IXICO plc
Annual Report and Accounts 2024

Company registration number 03131723

Addresses and Advisers

IXICO plc
Registered office:
4th Floor, Griffin Court
15 Long Lane
London, EC1A 9PN
Tel: +44 (0)20 3763 7499
Website: www.IXICO.com

Registered number: 03131723
Domiciled in the United Kingdom
Registered in England and Wales

Statutory auditors
Moore Kingston Smith LLP
Statutory Auditors
6th Floor, 9 Appold Street,
London EC2A 2AP
Tel: +44 (0)20 4582 1000
Website: www.mooreks.co.uk

Nominated adviser and broker
Cavendish Capital Markets Limited
1 Bartholomew Close
London, EC1A 7BL
Tel: +44 (0)20 7220 0500
Website: www.cavendish.com

Registrar
Equiniti Registrars Limited
Aspect House
Spencer Road
Lancing
West Sussex, BN99 6DA
Tel: +44 (0)871 384 2030
Website: www.equiniti.com

Legal advisers
Bristows LLP
100 Victoria Embankment
London, EC4Y 0DH
Tel: + 44 (0)20 7400 8000
Website: www.bristows.com

Contents

.....1

Addresses and Advisers 2

Strategic report.....4

Chair's Statement 4

Chief Executive's statement 6

Business update 10

Stakeholder engagement.....17

Our ESG journey 20

Financial review 23

Risk management.....26

Corporate Governance Report.....32

Statement of Directors' Responsibilities 32

Audit Committee Report 34

The Board of Directors.....35

Board activities and timeline 36

Directors' Report.....38

Directors' Remuneration Report 42

Financial Statements 44

Independent Auditor's Report to the members of IXICO PLC 44

Consolidated Statement of Comprehensive Income 51

Consolidated Statement of Financial Position 52

Company Statement of Financial Position.....53

Consolidated Statement of Changes in Equity 54

Company Statement of Changes in Equity.....55

Consolidated Statements of Cash Flows.....56

Notes to the financial statements.....57

Strategic report

Chair's Statement

I am delighted to present this statement on behalf of the Board of IXICO plc, a leader in neuroscience imaging, using AI to drive advanced therapy research in neurological and neurodegenerative disorders.

The Board has been resolutely focused on strengthening the foundations of the Group to create value for IXICO's shareholders. The opportunity for IXICO's innovative AI-driven platform in the rapidly growing multi-billion-dollar neuroscience imaging market has never been more relevant. During the year there has been significant progress made towards returning the Group to growth. In the second half of the year, revenues have grown 27% compared to H1, the order book has expanded to £15.3 million exceeding 2023 levels, and the pipeline of new contract opportunities is growing.

Growth strategy

IXICO already has established repeat customer partnerships with global biopharmaceutical companies and contract research organisations in Phase I, II and III clinical trials. However, until now, due to a focussed effort to make progress in a selective number of disease areas, the Group has not fully exploited the value of its technology. Extensive development of novel AI-driven algorithms during the year has delivered a platform now capable of scale – not only across a broader array of neurological diseases, but also in new areas of revenue such as clinical decision making and precision medicine.

In the last quarter of the year, the Board has undertaken two specific initiatives to capitalise on an expanding market opportunity:

- The appointment of Bram Goorden as CEO. An experienced leader in BioPharma and precision medicine, Bram has updated the Group's strategy with three pillars; Innovate, Lead and Scale. We are seeing immediate results from the execution of this optimised strategy across operations, product development and commercial momentum.

- The completion of a substantially oversubscribed £4 million capital raise concluded in October 2024, putting the Group on a firm financial footing. The fundraise provides resource certainty to execute the Innovate, Lead and Scale strategy at pace.

I am confident that these actions, together with additional operational and commercially focussed activities the Group has undertaken in the last twelve months, are a solid foundation for sustainable growth.

Financial performance

As previously reported, the macro-economic backdrop during this trading year has been challenging. However, the sophistication of the Group's technology, the continued broadening and deepening of its product offering, together with a dedicated commercial effort has resulted in financial resilience. Latterly, as reported in the Trading Update on 14 August 2024, the revenue outlook for IXICO is positive with new contract wins driving revenue growth across the second half of the year. The Board are pleased to report, as outlined in these year-end results, this trend to growth continues. Through the activities of the Audit Committee, the Board, and the Leadership Team, the Group continues to implement and maintain robust financial controls and reporting.

Organisation

Our people, as ever, remain critical to our success. IXICO is a dynamic collaborative place to work where innovation thrives. This is demonstrated by a continued ability to create commercially attractive proprietary technology while leveraging broader industry advances in AI and imaging. During the year we broadened the Board with the appointment of Dr Dipti Amin as an Independent Non-Executive Director. Dr Amin is a medically trained senior executive with extensive commercial, leadership and operational experience, in medicine, pharmacology and the highly regulated healthcare and research sectors. I would like to thank our people for their hard work, passion, and dedication which has been instrumental in driving us forward.

Governance
As an AIM-quoted company the Board remains committed to high standards of corporate governance that ensures the Group operates in a transparent and ethical way that delivers value for employees, shareholders and stakeholders. During the year the activities of the Board, highlighted above, have aimed to secure the financial stability, minimise risk, and optimise the organisational structure of IXICO.

Outlook
With the new skillsets within the team, and the operations of the business appropriately resourced, we are now seeing financial performance improving and anticipate a period of sustained commercial momentum. I would like to extend my gratitude to all our shareholders, partners, and customers for their trust and support. Together, we are poised to achieve a differentiated leading position across the neurological imaging market, at scale.

Always with the end goal in mind, such activity can deliver a deeper understanding of neurological diseases, and consequently, lead to the discovery and development of new medicines to improve the lives of patients around the world.

Mark Warne
Non-Executive Chair
3 December 2024

Chief Executive's statement

Executive Summary

As incoming CEO, joining towards the end of our 2024 financial year, I made it my priority to complete the year on a high for the Group and for our customers. Together with the excellent IXICO team, we increased commercial momentum, enacted actions to strengthen the balance sheet, all whilst freeing up resources for innovation and future expansion in novel areas for our AI-driven precision medicine platform in neurology.

Two of my initial observations and drivers to join the Group have been strengthened during these first few months of my tenure:

1. IXICO's science and global operations teams are excellent, and the technology is groundbreaking as confirmed by customers, key opinion leaders and the numerous partners with which our Group is collaborating; and

2. The platform and footprint have the potential for significantly more impact in terms of customer numbers, patient reach and shareholder value.

The Group is preparing to celebrate its 20th anniversary, which is a testament to the heritage and early involvement in helping change the course of clinical development in the area of neurodegenerative diseases. With many of the pioneering scientists and technology experts still part of today's IXICO team, the face of the Group has changed a great deal across recent years. Particularly, the next generation of our proprietary platform TTNx has been completed and is now enabled with the latest technological advances in neuroimaging analytics, as well as guaranteeing future-proof levels of security, regulatory compliance, scale and user friendliness.

IXICO's leading position in Huntington's Disease (HD) remains unparalleled. This has been proven by important contracts and collaborations, including the long-term contract with a US based Pharma announced in August 2024, and our place in the increasingly influential Huntington's Disease Imaging Harmonization Consortium (HD-IH). Based on more than 6,000 data sets, we witness how the insights derived from the work of the HD-IH consortium will create long term value to the biopharmaceutical partners and support them and the broader HD research community.

Novel algorithms powered by our proprietary IXIQ.Ai platform in the areas of Alzheimer's Disease (AD) and Parkinson's Disease (PD) enable the Group to continue to play a prominent role in those two fields, where we have long-standing expertise in MRI, PET and other imaging analytics. As a result, we supported seven major global AD programmes and we further strengthened the collaboration with the Global Alzheimer's Platform (GAP). This builds on the previous year's completion of an initial 1,000 participant trial, notable for achieving a secondary recruitment target requiring a minimum of 20% of the study participants to be from traditionally underrepresented populations. This enabled IXICO to report on initial findings on differences between racial and ethnic groups at the CTAD opening symposium (Boston, October 2023). During 2024, IXICO was awarded the Bio-Hermes 2 trial, extending the program into Tau PET and MRI and further strengthening the partnership with GAP.

Operationally, we delivered seamlessly for our clients, providing services to more than 35 neurology trials, broadening our offering across therapeutic indications whilst improving our service level metrics to exceed our clients' expectations. Our next generation TrialTracker platform went live and enabled by the IXIQ.Ai system, we saw the first benefits of this powerful new platform. I look forward to reporting more progress in 2025 and properly introducing TTNx to the market.

I am convinced that IXICO can play an even bigger role in the development of the next generation of treatments for neurodegenerative diseases. This has resulted in the "Innovate / Lead / Scale" strategy that sets out to accelerate the development of novel algorithms on our platform to increase our reach and penetration in the global arena. Important scientific themes such as neuromelanin as a proxy for dopamine loss in PD and identification of the vascular fingerprint in Dementia / AD, will define the course of breakthrough innovation the coming years. IXICO was part of some of the initial biomarker discovery work in these areas and we are determined to now play a major role in helping biopharma sponsors with the technology and expertise to equip their trials with these latest analytics.

These are exciting times as we are part of generating increased understanding of neurodegenerative diseases whilst seeing important regulatory approvals come through for drugs such as Eisai's Lecanemab and Eli Lilly's Donanemab. Several major biopharma companies have expressed heightened focus and investments in the areas which IXICO has been supporting since its inception. We are convinced that this will positively impact our ability to deliver on our purpose of harnessing medical imaging data to advance human health, strengthening our position as a platform for neuroscience imaging data analytics, and importantly scaling these efforts to grow our share in the market of the clinical trials industry. 2024 has been a year of transition for IXICO with lower revenues in the first half of the year, but an initial trend reversal in the subsequent six months, thanks to some major contract wins. This trend continues as we build up a healthier growth

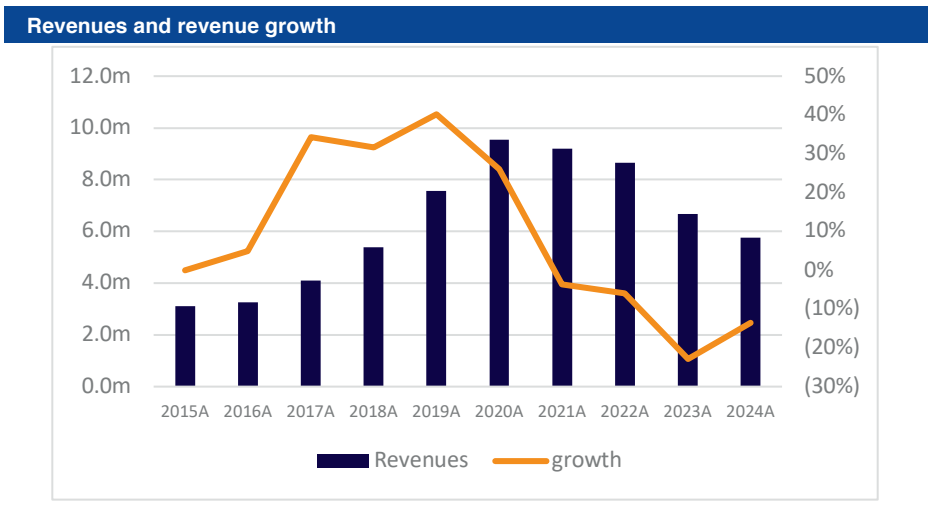
trajectory going into 2025. To accelerate this trend and allow the above-mentioned innovation to act as a driver for revenues, we went to existing and new investors and successfully concluded a capital raise of £4 million. The interactions with our key investors, both institutional and retail and the strong confidence they showed in IXICO (resulting in a significant oversubscription of the fundraising) were important indicators for me personally confirming my view that IXICO is poised to play a bigger role in the current positive innovation landscape, an area which the Group has called home for 20 years.

We enter our financial year 2025 with an order book of signed contracts valued at £15.3 million and a stronger pipeline of client opportunities, with visibility of new contracts to provide a platform for double digit revenue growth in 2025 and beyond. In addition, I expect to report the results from our strategy to develop the role of our TTNx platform as an enabler in areas such as post marketing surveillance (PMS) and clinical decision making, potentially bringing our solutions closer to patients and their care.

The IXICO team is a highly motivated group of scientists and technology experts and it is quite the privilege to be leading this team of innovators, serving some of the most important development programs in solving what's rapidly becoming society's biggest healthcare challenge: helping patients with neurodegenerative diseases lead more healthy and fulfilling lives. As I look forward, 2025 will be a year where we solidify the role of our Group in supporting this while exploring additional new avenues for increased revenue generation.

Revenues

IXICO's FY24 revenues were £5.8 million. We expect improved conditions for the biopharmaceutical industry supporting revenue growth in FY25. As shown in the chart below, IXICO has historically demonstrated its ability to grow quickly, delivering strong growth in the 30-40% range between 2017 and 2020 following the win of a large phase III trial. As we have built out the diversity of our order book following the cancellation of that large trial, we are now in a good position to win further such studies and return to revenue growth.



Source: Company data. Cavendish estimates

Growth strategy & Corporate outlook

Ambition

I have set the target of growing revenues towards £20 million+ in the medium term based upon the Innovate / Lead / Scale strategy, with an expectation of a return to revenue growth over 2025 and an initial target beyond this of reaching £10 million revenues on the back of the recent capital raise. Key targets to drive revenue growth are:

- Increase the serviceable market to £65m+ by increasing traction in the AD and PD clinical trial markets.
- Expanding the commercial footprint and pipeline, particularly in the US.
- Improving the pipeline to order book conversion success rate by increased differentiation in our analysis offerings.

Future revenues will be supported by expansion of the AI-driven platform into new revenue streams with a particular focus on moving into post-market assessments and clinical practice, targeting the large market opportunities beyond the current contract research organisation model.

In addition, we plan to extend the use of our next-generation AI-powered imaging biomarker platform, TTNx. TTNx is a full redevelopment of the Group's TrialTracker platform, making use of Microsoft Azure cloud technology and has been the subject of significant investment over the past few years. This platform is validated and is regulatory compliant and provides the Group with the opportunity to further strengthen its position in the market. We strongly believe we are well positioned to capitalise on the latent value held within this platform and unique data assets through the application of our proven advanced IXIQ.Ai analytics platform.

Over the medium term, the Board has identified opportunities to tap into new future revenue streams using TTNx by bridging R&D and clinical practice, facilitating the consolidation of analytics, and supporting clinical decision making via Software as a Service, licensing or strategic co-development models. This opportunity arises as TTNx, using Microsoft Azure technologies, is highly extensible and scalable. This then enables the augmentation of the platform's capabilities in response to specific opportunities such as the potential to support clients and clinicians as drugs showing efficacy in neurological conditions achieve market approval and move into post market assessment and clinical practice.

The Innovate / Lead / Scale strategy

Innovate
We aim to differentiate IXICO through novel biomarker analytics, enabling the Group to better penetrate new and larger key disease areas such as AD and PD, thereby increasing the Group's serviceable market by an estimated factor of three. In the next 6-12 months, we will seek to further differentiate our offering through the application of our proven IXIQ.Ai analytics platform in AD and PD with three new MRI-driven biomarkers to analyse a subject's vascular "fingerprint", neuromelanin accumulation and inflammatory processes.

More accurate assessment of vascular pathology in AD trials can support targeted trial recruitment, specifically in populations with an increased level of vascular pathology as has been shown for some traditionally underrepresented populations. Furthermore, it allows more informed treatment decisions and can potentially help identify subjects at risk for Amyloid-related imaging abnormalities (ARIA) which is important both in clinical trials and post market assessment. Neuromelanin analysis is used in PD trials as a proxy for dopamine loss and is considered a potential alternative to currently used dopamine SPECT / PET biomarkers. MRI-based quantification of inflammatory processes can support both AD and PD trials as inflammation plays a role in disease hypotheses across both indications and is increasingly relevant as a treatment target. The additions of these three biomarkers to our analysis offering is expected to activate a significantly enhanced pipeline. In focussing on next generation AI powered biomarkers services, the Group seeks to address a larger proportion of the global neuroimaging clinical trials market, valued at $13.5 billion in 2022.

Lead
IXICO is focused on solidifying its presence and impact in the CNS precision medicine space by reinforcing its medical key opinion leadership. We are investing in medical thought leadership to become even more visible on the global stage by increasing interaction with key opinion leaders ("KOLs") in the neurology space. We want to give visibility to the work in collaboration with KOLs that aligns with and showcases our leading technology. We intend to build on our existing partnerships to validate and position our technology in AD and PD, such as Global Alzheimer's Platform Foundation (GAP), the Critical Path For Alzheimer's Disease (CPAD) and the Critical Path for Parkinson's disease (CPP). GAP seeks to accelerate the delivery of innovative therapies to individuals living with AD and PD and conducts natural history trials to assess techniques that support the accurate and cost-effective identification of individuals with AD. IXICO has provided the imaging services to this platform since 2020. CPAD is a consortium of commercial and charitable organisations that work together to support drug development in AD. CPP is the equivalent consortium focussed on PD.

In 2025 we will increase our conference engagement and demonstrate thought leadership and engagement, building upon recent success at the Alzheimer's Association International Conference (AAIC), the Alzheimer's & Parkinson's Diseases Conference (ADPD) and the Clinical Trials on Alzheimer's Disease (CTAD) conference. We have shown success of this approach in HD, specifically through the Huntington's Disease Imaging Harmonization (HD-IH) consortium, where our team is analysing over 6,000 datasets in partnership with the CHDI foundation and several biopharmaceutical companies. This project validates IXICO's analysis capabilities, with KOLs publishing and presenting on the results from this consortium. A consequence of this, we have further cemented our position as being the leading provider of image analysis services in HD.

Scale & Execute
Rapid change in the design and execution of clinical trials requires global commercial reach for clinical trial neuroimaging services, particularly into North America.

The significance of the North American market cannot be understated: 83, or 44%, of current AD clinical trials are exclusively conducted in North America. The region is home to a significant proportion of key neurological imaging decision makers, including those employed by Biogen, Roche, Lilly, Takeda, and Janssen. Furthermore, North America is the centre for key scientific collaborations and consortia, including the Global Alzheimer's Platform Foundation (GAP), CHDI Foundation, Alzheimer's Disease Neuroimaging Initiative (ADNI) and CPAD amongst others. As a result, we believe that increased focus on the North American market will drive the Group's exposure to key industry players, widen IXICO's geographic reach in line with changing client needs, and expand the Group's addressable market. We are not starting from scratch with our focus on North America. 14 of the 26 projects that are currently in the Group's orderbook are US based (or US focused) projects. This equates to c.45% of the Group's orderbook by value and US based projects have contributed c.40% of the Group's 2024 revenues. It is a focus on accelerating this growth further, that is a key strut in the Group's strategy.

To scale our operations effectively, we plan to grow our global pipeline and revenue potential through increased access to client and large Contract Research Organisation (CRO) decision-makers, driving business development. We aim to increase our serviceable market by an estimated factor of three, expand our commercial pipeline by a factor of four, and improve our pipeline-to-order book conversion success rate.

In the medium term, IXICO will focus on accelerating growth by actively pursuing new addressable markets beyond the traditional CRO model, through extending our technology platform into post market assessment and, in partnership with others, investigate utility in clinical decision support. This reflects the extensibility IXICO has built into its TTNx platform which enables us, via partnership opportunities, to support the provision of multi-biomarker platforms and/or bring closer the interactions and seamless communication of data with large scale CROs, analysis groups, imaging providers and/or providers of electronic health records (EHR). We have identified these as opportunities to leverage our TTNx platform into areas that require highly resilient, secure but bespoke technologies to underpin the collection, collation and analysis of large-scale data. TTNx has been developed to enable the delivery of post marketing assessment studies, the potential of which has been shown, albeit on a relatively small scale.

