

**REGISTERED NUMBER: 05196589 (England and Wales)**

**PA Knowledge Limited**

**Strategic Report, Directors' Report and**

**Unaudited Financial Statements for the Year Ended 31 December 2023**

**PA Knowledge Limited**

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for the Year Ended 31 December 2023**

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**PA Knowledge Limited**  
**Company Information**  
**for the Year Ended 31 December 2023**

**Directors:** C R S Barrett  
K Janjua  
H J Maule  
D M Vickerstaffe

**Secretary:** J W Greenfield

**Registered office:** 10 Bressenden Place  
London  
United Kingdom  
SW1E 5DN

**Registered number:** 05196589 (England and Wales)

**PA Knowledge Limited**  
**Strategic Report**  
**for the Year Ended 31 December 2023**

The directors present their strategic report for the year ended 31 December 2023.

**Review of business**

The Company turnover of £15.0 million (2022: £14.2 million) is derived from trademark licences issued to other companies in the PA Consulting Group, resulting in a profit before tax of £16.9 million (2022: £14.5 million).

The directors consider the result for the year and the financial position at the end of the year to be in line with expectations.

**Principal risks and uncertainties**

The Company is a member of the PA Consulting Group of companies ('the Group'). 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 2023.

**PA Knowledge Limited**  
**Strategic Report**  
**for the Year Ended 31 December 2023**

**Section 172(1) statement**

This section comprises our Section 172(1) Statement and should be read in conjunction with the Strategic Report on page 2.

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 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 as between the members of the Company.

The Company is a wholly-owned subsidiary of PA Consulting Group Limited and its governance and operating practices are aligned with the group.

PA's six core values - passionate about people, inspired by client value, creating commercial success, prizing our ethical approach, seeking to excel and achieving success through shared endeavours - are enshrined in our Code of Conduct and drive the way PA and its directors behave with clients, with each other and with everyone else we meet through our work.

Our core values, which are set by the board of PA Consulting Group Limited, define our organisation and represent a personal commitment by every one of our people worldwide.

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 of PA Knowledge Limited 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 directors of PA Knowledge Limited also have access to advice and guidance from the Group Company Secretary, as well as PA's company secretariat and Group legal functions when discharging their duties. No disclosure is provided regarding engagement with employees as the Company had no employees in the year. Disclosure of the PA Group's engagement with employees can be found in the PA Consulting Group Limited report and accounts for 2023.

**Approved by the board and signed on its behalf by:**



.....  
K Janjuah - Director

Date: 26 September 2024  
.....

**PA Knowledge Limited**  
**Directors' Report**  
**for the Year Ended 31 December 2023**

The directors present their report with the financial statements of the Company for the year ended 31 December 2023.

**Principal activity**

The principal activity of the Company in the year under review was that of an intellectual property management company.

**Dividends**

No dividends will be distributed for the year ended 31 December 2023.

**Future developments**

In 2024, the Company will continue to protect the existing intellectual property and will develop new intellectual property. The future operations of the Company are expected to remain consistent with the current year.

**Directors**

The directors shown below have held office during the whole of the period from 1 January 2023 to the date of this report.

C R S Barrett  
K Januah  
H J Maule  
D M Vickerstaffe

Other changes in directors holding office are as follows:

W A Lambe - resigned 18 January 2023

**Directors' indemnity and insurance**

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 Knowledge Limited**  
**Directors' Report**  
**for the Year Ended 31 December 2023**

**Going concern**

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. The Company has the full support of its intermediate parent PA Consulting Group Limited, a company which heads a group which has been assessed as being operationally strong and to be a going concern as described in the Group Annual Report.

As described in the Group Annual Report the Directors of PA Consulting Group Limited have taken into account short and mid-term trading and cash forecasts, covering the period to December 2025, potential global or economic impacts on the numbers included in those forecasts and the availability of funding sources for the Group. The base forecast used as part of the review is founded from the board-approved 2024 budget, with extrapolation at growth rates deemed achievable for the 12 months after this. In creating the budget, consideration has been given to the shape and size of workforce required to service anticipated demand and rates of utilisation achievable in the current economic climate, potential impact on demand from the UK general election, continued inflationary impacts on the more volatile cost base components, such as utilities, and have assumed financing rates remain towards the top end of the rates experienced in 2023. 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 through continued pressure on discretionary spend in parallel with the UK post-election government tightening the public spending policy on professional services and continued wage inflation above budgeted rates. The downside case, incorporating a combination of significant revenue reduction and employment cost increase, demonstrated that the Group's business model, is sufficiently robust and has excess liquidity headroom to absorb a sizeable and sustained downturn. Other global events have been considered as part of the review, principally the on-going Israel-Gaza conflict, but these are not considered by the directors to create a significant risk of impact for the Group's operations.

