimates are recognised as an operating expense.

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Interest levied on unpaid tax is classified as a finance cost. The company does not expect to be subject to any top-up income taxes.

Deferred income tax assets are recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or unused tax losses can be utilised.

Notes to the financial statements

for the period ended 27 June 2025

2. Accounting policies (continued)

Income taxes (continued)

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the temporary differences reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Dividends

A liability is recognised to pay dividends to the shareholder when the dividend is appropriately authorised and no longer at the discretion of the company i.e. when dividends are approved by the shareholders.

Dividends proposed or declared after the balance sheet date but before the financial statements are authorised, are not recognised but disclosed in the notes to the financial statements.

New and amended accounting standards and interpretations and other changes to the financial statements

A number of standards and other pronouncements have been issued and were effective for the financial period. These are either not applicable or do not have an impact on the financial statements of the company.

A number of standards and other pronouncements are in issue that are not yet effective and have not been adopted, none of which are expected to have a material impact on the financial statements, although *IFRS 18 Presentation and Disclosure in Financial Statements* could result in minor changes to the format of the income statement and changes in associated disclosures.

3. Fee income

	27 June 2025 £k	28 June 2024 £k
Technology consulting services	75,961	85,109
People consulting services	14,966	19,057
Business consulting services	5,066	5,979
	<u>95,993</u>	<u>110,145</u>

Revenue expected to be recognised by the firm in future periods from satisfaction of performance obligations that were unsatisfied or partially unsatisfied at the period end was estimated to be £13m (2024: £28m) of which £6m (2024: £13.9m) is expected to be recognised in more than one year.

4. Other operating income

	27 June 2025 £k	28 June 2024 £k
Support services to EY global network entities	11,309	11,214
Other	450	965
	<u>11,759</u>	<u>12,179</u>

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

5. Other operating expenses

Fees payable to the company's auditor for the audit of the company financial statements were £113k (2024: £110k). No other services were provided by the auditor during the current period (2024: £nil).

6. Staff costs

The employment costs of staff during the period were:

	27 June 2025 £k	28 June 2024 £k
Salary and benefits	47,925	54,403
Social security costs	5,680	5,997
Defined contribution pension costs	2,566	2,762
	<u>56,171</u>	<u>63,162</u>
Average number of employees during the period was:		
	27 June 2025 No.	28 July 2024 No.
Client service staff	521	580
Support staff	14	14
	<u>535</u>	<u>594</u>

7. Directors' remuneration

In the current and previous period, the directors received no remuneration for their services as directors or their services in connection with the management of the company.

8. Tax

(a) Tax on loss

	27 June 2025 £k	28 June 2024 £k
<i>Current tax:</i>		
UK Corporation tax arising on profits in the period	1,825	2,900
Adjustments in respect of prior periods	(658)	(132)
Total current income tax	<u>1,167</u>	<u>2,768</u>
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	(820)	(2,922)
Adjustments in respect of prior periods	(1)	164
Total deferred tax	<u>(821)</u>	<u>(2,758)</u>
Total tax charge in the income statement	<u>346</u>	<u>10</u>

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

8. Tax (continued)

(b) Reconciliation of total tax charge

The table below explains the differences between the tax credit on continuing operations at the UK statutory tax rate for the financial period and the company's total tax credit for the financial period:

	27 June 2025 £k	28 June 2024 £k
Loss before tax	(8,849)	(13,755)
Loss multiplied by rate of corporation tax in the UK of 25% (2024: 25%)	(2,212)	(3,439)
Effects of:		
Adjustments in respect of previous periods	(659)	32
Expenses not deductible for tax purposes	3,423	3,487
Use of restricted trading losses	(206)	(70)
Total tax charge reported in the income statement	346	10

The main rate of corporation tax is 25% (2024: 25%). The deferred tax asset has been calculated at a rate of 25% which is the average rate prevailing in the period when the deferred tax asset is expected to be utilised.

(c) Deferred tax

The deferred tax liability included in the balance sheet is as follows:

	27 June 2025 £k	28 June 2024 £k
Depreciation in excess of capital allowances	6	7
Deferred pension contributions	103	122
Deferred tax on non-deductible intangible assets	(1,336)	(2,177)
	(1,227)	(2,048)

The deferred tax included in the income statement is as follows:

	27 June 2025 £k	28 June 2024 £k
Depreciation in excess of capital allowances	1	1
Deferred pension contributions	19	359
Amortisation of non-deductible intangible assets	(841)	(3,118)
	(821)	(2,758)