Bram Goorden
Chief Executive Officer
3 December 2024

Business update

Market overview

IXICO operates within the attractive imaging AI-driven precision medicine market, and we believe we can further establish ourselves as a partner of choice for biopharmaceutical companies developing neurological disease therapies both within clinical trials and in the clinic, as these drugs move into post market assessments and clinical use. IXICO is implementing a strategy of diversifying and broadening its customer base expanding the potential to work with clients on the subsequent higher value later stage trials, while reducing the risk associated with any single client or asset. As previously reported, there has been a slow-down in clinical trial initiations, but we have built a solid foundation from which to grow as the market returns to more normal activity levels and new sources of revenue are being explored through strategic partnerships and collaborations.

Alongside the significant morbidity and mortality effects on patients, neurological conditions are placing an increasing pressure on many economies. The Alzheimer's Association estimates that Alzheimer's disease and other dementias cost the US $345bn in 2023, while the Parkinson's Foundation estimates the direct and indirect costs of Parkinson's disease will amount to $52bn per year. As such, there is a growing need for better treatments for such conditions, a trend we believe the biopharmaceutical industry is positively reacting to. This pressing health concern is reflected in the projected growth of the global neurology clinical trials market, which according to Grand View Research, is expected to increase from $5.2 billion in 2022 to $7.6 billion by 2030, expanding at a CAGR of 5.6%. Concurrently, the neuroimaging market, valued at $13.5 billion in 2022, is anticipated to reach $22.99 billion by 2032, also growing at a CAGR of 5.6%. As the demand for imaging biomarkers, advancements in imaging technology, personalised medicine, and precision imaging in neurological disorders rises, IXICO is well positioned to capitalise upon these market dynamics.

As a global specialist operator in the neuroimaging data analysis sector, IXICO expects to benefit from the positive trends we see in the broad CNS precision medicine market and particularly in the Alzheimer's and Parkinson's disease clinical trial market. IXICO has been operating in this market for many years, which has allowed it to develop strong relationships within the neurological ecosystem. The Group has worked with five of the top 10 pharmaceutical companies in the past five years and has established partnerships with several therapy area consortia, which often bring together academic and industry players to accelerate the progress of drug development.

As per the most recent Alzheimer's disease clinical pipeline review from Cummings et al.[1] there are 127 drugs being tested across 164 clinical trials in the Alzheimer's pipeline. Within this there are 90 phase 2 trials and 26 phase 1 trials, a combined 116 trials, indicating the opportunity for IXICO to grow. Similarly, for Parkinson's disease, the latest review by K. McFarthing et al.[2] indicates there are 139 clinical trials in the Parkinson's disease therapy area as of 2023, of which 47 were in phase 1 and 72 in phase 2, for a total 119 early-stage trials in this therapy area. The scale of the drug pipelines for Alzheimer's and Parkinson's diseases reflects the high level of interest in these markets and neurological conditions in general. We believe recent FDA approvals of anti-amyloid therapies targeting Alzheimer's disease, including Biogen's Leqembi, has renewed interest in, and provided encouragement for, the industry development by biopharma of neurological drugs.

AD pipeline

Alzheimer's disease is believed to affect more than 55 million people globally, a figure projected to reach 78 million by 2030 (Roche). While having a significant clinical burden on patients and care-givers, the disease also has a significant economic impact, estimated to be c$2.8tr per year by 2030.

As per the 2024 review[3] for which the information was assessed in January 2024, there were 127 (2023: 141) drugs in development for Alzheimer's disease (phase 1 to 3) undergoing 164 (2023: 187) clinical trials. We expect the decline in numbers from January 2023 to January 2024 reflects the difficult biopharma funding environment discussed previously.

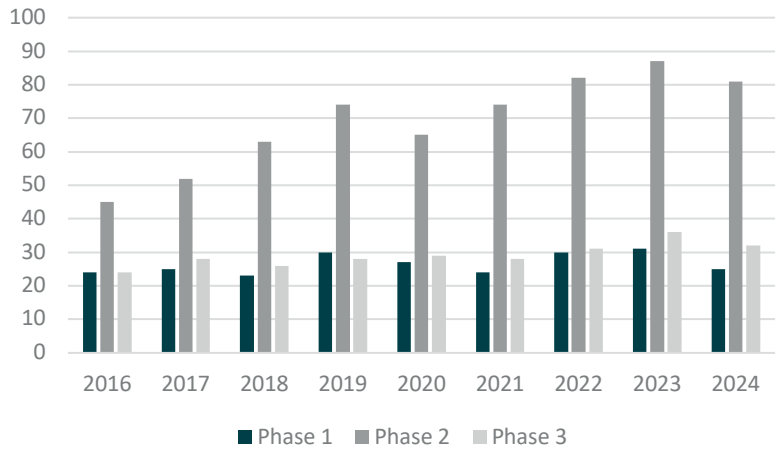
While much focus in recent years has been on targeting amyloid plaques and tau tangles in the brain, of the current 96 disease-modifying therapies in development, 25 are targeting inflammation versus 23 targeting amyloid and 11 targeting tau.

[1] *Cummings et al. Alzheimer's Dement. 2024;10:e12465*
[2] *K. McFarthing et al. Journal of Parkinson's Disease 13 (2023) 427–439*
[3] *Cummings J, et al. Alzheimer's disease drug development pipeline: 2024. Alzheimer's Dement. 2024;10:e12465.*

Through the years, the highest number of development agents are at the phase 2 stage, while the number of therapies in phase 1 and phase 3 has remained relatively stable, as shown in the chart below, though noting the general decline in the 2024 data set. We assume this reflects the rapid progression from phase 1 to phase 2 due to shorter phase 1 trials followed by multiple, longer phase 2 trials which likely carry a higher failure rate than the phase 1 stage.

This chart in particular highlights the importance of IXICO's strategy to work with companies at the phase 1 stage with a view to moving with the therapy into phase 2. Clearly, gaining access to the phase 2 development stage offers a significant opportunity for the company.

Total agents in development, by phase



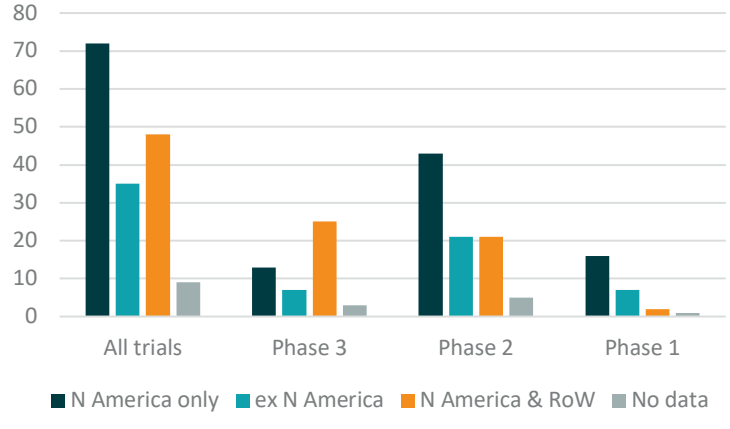
Source: Cummings J, et al. Alzheimer's disease drug development pipeline. Data taken from yearly review publications.

Trial distribution, by region

The chart below shows the distribution of clinical trials by region in which they are conducted, defined as being conducted in North America only, conducted only outside of North America (ex N America) and conducted in both North American and non–North American sites (N America & RoW).

Across all trials, 77% have trial sites based in North America. 85% of phase 3 trials have sites in North America. This clearly indicates the importance of being present in North America for companies operating in the Alzheimer's disease clinical trials market. This is one of IXICO's core strategies which will be accelerated in 2025.

Global AD trial distribution, by site



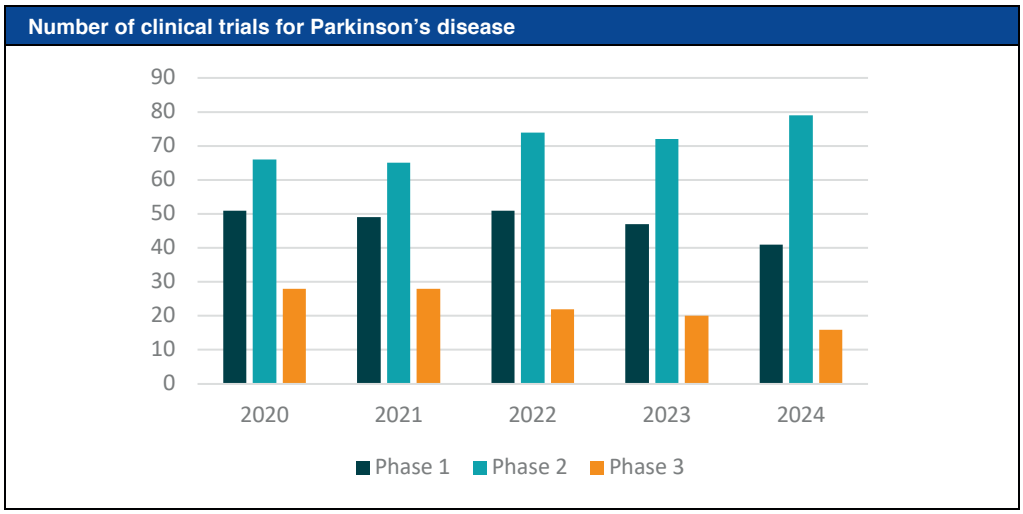
Source: Cummings J, et al. Alzheimer's disease drug development pipeline: 2024. Alzheimer's Dement. 2024;10:e12465

PD pipeline

Parkinson's disease is the second most prevalent neurodegenerative condition after Alzheimer's disease. The Parkinson's Foundation states almost one million people are living with Parkinson's in the US and expect this figure to rise to 1.2 million by 2030. Globally, the foundation estimate that more than 10 million people are living with the disease.

As per the latest review for which the information was assessed in January 2024[4], there are 136 (2023: 139) clinical trials underway for Parkinson's disease (phase 1 to 3).

- There were 16 (2023: 20) phase 3 trials and 79 (2023: 72) phase 2 trials.
- 60 (2023: 63) therapies were classified as disease-modifying therapies (DMTs).
- 51 trials were being performed with therapies classified as 'novel' while 52 trials were testing 'repurposed' drugs.



Source: K. McFarthing et al. / Parkinson's Drug Development Review / Journal of Parkinson's Disease. Data taken from yearly review publications

Huntington's Disease (HD) and Orphan and Rare Diseases

HD is a relatively rare neurodegenerative disease caused by a faulty gene. Although there have been recent setbacks in the progress of drug development for this indication, the genetic nature of HD means that patients can be reliably identified earlier in the disease pathway, long before symptoms are apparent. This may enable earlier intervention and raises the possibility of gene therapies, supporting the continued growth of the HD development pipeline. IXICO is a leader in neuroimaging in HD, having supported many HD studies in the past decade and has strengthened its leadership position through its close collaboration with the CHDI Foundation and the HD-IH consortium (see page 15).

Initiatives by the EU EMA and US FDA such as orphan drug designation, and the increasing use of genomic sequencing technology to screen newborns and to investigate early childhood development disorders, have encouraged significant investment into a wide range of rare diseases. In the past five years a new wave of rare disease neurological treatments, including dozens with orphan designation, have been approved. Our expertise in imaging and biomarker development, has allowed successful adaptation of many biomarkers for rare neurodegenerative diseases to support a wide range of studies in rare indications such as Friedreich's Ataxia, Multiple System Atrophy and Progressive Supranuclear Palsy.

Operational review

During 2024, initiatives to further enhance our service provision and highlight more overtly the value we bring to our clients have been primary. The Group adjusted the structure of its operations team during the year, dividing the team into the three specialist areas of Project Management, Image Management and Operations Services, each led by an individual with significant experience and expertise in supporting and delivering neurodegenerative trials.

We present clients with a global team of highly qualified and experienced individuals who work in close proximity to each other across imaging science and imaging operations all with a specific CNS focus. We believe that this promotes rapid, efficient and productive interactions that place the client's project first and foremost and benefit from the broad shared expertise that exists within operations and the wider Group.

4 K. McFarthing et al. Journal of Parkinson's Disease 14 (2024) 899–912

We focus on quality, we believe in what we are delivering and why we are delivering it, and seek to promote a can-do, will-do, attitude with our clients that generates partnerships rather than transactions. Neurodegenerative trials are extremely challenging and small improvements can make big differences when it comes to data analysis and trial read-out. Promoting the highest levels of consistent quality is the cornerstone of our operational mindset.

We understand that the quality of imaging data analysis, originates from the quality of the images acquired at imaging sites across the globe. Developing strong relationships with these sites has long been a tenet of our approach and making them feel like IXICO is there to support them, irrespective of their geographic location is the key focus for our site facing teams.

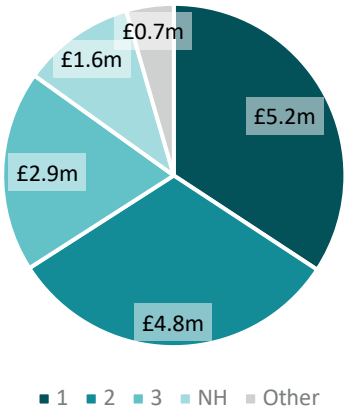
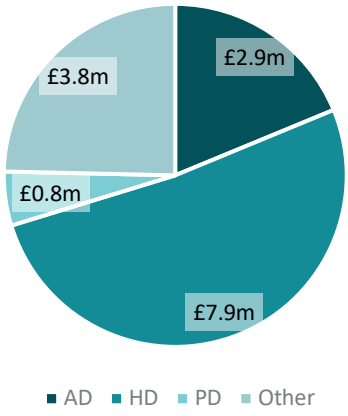
KPIs for average site response times showed further improvement across 2024, with average times at close to a business day, materially ahead of those provided by our larger competitors. In addition, the times required to support global sites set up imaging scanners and apply trial-specific protocols have all shortened in the year, to a level where we are confident we provide the global benchmark for the industry. Our network of expert radiologists continues to meet, and often exceed, the short safety read turnaround times agreed with our clients, ensuring rapid and important feedback can be provided to trial participants. Our data management team deliver high-quality transfers of trial data to our clients and their partners as part of our services. Across the year we have maintained study data in a transfer-ready state, enabling the satisfaction of unplanned, early or ad-hoc transfer requests from our clients at short notice.

Investing in our project management function and continuing to limit the numbers of projects allocated to individual project managers, means our clients continue to provide feedback that we are easy to do business with, proactive and reactive to their needs, and able to accommodate the inevitable adjustments to what are often complex trial protocols efficiently.

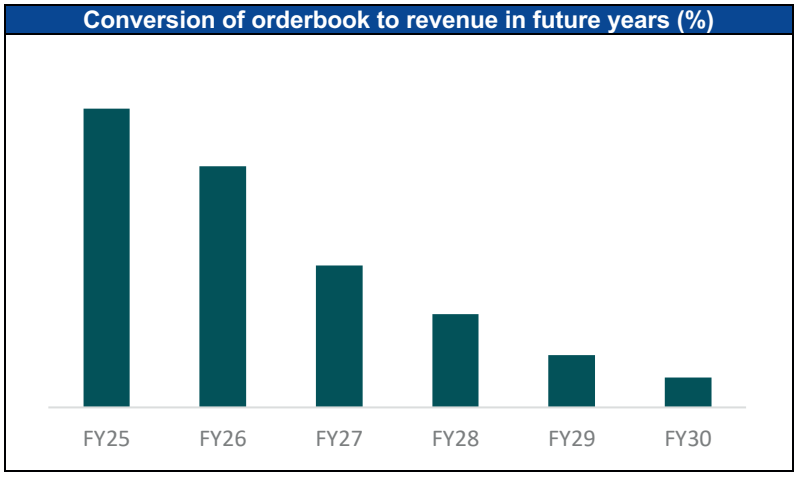
We have completed over 43,000 image analysis endpoints across the year, utilising leading analysis capabilities such as IXIQ.Ai, whilst continuing to support established cornerstone technologies that enable longitudinal consistency comparisons for long-running trials. Achieving this requires a breadth of techniques and approaches from the fully automated to the fully manual. We discuss and advise our clients on the optimum pipelines for their trials and can deploy a broad range of neurodegenerative biomarker analysis measures within a single trial. We put the science first, such that we are able to deliver protocols that other providers cannot or are unwilling to accommodate.

Across the year we supported 35 studies, across a broad range of neurodegenerative indications, supporting all phases of clinical research from small early phase studies to large-scale global Phase 3 trials.

As we move into our new financial year, we are actively supporting 25 studies, split across therapeutic indications and clinical trial phases as outlined in the graphs below. This compares favourably compared to recent years and reflects a diversification and growing number of the projects we are supporting.

Number of clinical trials by Phase weighted by GBP value	Number of clinical trials by TA weighted by GBP value
	

As we look forward, we have the personnel and expertise to scale the business. Our book of contracts at 30 September 2024 provides good visibility of revenues for the coming periods (with over 75% of our forecast revenues for the year covered by contracts already in place at the start of the year).



As we expand our serviceable market, via investment in analysis innovations, specifically in the therapeutic indications of AD and PD, our ability to scale quickly, both through expansion within our existing operations structure and leveraging the cutting edge technology we have at our disposal, we are well positioned to continue to define what is meant by leading services levels in our market.

Technology review

2024 is a significant year in IXICO's history, not only is it 20 years since the Group was incorporated, it is also over 15 years since the Group launched is innovative image data capture and analysis platform TrialTracker. This year, we launched our next generation TrialTracker platform ('TTNx') and started using it to deliver client trials. As neurodegenerative clinical trials become more complex (increasingly assessing combinatorial approaches in seeking disease modifying outcomes), so the need increases to have a technology platform that can coordinate multiple and bespoke workflows that enable robust, secure and controlled capture and analysis of brain scans from sites worldwide.

The Group has built TTNx in Microsoft's azure cloud environment, using microservices and APIs plus a Kubernetes/Docker driven scalable workflow engine that supports multiple levels of activity to operate in parallel (and enables the use of both the latest and established analysis technologies). This enables extensibility of capability both within a clinical trial delivery and well beyond this.

We are entering a 'precision medicine' era of multi-modal approaches to drug development and clinical diagnosis and prescription, increasingly focussed on the individual and how a potential drug works within targeted sub-populations. This requires multiple streams of activity at scale. The logistical and quality challenges surrounding this are substantial but the progress in technological innovation mean they are surmountable.

TTNx is a case in point, a platform that can scale with the cloud, that can adjust to the bespoke needs of a trial whilst standardising the associated data pathways to mitigate data loss, duplication, misallocation etc. We have built this platform to deliver clinical trial services in a regulatory compliant manner at scale and with increased efficiency. This is important for IXICO and IXICO's stakeholders but is only part of the strategy for what has been the single biggest investment of the Group in recent years.

Now that TTNx is 'live' and as we focus on the deployment of this platform on increasing numbers of clinical trials, we are looking to the future, to how we can integrate this platform beyond clinical trials, into post market assessments and the clinical space. In a complex and as yet nascent market, establishing strong partnerships with organisations who have the scale, but not the technology to capture the significant potential in these areas is critical, and would create a transformational impact on the market size that the Group is able to address, as well as introducing new and repeating revenue streams.