On the basis of the Group's forecast position, and from the outcome of the downside scenario, the directors are satisfied that the Group's business model is robust and flexible. This provides reassurance that the Group will be able to provide continued support if required. Therefore the directors are 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.

**Engagement with suppliers**

The business of the Company is that of an intermediate holding company and, as such, it has a more limited number of third-party business relationships than other companies within the group. Decisions taken by directors are informed by the interests of its wider stakeholders.

Economic responsibility is enshrined in our purpose, our values and our business processes. PA supports sustainable procurement methods, whether prescribed by legislation or through our own policies. As well as the traditional procurement benchmarking criteria of price and quality, we support the 'triple bottom line' ideology and consider social, environmental and economic factors in the procurement decision-making process. Our supplier diversity policy helps ensure that the contracts that we place are with a diverse range of suppliers.

**Approved by the board and signed on its behalf by:**



.....  
K Janjua - Director

Date: 26 September 2024  
.....

## **PA Knowledge Limited**

### **Statement of Directors' Responsibilities for the Year Ended 31 December 2023**

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 Knowledge Limited**  
**Income Statement**  
**for the Year Ended 31 December 2023**

	Notes	2023 £	2022 £
<b>Turnover</b>	5	15,004,244	14,245,684
Administrative expenses		(27,178)	(49,268)
<b>Operating profit</b>		<u>14,977,066</u>	<u>14,196,416</u>
Interest receivable and similar income	8	1,898,116	282,579
<b>Profit before taxation</b>		16,875,182	14,478,995
Tax on profit	9	-	-
<b>Profit for the financial year</b>		<u><u>16,875,182</u></u>	<u><u>14,478,995</u></u>

The notes on pages 11 to 16 form part of these financial statements

**PA Knowledge Limited**

**Other Comprehensive Income  
for the Year Ended 31 December 2023**

	Notes	2023 £	2022 £
<b>Profit for the year</b>		16,875,182	14,478,995
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<u>16,875,182</u>	<u>14,478,995</u>

The notes on pages 11 to 16 form part of these financial statements

Statement of Financial Position  
31 December 2023

	Notes	2023 £	2022 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	62,698,594	45,819,286
Cash at bank	11	-	1,657
		<u>62,698,594</u>	<u>45,820,943</u>
<b>Creditors</b>			
Amounts falling due within one year	12	(11,041)	(8,572)
<b>Net current assets</b>		<u>62,687,553</u>	<u>45,812,371</u>
<b>Total assets less current liabilities</b>		<u><u>62,687,553</u></u>	<u><u>45,812,371</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	35,001	35,001
Retained earnings	14	62,652,552	45,777,370
<b>Shareholders' funds</b>		<u>62,687,553</u>	<u>45,812,371</u>
		<u><u>62,687,553</u></u>	<u><u>45,812,371</u></u>

The Company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 December 2023.

The members have not required the Company to obtain an audit of its financial statements for the year ended 31 December 2023 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.

The financial statements were approved by the Board of Directors and authorised for issue on 26 September 2024 and were signed on its behalf by:



.....  
K Janjuah - Director

**PA Knowledge Limited**

**Statement of Changes in Equity  
for the Year Ended 31 December 2023**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2022</b>	35,001	31,298,375	31,333,376
Profit for the year	-	14,478,995	14,478,995
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	14,478,995	14,478,995
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2022</b>	35,001	45,777,370	45,812,371
Profit for the year	-	16,875,182	16,875,182
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	16,875,182	16,875,182
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2023</b>	<u>35,001</u>	<u>62,652,552</u>	<u>62,687,553</u>

The notes on pages 11 to 16 form part of these financial statements

## PA Knowledge Limited

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 1. Statutory information

PA Knowledge 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

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. The Company has the full support of its intermediate parent PA Consulting Group Limited, a company which heads a group which has been assessed as being operationally strong and to be a going concern as described in the Group Annual Report.

As described in the Group Annual Report the Directors of PA Consulting Group Limited have taken into account short and mid-term trading and cash forecasts, covering the period to December 2025, potential global or economic impacts on the numbers included in those forecasts and the availability of funding sources for the Group. The base forecast used as part of the review is founded from the board-approved 2024 budget, with extrapolation at growth rates deemed achievable for the 12 months after this. In creating the budget, consideration has been given to the shape and size of workforce required to service anticipated demand and rates of utilisation achievable in the current economic climate, potential impact on demand from the UK general election, continued inflationary impacts on the more volatile cost base components, such as utilities, and have assumed financing rates remain towards the top end of the rates experienced in 2023. 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 through continued pressure on discretionary spend in parallel with the UK post-election government tightening the public spending policy on professional services and continued wage inflation above budgeted rates. The downside case, incorporating a combination of significant revenue reduction and employment cost increase, demonstrated that the Group's business model, is sufficiently robust and has excess liquidity headroom to absorb a sizeable and sustained downturn. Other global events have been considered as part of the review, principally the on-going Israel-Gaza conflict, but these are not considered by the directors to create a significant risk of impact for the Group's operations.