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

9. Intangible assets and goodwill

27 June 2025	<i>Goodwill</i> £k	<i>Customer relationships</i> £k	<i>Brand</i> £k	<i>Software</i> £k	<i>Total</i> £k
Cost:					
At 28 June 2024 and 27 June 2025	50,296	27,549	511	486	78,842
Amortisation and impairment:					
At 28 June 2024	4,922	19,144	388	307	24,761
Amortisation	–	1,165	123	99	1,387
Impairment	9,435	1,975	–	–	11,410
At 27 June 2025	14,357	22,284	511	406	37,558
Net book value:					
At 27 June 2025	35,939	5,265	–	80	41,284
28 June 2024					
	<i>Goodwill</i> £k	<i>Customer relationships</i> £k	<i>Brand</i> £k	<i>Software</i> £k	<i>Total</i> £k
Cost:					
At 1 July 2023	50,257	27,549	511	486	78,803
Additions	39	–	–	–	39
At 28 June 2024	50,296	27,549	511	486	78,842
Amortisation:					
At 1 July 2023	–	7,107	47	210	7,364
Amortisation	–	2,129	341	97	2,567
Impairment	4,922	9,908	–	–	14,830
At 28 June 2024	4,922	19,144	388	307	24,761
Net book value:					
At 28 June 2024	45,374	8,405	123	179	54,081

Goodwill as at the period end relates to the following cash generating units ("CGUs"):

	<i>Goodwill</i> £k
Microsoft Services Group*	12,829
Talent (previously Lane4)	8,615
Financial Consulting Modelling (previously Peak EPM)	3,481
Digital Engineering (previously Digital Detox)	2,294
ServiceNow (previously Whyaye)	8,720
	35,939

*represents an aggregation of the Pythagoras and Seaton acquisitions which supply the same products and services.

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

9. Intangible assets and goodwill (continued)

In the previous period, due to a change in market focus, the company carried out a review of the recoverable amount of the customer relationships acquired with the Pythagoras and Whyaye businesses on the basis of their value in use. This resulted in an impairment of £9,908k of the acquired customer relationships in 2024. During the current period customers were lost in excess of the forecast attrition rates, resulting in a further impairment of £1,975k. In both periods, the key assumptions used in the calculation of value in use were discount rates of 10.5% and 15.0%, average revenue growth rates of 12.0% and 14.5%, and customer attrition rates of 12.0% and 11.5% for Pythagoras and Whyaye respectively.

Using reasonably possible alternative assumptions to estimate the value in use of the customer relationships acquired with the Pythagoras and Whyaye businesses would result in further impairments of £351k and £1,690k respectively.

Goodwill impairment review

The acquired businesses represent the CGUs for which goodwill is assessed for impairment. The impairment review is carried out at the 31 March each year. The recoverable amounts are determined based upon the value in use, using subsidiary Board approved cash flow projections for the next five years and 3 months to align with the end of the relevant financial periods. The key assumptions are presented in the table below:

	2025 %	2024 %
Year 1 - 5 compound annual growth rate ("CAGR")	5.2%-8.9%	12%
Terminal growth rate	2.8%	2.8%
Discount rate	9.0%-13.0%	10.5% - 21.0%

The values assigned to the key assumptions are determined based on past experience of the firm together with external market analysis.

Due to economic changes in the Consulting sector, the recoverable amount of several CGUs, determined based on value in use, were lower than their carrying values. The following table shows the impairments recognised and the key assumptions used in the calculation of the value in use.

CGU	Impairment £k	Recoverable amount £k	CAGR %	Terminal growth rate %	2025 discount rate %	2024 discount rate %
Microsoft Services Group	5,178	19,147	7.5%	2.8%	9.0%	11.5%-12.5%
Service Now	4,257	14,611	6.0%	2.8%	10.0%	15.0%

For the remaining CGUs, where no impairment has been recognised, the following table shows the changes in the average annual revenue growth rate or discount rate which would result in an impairment:

CGU	Headroom £k	CAGR %	Terminal growth rate %	Discount rate %	Change in CAGR %	Change in discount rate %
Talent	9,970	5.2%	2.8%	13.0%	4.9%	6.9%
Financial Consulting Modelling	4,973	8.9%	2.8%	10.5%	4.2%	8.4%
Digital Engineering	7,245	8.6%	2.8%	13.0%	9.1%	23.1%

A reasonably possible change in the terminal growth rates would not result in an impairment.