The technology team constitutes a team of expert Azure developers and testers, led by a highly experienced platform architect who, together, operate to a fully agile development model enabling the swift development, testing and deployment of new features as required by our clients and/or partners such that we are able to provide bespoke workflows that support specific study protocols at an attractive price. The team is led by our VP Technology who holds relevant experience and expertise in both TrialTracker (as its original architect) and the services the Group seeks to address. This enables a small team to deliver well-designed and relevant technology capabilities to the existing and ever changing requirements of the market.

Science review

Significant progress was made across 2024 in further developing, validating and positioning IXICO's clinical trial product portfolio across therapeutic indications. In addition, the Group made further progress in developing core technology to 'bridge' into new markets in clinical applications as the field is experiencing significant momentum in the approval of new therapies, specifically in AD. Throughout 2024, IXICO has actively participated in the scientific discussion across core therapeutic areas as demonstrated by the attendance at ten conferences and the (co-) presentation of 15 posters and (invited) talks. IXICO has furthermore, hosted three scientific webinars with key opinion leaders in AD, PD, and MS.

During 2024, IXICO has continued to develop its core analysis capabilities in MRI and PET across key therapeutic indications and has taken steps towards translation of capabilities to clinical applications.

IXICO has released an updated quantitative PET analysis solution that allows flexible deployment across amyloid and tau PET analysis. The tool provides standardized uptake value ratio (SUV-R) across both tracer families. In amyloid analysis, the tool can flexibly provide centiloid analysis, providing harmonization across different amyloid PET tracers. In the space of tau PET analysis, IXICO continue its engagement with the C-Path CPAD consortium on the harmonization of tau PET analysis across different tau PET tracers. With the recently awarded Bio-Hermes 002 program, IXICO now delivers visual read and quantitative Tau PET analysis across the widely used tau tracers Flortaucipir (Avid/Lilly), MK-6240 (Cerveau/Lantheus), PI-2620 (Life Molecular Imaging). The Group has further strengthened its PET tracer supply offering as illustrated by the announcement of a master supply arrangement with Life Molecular Imaging.

Building on the R&D license to GAP's Bio-Hermes 001 program as well as other MRI and PET datasets, IXICO has started deploying it's AI platform to develop combinatorial biomarkers for patient selection in clinical trials and with a potential application for clinical diagnostic applications. As part of the ongoing work, IXICO was invited to present results on a 2-stage screening process using amyloid PET in conjunction with blood-based biomarkers at the high-impact CTAD (Clinical Trials in Alzheimer's Disease) conference, held in Madrid, Spain, between 29 October and 1 November 2024. Selection by the organising committee for an oral presentation highlights the importance of the work performed for the AD community and provided a significant opportunity for IXICO to demonstrate cutting edge scientific and technical capabilities in AD PET imaging to participating pharma sponsors and academic researchers.

Advancing deployment of the IXIQ.Ai analysis platform into emerging applications in Parkinson's disease (PD), IXICO has continued its R&D program on markers from Quantitative Susceptibility Mapping (QSM) MRI and has started a new program on the development of imaging markers from neuromelanin sensitive MRI. The two MRI sequences are getting increasing attention in PD clinical trials and pioneering markers in those areas will help IXICO to strengthen its footprint in this important therapeutic indication. Both markers are expected to be deployed in upcoming clinical trials during 2025.

Huntington's disease continues to be a key market for IXICO, and good progress was made during 2024 to further underline the Group's leading position by progressing the IXICO-initiated HD Imaging Harmonization (HD-IH) consortium. HD-IH was founded in 2022 by IXICO, the CHDI Foundation Inc. (CHDI) and pharma partners uniQure and PTC Therapeutics and has onboarded Asklepios BioPharmaceutical, Inc. as third pharma partner in 2023 to conduct an unprecedented harmonization analysis of more than 6,000 participant-visit magnetic resonance images (MRIs) acquired from over 2,000 research participants. During 2024, the project has completed more than 50% of the planned analysis and has secured the onboarding of a fourth pharma partner. The company presented results of its ongoing analysis at the 19th Huntington's Disease Therapeutics Conference (HDTC) held in Palm Springs, California, from 26-29 February 2024 in a poster entitled "*Association between regional volume change and clinical change in Huntington's disease HD-ISS Stage 2 and Stage 3 participant*". The presentation provides further evidence for the use of brain volume changes measured with IXIQ.Ai as an alternative trial endpoint to traditional clinical outcomes (surrogate endpoint).

Further steps were taken in the development of an extended offering for demyelinating disorders. The Group has continued development of its automated lesion quantification tools as shown through the presentation of a poster describing the analysis pipeline at the 10th conference by the European Committee for Treatment and Research in MS, ECTRIMS, held in Copenhagen, Denmark, from 18-20 September 2024. Complementing its in-house developed MRI biomarkers, IXICO has furthermore signed a collaboration agreement with specialist provider Imeka to provide IXICO's pharma sponsors access to Imeka's suite of services for white matter imaging deployed in Alzheimer's Disease (AD) and Multiple Sclerosis (MS).

The Group continues an active R&D program exploring opportunities to develop its core clinical trial analytics technology for applications that support treatment-related decision-making in new post-market applications. In short, 2024 has been a pivotal year for IXICO during which novel algorithms were moved from proof-of-concept phase to commercialisation.

Stakeholder engagement

The Board recognises that effective stakeholder engagement enables improved, impactful decision-making. It is committed to further strengthening its relationships across all stakeholders impacted by the Group's activities.

The principal strategic decision made during the year was appointment of a new CEO with a clear vision for the targeted development of the Group's market in the areas of Alzheimer's disease and Parkinson's disease and how this would be achieved via specific actions within the areas of innovation, scientific, technological and commercial leadership.

This included initiating and delivering a capital raise for just over £4 million underpinned by a clearly articulated set of investments designed to drive the growth and development of the Group in both the short and medium term.

The Board prioritised this to ensure that the Group enhances its accessible market size, whilst increasing the visibility of the scientific and technology assets that the Group has built over the last few years. This decision supports IXICO's offering to neurological clinical trials, as well as extending it closer to the clinical and post-market assessment markets.

Our stakeholders

Employees
IXICO employs highly qualified employees in a range of scientific, technical, operational, and supporting roles

What's important to them	How we engage
Employee engagement is critical to employee happiness, wellbeing and retention. One of the primary topics of engagement is emphasising the Group's purpose and societal benefit arising from its activities. Additionally, employees need to understand their opportunities for development, and how their roles contribute directly and indirectly to the Group's successes. Collaboration and idea sharing along with communication to, within and between teams is crucial.	The Group holds regular Townhalls with employees to communicate material matters and topics including strategic, scientific, operational, commercial and financial. Development and training plans are defined as part of annual performance reviews to support personal growth as well as a wider contribution to the Group. These plans are reviewed and revisited each year by line managers and their direct reports. The leaders in the Group meet to discuss strategy, challenges and opportunities to ensure alignment and encourage experience and idea sharing.

Impact of key strategic decision
A new CEO automatically brings with them modifications to the culture and ethos of a company. In this instance, the CEO has clearly articulated his ambition for the Group, the areas he sees that the Group must improve on and how the wider employee base will contribute to this. This has been inspiring and motivational for employees to hear as initial communications are being rapidly converted into tangible actions.

Shareholders
IXICO has a strong list of institutional and individual shareholders

What's important to them	How we engage
Engagement with shareholders focusses on the Group's purpose and its strategy for delivering this. Shareholders want to see a return to growth and to have confidence that the Group's management are making decisions that place the Group in the best possible position to capitalise on market opportunities as they arise. This includes responding to challenges in a measured and rational manner.	Shareholders are communicated to via LSE RNS, IXICO's website, investor presentations and social media. The Group delivers twice-yearly results briefings to communicate developments to, and receive feedback from, shareholders. Our Executive Directors, Non-Executive Chairman and other Non-Executive Directors make themselves available to meet with shareholders as appropriate.

Impact of key strategic decision
The Group's successful capital raise which included follow-on investments from the Group's existing institutional shareholders and investments by new institutions and individuals reflects an across-the-board alignment of shareholders with the strategy being pursued by the Group. The Group's shareholders will now expect the Group to deliver on the strategy it laid out.

Pharmaceutical and biotech clients
Clients rely on data analytics services to support critical decisions in their clinical development programs

What's important to them	How we engage
Clients expect high levels of quality assurance, with consistent and reliable service levels. They seek more efficient ways to run trials, alongside new product development and innovation. Scientific leadership and consultancy are highly valued, and IXICO's clients look to IXICO as the imaging science voice on their studies.	Each project has a dedicated project manager accountable for service delivery, where weekly project calls are standard practice. Our science team is closely involved in projects enabling clients to take advantage of the latest advances in the IXICO analysis portfolio and expertise. The Group supports all client audit requirements, and operates under a Quality Management System, accredited to ISO 13485. It also uses state of the art technology to ensure the security, resilience and reliability of data flows into, within and out of IXICO's platform.

Impact of key strategic decision
The Group's strategy, supported by a capital raise, will provide clients with further enhancement and differentiation of the Group's analysis capabilities which will enhance the value brought to their trials, increasing sensitivity and accuracy of conclusions drawn around patient eligibility, safety and drug efficacy.

Scientific Partners
IXICO is a member of several scientific consortia and scientific partnerships

What's important to them	How we engage
These partners require scientific, technology and operational capabilities, with a focus on investment in innovation. It's important to develop relationships that support the community's wider purpose of advancing human health.	IXICO is engaged in scientific collaborations and contributes at conferences dedicated to specific disease areas. The Group provides discounted and/or in-kind services to collaborations designed to advance knowledge of neurological diseases. We are also increasingly engaging with potential partners to extend the utilisation of our next generation TrialTracker platform.

Impact of key strategic decision
Partners will benefit from IXICO's accelerating strategy in imaging biomarker evolution. By collaborating, partners can extend their pre-clinical, clinical or post market ambitions as the Group delivers on its strategic enhancements of its capabilities across the full breadth of the drug development and clinical markets.

Imaging Centres
Imaging centres perform brain scans on participants involved in clinical trials. The centres upload images to IXICO's systems for analysis

What's important to them	How we engage
The centres used by IXICOs clients require training and qualification of their personnel to deliver accurate imaging data. During a project, technical support and timely issue resolution is critical in successfully delivering for our mutual client.	Our online imaging-centre-support model enables centres to receive training and qualification at a time that suits them. Access to support is also managed through an online helpdesk.

Impact of key strategic decision
The Group continues to provide the highest levels of support for the qualification of new imaging centres, thereby accelerating centre onboarding to a trial and reducing the burden on scarce healthcare resources. Positive feedback from sites continues to indicate that the superior service levels provided by IXICO separate it its competition.

Participants
Our clients recruit participants to take part in the clinical trials of their drug candidates

What's important to them	How we engage
Participants rely on IXICO to provide objective measurement of the impact of trial drugs on the brain. A participant's confidence in the safety of enrolling in a clinical trial is of the highest importance and they rely on accurate and timely radiological readings to ensure this.	Whilst we do not directly communicate with trial participants, we engage with patient representatives to understand the challenges of living with neurological diseases.

Impact of key strategic decision
The Group's planned analytical capability developments in Alzheimer's and Parkinson's disease will further improve the statistical power and sensitivity of clinical trials and ensure patients are more likely to benefit from effective drug candidates as well as having increased confidence that they are being enrolled onto the right trial for them and their medical condition.

S172(1) statement:

As required by Section 172 of the Companies Act 2006, a director of a company must act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In so doing, the director must have regards, amongst other matters, to the:

- Likely consequences of any decision in the long term;
- Interests of the Group's employees;
- Need to foster the Group's business relationships with suppliers, customers and others;
- Impact of the Group's actions on the community and environment;
- Desirability of the Group maintaining a reputation for high standards of business conduct; and
- Need to act fairly between members of the Group.

The Directors continue to consider specific stakeholder groups (as outlined in more detail within the governance section). This includes the regularity and means by which the Group engages with its stakeholders.

Our ESG journey

IXICO's purpose is to advance medicine and human health by converting clinical-trial imaging data into clinically meaningful information. IXICO's values are key to the delivery of its purpose but also provide an important basis upon which to deliver ESG goals.

In order to deliver its purpose, it is essential that IXICO adopts high standards of governance and compliance whilst making a positive impact on society and this principle forms the basis of IXICO's ESG framework.

In 2023, the Group developed its ESG framework and the material topics which we considered to be essential in achieving sustainable business growth. As part of this it calculated baseline carbon emissions figures. In 2024 the Group has scrutinised this data to achieve a better understanding of our emissions. In particular, a key objective is to improve the accuracy of the data measurement of our Scope 3 (supplier emissions) calculation, which is our emissions hotspot, and bring these emission levels down. We have made significant inroads in this area during 2024 and this work will continue into 2025 to further reduce our footprint by working with suppliers and feeding their progress in reducing carbon emissions into our calculations.

In 2025, we will also be looking to improve how we incorporate and embed environmental and social issues in our strategy and risk management models as well as how we identify and manage climate-related risks. This will enable us to form KPIs which will aid our reporting on targets in our material topics.

ESG Progress and Targets

ENVIRONMENTAL
Impact on environment
Commitment To reduce the Group's carbon footprint by lowering reliance on fossil fuel generated power where possible and economically viable and more broadly limit the environmental impact of Group employees and business operations.
2024 progress and priorities In scrutinising the calculation of our 2023 baseline figures, we have significantly reduced our Scope 2 emissions owing to the use of renewable energy. Furthermore, by further analysing our Scope 3 emissions, we have halved our carbon output in this area. Therefore, the outcome of our 2024 annual calculation of estimated carbon dioxide emissions for Scopes 1,2 and 3 is as follows: - Scope 1: approximately 5 tons of CO2 - Scope 2: 100% of Scope 2 emissions came from renewable sources - Scope 3: approximately 550 tons of CO2 representing an over 50% decrease in Scope 3 emissions compared to 2023

PEOPLE AND SOCIETY			
IXICO requires a diverse and skilled workforce that is aligned to the Group's purpose of advancing medicine and human health. This includes attracting and retaining talented individuals, with the primary aim of benefitting society as a whole.			
Diversity, equity and inclusion	**Talent retention and development**	**Engagement**	**Societal benefit & impact**
Commitment To always promote and support diversity and inclusion within the workforce.	Commitment To develop appropriate tools, resources and policies to attract and retain talent.	Commitment To implement appropriate channels of engagement for two-way communication.	Commitment To promote the purpose of the Group in supporting the development of drugs to address the high unmet medical need of neurological disease.
2024 progress and priorities Sponsorship of overseas employee visa requirements to attract specific skills into the Group. New appointments to the IXICO Board thus broadening its knowledge, experience and skill set.	2024 progress and priorities Supporting staff in their continued professional education and development via value driven objective setting and performance review. A second cohort of leadership training was rolled out encouraging development of the leaders within the business and encouraging cross-team development and collaboration. Shareholder approval received for the adoption and implementation of IXICO's 2024 EMI Share Option Plan, an incentive scheme for employees.	2024 progress and priorities Conducting a programme of cross organisation communication via staff meetings and newsletters. Held staff engagement events which will continue into 2025.	2024 progress and priorities Continued growth of the HD-IH consortium with the onboarding of an additional bio-pharma partner. The expanding partnership has made significant progress in applying IXIQ.Ai to more than 6,000 MRI scans available to the consortium and generating the data required to demonstrate the utility of the obtained biomarker measurements as clinical trial endpoints. Preliminary findings were presented at the annual HD-TC conference in February 2024 providing further evidence for the use of brain volume changes measured with IXIQ.Ai as an alternative trial endpoint to traditional clinical outcomes.

RESPONSIBLE BUSINESS

IXICO provides services to the biopharmaceutical sector, which is one of the world's most closely regulated industries.

As a Group quoted on AIM, we strive to comply with the QCA governance code . IXICO's statement of compliance with the Quoted Companies Alliance (QCA) Corporate Governance Code can be accessed here: IXICO plc QCA statement. The primary commitment is to have transparent and effective governance processes to provide reassurance to all its stakeholders.

Stakeholder engagement	**Data Governance**	**Innovation**	**Zero tolerance to misconduct and fraud**
Commitment To engage with all stakeholders, and adapt the Group's strategies towards delivering common themes and priorities.	Commitment To capture, process, store, analyse and report data in a controlled, secure resilient manner and in compliance with data protection regulations and stakeholder expectations.	Commitment To provide neurological disease biomarker analysis that supports the development of new medicines designed to address the high unmet medical need within neurological disease.	Commitment To establish policies and procedures to encourage an open environment for risk management, corporate responsibility, fraud mitigation and whistleblowing.
2024 progress and priorities Program of well attended webinars subscribed to by IXICO's stakeholders and presented by IXICO's Science team on a range of topics in collaboration with industry experts. Ongoing conference participation including poster submissions, which enables IXICO to present its findings in collaboration with its clients as well as sharing imaging and biomarker insights with the CNS community. Regular communication between Board members and the Group's shareholders via in person meetings, video conferences and investor presentations.	2024 progress and priorities IXICO is compliant with ISO 13845, undertakes several client audits each year and is compliant with GCP and 21 CFR Part 11. GDPR training and subsequent refresher training is a mandatory part of the HR induction programme. Continued investments in IXICO's infrastructure and data governance program. The Group expects to obtain ISO 270001 certification during 2025.	2024 progress and priorities Development and launch of the Group's next generation highly scalable AI-powered imaging biomarker platform which makes use of Microsoft Azure cloud technology and is GCP and 21 CFR Part 11 compliant. Investment into differentiated biomarker measures that increase the sensitivity and accuracy of measurement of biomarkers that indicate the efficacy and safety of drug candidates.	2024 progress and priorities Mandatory Anti-bribery training forms part of the HR induction programme. Ongoing department-through-to-Board risk review, assessment and monitoring program.

Financial review

Right sizing the Group for future growth.

In late 2024, IXICO raised just over £4.0 million (£3.7 million net) to deliver the next phase of the Group's strategy. This strategy is focussed on leveraging the significant latent value the Group has developed within its science and technology platform. It is anticipated that the investments made subsequent to this capital raise will return the Group to revenue growth which will, over the medium term, return improved margins, profitability and cash generation.
The capital raise was completed at a relatively challenging time in the clinical trials and financial markets and reflects the depth of existing and new shareholder interest, conviction and enthusiasm for the strategy laid out by the Group.

Looking to 2025, a strengthening of the clinical trials market is anticipated, reflecting a return to 2022 investment levels in drug development. The capital raise concluded in October 2024, in addition to cost management decisions executed earlier in the year mean the Group is well placed to leverage this market improvement by investing in a clearly defined set of strategic priorities.

This review includes a comparison of the financial KPIs used to compare performance to the prior year, a summary of which is shown below:

KPI	2024 result	2023 result	Movement
Revenue	£5.8m	£6.7m	£0.9m↓
Gross profit	£2.7m	£3.3m	£0.6m↓
Gross margin	47.0%	49.1%	210bps↓
EBITDA loss	(£1.7m)	(£0.8m)	£0.9m↓
Operating loss	(£2.2m)	(£1.4m)	£0.8m↓
Loss per share	(4.14p)	(2.44p)	1.70p↓
Order book	£15.3m	£14.8m	£0.5m↑
Net assets	£9.5m	£11.4m	£1.9m↓
Cash	£1.8m	£4.0m	£2.2m↓
Non-current asset investments	£0.5m	£1.9m	£1.4m↓

Revenue

Revenue for the year of £5.8 million (2023: £6.7 million) represents a year-on-year contraction of 13%. This contraction was caused by the weak market conditions across the clinical trials market throughout 2023 and the first half of 2024 resulting in lower levels of contract wins during this period. As 2024 progressed, a material uptick in the number and value of contracts wins has resulted in a £0.5 million increase in the value of the order book at the end of the year (£15.3 million) as compared to the same timepoint in the prior year (£14.8 million). Growth in the orderbook is an important metric for the Group, as this provides a strong lead indicator of future revenues.