On the basis of the Group's forecast position, and from the outcome of the downside scenario, the directors are satisfied that the Group's business model is robust and flexible. This provides reassurance that the Group will be able to provide continued support if required. Therefore the directors are 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.

## PA Knowledge Limited

### Notes to the Financial Statements - continued for the Year Ended 31 December 2023

#### 3. Accounting policies - continued

##### **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.

##### **Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

##### **Turnover**

Turnover is derived from trademark licences issued to other companies in the PA Consulting Group Limited group of companies. Turnover represents the fair value of the consideration received or receivable under the trademark licences.

##### **Taxation**

The tax charge comprises current tax payable.

The current tax charge represents an estimate of the amounts payable to tax authorities in respect of the Company's taxable profits 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.

##### **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.

## PA Knowledge Limited

### Notes to the Financial Statements - continued for the Year Ended 31 December 2023

#### 3. Accounting policies - continued

##### Cash

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

##### Financial instruments

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

Other payables are not interest bearing and are stated at amortised cost.

All interest-bearing loans and borrowings are initially recognised at net proceeds. After initial recognition, debt is increased by the finance cost in respect of the reporting period and reduced by repayments made in the period.

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

##### 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.

#### 4. 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 and tax provisions are made if it is probable that a liability will arise. 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. Refer to note 9 for further details.

#### 5. 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:

	2023	2022
	£	£
Provision of trademark licence	15,004,244	14,245,684
	<u>15,004,244</u>	<u>14,245,684</u>

**PA Knowledge Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**5. Turnover - continued**

An analysis of turnover by geographical market is given below:

	2023 £	2022 £
United Kingdom	13,386,667	12,833,547
Europe (excl UK & Scandinavia)	289,935	218,588
Scandinavia	1,327,642	1,193,549
	<u>15,004,244</u>	<u>14,245,684</u>

**6. Employees and directors**

There were no staff costs for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**7. Directors' emoluments**

No emoluments were paid by the Company to the directors during the year (2022: £nil).

All directors were employed by and received all emoluments from 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 the services provided and remuneration are expected to be negligible. The directors of the company are directors of PA Consulting Services Limited, a fellow group company, and are included in the disclosure of directors remuneration in the accounts of that company.

**8. Interest receivable and similar income**

	2023 £	2022 £
Interest receivable on amounts owed by group undertakings	<u>1,898,116</u>	<u>282,579</u>

**9. Taxation**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**Reconciliation of total tax charge included in profit and loss**

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

	2023 £	2022 £
Profit before tax	<u>16,875,182</u>	<u>14,478,995</u>
Profit multiplied by the standard rate of corporation tax in the UK of 23.500% (2022 - 19%)	3,965,668	2,751,009
Effects of:		
Expenses not deductible for tax purposes	6,387	3,120
Group relief claimed for nil consideration	<u>(3,972,055)</u>	<u>(2,754,129)</u>
Total tax charge	<u>-</u>	<u>-</u>



**PA Knowledge Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**9. Taxation - continued**

The Finance Act 2021 confirmed an increase of UK corporation tax rate from 19 per cent to 25 per cent with effect from 1 April 2023.

**10. Debtors: amounts falling due within one year**

	2023	2022
	£	£
Amounts owed by group undertakings	62,697,468	45,816,876
Other debtors	1,126	2,410
	62,698,594	45,819,286

**11. Cash at bank**

	2023	2022
	£	£
Cash at bank	-	1,657
	-	1,657

**12. Creditors: amounts falling due within one year**

	2023	2022
	£	£
Amounts owed to group undertakings	5,481	5,481
Accrued expenses	5,560	3,091
	11,041	8,572

**13. Called up share capital**

Allotted, issued and fully paid:			2023	2022
Number:	Class:	Nominal value:	£	£
35,001	Ordinary	£1	35,001	35,001
			35,001	35,001

**14. Reserves**

	Retained earnings £
At 1 January 2023	45,777,370
Profit for the year	16,875,182
	62,652,552
At 31 December 2023	62,652,552

**PA Knowledge Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**15. Ultimate and immediate parent companies**

The Company's immediate parent is PA Overseas Holdings Limited, incorporated in England and Wales.

The ultimate controlling shareholder is Jacobs Solutions Inc. incorporated in the 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.

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