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

10. Property, plant and equipment

27 June 2025

	<i>Fixtures and fittings £k</i>	<i>Computer equipment £k</i>	<i>Total £k</i>
Cost:			
At 28 June 2024	934	32	966
Additions	–	3	3
At 27 June 2025	934	35	969
Depreciation:			
At 28 June 2024	666	32	698
Charge for the period	27	–	27
At 27 June 2025	693	32	725
Net book value at			
At 27 June 2025	241	3	244

28 June 2024

	<i>Fixtures and fittings £k</i>	<i>Computer equipment £k</i>	<i>Total £k</i>
Cost:			
At 30 June 2023	880	32	912
Additions	58	–	58
Disposals	(4)	–	(4)
At 28 June 2024	934	32	966
Depreciation:			
At 30 June 2023	611	32	643
Charge for the period	55	–	55
At 28 June 2024	666	32	698
Net book value at			
At 28 June 2024	268	–	268

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

11. Right-of-use asset

<i>Properties</i>	2025 £k	2024 £k
Cost:		
At the beginning of the period	3,119	2,951
Modification	903	–
Remeasurements	–	168
At the end of the period	4,022	3,119
Depreciation and impairment:		
At the beginning of the period	3,119	2,938
Depreciation charge for the period	–	13
Impairment	903	168
At the end of the period	4,022	3,119
Net book value	–	–

12. Investments in subsidiaries

	27 June 2025 £k	28 June 2024 £k
Subsidiary undertakings held at cost	8,213	8,213

Details of the subsidiary undertakings are as follows:

<i>Subsidiary undertakings</i>	<i>Country of incorporation</i>	<i>Nature of business</i>
AgilityWorks India Private Limited	India	Non-trading entity
Pythagoras Communications Holdings Limited	UK	Holding entity of Pythagoras Communications Limited
Pythagoras Communications Limited*	UK	Non-trading entity
Creative Sharepoint Limited*	UK	Non-trading entity
Pointbeyond Limited*	UK	Non-trading entity
Lane 4 Management Group Holdings Limited	UK	Holding entity of Lane 4 Management Group Limited
Lane 4 Management Group Limited *	UK	Non-trading entity
Seaton Partners Limited	UK	Non-trading entity
Peak EPM Limited	UK	Non-trading entity
Peak EPM US Inc *	United States	Non-trading entity
Peak EPM Canada Inc *	Canada	Non-trading entity
Digital Detox Ventures Limited	UK	Non-trading entity
Whyaye Limited	UK	Non-trading entity

* Interest held indirectly.

All subsidiaries are wholly owned.

The registered addresses of the subsidiaries are:

UK entities: 1 More London Place, London, SE1 2AF

Indian entity: 779, Sector-15A, Faridabad, Haryana 121007, India

United States entity: 108 West 13th Street, Wilmington, Delaware 19801, United States

Canadian entity: TD Tower, 77 Westmorland Street Suite 300, Fredericton, New Brunswick E3B6Z3, Canada

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

13. Trade and other receivables

	27 June 2025 £k	28 June 2024 £k
Unbilled receivables	3,131	3,901
Client debtors	3,905	8,940
Amounts due from subsidiary undertakings	1,767	1,777
Amounts due from fellow subsidiaries	258	33
Amounts due from EY network entities	9,003	18
Prepayments	2,010	394
Other receivables	374	1,662
	<u>20,448</u>	<u>16,725</u>

Client receivables are shown net of an allowance amount for expected credit losses, movements on which are as follows:

	27 June 2025 £k	28 June 2024 £k
At beginning of period	51	172
New and additional provisions	13	11
Recoveries	(47)	(131)
Write offs	–	(1)
At end of period	<u>17</u>	<u>51</u>

14. Trade and other payables

	27 June 2025 £k	28 June 2024 £k
Trade payables	850	1,072
Accruals	5,369	6,007
Accrued payments for services	1,130	5,378
Social security and other taxes	3,038	1,867
Payments on account	2,626	3,442
Amounts due to subsidiary undertakings	10,529	10,529
Amounts due to ultimate parent entity	21,073	24,825
Amounts due to parent entity	–	1,022
Amounts due to fellow subsidiaries	68	–
Amounts due to other EY network entities	1,026	1,205
	<u>45,709</u>	<u>55,347</u>

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

15. Provisions

	27 June 2025 £k	28 June 2024 £k
At the beginning of the period	1,263	1,512
New	305	188
Paid	(560)	(437)
At the end of the period	1,008	1,263
Current	256	174
Non-current	752	1,089
At the end of the period	1,008	1,263

The current portion of the property provisions represent service charge and rates, and the non-current portion represents the provision for leasehold property dilapidations, expected to be utilised within 5 years.

16. Share capital and share premium

<i>Share capital allotted, issued and fully paid</i>	No.	£k
Ordinary shares of £0.01 each	2,547,855,409	25,479
As at 27 June 2025 and 28 June 2024	2,547,855,409	25,479
Each share carries one vote and has the right to receive dividends.		
<i>Share premium</i>	27 June 2025 £k	28 June 2024 £k
At beginning of period	55,959	55,959
At the end of the period	55,959	55,959

The company's objective when managing capital is to safeguard its ability to continue as a going concern. Capital is monitored by the directors to ensure this objective is met. No long-term financing is required by the company.