Gross profit

The Group reports gross profit of £2.7 million for the year (2023: £3.3 million). This equates to a gross margin of 47.0% (2023: 49.1%). Whilst this is a strong gross margin, the reduction on the prior year reflects the reduction in revenues and the relatively fixed cost base of the Group.

Gross profit is driven by both the revenue volume itself as well as the mix of revenues being delivered. Across 2024, approximately 60% of the Group's revenues have been from phase I and phase II clinical trials (which tend to be lower margin than later phase trials). Positively, this portfolio provides a strong base for future revenue growth, as those trials which successfully move from early to late phase provide the Group with the opportunity to continue providing services as these trials transition to larger, later phase, more profitable trials.

Earnings before interest, tax, depreciation, and amortisation ('EBITDA')

The Group delivered an EBITDA loss of £1.7 million in the year (2023: £0.8 million). This reflects the reduction in revenues, tighter margins, a couple of non-recurring items that supressed profitability in 2024 and a reduced level of cost capitalisation. These negative impacts have then been partially offset by careful cost management including the completion of a headcount reduction exercise that removed 12% of salary costs between 2023 and 2024.

	2024 £000	2023 £000
Profit attributable to equity holders	(2,001)	(1,178)
Depreciation of fixed assets	239	400
Amortisation of fixed assets	236	225
Interest on lease liabilities	21	29
Other interest payable	3	-
Interest on cash held at bank	(85)	(105)
Taxation	(93)	(183)
EBITDA	(1,680)	(812)

Operating profit

Operating expenditure in the year reflected careful cost management alongside targeted investment, specifically:

- research and development expenses of £1.3 million (2023: £0.9 million) included the development of new algorithms to support image analysis in new and existing therapeutic indications. In addition, the Group capitalised £0.3 million of internal development expenditure primarily in respect of its next generation Trial Tracker platform (2023: £1.2 million);

- sales and marketing expenses of £1.4 million (2023: £1.3 million) reflecting the investment in sales executives and marketing and product capabilities as well as £0.1 million of one-time costs related to commercial consultancy; and

- general and administrative expenses of £2.9 million (2023: £2.9 million) reflecting savings in headcount following a restructure at the start of the year, offset by additional one-time expenditure of approximately £0.3million relating to CEO succession.

Operating losses totalled £2.2 million (2023: £1.4 million) equated to an operating loss margin of 37% (2023: 22%).

Order book

The Group grew its contracted order book during the year. On 30 September 2024 this totalled £15.3 million (2023: £14.8 million), which takes account of £5.8 million of revenues delivered during the financial year, £8.9 million of new and expanded multi-year contracts secured during the year and £2.7 million of trial descopes due to client trial failures and minor foreign exchange movement in the year. This net growth in the order book reflects the improvements in the clinical trials market in the latter part of 2024.

Growth in orderbook provides a leading indicator of future growth. The orderbook increase is 3% across the year, with an increase of 20% since the half-year reflecting the marked increase in new contract wins in this latter part of the year. Looking forward, the Group aims to report accelerated growth in orderbook on an annual basis such that a sustainable level of greater than 10% revenue growth is achieved.

New contracts won were with 11 clients with contract extensions with 15 clients.

	2024 £000	2023 £000
Opening orderbook	14,753	16,019
New wins	8,947	8,030
Revenue	(5,766)	(6,665)
Net descoping, inflation and FX	(2,674)	(2,631)
Closing orderbook	15,260	14,753

Cash

The Group reported a cash balance on 30 September 2024 of £1.8 million (2023: £4.0 million). The reduction in cash reflects operating cash outflows after tax receipts of £1.7 million in the year (2023: £0.3 million cash inflow), £0.4 million (2023: £1.9 million) of capitalised investment in data and technology assets designed to support future scalability and £0.1 million (2023: £0.2 million) of lease payments on the Group offices.

The Group completed a successful capital raise of just over £4.0 million (£3.7 million after fees) soon after the close of the 2024 financial year.

Non-current asset investments

The Group capitalised £0.5 million of non-current assets in the year to 30 September 2024 (2023: £1.9 million). This decrease in non-current assets investment reflects that the Group's next generation TrialTracker platform was completed and ready for use early in the financial year and consequently saw a reduced level of capital expenditure invested during 2024. 2025 capitalised investment in its platform to deliver additional functionality is expected to be approximately the same level as 2024.

The next generation TrialTracker platform, equipped with the Group's leading analysis algorithms, positions the Group to further enhance its services into clinical trials as well as providing opportunities to penetrate adjacent markets such as post-market and clinical safety assessments in a robust, secure and regulatory-compliant centralised manner. The platform utilises Microsoft Azure's cloud infrastructure and technologies.

Net assets

The Group's net asset position decreased by £1.9 million to £9.5 million across the year (2023: £11.4 million). This reflects losses reported, partially offset by the investments made in technology assets to underpin long-term future growth aspirations and market demands.

This net asset position was enhanced soon after the financial year on the successful completion of a £4.0 million capital raise (£3.7 million after fees).

Loss per share

The Group reports a loss per share of 4.14p (2023: 2.44p).

Grant Nash
Chief Financial Officer
3 December 2024

Risk management

The Board holds responsibility for monitoring risks to which the Group is exposed, and for reviewing and assessing the effectiveness of the internal control framework used by the Group to manage those risks.

The Group has designed its internal controls with the aim of providing a proportionate level of assurance for the organisation, taking account of its size, stage of development and risk exposure.

In assessing the risks faced by the Group, a detailed risk identification and control framework is adopted. It is the responsibility of each department leader within the Group to update the risk and control matrix for their department and each matrix is reviewed by management on a quarterly basis. The Board receives a summary of the consolidated risk and control matrices every six months. The matrix sets out the status of controls in place to manage identified risks and ranks the risks by their likelihood of occurrence and the potential impact of this on the Group's operations. This matrix also details actions which are identified to further manage such risks. The Board reviews, discusses and challenges this risk and control matrix with the Executive Directors.

Principal risks and uncertainties

The following table presents the principal risks and uncertainties that the Board considers could have a material impact on the Group's operational results, financial condition and prospects. This is not an exhaustive list of risks and is intended to provide visibility of those risks the Board considers the most material based on the information it currently has available to it.

These risks and uncertainties reflect the business environment within which the Group operates, together with risks in the execution of its business strategy. The risks are separated into four specific risk areas being Strategic, Operational, Financial, and Legal, Compliance & Regulatory.

Operational Risks

Principal Risks	Context	Mitigation	Risk Change
Commercial Risk **Risk Score** High	Failure to understand market trends or build client relationships may result in lost client opportunities and reduced financial returns. Clinical trials have long sales cycles and failure to build a pipeline of opportunities will impact on future sales performance. A significant turnover of employees within the commercial function may impact short term commercial momentum. A tightening of the funding environment has impacted the number of clinical trials initiated in 2024, particularly in the biotech sector. This will impact the rate of growth in revenues achieved by the Group	– Early indications of a strengthening of the clinical trials market, supported by high profile successes in the area of AD, point to increased commercial opportunities for the Group as we move into 2025. – Investments made, and being made, in Product Management, Marketing and Business Development resources to accelerate lead generation and qualification. – Alignment of Science resource with commercial strategy including the development of Science focused partnerships resulting in increased Consortia and Grant activity. – Program of well received webinars as well as conference participation enabling the Group to share its imaging and biomarker insights with its stakeholders.	⇔
Threat of cyber attacks **Risk Score** High	Any successful cyber-attack may create operational, financial and/or reputational risk for the Group. This risk will remain a high-level risk owing to geopolitical issues including the conflicts in Eastern Europe and the Middle East and the success of ransomware attacks across the globe. Increased incidence of cyber-attack has impacted insurer risk appetite for this risk meaning the ability to secure cyber cover at sensible premiums (or at all) has become more difficult.	– Continued investment in IT infrastructure, including use of cloud services, implementation of new and upgraded systems and equipment. – Ongoing review of potential vulnerabilities and installation of certain software increased internal system segregation and monitoring capabilities to reduce the risks of ransomware attacks. – Cyber security training for all employees – Deployment of security enhancements on remote access endpoints. – Independent penetration tests undertaken to assess system security.	⇔

Principal Risks	Context	Mitigation	Risk Change
Employee retention **Risk Score** Medium	A failure to attract and retain talent within the business may result in a shortage or loss of key skills. A reduction in headcount during the year results in increased reliance on specific individuals within the Group.	– New CEO appointed and onboarded following retirement of existing CEO. – Framework in place to support employees with the achievement of personal and company objectives in line with IXICO's 4As values. – Shareholder approval obtained for the 2024 IXICO EMI Share Option Plan. – Training in place to support and develop newly promoted line managers. – Initiatives to enhance employee engagement are in place, such as monthly 'townhall' meetings.	⇔
IT Infrastructure **Risk Score** Medium	The Group deploys its services via its technology infrastructure. Any failure in this infrastructure would risk impacting the Group's financial and/or operational performance. In a rapidly evolving technology environment, accompanied by increased scrutiny and focus on cyber security, it may be difficult to ensure sufficient levels of IT investment to address all IT systems-related risks.	– Development and launch of the Group's next generation data capture and analysis cloud-based platform. – Continuing investments in infrastructure to update and improve security and resilience. – All production servers are hosted in built for purpose production data centres with geographically separated back-up giving strong system resilience. – External independent penetration tests designed to identify areas for increased intention.	⇩

Financial Risks

Principal Risks	Context	Mitigation	Risk Change
Termination of client clinical trials **Risk Score** Medium	The Group's client clinical trial contracts bear a risk of early termination. These normally result from a client's interim data review demonstrating no material benefit of the trial drug, or adverse safety events caused by the client's trial drug. This risk has been evidenced by the early termination of several Group client clinical trials across recent years and is expected to occur in the future. The increased diversification of the Group's contracted orderbook mean the loss of any single trial will have a lower impact that was the case previously.	– A focus on diversification by the commercial team in developing the Group's client and project pipelines to reduce the reliance by the Group on any single, or small number of, clinical trials. – Commercial contracts can include up-front non-refundable payments, close-out cost recovery and termination notice clauses. – The Group builds a level of trial cancellation into its budgets and forecasts in recognition that the risk of early cancellation is particularly high in neurological clinical trials. – Client governance meetings and stakeholder engagement with the Group's commercial, operational and science teams to ensure visibility of the progress and challenges of assets the Group is supporting. – Continued investment in the Group's commercial team to ensure engagement with clients on drug development reviews.	⇔
Cash reserves **Risk Score** Medium	The Group is currently loss making and it therefore utilises cash. The Group must ensure that cash reserves are sufficient to sustain the Group as it delivers its strategy to achieve sustainable profitability.	– The Group undertakes detailed budgets and forecasts, as well as sensitivity analysis, to ensure prudent investment decision making. – The Group seeks to negotiate up-front payments with clients where it can, improving its cashflows and reducing risk in the event of trial failure. – The Group is agile allowing it to react rapidly to any unexpected changes in circumstances. – The Group undertook a £4 million fundraise in October 2024 which will enable it to execute its "Innovate, Lead, Scale" strategy thus allowing it to operate efficiently and generate value for the Group.	⇩

Principal Risks	Context	Mitigation	Risk Change
Liquidity, credit and currency **Risk Score** Medium	The Group is exposed to financial risks typical of all commercial companies. These include the risks of a cash shortfall, experiencing a significant client payment delay, exposure to a foreign currency rate fluctuation which is against the interests of the Group and/or the Group fails to plan for tax and therefore is exposed to tax liabilities beyond the level necessary.	– Standard controls are applied around these risks. – The Group's cash position has been strengthened by a successful fundraise together with a client portfolio which includes large, well-funded organisations. – Most contracts are denominated in GBP and currency levels are forecast and reviewed monthly with currency hedges utilised where appropriate. – The Group utilises deposit accounts with its banking partner to ensure it achieves a return on its existing cash reserves.	⇩

Strategic Risks

Principal Risks	Context	Mitigation	Risk Change
Failure to exploit commercial opportunities **Risk Score** Medium	The Board sets strategic initiatives that it expects will deliver increased market penetration and new market opportunities for the Group. The nature of any strategic initiative is that it includes a degree of judgement risk. Further, the Group may not execute on its strategic plans as effectively or efficiently as possible, or its strategic plans may not be the most optimal, thereby failing to maximise the commercial opportunity available to the Group.	– Change in CEO in the year has resulted in a clear strategy being presented to investors as to how the Group is able to grow its market and financial returns. – Annual review by the Board of Group strategy and budget priorities as well as progress against strategy. – Monthly leadership review of delivery of specific strategic initiatives. – Board appraisal of significant investments before funds are committed and subsequent review of each investment's delivery and performance. – External expertise and advice sought to inform strategic initiatives. – Detailed qualification of client opportunities and engagement across various functions and stakeholders to understand client requirements. – Exploration of new revenue streams including from the Group's next generation data capture and analysis cloud-based platform.	⇩

Legal, compliance and regulatory risk

Principal Risks	Context	Mitigation	Risk Change
Data Protection **Risk Score** Low	The Group captures personal data from clinical trial subjects thereby exposing it to data security risks (and associated reputational risks in the event of a data leak).	– Data captured from client sites is pseudonymised on receipt into the Group's TrialTracker platform which has been developed specifically for managing the flow of data in clinical trials electronically and delivering regulatory compliance. – The Group has established computerised systems compliance policies and procedures to meet the regulatory requirements of GCP, 21 CFR Part 11 and EU GMP Annex 11. Its policies and procedures as well the systems under operation are under continual review and improvement to ensure the systems remain in a validated state and the IT infrastructure qualified in order to maintain the integrity and security of sensitive or critical information. – Data protection legislation requirements (such as GDPR) are integrated within the Group's processing activities and practices – All employees undergo GDPR training and annual refresher training.	⇔

The Strategic Report was approved by the Board on 3 December 2024 and signed by order of the Board by:

Bram Goorden
Chief Executive Officer
3 December 2024

Corporate Governance Report

The Board has adopted, and strives towards compliance with the Quoted Companies Alliance ('QCA') Corporate Governance Code ('Code'). The Code comprises ten principles, with which companies undertake to comply as part of their corporate governance arrangements. The Board conducts itself in a manner which places IXICO's values and the principles of the Code at the core of the Group's culture.

IXICO has published a statement on the Group website that sets out, in broad terms, how the Group complies with the Code at the date of this report. The Board provides annual updates about compliance with the Code. The Board is responsible for ensuring that IXICO is managed for the long-term benefit of all shareholders, through effective and efficient decision-making. Corporate governance is an important part of the Board's role by providing oversight and guidance to help manage risk and build long-term value.

IXICO's statement of compliance with the Quoted Companies Alliance (QCA) Corporate Governance Code can be accessed here: IXICO plc QCA statement.

Statement of Directors' Responsibilities

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 Group and Company financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group financial statements in accordance with UK-adopted International Accounting Standards ("IAS") as adopted by the United Kingdom ("UK") and have elected under company law to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice FRS 101 (United Kingdom Accounting Standards).

The financial statements are required by law and IFRS adopted by the UK to present fairly the financial position of the Group and Company and the financial performance of the Group; the Companies Act 2006 provides in relation to such financial statements that reference in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 Group and the Company and of the profit or loss of the Group for that period. In preparing each of the Group and Company 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;
- for the Group financial statements, state whether they have been prepared in accordance with IAS adopted by the UK, and for the Company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Company financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Directors' Responsibilities continued

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the IXICO plc website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board of Directors

_____

Mark Warne
Non-Executive Chair
3 December 2024

Audit Committee Report

The Audit Committee is charged with monitoring the integrity of the Group's financial statements and the application of accounting policies. The Committee also assesses the effectiveness of the internal control and risk management systems. Risk management discussions take place bi-annually and are included within the agenda of Board meetings.

The Committee is chaired by Kate Rogers; Dipti Amin is a member of the Committee. Additional attendees are invited to join by the Committee where appropriate. In the year ended 30 September 2024, this included the Chief Financial Officer, Group Financial Controller, General Counsel, and senior representatives of the Group's auditor. Following a detailed tender process, the Group's audit was transitioned from Grant Thornton UK LLP to Moore Kingston Smith LLP ('MKS') as announced on 15 December 2023.

Financial year 2024 Audit Committee agenda items

During the 2024 financial year, the Audit Committee met three times, with a variety of agenda items discussed. These are set out below.

NOVEMBER 2023	MAY 2024	SEPTEMBER 2024
External audit Reviewed external audit findings report with Grant Thornton. Reviewed and approved accounting approach to areas of judgement or those deemed to be of higher risk. Confirmation of MKS' appointment as the new auditor of the Group on completion of the 2023 financial year audit. **Full year results** Review of full year preliminary results announcement and draft Annual Report ahead of recommending them for approval by the Board. **Other** Completed annual review of the Audit Committee Terms of Reference and accompanying checklist to ensure appropriate actions had been taken during the course of the year to fulfil the duties of the Audit Committee.	**External audit** Reviewed interim review report for the half year unaudited results with MKS. Reviewed and approved accounting approach to areas of judgement or those deemed to be of higher risk. **Interim results** The interim results and associated announcement were reviewed ahead of recommending them for approval by the Board. **Internal control** The Group's internal control framework was reviewed and agreed fit for purpose.	**External audit** Reviewed the audit plan for the 2024 financial year with MKS with particular focus on areas of judgement or those deemed to be of higher risk. **Anti-Bribery and Corruption** The Group's Anti Bribery and Corruption policies were reviewed and agreed fit for purpose.

Going concern

The consolidated financial statements are prepared on a going concern basis after considering the Group's and the Company's current cash position, and in reviewing the cash flow forecasts and budgets for a period of 12 months following the approval of these consolidated financial statements.

The Audit Committee are satisfied with the going concern basis through obtaining a sensitised cashflow forecast which consisted of several adjustments which are not in the ordinary course of business. These included but were not limited to:

- Increasing the level of expected cancellations and delays on clinical trials beyond the level that would normally be expected in this environment; and
- Reducing the number of new contracts expected to sign during the next 12 months.

Other mitigating factors in the event of a significant downturn in business include careful cost management and opportunities to raise additional financial capital.

In addition, the Audit Committee reviewed a reverse stress test based on the Group's existing cash and current receivable position, considering the plausibility of these assets being insufficient to enable the Group to continue to trade for twelve months from date of approval of the consolidated financial statements. Based on its review the Committee concluded that it is appropriate that the Group continue to report as a going concern.

