

Embark Services Limited reports a 15.3% increase in client numbers and a 110% increase in pre-tax profitability

Thursday, 23 May 2019

The Embark Group ('Embark') announces the financial results for the year ended 31 December 2018, for its subsidiary, Embark Services Limited ('ESL'), which trades under the Embark and Hornbuckle brands.

ESL has been transitioning from its origins as a full Self-invested personal pension (SIPP) and Small self-administered scheme (SSAS) administrator to becoming a leading provider of digitally executed retirement services. Further major progress toward this objective was made in 2018 with material growth in digital business, marginally offset by a decline in complex pension products, resulting in a net increase in scheme numbers of **2,028** for the year.

Deploying the FNZ platform technology has greatly aided improvement in the cost of ESL's operations and coupled with the provision of centralised support services from its parent company, has enabled a progressive reduction in operating costs year-on-year. Pre-tax trading profit was **£0.29m**, up from **£0.14m** for the same period in 2017.

This performance assisted a material increase in the total equity of the business year-on-year, and a regulatory capital coverage ratio of **>200%**, which further supports the continued AKG Financial Strength Rating of B (Strong), originally attained in 2017.

Trading for Q1 2019 continues to show similar progression, with strong underlying client growth and profit performance year to date. ESL has brought to market new partnerships, such as providing a digital SIPP proposition for private bank RBS Coutts, adding to its existing client roster.

Paul Downing, Managing Director of Embark Services Limited, says: "2018 was a solid year for the business. Our diversification strategy continues to be a primary driver of our performance and we see this progressively accelerating across the medium term."

Phil Smith, Group CEO of the Embark Group, says: "We are very pleased with the progressive performance improvements and underlying growth at Embark Services Limited. It remains a cornerstone of the Embark strategy, and is rapidly becoming a leading provider of digital pension administration in the UK".

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Editors' notes

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About Embark Group

The Group trades under the brands Embark, Vested, Rowanmoor, EBS, The Adviser Centre, Discus, Hornbuckle and Liberty SIPP. It also operates a wide portfolio of white label services for business such as RBS Coutts, Standard Life, Nutmeg, BestInvest, Charles Stanley, Moneyfarm and Wealthsimple.

Businesses within the Embark Group have been established in the market for more than 30 years, and have a long history of working closely with intermediary distribution partners and consumers of all levels of affluence.

The Group employs **c487** people across eight businesses in seven office locations (London, Edinburgh, Leicester, Salisbury, Bolton, Tetbury and Milton Keynes). It has **£15bn** in assets under administration on behalf of **c142,000** consumer clients.

www.embarkgroup.co.uk

About Embark Services Limited

Embark Services Limited (trading under the Embark and Hornbuckle brands) was formed in 1982, and has always been at the forefront of the provision of member-directed pensions. It offers investment flexibility, backed up by technical pensions expertise, risk control and excellent service.

Hornbuckle started out providing financial advice to clients and administering SSASs. The business grew quickly, developing and expanding its administrative capabilities along the way. In 1997 it entered the SIPP market and further developed its administration capabilities. Hornbuckle sold the financial advisory arm of its business in 2009 and moved the focus of the business toward developing SIPP and SSAS solutions to meet client needs.

www.hornbuckle.co.uk