Notes to the financial statements

for the period ended 27 June 2025

17. Leases

At the period end the company had entered into non-cancellable commercial property leases with remaining terms of up to 4 years.

The carrying amounts of the lease liabilities and the movements during the current and preceding periods were as follows:

	27 June 2025 £k	28 June 2024 £k
At beginning of period	2,289	2,804
Modification	903	–
Remeasurements	–	168
Accretion of interest	126	32
Payments	(698)	(715)
At the end of the period	2,620	2,289
Current	656	693
Non-current	1,964	1,596
	2,620	2,289

The maturity analysis of lease liabilities is disclosed in note 18. The related right-of-use assets are disclosed in Note 11.

The company had total cash outflows for leases of £698k during the period (2024: £715k).

18. Financial instruments

Financial instruments give rise to credit, liquidity and foreign currency risks. The directors review and agree policies for managing these risks. Financial instruments are not used for speculative activity and complex financial instruments are avoided. Information about how these risks are managed is set out below:

Credit risk

Credit risk arises primarily from client debtors and unbilled receivables, other financial assets including cash and other receivables.

The company has established procedures to minimise the risk of default by trade debtors, including detailed checks on credit standing within client acceptance and continuance procedures. Unbilled receivables are typically billed to clients within a month of arising and invoices are generally payable on presentation. The majority of the client debtors balance represents invoices issued less than three months before the period end, with £7k (2024: £95k) aged between three and six months and £18k (2024: £59k) aged in excess of six months.

Liquidity risk

Liquidity risk arises from the company’s ongoing financial obligations, including settlement of financial liabilities such as trade and other payables and certain lease liabilities, all of which are payable within one year. The company aims to maintain a balance between continuity of funding and flexibility through balances with related parties. These balances are considered more than adequate to finance variations in forecast working capital.

Lease liabilities, on an undiscounted basis, are repayable £669k (2024: £698k) within one year, £1,220k (2024: £1,279k) between one and two years and £1,016k (2024: £365k) between three and five years.

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

18. Financial instruments (continued)

Foreign currency risk

Although most of the company's income and expenses are denominated in sterling, foreign currency risk arises from transactions denominated in other currencies. However, this risk is not considered to be material.

19. Related parties

Transactions and balances with the company's related parties are as follows:

	<i>Income earned from related parties £k</i>	<i>Purchases from related parties £k</i>	<i>Amounts owed (to) / by related parties £k</i>
2025			
Ernst & Young LLP (ultimate parent)	45,797	2,961	(21,073)
Pythagoras Communications Holdings Limited	–	–	(3,773)
Lane 4 Management Group Limited	–	–	(2,910)
Lane 4 Management Group Holdings Limited	–	–	1,505
Seaton Partners Limited	–	–	(133)
Peak EPM Limited	–	–	(2,988)
Peak EPM Canada Inc.	–	–	(147)
Digital Detox Ventures Limited	–	–	(578)
Whyaye Limited	–	–	262
EY Private Client Services Limited	–	–	258
EY-Seren Limited	–	–	(68)
	<i>Income earned from related parties £k</i>	<i>Purchases from related parties £k</i>	<i>Amounts owed (to) / by related parties £k</i>
2024			
Ernst & Young LLP (ultimate parent)	55,530	12,646	(24,825)
Ernst & Young Services Limited (immediate parent)	–	–	(1,022)
Pythagoras Communications Holdings Limited	–	–	(3,773)
Lane 4 Management Group Limited	–	–	(2,910)
Lane 4 Management Group Holdings Limited	–	–	1,505
Seaton Partners Limited	–	–	(133)
Peak EPM Limited	–	–	(2,988)
Peak EPM Canada Inc.	–	–	(147)
Digital Detox Ventures Limited	–	–	(578)
Whyaye Limited	–	–	272
EY Private Client Services Limited	–	–	12
EY-Seren Limited	–	–	21

Unless otherwise stated, all receivable balances with related parties are non-interest bearing and payable on demand. No bad debt expense was recognised in the period in respect of related parties.

Key management personnel comprises the directors of the company, directors of its immediate parent entity Ernst & Young Services Limited and the Board of its ultimate parent entity Ernst & Young LLP. Compensation paid to key management personnel was £nil (2024: £nil). There were no other transactions with key management personnel. Except as disclosed above and elsewhere in the financial statements, there are no other related party transactions.

EY Professional Services Limited

Notes to the financial statements

for the period ended 27 June 2025

20. Ultimate parent undertaking

The company's immediate parent undertaking is Ernst & Young Services Limited, a company registered in England and Wales. The company's ultimate parent undertaking and controlling party is Ernst & Young LLP. Ernst & Young LLP is the parent undertaking of the smallest and largest group that consolidates these financial statements, copies of which are available from its registered office, 1 More London Place, London, SE1 2AF.