The Board of Directors

Bram Goorden Chief Executive Officer	Bram has over 20 years of leadership in BioPharma and precision medicine. He held C-level roles at Eagle Genomics and SOPHiA Genetics, enhancing platform innovation and US presence. As VP at Foundation Medicine, he expanded its global precision medicine platform. As CEO of Prometheus Laboratories, he integrated it into Nestle Health Science and served as Head of Brain Health. Earlier, he held senior roles at UCB Pharma and Eli Lilly, launching CNS medicines globally. Bram's board experience includes Mantis Photonics and Cerecin Inc. He is passionate about patient care and values diverse teams. His strategic vision and leadership have consistently driven growth and shareholder value. **External appointments** Oncobit AG, *Director* Mantis Photonics AB, *Chairman* Zetta Genomics*, Non-Executive Director* Virdis Group*, Advisor*
Grant Nash Chief Financial Officer & Company Secretary	Grant has worked in the life sciences sector for over 20 years. In his executive director role, Grant leads the Company's Finance, Legal and IT functions. Grant joined IXICO from UK Biobank, an international health research data resource, where he had been Finance Director since 2014. Previous to this, he qualified as a Chartered Accountant at PwC and was SVP Finance at Evotec, the early stage drug discovery CRO. Grant is a member of the Share Transaction Committee and also acts as Secretary to the Board and its subcommittees. **External appointments** None
Mark Warne Non-Executive Director Chair	Mark is Chief Executive Officer of CHEMAI Ltd and is an advisor to Angelini Ventures. He is widely recognised in the UK and international life sciences sector, having spent almost 10 years at IP Group Plc, a leading intellectual property commercialisation company, where he led the Healthcare team. **External appointments** CHEMAI Ltd, *Chief Executive Officer* Angelini Ventures, *Advisor* *Business owner of Innovista Consulting Limited*
Kate Rogers Non-Executive Director	Kate is the CEO of the Follicular Lymphoma Foundation which she joined in 2022 following a 20-year career with Glaxo SmithKline (GSK). At GSK, Kate led the transformation of GSK's global finance organisation, having previously worked as CFO for Laboratoire Glaxo SmithKline SaS (GSK France) and other senior finance roles within GSK. Kate is qualified as a chartered accountant and holds a Bachelor of Science degree in Engineering from Oxford University. Kate chairs the Audit Committee and is a member of the Remuneration Committee. **External appointments** Follicular Lymphoma Foundation, *Chief Executive Officer*
Dipti Amin Non-Executive Director	Dipti is an experienced non-executive director. She currently sits on the Board of Lineage Cell Therapeutics, a US based biotechnology company, having previously sat on the Boards of companies in both the private and public sector. Before this, Dipti spent over 20 years of her executive career at IQVIA occupying senior positions in compliance, drug safety and medical affairs. Dipti is medically trained and is a Fellow of the Faculty of Pharmaceutical Medicine. Dipti is Chair of the Remuneration and Share Transaction Committees and a member of the Audit Committee. Dipti joined the Board on 1 October 2023. **External appointments** Lineage Cell Therapeutics, *Non-Executive Director* Appraiser for GMC Medical revalidation for IQVIA

Board activities and timeline

The Board and its subcommittees

The Board meets at least four times per year in accordance with a pre-determined meeting calendar. The Board is supported by three subcommittees: the Audit Committee, the Remuneration Committee and the Share Transaction Committee. The subcommittees discharge responsibilities on behalf of the Board and are entitled to such internal or external advice as is required to allow them to fulfil their duties.

The Board and its subcommittees receive appropriate and timely information prior to each meeting including a formal agenda. Any Director may challenge Group proposals. Decisions are taken democratically after appropriate discussion. Specific actions arising from Board meetings are agreed by the Board or relevant subcommittee and are then followed up by the Executive Directors.

The Board and subcommittees all operate against terms of reference which are summarised on the Group website (https://ixico.com/investors/governance/).

Board and sub-committee responsibilities

Board meetings	The Board is responsible to shareholders for the proper management of the Group. It comprises the Non-Executive Chair, two Executive Directors and three Non-Executive Directors, one of whom acts as Senior Independent Director. The Board is chaired by Mark Warne. Mark, Kate Rogers and Dipti Amin are Non-Executive Directors and are considered to be independent of the Executive Directors and free from any relationship which could materially affect the exercise of their independent judgement. Non-Executive Directors receive a fee for their services. The Board has agreed items that are reserved for its consideration including the Group's strategy, budgets, financial reporting, and internal controls, together with the monitoring of the progress to achieve its goals.
Remuneration Committee	The terms of reference of the Remuneration Committee include the following responsibilities: • determine and agree with the Board the framework or broad policy for the remuneration of the Executive Directors and other such members of the executive management as it is designated to consider; • approve the design of, and determine targets for, any performance-related pay schemes and approve the total annual payments made under such schemes; • approve all long-term incentive scheme structures and option schemes; • approve all option grants for ratification by the Board; and • within the terms of the agreed policy, determine the total individual remuneration package of each Executive Director including, where appropriate, bonuses, incentive payments and share options. Remuneration Committee meetings are held at least twice per financial year.
Audit Committee	The terms of reference of the Audit Committee include the following responsibilities: • monitor the integrity of the Group's financial statements and application of accounting policies; • review the effectiveness of the Group's internal control and risk management systems; and • oversight of the Group's external auditors, including assessment of their independence from the Group. Audit Committee meetings are held at least twice per financial year. The Group auditor only provides audit services to the Group.

Share Transaction Committee	The terms of reference of the Share Transaction Committee include the following responsibilities: • review, consider and, where appropriate, approve the exercise of share options by option holders of the Group and the issuance of shares in connection with such exercises; and • review, consider and approve the request to transact shares by employees or other individuals closely related to the Group in accordance with the relevant policies of the Group, applicable law and any directions of the Group's nominated adviser. The Share Transaction Committee meetings are held on an ad hoc basis as required.

Board and sub-committee meetings in the 2024 financial year

	Board meeting	Audit Committee	Remuneration Committee	Share Transaction Committee
Number of meetings	16	4	3	-
B Goorden	2 Member			
G Nash	16 Member			
K Rogers (NED)	14 Member	4 Chair	3 Member	
M Warne (NED)	4 Member / 12 Chair	2 Member	2 Chair	
D Amin (NED)	11 Member	4 Member	2 Member / 1 Chair	
G Cerroni – *resigned August 2024*	13 Member			
C Spicer (NED) – *resigned January 2024*	4 Chair			
Attendance percentage	98.7%	100.0%	100.0%	N/A

Note: Giulio Cerroni and Charles Spicer resigned from the Board during the year.

Directors' Report

The Board of Directors of IXICO plc (registered in England and Wales: 03131723) presents its report together with the audited consolidated Group and Company financial statements for the year ended 30 September 2024.

Principal activities

The Group provides specialist data analytics services to the global biopharmaceutical industry. The services include the collection, analysis, management and reporting on data generated in the course of a clinical study. The outputs from the data analysis are used to improve patient selection, monitor drug safety and assess clinical efficacy of the drug under development.

Results and dividends

The Group achieved a net loss after tax of £2.0 million for the year (2023: £1.2 million).

The Board of Directors does not recommend the payment of a dividend.

Financial risk management

The financial risk management and objectives of the Group are set out in note 23 of the consolidated financial statements. Specific financial risks are set out on page 29 to 30 of the Strategic Report.

Political donations

The Group made no political donations during the period (2023: £nil).

Charitable donations

The Group made £nil in charitable donations during the period (2023: £1,000).

Directors

The Directors of the Company, who served during the period and up to the date of this report, unless otherwise indicated, are as follows:

Director	Capacity	Appointed date	Resignation date
Giulio Cerroni	Chief Executive Officer (resigned)	6 February 2017	19 August 2024
Bram Goorden	Chief Executive Officer	19 August 2024	
Grant Nash	Chief Financial Officer	21 August 2019	
	Company Secretary	31 May 2019	
Charles Spicer	Non-Executive Chair (resigned)	14 October 2013	30 January 2024
Mark Warne	Non-Executive Chair	16 September 2016	
Kate Rogers	Non-Executive Director	21 January 2022	
Dipti Amin	Non-Executive Director	05 October 2023	

Biographical details of IXICO plc's Directors are shown on page 35.

Directors' remuneration and share options

Details of the Directors' remuneration and share options are set out in the Directors' Remuneration Report on page 42 and 43.

Re-election of Directors
At the 2024 AGM, in accordance with the Company's Articles of Association, Dipti Amin was elected as a Non-Executive Director and Mark Warne was re-elected as a Non-Executive Director of the Company.

In accordance with section 992 of the Companies Act 2006, the Directors disclose that the rules regarding the appointment and replacement of Directors are contained in the Company's Articles of Association, which may be amended with shareholder approval in accordance with relevant legislation. The powers of the Directors are contained in the Company's Articles of Association or in accordance with the provisions of the Companies Act 2006. The Companies Act 2006 provides that Directors may issue and buy back the Company's shares on behalf of the Company, subject to authority being given to the Directors by shareholders in a general meeting. No authority to buy back the Company's ordinary shares of 1 pence per share has been sought.

Directors' interests

At 3 December 2024, the table below sets out the interests in the Company's shares of Directors who served during the period and their connected persons:

Director	**Ordinary shares of 1 pence 2024**	Ordinary shares of 1 pence 2023
Giulio Cerroni (resigned 19 August 2024)	-	491,333
Bram Goorden	526,315	-
Grant Nash	505,263	200,000
Charles Spicer (resigned 30 January 2024)	-	333,196
Dipti Amin	105,263	-
Mark Warne	72,335	19,650
Kate Rogers	52,631	-

The Directors' interests are beneficially held by each Director unless otherwise stated. Apart from these interests and share options (as disclosed on pages 42 and 43), no Director had any further interest in the period in the share capital of the Company or other Group companies.

Directors' indemnities

The Group had in place for the whole of the period, and at the date of signing the consolidated financial statements, qualifying third-party indemnity insurance for all Directors and officers.

Going concern

Following the completion of a £4 million oversubscribed capital raise in October 2024, the Group is well capitalised to deliver on its strategic goals. This capital raise was supported by both existing and new institutional investors confirming strong alignment to the Group's strategy. In addition, the commercial traction of the Group, following a challenging eighteen-month period, improved materially during the second half of the 2024 financial year, resulting in a larger orderbook (book of signed contracts) compared to twelve months previous.

The Group has a strong balance sheet for its size with financial year end net assets of £9.5 million, a £1.8 million cash balance that was subsequently bolstered by a capital raise in October 2024. During the year the Group secured £8.9 million of new contracts providing it with good visibility of future revenues across a diversified portfolio of clients and projects.

In assessing going concern, management has prepared detailed sensitised forecasts which consider different scenarios through to December 2025. These include the risk to current projects and expected future sales pipelines. The Directors have considered these forecasts, alongside the Group's strong balance sheet and cash balance as well as the ability for the Group to mitigate costs if necessary. After due consideration of these forecasts, the Directors concluded with confidence that the Group has adequate financial resources to continue in operation for the foreseeable future.

Structure of the Company's capital

The Company's share capital comprises a single class of ordinary shares of 1 pence per share, each carrying 1 voting right and all ranking equally with each other. At 30 September 2024, 48,351,373 (2023: 48,351,373) shares were allotted and fully paid. Note 21 of the consolidated financial statements provides full details of movements in the Company's share capital.

After the year end, the Company completed a share capital raise, and at 3 December 2024 92,668,598 shares were allotted and fully paid. Further details are provided in note 25.

Holders of ordinary shares are entitled to receive all shareholder documents, to attend, speak and exercise voting rights, either in person or by proxy, on resolutions proposed at general meetings and participate in any distribution of income or capital. There are no restrictions on the transfer of shares in the Company or in respect of voting rights attached to the shares. None of the shares carries any special rights with regard to the control of the Company.

Participants in employee share option schemes have no voting or other rights in respect of the shares which are subject to their awards until the options are exercised, at which time the shares rank pari passu in all respects with shares already in issue. Details of employee share option schemes are set out in note 22 of the consolidated financial statements.

Authority to issue shares

At the general meeting held on 25 January 2024, shareholders authorised the Directors to allot relevant securities up to an aggregate nominal value of £161,155 (representing 33.33% of the issued share capital) and to allot for cash equity securities having a nominal value not exceeding in aggregate £48,351 (representing 10.0% of the issued share capital).

These authorities expire at the close of business on 24 January 2025, or if earlier, the conclusion of the next AGM. At the 2024 AGM, similar authorities will be sought from shareholders, and the Company does not intend to seek authority for a fully pre-emptive rights issue.

At a general meeting held after the year end on 25 October 2024, shareholders authorised the Directors to allot securities equivalent to an aggregate nominal value of £447,368.42 as a result of the Group's successful capital raise.

Substantial shareholdings

At 3 December 2024, the Company had received notification from the following financial institutions of their and their clients' interest in the following disclosable holdings, which represent 3% or more of the voting rights of the issued share capital of the Company.

Shareholders having a major interest	Number of shares held	% of issued Shares
Octopus Investments	16,850,400	18.2
Gresham House Asset Management	16,428,100	17.7
BGF Investment Management	12,887,000	13.9
Amati Global Investors	8,606,300	9.3
Canaccord Genuity Asset Management	7,471,000	8.1
River Merchant Capital Limited	3,857,566	4.2
Unicorn Asset Management	3,586,000	3.9

AGM

The notice convening and giving details of the 2025 AGM will be posted to shareholders on or before 20 December 2024. The 2025 AGM of the Company will be held at the Company's registered office on Friday 24 January 2025.

Other matters

Matters required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 which have not been covered in the Directors' Report have been included in the Strategic Report in accordance with Section 414c(11) of the Companies Act 2006.

In October 2024, the Company completed a share capital raise. The company issued 42,621,508 new Ordinary shares for a total contribution of £4,050,000. Included in this, certain Directors of the Company have subscribed for an aggregate of 789,472 Ordinary shares for a total contribution of £75,000.

Disclosure of information to auditors

The Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Group's auditors are unaware; and

- The Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the Board of Directors

_____

Mark Warne
Non-Executive Chair
3 December 2024

Directors' Remuneration Report

Remuneration policy for Executive Directors

The remuneration policy and practice are intended to align the remuneration of Executive Directors with the Group's business model and achievement of the Group's strategy. The policy seeks to strike an appropriate balance between a base salary and a discretionary, performance-related element.

Base salary

The Remuneration Committee approves the base salary of Executive Directors, having regard to the individual role and responsibilities.

Pension contribution

The Group operates a money purchase Group personal pension plan for all employees. The Group contributes to the scheme 8% of base salary in respect of the Chief Financial Officer. Separately, the Group contributes to a private pension 15.3% of base salary in respect of The Chief Executive Officer.

Performance-related bonus

The Group operates a discretionary bonus scheme that takes account of the underlying financial performance of the Group, meeting KPIs and achieving strategic objectives, specifically focussed on revenue and contract wins. All performance targets are set by the Remuneration Committee. The award of bonus payments to employees, including Executive Directors, are subject to the Remuneration Committee's review and approval. For the year to 30 September 2024, the Remuneration Committee determined that bonus criteria related KPIs were not met, and that no bonus should be paid in respect of the year.

Bonus payments are not pensionable.

IXICO EMI Share Option Plans 2014 and 2024

No share options were granted to Executive Directors during the year. Those share options that have been previously awarded to Executive Directors were granted in accordance with the rules of the IXICO EMI Share Option Plan 2014. The share options include performance-related vesting criteria related to the achievement of strategic goals or a significant corporate development transaction. The exercise of share options is subject to the Remuneration Committee's review, and approval, of whether such performance targets have been achieved.

After the year end, at a General Meeting held on 25 October 2024, the IXICO EMI Share Option Plan was renewed following the expiry of the 2014 plan in May 2024. This new plan 'The IXICO EMI Share Option Plan 2024' will apply to share options awarded subsequent to 25 October 2024. Those share options issued under the 2014 plan will remain subject to the rules of that plan.

Share dilution limits

The aggregate number of new ordinary shares which may be issued on the realisation of the EMI Share Option Plan 2024 in any 10-year period may not exceed 20% of the number of ordinary shares in issue.

At 30 September 2024, and assuming satisfaction of all performance conditions, the total number of the Company's shares issuable under awards made under the EMI Share Option Plan 2014 (and including any awards already exercised) was 4,623,935 or 9.6% of the number of ordinary shares in issue at that date.

Other benefits

The Chief Financial Officer is part of a Group Life Assurance scheme and a private medical insurance scheme that is maintained and paid for by the Group for all UK employees.

The Chief Executive Officer is part of a Group Life Assurance scheme that is maintained and paid for by the Group.

Income protection insurance are not provided.

Executive Directors' service contracts and termination provisions

The service contracts of Executive Directors are approved by the Remuneration Committee and then the Board. The service contracts may be terminated by either party giving notice to the other as set out below:

	Date of contract	Notice period
Bram Goorden	19 August 2024	6 months
Grant Nash	29 April 2019	6 months

Non-Executive Directors
The Non-Executive Directors have letters of appointment with the Company. Fees paid to the Non-Executive Directors are determined by the Board, giving due consideration to market rates and comparative businesses. The Non-Executive Directors do not receive pension contributions and do not participate in any discretionary bonus or Company share option schemes. Current contracts together with notice periods are as follows:

	Date of contract	Notice period
Mark Warne	16 September 2016	3 months
Kate Rogers	21 January 2022	3 months
Dipti Amin	01 October 2023	3 months

Directors' remuneration (audited)

	Year ended 30 September 2024			Year ended 30 September 2023		
	Salary and fees £000	**Bonus £000**	**Pension contributions £000**	Salary and fees £000	Bonus £000	Pension contributions £000
Executive						
Giulio Cerroni	**407**	**-**	**-**	328	-	-
Bram Goorden	**39**	**-**	**5**	-	-	-
Grant Nash	**205**	**-**	**16**	200	-	16
	651	**-**	**21**	528	-	16
Non-Executive						
Charles Spicer	**18**	**-**	**-**	53	-	-
Mark Warne	**47**	**-**	**-**	31	-	-
Kate Rogers	**31**	**-**	**-**	31	-	-
Dipti Amin	**31**	**-**	**-**	-	-	-
	127	**-**	**-**	115	-	-
Aggregate emoluments	**778**	**-**	**21**	643	-	16

No Directors waived emoluments in the year ended 30 September 2024 (2023: £nil). Due to the former CEO, Giulio Cerroni, being on garden leave, that portion of his salary relating to the period 30 September 2024 to his retirement date of 20 December 2024 has been accrued in the year and is included in the salary and fees disclosed for the year ended 30 September 2024.

Directors' options
Details of options over shares in the Company held by Directors who served during the period, all of which have been granted at no cost to the Directors, are set out below:

	Number of options							
	At 30 September 2023	**Granted during the year**	**Exercised during the year**	**Lapsed during the year**	**At 30 September 2024**	**Exercise price**	**Date of grant**	**Vesting date**
Giulio Cerroni	584,525	-	-	-	584,525	£0.010	4-Jun-18	3-Jun-21
	584,525	-	-	-	584,525	£0.010	4-Jun-18	3-Jun-22
	163,334	-	-	-	163,334	£0.010	5-Dec-19	4-Dec-22
	163,334	-	-	-	163,334	£0.010	5-Dec-19	4-Dec-23
	1,495,718	**-**	**-**	**-**	**1,495,718**			
Grant Nash	200,000	-	-	-	200,000	£0.010	5-Dec-19	4-Dec-23
	200,000	**-**	**-**	**-**	**200,000**			
Total	**1,695,718**	**-**	**-**	**-**	**1,695,718**			

During the year ended 30 September 2024, the Company's share price ranged from £0.06 to £0.19.

Further details of the share option schemes are set out in note 22 of the consolidated financial statements.

Financial Statements

Independent Auditor's Report to the members of IXICO PLC

Opinion

We have audited the financial statements of IXICO plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 are independent of the Group 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 as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An overview of the scope of our audit

Our Group audit adopted a risk-based approach based after obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We conducted individual statutory audits on the significant components included in the consolidation being IXICO PLC and IXICO Technologies Limited, which were audited to their own individual materiality by the respective group and component audit teams.

For the components within the group audit team's scope, we evaluated the controls in place by performing walkthroughs over the financial reporting systems identified as part of our risk assessment. We also reviewed the accounts production process and addressed critical accounting matters. We then undertook substantive testing on significant classes of transactions, account balances and disclosures.

For non-significant components that were not subject to their own statutory audit., we performed sufficient substantive analytical review and other procedures as considered necessary to enable us to express our opinion on the Group financial statements.

We performed analytical procedures on the financial information of IXICO Technologies Inc. There were no changes to scope of the group audit from the prior year.

We also addressed the risk of management override of internal controls across the entities within the scope of our audit, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A description of each matter is included below:

Description	How our scope addressed this matter
Revenue recognition- Group – note 6 Revenue is a significant item in the Group's consolidated Statement of Comprehensive Income and impacts several key performance indicators, strategic measures, and management judgments. For the year ended 30 September 2024, the Group reported total revenue of £5.8 million (2023: £6.7 million). Auditing standard ISA (UK) 240 requires auditors to presume that there is a risk of fraud in revenue recognition. We therefore identified revenue recognition as a key audit mater	Our audit work included, but was not restricted to: • Reviewing of the revenue accounting policy and ensuring this is in compliant with IFRS 15 and appropriate given the contractual terms with customers and the contained performance obligations. • Where a contract contains multiple performance obligations, reviewing how management have determined the respective value for each performance obligation and confirming to supporting documentation. • Obtained details from management of their principal v agent considerations and reviewed this against the requirements of IFRS 15 and contractual terms to ensure appropriately reflected in the financial statements • For each revenue accounting stream ensuring that for a sample of items these had been reflected in accordance with the accounting policy and that the service has been delivered to the customer. • For revenue recognised around the year end, ensuring that there is evidence to support performance of the respective obligation in the reporting period. • Reviewing any credit notes issued during or after the reporting period to ensure they are appropriately recorded and reflect legitimate adjustments. ***Key observations*** Based on the results of our audit procedures, we did not identify any material misstatements in revenue recognition. We concluded that revenue was recognised in accordance with IFRS 15, appropriately reflected in the Group's financial statements and that there was not a material misstatement arising from fraudulent misstatement of revenue

Description	How our scope addressed this matter
Valuation and impairment of Intangible Assets – Group – note 15 At the reporting date, the Group reported intangible assets of £6.4million (2023: £6.1 million), making this a significant component of the Consolidated Statement of Financial Position. The majority of the Group's intangible assets comprise internally generated development costs, which require significant judgement by management to: • Determine the classification of project phases as research (expense) or development (capitalise); • Assess the viability of projects, including future economic benefits and alignment with technical feasibility criteria; and • Identify directly attributable costs for capitalisation in line with IAS 38. The most material balance relates to **TrialTracker Next Generation (TTNx)**, now classified as ready for use during the reporting period, with amortisation commencing in the year. As the Group incurred a loss this year, management have performed an impairment review for the development costs. Given the significance of these judgements to the financial statements, we identified valuation of intangible assets as a key audit matter.	Our audit work included, but was not restricted to: • Reviewing management's documentation on the capitalisation policy to confirm it aligns with IAS 38. • Understanding the recognition criteria management uses to differentiate between research and development phases, especially for TTNx and related projects. • Reviewing a sample of capitalised costs to ensure they are appropriately classified as development rather than research expenses. • Verifying that capitalised costs are directly attributable to the development phase by reconciling these costs with payroll records, project documentation, and time-tracking systems. • Assessing the reasonableness of management's judgements regarding the future economic benefits of the respective developments. • Assessing the amortisation policy and considering if this is appropriate by reference to nature of asset and accounting requirements. Reperforming calculation based on activity in the year. • Reviewing and challenging management's assessment of whether an indicator of impairment for TTNx exists and confirming to supporting documentation. • Critically assessing the impairment review performed by management and agree key assumptions to supporting documentation. • Reviewing management's sensitivity analysis and considered the accuracy of disclosures in the financial statements ***Key observations*** Based on our audit work, we concluded that intangible assets are not materially misstated at the reporting date and that management's assessment that no impairment was required was appropriate and had been performed in accordance with relevant financial reporting requirements.

Description	How our scope addressed this matter
Valuation of investments in subsidiaries and amounts due from group – note 16 At the reporting date, the carrying values of investments in subsidiaries and amounts due from subsidiary undertaking are £5.9million (2023: £5.9million) and £2.2million (2023: £2.5million) respectively, making them a significant component of the Company Statement of Financial Position. Given the significance of this area, we identified valuation of these items as a key audit matter.	Our audit work included, but was not restricted to: • Agreeing cost of investments and amounts due to subsidiary undertakings to supporting documents. • Reviewing and challenging management's impairment review and confirming key assumptions to supporting documentation. • Reviewing management's sensitivity analysis and considered the accuracy of disclosures in the financial statements • Considering the classification of the amounts due to the Group based on the likely timing of cash receipt from subsidiary undertakings. ***Key observations*** Based on our audit work, we concluded that investments in subsidiaries and amounts due from Group undertaking are not materially misstated at the reporting date and that management's assessment that no impairment was required was appropriate. However, we noted that the classification of the amounts due from subsidiary undertaking in 2024 was inconsistent with the prior period and challenged management if this was appropriate. Management subsequently amended the classification to non-current to match the expected realisation of the balance and have restated the Company statement of financial position as at 30 September 2023

Our application of materiality

The scope and focus of our audit was influenced by our assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Due to the nature of the Group, we considered revenue to be the main focus for the users of the financial statements, accordingly this consideration influenced our judgement of materiality. Based on our professional judgement, for the Group, we determined materiality to be £86k, which represents 1.5% of revenue. For the Parent Company, we determined materiality to be £52k, based on 1.5% of gross assets as gross assets are the focus of stakeholders.

On the basis of our risk assessment, together with our assessment of the overall control environment, our judgement was that performance materiality (i.e. our tolerance for misstatement in an individual account or balance) for the Group and Parent Company was 50% of materiality, namely £43k and £26k respectively.

We agreed to report to the Audit Committee all audit differences in excess of £4k for the Group and £3k for the Parent Company, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also reported to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Component materiality
For the purposes of our Group audit opinion, we set materiality for the other significant component of the Group as 90% of Group materiality based on the size and our assessment of the risk of material misstatement of that component. Component materiality was therefore set at £77.4k. In the audit of that component, we further applied performance materiality levels of 50% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

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. Our evaluation of the directors' assessment of the Group and Parent Company's abilities to continue to adopt the going concern basis of accounting included, but was not limited to:

- Obtaining cash flow projections running up to 31 December 2025, and comparing projected performance to historically achieved results and obtaining explanations for significant variances;
- Confirming projected revenue by reference to signed contracts or other evidence to support inclusion;
- Comparing costs incurred to historic levels and against committed development projects;
- Reviewing management's sensitivity analysis to identify key variables and consideration of any further plausible downside scenarios that could impact the going concern assessment;
- Assessing management's ability to prepare accurate forecasts by comparing the forecast prepared for the 2023/24 financial period and comparing it to the actual results for the financial period ending 30 September 2024; and
- Considering adequacy of disclosures around the adoption of the going concern basis of accounting given the findings of the work performed above.

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 Group and Parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 there is 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and their 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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 Directors' Responsibilities statement set out on page 32 to 33, 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 Group's and the Parent 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 Group or the Parent 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the FRC's website at https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit/

This description forms part of our auditor's report.

Explanation as to what extent the audit was considered 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.

The objectives of our audit in respect of fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Group and considered that the most significant are the Companies Act 2006, UK adopted International Accounting Standards, UK Accounting Standards, the rules of the Alternative Investment Market, and UK taxation legislation;
- We obtained an understanding of how the Group complies with these requirements by discussions with management and those charged with governance;
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance;
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations, and reviewed minutes of the meetings of the Board and the various Committees; and
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

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 for no purpose other than to draw to the attention of the Company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the Company and Company's members as a body, for our work, for this report, or for the opinions we have formed.

Colin Turnbull (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor
6 Floor
9 Appold Street
London
EC2A 2AP

3 December 2024

Consolidated Statement of Comprehensive Income

for the years ended 30 September 2024 and for 30 September 2023

	Notes	30-Sep-24 £000	30-Sep-23 £000
Revenue	6	**5,766**	6,665
Cost of sales		**(3,055)**	(3,395)
Gross profit		**2,711**	3,270
Other income	8	**781**	393
Operating expenses			
Research and development expenses		**(1,337)**	(925)
Sales and marketing expenses		**(1,396)**	(1,321)
General and administrative expenses		**(2,913)**	(2,854)
Total operating expenses	11	**(5,646)**	(5,100)
Operating loss		**(2,154)**	(1,437)
Finance income		**85**	105
Finance expense		**(25)**	(29)
Loss on ordinary activities before taxation	11	**(2,094)**	(1,361)
Taxation	12	**93**	183
Loss attributable to equity holders for the period		**(2,001)**	(1,178)
Other comprehensive income/(expense):			
Items that will be reclassified subsequently to profit or loss			
Foreign exchange translation differences		**(2)**	(21)
Movement in fair value of cash flow hedges	23	**32**	111
Cash flow hedges recycled to revenue	23	**(5)**	(27)
Total other comprehensive income		**25**	63
Total comprehensive expense attributable to equity holders for the period		**(1,976)**	(1,115)
Loss per share (pence)			
Basic loss per share	13	**(4.14)**	(2.44)
Diluted loss per share	13	**(4.14)**	(2.44)

Consolidated Statement of Financial Position

as at 30 September 2024 and 30 September 2023

	Notes	30-Sep-24 £000	30-Sep-23 £000
Assets			
Non-current assets			
Property, plant and equipment	**14**	**313**	518
Intangible assets	**15**	**6,374**	6,147
Commission assets	**17**	**9**	39
Total non-current assets		**6,696**	6,704
Current assets			
Trade and other receivables	**17**	**2,213**	1,706
Current tax receivables	**12**	**492**	549
Cash and cash equivalents		**1,787**	4,031
Total current assets		**4,492**	6,286
Total assets		**11,188**	12,990
Liabilities and equity			
Non-current liabilities			
Trade and other payables	**18**	**-**	2
Lease liabilities	**19**	**150**	275
Total non-current liabilities		**150**	277
Current liabilities			
Trade and other payables	**18**	**1,410**	1,142
Derivative financial liabilities	**23**	**-**	27
Lease liabilities	**19**	**164**	112
Total current liabilities		**1,574**	1,281
Total liabilities		**1,724**	1,558
Equity			
Ordinary shares	**21**	**484**	484
Share premium	**21**	**84,802**	84,802
Merger relief reserve	**21**	**1,480**	1,480
Reverse acquisition reserve	**21**	**(75,308)**	(75,308)
Cash flow hedge reserve	**21,23**	**-**	(27)
Foreign exchange translation reserve	**21**	**(97)**	(95)
Capital redemption reserve	**21**	**7,456**	7,456
Accumulated losses	**21**	**(9,353)**	(7,360)
Total equity		**9,464**	11,432
Total liabilities and equity		**11,188**	12,990

The financial statements on pages to 51 to 82 were approved by the Board of Directors and authorised for issue on 3 December 2024 and were signed on its behalf by:

_____

Grant Nash
Chief Financial Officer
3 December 2024
IXICO plc, Registered number: 03131723

Company Statement of Financial Position
as at 30 September 2024 and 30 September 2023

	Notes	30-Sep-24 £000	30-Sep-23 Restated[1] £000
Assets			
Non-current assets			
Investments in Group undertakings	**16**	**5,865**	5,857
Trade and other receivables	**17**	**2,224**	2,450
Total non-current assets		**8,089**	8,307
Current assets			
Trade and other receivables	**17**	**39**	31
Cash and cash equivalents		**681**	1,469
Total current assets		**720**	1,500
Total assets		**8,809**	9,807
Liabilities and equity			
Current liabilities			
Trade and other payables	**18**	**45**	60
Total current liabilities		**45**	60
Equity			
Ordinary shares	**21**	**484**	484
Share premium	**21**	**84,802**	84,802
Merger relief reserve	**21**	**1,480**	1,480
Capital redemption reserve	**21**	**7,456**	7,456
Accumulated losses	**21**	**(85,458)**	(84,475)
Total equity		**8,764**	9,747
Total liabilities and equity		**8,809**	9,807

[1]See note 3

Parent Company Income Statement
As permitted by Section 408 of the Companies Act 2006, the income statement of the Company is not presented as part of these financial statements. The Company's loss for the financial year was £991,000 (2023: £707,000).

The financial statements on pages 51 to 82 were approved by the Board of Directors and authorised for issue on 3 December 2024 and were signed on its behalf by:

_____

Grant Nash
Chief Financial Officer
3 December 2024

IXICO plc, Registered number: 03131723

Consolidated Statement of Changes in Equity

for the years ended 30 September 2024 and 30 September 2023

	Ordinary shares £000	Share premium £000	Merger relief reserve £000	Reverse acquisition reserve £000	Foreign exchange translation reserve £000	Cash flow hedge reserve £000	Capital redemption reserve £000	Accumulated Losses £000	Total £000
Balance at 1 October 2022	**482**	**84,802**	**1,480**	**(75,308)**	**(74)**	**(111)**	**7,456**	**(6,234)**	**12,493**
Total comprehensive income									
Loss for the year	-	-	-	-	-	-	-	(1,178)	(1,178)
Other comprehensive income/(expense)									
Foreign exchange translation	-	-	-	-	(21)	-	-	-	(21)
Movement in fair value of cash flow	-	-	-	-	-	111	-	-	111
Cash flow hedges recycled to revenue	-	-	-	-	-	(27)	-	-	(27)
Total comprehensive income/(expense)	**-**	**-**	**-**	**-**	**(21)**	**84**	**-**	**(1,178)**	**(1,115)**
Transactions with owners									
Charge in respect of share options	-	-	-	-	-	-	-	52	52
Exercise of share options	2	-	-	-	-	-	-	-	2
Total transactions with owners	2	-	-	-	-	-	-	52	54
Balance at 30 September 2023	**484**	**84,802**	**1,480**	**(75,308)**	**(95)**	**(27)**	**7,456**	**(7,360)**	**11,432**
Total comprehensive income									
Loss for the year	-	-	-	-	-	-	-	(2,001)	(2,001)
Other comprehensive income/(expense)									
Foreign exchange translation	-	-	-	-	(2)	-	-	-	(2)
Movement in fair value of cash flow	-	-	-	-	-	32	-	-	32
Cash flow hedges recycled to revenue	-	-	-	-	-	(5)	-	-	(5)
Total comprehensive income/(expense)	**-**	**-**	**-**	**-**	**(2)**	**27**	**-**	**(2,001)**	**(1,976)**
Transactions with owners									
Charge in respect of share options	-	-	-	-	-	-	-	8	8
Total transactions with owners	-	-	-	-	-	-	-	8	8
Balance at 30 September 2024	**484**	**84,802**	**1,480**	**(75,308)**	**(97)**	**-**	**7,456**	**(9,353)**	**9,464**

Company Statement of Changes in Equity

for the years ended 30 September 2024 and 30 September 2023

	Ordinary shares £000	Share premium £000	Merger relief reserve £000	Capital redemption reserve £000	Accumulated losses £000	Total £000
Balance at 1 October 2022	**482**	**84,802**	**1,480**	**7,456**	**(83,820)**	**10,400**
Loss and total comprehensive expense for the year	**-**	**-**	**-**	**-**	**(707)**	**(707)**
Transactions with owners						
Charge in respect of share options	-	-	-	-	52	52
Exercise of share options	2	-	-	-	-	2
Total transactions with owners	**2**	**-**	**-**	**-**	**52**	**54**
Balance at 30 September 2023	**484**	**84,802**	**1,480**	**7,456**	**(84,475)**	**9,747**
Loss and total comprehensive expense for the year	**-**	**-**	**-**	**-**	**(991)**	**(991)**
Transactions with owners						
Charge in respect of share options	-	-	-	-	8	8
Total transactions with owners	**-**	**-**	**-**	**-**	**8**	**8**
Balance at 30 September 2024	**484**	**84,802**	**1,480**	**7,456**	**(85,458)**	**8,764**

Consolidated Statements of Cash Flows

for the years ended 30 September 2024 and 30 September 2023

	30-Sep-24	30-Sep-23
	£000	£000
Cash flows from operating activities		
Loss for the financial year	**(2,001)**	(1,178)
Finance income	**(85)**	(105)
Finance expense	**25**	29
Taxation	**(93)**	(183)
Depreciation of fixed assets	**239**	400
Amortisation of intangibles	**236**	225
Research and development expenditure credit	**(405)**	(355)
Impairment of intangible assets	**-**	14
Share option charge	**8**	52
	(2,076)	(1,101)
Changes in working capital		
(Increase)/decrease in trade and other receivables	**(559)**	1,290
Increase/(decrease) in trade and other payables	**351**	(327)
Cash (used in)/generated from operations	**(2,284)**	(138)
Taxation received	**553**	456
Taxation paid	**(1)**	(16)
Net cash generated from operating activities	**(1,732)**	302
Cash flows from investing activities		
Purchase of property, plant and equipment	**(34)**	(100)
Purchase of intangible assets including staff costs capitalised	**(437)**	(1,863)
Finance income	**94**	99
Net cash used in from investing activities	**(377)**	(1,864)
Cash flows from financing activities		
Issue of shares	**-**	2
Repayment of lease liabilities	**(134)**	(158)
Net cash used in from financing activities	**(134)**	(156)
Movements in cash and cash equivalents in the period	**(2,243)**	(1,718)
Cash and cash equivalents at start of year	**4,031**	5,769
Effect of exchange rate fluctuations on cash held	**(1)**	(20)
Cash and cash equivalents at end of year	**1,787**	4,031

Notes to the financial statements

1. Presentation of the financial statements

a. General information

IXICO plc (the 'Company') is a public limited company incorporated in England and Wales and is admitted to trading on the AIM market of the London Stock Exchange under the symbol IXI. The address of its registered office is 4th Floor, Griffin Court, 15 Long Lane, London EC1A 9PN.

The Company is the parent of the subsidiaries detailed in note 16, together referred to throughout as 'the Group'. The Group is an established provider of technology-enabled services to the global biopharmaceutical industry. The Group's services are used to select participants for clinical trials and assess the safety and efficacy of new drugs in development within the field of neurological disease.

b. Basis of preparation

The consolidated financial statements have been prepared on a going concern basis and in accordance with international accounting standards in conformity with the requirement of the Companies Act 2006.

The consolidated financial statements comprise a Statement of Comprehensive Income, a Statement of Financial Position, a Statement of Changes in Equity, a Statement of Cash Flows, and accompanying notes. These financial statements have been prepared under the historical cost convention modified by the revaluation of certain financial instruments.

The consolidated financial statements are presented in Great British Pounds ('£' or 'GBP') and are rounded to the nearest thousand unless otherwise stated. This is the predominant functional currency of the Group, and is the currency of the primary economic environment in which it operates. Foreign currency transactions are accounted in accordance with the policies set out below.

The Company has elected to use Financial Reporting Standard – 'The Reduced Disclosure Framework' (FRS101). In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- A statement of cash flows and related notes;
- The requirement to produce a statement of financial position at the beginning of the earliest comparative period;
- The requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions entered in to between two or more members of the group as they are wholly owned within the group;
- The effect of future accounting standards not adopted;
- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined);
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Disclosures in relation to impairment of assets
- IFRS 7, 'Financial instruments: Disclosures'.

c. Basis of consolidation

The consolidated financial statements incorporate the accounts of the Company and its subsidiary companies adjusted to eliminate intra-Group balances and any unrealised gains and losses or income and expenses arising from intra-Group transactions. The Company's subsidiaries are detailed in note 16. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The Group controls a subsidiary when the Group is exposed to, or has rights to, variable returns from its involvement with a subsidiary and has the ability to affect those returns through its power over a subsidiary. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

1. Presentation of the financial statements continued

The results of subsidiary companies are included in the consolidated financial statements from the date that control commences until the date that control ceases. The assets and liabilities of foreign operations are translated into GBP at exchange rates prevailing at the end of the reporting period. Income statements and cash flows of foreign operations are translated into GBP at average monthly exchange rates which approximate foreign exchange rates at the date of the transaction. Foreign exchange differences arising on retranslation are recognised directly in a separate translation reserve.

d. Going concern

Following the completion of a £4 million oversubscribed capital raise in October 2024, the Group is well capitalised to deliver on its strategic goals. This capital raise was supported by both existing and new institutional investors confirming strong alignment to the Group's strategy. In addition, the commercial traction of the Group, following a challenging eighteen-month period, improved materially during the second half of the 2024 financial year, resulting in a larger orderbook (book of signed contracts) compared to twelve months previous.

The Group has a strong balance sheet for its size with financial year end net assets of £9.5 million, a £1.8 million cash balance that was subsequently bolstered by a capital raise in October 2024. During the year the Group secured £8.9 million of new contracts providing it with good visibility of future revenues across a diversified portfolio of clients and projects.

In assessing going concern, management has prepared detailed sensitised forecasts which consider different scenarios through to December 2025. These include the risk to current projects and expected future sales pipelines. The Directors have considered these forecasts, alongside the Group's strong balance sheet and cash balance as well as the ability for the Group to mitigate costs if necessary. After due consideration of these forecasts, the Directors concluded with confidence that the Group has adequate financial resources to continue in operation for the foreseeable future.

2. New and amended accounting standards and interpretations

a. Adoption of new accounting standards for the year ended 30 September 2024

The Group has adopted all new and amended accounting standards and interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

There was no impact on the Group's financial statements as a result of adopting these standards.

b. Accounting developments affecting financial statements in subsequent periods

At the date of authorisation of these financial statements, several new, but not yet effective, standards and amendments to existing standards and interpretations have been published by the IASB. The standards and amendments that are not yet effective and have not been adopted early by the Group include:

- Classification of liabilities as current or non-current (Amendments to IAS 1)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Definition of Accounting Estimates
- Disclosure of Accounting Policies

The Directors anticipate, based on current business processes, that the introduction of the above standards and amendments will not have a material impact on the Group and Company financial statements and therefore the impact of these changes on the financial statements has not been assessed.

3. Prior period adjustment

The Company has reclassified amounts due from subsidiary undertakings to non-current assets based on the likelihood of this being repaid in the following 12 months, this is in line with the assessment of the subsidiary undertaking. Following this assessment, the Company reassessed the classification of this in the previous financial year. The Company has determined the available information in the previous year would lead to this same conclusion and has so restated this comparative information in the current year.

The impact on the Company's Financial Statements is limited to the non-current and current asset lines with no effect on loss for the financial year or net assets, as restated in the Company balance sheet and note 17.

4. Material accounting policies

4.1 Revenue

Revenue is principally derived from service revenue. Revenue comprises the transaction price, being the amount of consideration the Group expects to be entitled to in exchange for transferring promised goods or services to a customer in the ordinary course of business net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

In determining whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a client;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

All services provided to clients are agreed at the inception of a project through contracts, wherein the transaction price is determined and agreed for each performance obligation in the schedule of work. The transaction price agreed at the outset is not variable or subject to any refunds or warranties, and this is consistent across all revenue streams. A critical part of the contract is a detailed schedule of work that provides the list of services to be provided by the Group. Under the requirements of IFRS 15 - Revenue from Contracts with Customers, the Group is required to identify individual and distinct performance obligations within each contract. This represents a judgement, and the Group has considered whether each individual service provided meets these requirements in its own right and in the context of the contract, by assessing in particular the level of interrelationship between each type of service and the nature of the contract entered in to with clients.

The Group has identified performance obligations within each of the revenue streams as set out below. The transaction price associated to each performance obligation is allocated based on their relative stand-alone selling price. Revenue is recognised once the performance obligation is met for each distinct service. Deferred income and advanced payments are recognised where consideration is received before all performance considerations have been completed. They are then released in line with contractual terms which dictate which performance obligations they relate to. In some instances the Group invoices in advance of work being completed, a corresponding contract liability is therefore created to account for this. The Group also invoices on completion of contractual milestone. In these instances accrued income is recognised until the invoices are issued to reflect the Group's right to compensation for these completed but not invoiced performance obligations.

Revenue types
The Group's contracts comprise a variety of performance obligations. These obligations are all considered streams of a single revenue type, being service revenue. Most of the Group's revenue is recognised at a point in time; the Group recognises this revenue once control is passed to the client, or once the service has been delivered on behalf of the client.

4.1 Revenue continued

The Group's most significant streams of service revenue are outlined below and have the respective recognition criteria:

Service type	Performance obligations	Revenue recognition policy
Project & site set up Training materials and delivery Scientific reports	This service type includes the initial project set up documentation, such as scientific protocols and operational guides, and close out activities such as scientific reports. Where a tangible product is created, the performance obligation is met once the item is transferred to the client. In respect of training, materials are prepared in advance and provided to clients as tools for site training. Site training is provided either through live online training or through a self-paced training module. The performance obligation is met once each individual site has completed the training.	Revenue for this service is recognised at a point in time once the Group has delivered the relevant material on behalf of the client. For training materials and delivery, revenue is recognised at the point in time when a site has completed its training.
Project management Site management	Each contract requires various project management activities. These services are provided throughout the duration of a contract. Site management services are provided throughout the duration of a site being operational and would typically be shorter than the project management cycle. For both activities, the costs and time spent delivering these services are generally spread evenly over the project lifetime. As such the performance obligation is met when the specific service is provided each month.	The services provided for project and site management represents a provision of ongoing services. As the fee is charged monthly to the client over the duration for which management services are provided, revenue for these items is recognised over a series of points in time across the contract.
TrialTracker configuration and access	The TrialTracker platform delivers a robust and comprehensive set of centralised imaging services designed to efficiently manage the complex imaging workflow, including image upload, quality control, reading and analysis. The platform also allows for reporting and data transfer. This involves the initial configuration and deployment of TrialTracker, and access granted to client trial sites for upload of clinical information. Due to the lack of interrelationship between the two distinct services provided, each are recognised independently. The performance obligations for each are: • The performance obligation for deployment is met over a period of time during the configuration and development of TrialTracker. • The performance obligation for ongoing access to TrialTracker for the upload of data by client trial sites is recognised over the duration of the project once TrialTracker is deployed.	The deployment of TrialTracker is recognised over time as the platform is configured for the customer. This is because an asset is being created that has no alternative use for the Group and there is an enforceable entitlement to receive payment for the work completed to date. The ongoing access fee is charged monthly to the client and so revenue is recognised over a series of points in time across the contract.
Data management and quality control	Ensuring data are managed appropriately and that the data are of a high quality is critical in the delivery of the Group's service. The data management and imaging teams work in collaboration to ensure ongoing integrity of data. The data will go through a series of quality control reviews prior to being used in the Group's performance of reading and analysis. Therefore, the performance obligation is met once the data is quality checked.	In respect of data quality control, revenue will be recognised at the point in time when data is quality checked. The services provided for data management represents a provision of ongoing services.

Data management and quality control (continued)	Data management is an ongoing service performed throughout the duration of a project whilst data is being received and managed on a project. The respective costs and time spent delivering this service is generally spread evenly over the duration in which data is being managed and as such the performance obligation is met when the specific service is provided each month.	As the fee is charged monthly to the client over the duration for which data management is required, revenue for these items is recognised over a series of points in time across the contract.
Data reading and analysis	The Group provides data analysis services across a range of biomarkers, providing high-quality, clinically meaningful data. The performance obligation for these services is met once the analysis is completed.	Revenue from reading and analysis of clinical data is recognised at the point in time when the work is complete.
Licence revenue	Revenue relating to licencing is entirely attributable to TrialTracker. Each agreement will grant the user rights to access the software for their own use and receive associated technical support during the licence period. The granting of the licence and its associated support are distinct performance obligations and are met on a straight-line basis over the contract term.	Revenue for both the licencing and support are recognised on a straight-line basis over the duration of the contract and is therefore recognised over time. Licence revenue in the current year is not material.

Change orders
Throughout the duration of a contract, the client may request additional services or service changes to be made. For revenue recognition purposes, the Group treats a change order or contract modification to a client agreement as a separate contract, if both:

- the scope changes due to the addition, or reduction, of 'distinct' services; and
- the price change reflects the services stand-alone selling prices ('SSP') under the circumstances of the modified contract.

The revenue recognition for the change order is applied in the same way as the original contract, as detailed above, with the original client agreement remaining unchanged.

The Group has determined that it acted as an agent in no material contracts in the year. The Group charges a management fee and recognises this as revenue. This contract delivered £nil (2023: £13,000) of revenues in the year.

4.2 Other income

Government grants and assistance
A government grant is recognised only when there is reasonable assurance that the Group will comply with any conditions attached to the grant and the grant will be received. The grants are recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis. The Group recognises grant income as an item of other income.

Research and Development Expenditure Credit ('RDEC')
The Group has elected to take advantage of the RDEC introduced in the Finance Act 2013. A company may surrender corporation tax losses on research and development expenditure incurred on or after 1 April 2013 for a corporation tax refund. Relief is given as a taxable credit on 13% of qualifying research and development expenditure, with the rate increasing to 20% for expenses incurred from 1 April 2024. The Group recognises research and development expenditure credit as an item of other income, taking advantage of the 'above the line' presentation, and is recognised in the year for which the research and development relates.

4.3 Research and development expenditure

In all instances across the Group, research expenditure is expensed through the income statement. For development expenditure, items will be expensed where the recognition criteria for internally generated intangible assets is not met.

The main criteria used to assess this, as required under IAS 38 – Intangible Assets, are:

- Demonstrating technical feasibility of completing the intangible asset;
- Intention to complete the asset;
- Ability to use or sell the asset in order to generate future economic benefit;
- Availability of adequate technical or other resources to complete development; and
- Ability to measure reliably the expenditure attributable to the asset.

It was determined that the Group continued to meet the above criteria in respect of specific developments to its TrialTracker platform and data analytics service offering. As a result, associated development costs are capitalised in the year and an intangible asset is recognised as set out in note 15.

4.4 Share-based payments

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight-line basis over the performance period, based on the Group's estimate of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of any non-market-based performance conditions.

Any changes that impact the original estimates, for example the effect of employees who have left the Group in the year and have forfeited their options, is recognised in the Consolidated Statement of Comprehensive Income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 22 of the consolidated financial statements.

4.5 Employee benefits

All employee benefit costs are recognised in the Consolidated Statement of Comprehensive Income as they are incurred. These principally relate to holiday pay and contributions to the Group defined contribution pension plan.

The assets of the Group pension scheme are held separately from those of the Group in independently administered pension funds. The Group does not offer any other post-retirement benefits.

4.6 Leased assets

A lease is defined as a contract that gives the Group the right to use an asset for a period of time in exchange for consideration. The Group identifies from the contract the total length and cost of the lease contract, and determines whether it meets the definition of a right-of-use asset. Recognition of a right-of-use asset is met if it is longer than 12 months and of a high value. For those leases that do not meet these criteria, the rental charge payable under these leases are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the lease term.

The initial recognition and subsequent measurement of right-of-use asset leases are:

Initial recognition
At the commencement date, the Group measures the lease liability at the present value of future lease payments, discounted using the Group's incremental borrowing rate. The Group also recognises a right-of-use asset which is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs and an estimate of any costs to reinstate the asset to its original condition.

4.6 Leased assets continued

Subsequent measurement
The lease liability is reduced for payments made and increased for interest accrued, and is remeasured for any modifications made to the lease. The right-of-use asset is depreciated on a straight-line basis over the expected lease term. The asset is also assessed for impairment when such indicators exist.

On the statement of financial position, right-of-use assets are included in property, plant and equipment and lease liabilities are shown separately. Please see note 19 for more information.

4.7 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and, where appropriate, less provisions for impairment. The initial recognition and subsequent measurement of property, plant and equipment are:

Initial recognition
Property, plant and equipment is initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating. In most circumstances, the cost will be its purchase cost, together with the cost of delivery.

Subsequent measurement
An asset will only be depreciated once it is ready for use. Depreciation is charged so as to write off the cost of property, plant and equipment, less its estimated residual value, over the expected useful economic lives of the assets.

Depreciation is charged on a straight-line basis as follows:

- Office buildings	over expected lease term
- Leasehold improvements	shorter of 5 years or the lease term
- Fixtures and fittings	3 years
- Equipment	3 years

The disposal or retirement of an asset is determined by comparing the sales proceeds with the carrying amount. Any gains or losses are recognised within the Consolidated Statement of Comprehensive Income.

4.8 Intangible assets

Acquired intangibles
Intangible assets that are acquired through business combinations are recognised as intangible assets if they are separable from the acquired business or arise from contractual or legal rights. These assets will only be recognised if they are also expected to generate future economic benefits and their fair value can be reliably measured.

Initial recognition
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Subsequent measurement
Following capitalisation, the intangible assets are carried at cost less any accumulated amortisation, and where appropriate, less provisions for impairment.

Intangible assets are amortised using the straight-line method over their estimated useful economic life as follows:

- Intangibles acquired through business combinations	5 years
- Computer software	3 years
- Data acquisition	5 years

Amortisation is charged to the Consolidated Statement of Comprehensive Income and is included within cost of sales for those items directly related to project activities, or otherwise within general and administrative expenses.

4.8 Intangible assets continued

Internally generated intangible assets
Intangible assets that are capitalised internally are deemed to have met the recognition criteria set out in IAS 38. These items relate to research and development costs and are considered in note 4.3.

Initial recognition
Internally generated intangible assets are initially recognised at cost once the recognition criteria of IAS 38 are met.

Subsequent measurement
Any assets that are not yet ready for use will be capitalised as assets under construction and will not be amortised. Once the asset is ready for use, amortisation will begin. The amortisation rates adopted are based on the expected useful economic life of the projects to which they relate, with the charges recognised in accordance with how the Group receives the benefit from the technology. The assets useful economic life is as follows:

- Internally generated technology 3 - 5 years
- Proprietary clinical trial platform 15 years based on revenue generated by the asset

4.9 Impairment of non-current assets

Each category of non-current assets is reviewed for impairment annually when under construction or when there is an indication that an asset may be impaired, being when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the Consolidated Statement of Comprehensive Income for the amount by which the asset's carrying value exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Non-financial assets, other than goodwill, which have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.10 Investments in Group undertakings

Investments in Group undertakings are initially recognised at cost and subsequently measured at cost less any impairment provision. Investments are subject to an annual impairment review, with any impairment charge being recognised through the Consolidated Statement of Comprehensive Income. Additions to investments are amounts relating to share options for the services performed by employees of the subsidiaries of the Company and are classified as capital contributions within note 16.

4.11 Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently stated at amortised cost using the effective interest method, less any expected credit losses. The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Group assess impairment of trade receivables on an individual basis as they possess individual credit risk characteristics based on each client. Refer to note 17 for further information on aging of trade receivables and an analysis of any expected credit losses.

The Group recognises commission payments as incremental costs from obtaining a contract. Those that are paid immediately are capitalised under IFRS 15 and amortised over 3 years (2023: 3 years), being the average length of contracts entered into by the Group, as opposed to using a tailored time period for each project. Management reviews this assessment annually to determine that there are no material variances. Those not paid immediately are accrued over a period of time as this element of the commission payment requires the respective employee to remain in service for a specific period. Commission assets.

4.12 Taxation

Current tax
Current tax represents amounts recoverable within the United Kingdom and is provided at amounts expected to be recovered using the tax rates and laws that have been enacted at the Statement of Financial Position date.

Research and development credits
The benefit associated with UK-based research and development is recognised under the UK's Research and Development Expenditure Credit scheme. Details of the recognition are set out in note 4.2.

Deferred taxation
Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements in accordance with IAS 12 – Income taxes. Deferred tax liabilities are recognised for all taxable temporary differences. A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available in future years to utilise the temporary difference. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting, nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities, they relate to income taxes levied by the same taxation authority and the Group intends to settle these on a net basis.

Deferred tax assets are recognised to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. As such, the Group does not recognise any deferred tax assets, see note 20.

4.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with original maturities at inception of 3 months or less.

4.14 Foreign currency translation

Transactions denominated in foreign currencies are translated into Great British Pounds at actual rates of exchange prevailing at the date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into Great British Pounds at rates of exchange prevailing at the end of the financial year. All foreign currency exchange differences are taken to the Consolidated Statement of Comprehensive Income in the year in which they arise.

Non-monetary items are not retranslated at year end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

4.15 Trade and other payables

Trade and other payables are non-interest-bearing, unless significantly overdue, and are initially recognised at fair value and subsequently stated at amortised cost.

4.16 Provisions, contingent assets and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. The timing of such outflows may still be uncertain. Such provisions are measured at the estimated expenditure required to settle the present obligation based on the most reliable estimate available at the reporting date, discounted to the present value where material.

4.16 Provisions, contingent assets and contingent liabilities continued

Any reimbursement that the Group is virtually certain to collect from a third party in relation to the related provision will be recognised as a separate asset.

Liabilities are not recognised where the outflow of economic resources is not probable, but are instead disclosed as contingent liabilities.

4.17 Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

4.18 Financial instruments

Financial assets and financial liabilities are recognised on the Consolidated Statement of Financial Position when the Group or the Company becomes a party to the contractual provisions of the instrument. Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

The Group utilises one type of derivative financial instrument – forward contracts used for the purposes of hedging. These are designated as cash flow hedges and held at fair value with changes held in the cash flow hedge reserve. On crystallisation the gain or loss is recycled to revenue to reflect the risks being hedged. The ineffective portion of the hedging instrument is recognised in the profit or loss account immediately.

Further information relating to financial instruments and the policies adopted by the Group to manage risk is found in note 23.

5. Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the consolidated financial statements, the Directors make a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgements
The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the consolidated financial statements.

Capitalisation of internally developed software
Distinguishing the research and development phases of a new software product and determining whether the requirements for the capitalisation of development costs are met requires judgement. Management will assess whether a project meets the recognition criteria as set out in IAS 38 based on an individual project basis. More detail is included in note 4.3 as to the specific considerations given to each project when determining whether to capitalise internally developed software. Where the criteria are not met, the research and development expenditure will be expensed in the Consolidated Statement of Comprehensive Income. Where the recognition criteria are met, the items will be capitalised as an intangible asset.

During the year ended 30 September 2024, research and development expenses totalled £1,659,000 (2023: £2,152,000). Of this amount, £322,000 (2023: £1,211,000) was capitalised as an intangible asset relating to employee costs. The balance of expenditure being £1,337,000 (2023: £925,000) is recognised in the Consolidated Statement of Comprehensive Income as an expense.

Recovery of deferred tax assets
Deferred tax assets have not been recognised for deductible temporary differences and tax losses. The Directors consider that there is not sufficient certainty that future taxable profits will be available to utilise those temporary differences and tax losses. Further information on the Group's deferred tax asset can be found in note 20 of the consolidated financial statements.

Estimation uncertainty
Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Changes to these estimations may result in substantially different results for the year.

5. Significant management judgement in applying accounting policies and estimation uncertainty continued

Share-based payments
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. Details of the estimations used in determining the fair value of the options in issue are detailed in note 22. In line with IAS 2, management assess whether non-market conditions will be achieved and adjusts appropriately.

Useful lives of depreciable assets
The useful lives of depreciable assets are determined by management at the date of purchase based on the expected useful lives of the assets. These are subsequently monitored and reviewed annually and where there is objective evidence of changes in the useful economic lives, these estimates are adjusted. Any changes to these estimates may result in significantly different results for the period.

Useful lives of depreciable assets continued

The Group amortises its newly developed proprietary clinical trial platform (TTNx) in accordance with its anticipated usage pattern. The platform's useful life has been estimated at 15 years. Amortisation is applied on an escalating basis, aligned with the increasing utilisation of the platform as additional clinical trials are deployed on the platform. Once the platform reaches an equivalent operational capacity to the existing platform, defined as accommodating the number of trials supported by the previous platform, a straight-line amortisation method will be adopted for the remainder of its useful life.

6. Revenue

An analysis of the Group's revenue by type is as follows:

	2024	2023
	£000	£000
Service revenue	**5,766**	6,665

All material revenue streams derived by the Group relate to the delivery of services in support of clinical trials. As such, all revenue is deemed to belong to one stream, being service revenue.

Revenue derived from services provided over time do not constitute a material portion of revenue and therefore disclosure distinguishing between revenue recognised at a point in time versus over time is not made.

For the year ended 30 September 2024, revenue includes £22,000 (2023: £214,000) held in contract liabilities within trade and other payables at the beginning of the period. This amount also includes performance obligations relating to advance payments that were not yet complete at the end of the prior year. Advance payments are charged to clients to de-risk start-up activities and are recognised at a point in time once an activities performance obligation is met. At 30 September 2024, £532,000 (2023: £343,000) of advanced payments were recognised on the balance sheet.

7. Segmental information

The Board considers there to be only one core operating segment for the Group's activities. This is based on the Group's development, commercial and operational delivery teams operating across the entirety of the Group, which is primarily based in the United Kingdom. The projects undertaken by the Group are managed by project managers, who receive inputs for each project from other team members. Performance information is reported as a single business unit to the management team.

The information gathered for each project is subsequently reported to the Group's Chief Executive Officer, who is considered to be the chief operating decision-maker. This information is used for resource allocation and assessment of performance. Therefore, the entirety of the Group's revenue and assets can be attributed wholly to this operating segment with reference to the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position.

7. Segmental information continued

During the year ended 30 September 2024, the Group had three clients (2023: five clients) that exceeded 10% of total revenue. In 2024, the individual percentage revenue associated with these clients was 13% (£771,000), 13% (£742,000) and 13% (£729,000). In 2023, the individual percentage revenue associated with the five largest clients 14% (£966,000), 14% (£949,000), 13% (£862,000), 12% (£792,000) and 10% (£699,000).

Geographical information

The Group's revenue can be categorised by country, based on the location of the contracting client. Sometimes clients of the Group, which include global biopharmaceutical companies with offices in multiple locations across the world, request the Group to contract directly with their regional offices in the United Kingdom or European locations. In such circumstances the associated revenues are reported as being based in the contracting location even though much of the operational execution of the contract will include entities or partners of the client based elsewhere in the world.

	2024	2023
	£000	£000
United States of America	**2,365**	3,053
United Kingdom	**1,330**	952
Netherlands	**742**	862
Ireland	**557**	689
Switzerland	**500**	816
Other - Europe	**272**	293
Revenue	**5,766**	6,665

As the Group is domiciled in the United Kingdom, the entirety of the revenue originates from this location.

8. Other income

Items of other income principally relate to government grants received. Grants are recognised as income over the period required to match them with the related costs, for which they are intended to compensate, on a systematic basis.

The Group also recognises Research and Development Expenditure Credit ('RDEC') as other income.

	2024	2023
	£000	£000
Grant income	**376**	38
RDEC	**405**	355
Other income	**781**	393

9. Auditor's remuneration

	2024	2023
	£000	£000
Audit services		
- Group and Parent Company	**51**	56
- subsidiary companies	**34**	37
Total audit fees	**85**	93
Audit-related assurance services	**8**	8
Total auditor's remuneration	**93**	101

10. Employees and Directors

The average monthly number of persons (including Executive and Non-Executive Directors) employed by the Group was:

	2024 Number	2023 Number
Administration	**15**	14
Operations, research and development	**66**	75
Average total persons employed	**81**	89

The aggregate remuneration of employees in the Group was:

	2024 £000	2023 £000
Wages and salaries	**5,474**	5,944
Social security costs	**671**	702
Other pension costs	**279**	303
Share-based payments charge	**8**	52
Total remuneration for employees	**6,432**	7,001
Employee costs capitalised	**(322)**	(1,211)
Net employee costs	**6,110**	5,790

The Group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Group in independently administered funds. The amounts outstanding at 30 September 2024 in respect of pension costs were £40,000 (2023: £46,000).

The remuneration of the Group's Directors is set out in the Directors' Remuneration Report on pages 42 and 43, as well as in note 24 under related party transactions.

The Company did not directly employ any staff and therefore there is no cost recognised in respect of staff costs.

11. Loss on ordinary activities before taxation

The Group's loss on ordinary activities before taxation has been achieved after charging:

	2024 £000	2023 £000
Research and development expenses	**1,304**	**903**
Research and development related impairment	**-**	**14**
Research and development related amortisation	**33**	**8**
Sales and marketing expenses	**1,347**	**1,262**
Amortisation of commission assets	**49**	**59**
Expenses relating to lease of low-value assets	**1**	**1**
Depreciation of tangible assets	**239**	**400**
Amortisation of intangible assets	**15**	**24**
Foreign exchange (gain) / loss	**52**	**85**
Administrative expenses	**2,606**	**2,344**
Total operating expenses	**5,646**	**5,100**
Interest income from cash held at bank	**(85)**	**(105)**
Interest incurred on finance leases	**22**	**29**
Interest due on overdue taxation	**3**	**-**
	5,586	**5,024**

There is a further amortisation charge of £188,000 (2023: £193,000) recognised in cost of sales for those items directly related to project activities. The total amortisation charge for the year is £236,000 (2023: £225,000).

12. Taxation

The tax charge for each period can be reconciled to the result per the Consolidated Statement of Comprehensive Income as follows:

	2024	2023
	£000	£000
Loss on ordinary activities before taxation	**(2,094)**	(1,361)
Loss before tax at the effective rate of corporation tax in the United Kingdom of 25% (2023: 22%)	**(524)**	(299)
Effects of:		
Expenses not deductible for tax purposes	**(13)**	(17)
Origination and reversal of temporary differences	**(51)**	(291)
Research and development uplifts net of losses surrendered for tax credits	**520**	406
Overseas taxation	**1**	16
Prior period adjustment	**(26)**	2
Tax credit for the period	**(93)**	(183)

The tax credit for each period can be reconciled as follows:

	2024	2023
	£000	£000
Small or medium enterprise research and development credit	**(172)**	(276)
Deduction for corporation tax on RDEC	**104**	75
Overseas taxation	**1**	16
Prior period adjustment	**(26)**	2
Tax credit for the period	**(93)**	(183)

The Group has elected to take advantage of the RDEC, introduced in the Finance Act 2013 whereby a company may surrender corporation tax losses on research and development expenditure incurred on or after 1 April 2013 for a corporation tax refund.

The following is a reconciliation between the tax charge and the tax receivable within the Consolidated Statement of Financial Position:

	2024	2023
	£000	£000
Current tax receivable at start of period	**549**	453
Current period credit	**497**	552
Corporation tax repayment	**(554)**	(456)
Current tax receivable at end of period	**492**	549

The tax credit for each period can be reconciled to the current period credit recognised in tax receivable within the Consolidated Statement of Financial Position in each period as follows:

	2024	2023
	£000	£000
Tax credit for the year	**93**	183
RDEC gross of corporation tax deduction	**405**	355
Overseas taxation	**(1)**	15
Tax recoverable	**-**	(1)
Current period credit	**497**	552

13. Earnings per share

The calculation of basic and diluted earnings per share ('EPS') of the Group is based on the following data:

	2024	2023
Earnings		
Earnings for the purposes of basic and diluted EPS, being net profit attributable to the owners of the Company (£000)	**(2,001)**	(1,178)
Number of shares		
Weighted average number of shares for the purposes of basic EPS	**48,309,181**	48,309,181
Weighted average number of shares for the purposes of diluted EPS	**48,309,181**	48,309,181

Basic earnings per share is calculated by dividing earnings attributable to the owners of the Company by the weighted average number of shares in issue during the year. The diluted EPS is calculated by dividing earnings attributable to the owners of the Company by the weighted average number of shares in issue taking into account the share options outstanding during the year. For the year ended to 30 September 2024, there was no dilutive effect as the share options in issue would have decreased the loss per share.

The basic and diluted earnings per share for the Group and Company is:

	2024	2023
Basic earnings per share	**(4.14p)**	(2.44p)
Diluted earnings per share	**(4.14p)**	(2.44p)

14. Property, plant and equipment

Group

Cost	Office building £000	Leasehold improvement £000	Fixtures and fittings £000	Equipment £000	Total £000
At 1 October 2022	**777**	**185**	**5**	**1,117**	**2,084**
Additions	-	7	-	94	101
Disposals	-	-	-	(20)	(20)
At 30 September 2023	**777**	**192**	**5**	**1,191**	**2,165**
Additions	-	3	1	30	34
Disposals	-	-	-	(10)	(10)
At 30 September 2024	**777**	**195**	**6**	**1,211**	**2,189**
Accumulated depreciation					
At 1 October 2022	**379**	**157**	**5**	**726**	**1,267**
Charge for the period	102	19	-	279	400
Disposals	-	-	-	(20)	(20)
At 30 September 2023	**481**	**176**	**5**	**985**	**1,647**
Charge for the period	101	14	0	124	239
Disposals	-	-	-	(10)	(10)
At 30 September 2024	**582**	**190**	**5**	**1,099**	**1,876**
Net book value					
At 30 September 2023	296	16	-	206	518
At 30 September 2024	**195**	**5**	**1**	**112**	**313**

The tangible right-of-use asset is held within the office building category. At 30 September 2024, the carrying amount of the right-of-use asset was £195,000 (2023: £296,000).

Company
At 30 September 2024 and 30 September 2023, the Company had no property, plant and equipment.

15. Intangible assets

Group

	Right-of-use asset £000	Other acquired intangibles £000	Other Internally developed technology £000	Next generation TrialTracker platform £000	Total £000
Cost					
At 1 October 2022	**-**	**221**	**710**	**4,111**	**5,042**
Additions	-	121	89	1,589	1,799
Impairment	-	-	(14)	-	(14)
At 30 September 2023	**-**	**342**	**785**	**5,700**	**6,827**
Additions	39	-	20	404	463
Disposals	-	(32)	(218)	-	(250)
At 30 September 2024	**39**	**310**	**587**	**6,104**	**7,040**
Accumulated amortisation					
At 1 October 2022	-	**141**	**314**	**-**	**455**
Amortisation	-	47	178	-	225
At 30 September 2023	**-**	**188**	**492**	**-**	**680**
Amortisation	2	52	163	19	236
Disposals	-	(32)	(218)	-	(250)
At 30 September 2024	**2**	**208**	**437**	**19**	**666**
Net book value					
At 30 September 2023	-	154	293	5,700	6,147
At 30 September 2024	**37**	**102**	**150**	**6,085**	**6,374**

Amortisation is charged to the Consolidated Statement of Comprehensive Income and is included within cost of sales for those items directly related to project activities, research and development for those items directly related to the research activities of the company or otherwise within general and administrative expenses.

Internally developed technology
The Group has capitalised research and development costs during the year in relation to the development of its proprietary TrialTracker software. Development includes TrialTracker platform upgrades as well as additional algorithm development. The costs capitalised include time and expenses in relation to staff costs. In recognising these assets, the Group has applied the recognition criteria of IAS 38 relating to internally generated intangible assets, where costs in relation to the development phase must be capitalised under certain circumstances. More information in relation to this is included in the accounting policies of the Group in notes 4 and 5.

Assets under construction
Assets that are still under construction undergo an annual impairment test which is carried out at the end of the reporting period. This impairment test considers the carrying amount of the asset and compares it with its recoverable amount, with an impairment being recognised if the recoverable amount is lower than the carrying amount. Management have determined the recoverable amount as being the value-in-use, which is calculated using management expectations of future revenues, discounted at an applicable rate. Whilst the asset remains under construction, amortisation is not charged.

Company
At 30 September 2024 and 30 September 2023, the Company had no intangible assets.

16. Investments

The consolidated financial statements of the Group as at 30 September 2024 and at 30 September 2023 include:

Name of subsidiary	Class of share	Country of incorporation	Principal activities
Directly held:			
IXICO Technologies Limited	Ordinary	United Kingdom	Data collection and analysis of neurological diseases
Indirectly held:			
IXICO Technologies Inc.	Ordinary	United States	Sales and marketing

The Company and Group has no investments other than the holdings in the above subsidiaries that are all 100% owned. The carrying amounts of the investments in subsidiaries for the Company are:

	2024	2023
	£000	£000
Investments in subsidiary undertakings		
At beginning of the period	**5,857**	5,805
Capital contribution	**8**	52
Total investments at end of the period	**5,865**	5,857

The capital contribution represents the charge in the year for share-based awards issued by the Company to employees of IXICO Technologies Limited and IXICO Technologies Inc.

17. Trade and other receivables

	Group		**Company**	
	2024	2023	**2024**	2023 Restated
Current receivables	**£000**	£000	**£000**	£000
Trade receivables	**1,634**	945	**-**	-
Less provision for bad and doubtful debts	**-**	-	**-**	-
Net carrying amount of trade receivables	**1,634**	945	**-**	-
Other taxation and social security	**-**	40	15	6
Prepayments and accrued income	**518**	684	22	20
Commission assets	**24**	27	-	-
Other receivables	**37**	10	2	5
Current receivables	**2,213**	1,706	39	31
Non-current receivables				
Commission assets	**9**	39	**-**	-
Amounts due from subsidiary undertakings	**-**	-	2,224	2,450
Total trade and other receivables	**2,222**	1,745	**2,263**	2,481

All amounts are classified as short-term and are expected to be received within one year. The average credit period granted to clients ranges from 30 to 90 days (2023: 30 to 90 days).

A provision for expected credit losses is made when there is uncertainty over the ability to collect the amounts outstanding from clients. This is determined based on specific circumstances relating to each individual client. The Directors consider that there are immaterial credit losses (2023: immaterial credit losses) due to the calibre of customers the Group has and so the carrying amount of trade and other receivables approximates their fair value.

Within the Company, there are expected to be immaterial credit losses (2023: immaterial credit losses) from subsidiary companies due to the level of cash available in the subsidiaries and expected future earnings. The amounts due from subsidiary undertakings was reclassified to a non-current asset in the year as the Group does not expect to recover these balances within the next 12 months.

17. Trade and other receivables continued

As at the year-end, the ageing of trade receivables which are past due but not impaired is as follows:

	Group		Company	
	2024	2023	**2024**	2023
	£000	£000	**£000**	£000
Amounts not past due	**1,486**	864	**-**	-
Past due:				
Less than 30 days	**69**	81	-	-
Between 31 – 60 days	**8**	-	-	-
Between 61 – 90 days	**18**	-	-	-
More than 90 days	**52**	-	-	-
Total trade receivables	**1,634**	945	-	-

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 23.

18. Trade and other payables

	Group		Company	
	2024	2023	**2024**	2023
	£000	£000	**£000**	£000
Current liabilities				
Trade payables	**83**	86	**2**	-
Other taxation and social security	**180**	58	**-**	-
Contract liabilities	**591**	529	**-**	-
Accrued expenses	**553**	464	**43**	60
Other payables	**3**	5	**-**	-
	1,410	1,142	**45**	60
Non-current liabilities				
Accrued expenses	**-**	2	**-**	-
Total trade and other payables	**1,410**	1,144	**45**	60

Trade payables and accrued expenses principally comprise amounts outstanding for trade purchases and ongoing costs. No interest is charged on the trade payables. The Group's policy is to ensure that payables are paid within the pre-agreed credit terms and to avoid incurring penalties and/or interest on late payments.

The fair value of trade and other payables approximates their current book values.

Reconciliation of liabilities arising from financing activities
The only liabilities affecting financing activities arise solely from the recognition of the lease liability:

	£000
Lease liability as at 1 October 2022	**516**
Cash-flow: Repayment of lease	(158)
Non-cash: Interest charge	29
Lease liability as at 30 September 2023	**387**
Leases acquired in the year	39
Cash-flow: Repayment of lease	(134)
Non-cash: Interest charge	22
Lease liability as at 30 September 2024	**314**

19. Leases

All lease liabilities are presented in the statement of financial position as follows:

	2024	2023
	£000	£000
Current	**164**	112
Non-current	**150**	275
	314	387

The Group uses leases throughout the business for office space and IT equipment. With the exception of short-term leases and leases of low value, each lease is reflected on the balance sheet as a right-of-use asset in property, plant and equipment and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. For leases over office buildings, the Group must keep those properties in a good state of repair.

The Group has identified one lease relating to the office building, and one lease relating to a software licence that meet the definition of a right-of-use asset. There is no option to purchase on either lease and payments are not linked to an index. The remaining lease terms range between 24 - 34 months (2023: 36 months). The office building lease has the ability to be extended at the end of this term.

The Group has elected to not recognise a lease liability for short-term leases, being 12 months or less, or for leases of low value. Payments for these are expensed on a straight-line basis.

Right-of-use asset and lease liability

Additional information on the right-of-use asset is as follows:

2024	**Asset £000**	**Depreciation £000**	**Carrying amount £000**
Office building	**777**	**(582)**	**195**
Software licence	**39**	**(2)**	**37**
	816	**(584)**	**232**

2023	**Asset £000**	**Depreciation £000**	**Carrying amount £000**
Office building	777	(481)	296

The various elements recognised in the financial statements are as follows:

	2024	2023
	£000	£000
Statement of Comprehensive Income		
Depreciation charge in the year	**101**	102
Amortisation charge in the year	**2**	-
Interest expense on lease liability	**22**	29
Low value leases expensed in the year	**1**	1
Statement of Cash Flows		
Capital repayments on lease agreements	**134**	158

19. Leases continued

The undiscounted maturity analysis of lease liabilities for the office building is as follows:

	Within 1 year	1 - 2 years	2 - 3 years	Total
30 September 2024				
Lease payments	181	144	12	**337**
Finance charges	(17)	(6)	-	**(23)**
Net present values	**164**	**138**	**12**	**314**
30 September 2023				
Lease payments	132	166	127	**425**
Finance charges	(20)	(14)	(4)	**(38)**
Net present values	**112**	**152**	**123**	**387**

At 30 September 2024, the Group's commitment to short-term and low-value leases was £nil (2023: £nil).

20. Deferred tax

Deferred tax asset (unrecognised)

	Group		Company	
	2024 £000	2023 £000	**2024 £000**	2023 £000
Tax effect of temporary differences:				
Tax allowances in excess of depreciation	**1,615**	1,581	**(1)**	(1)
Accumulated losses	**(17,963)**	(17,618)	**(3,579)**	(3,331)
Losses on financial instruments debited to equity	**1**	5	**-**	-
Accelerated commission charge	**1**	14	**-**	-
Deductible temporary differences	**(2)**	(13)	**-**	-
Deferred tax asset (unrecognised)	**(16,348)**	(16,031)	**(3,580)**	(3,332)

The unrecognised deferred tax asset predominantly arises due to unused tax losses carried forward that have originated but not reversed at the Consolidated Statement of Financial Position date and from transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future.

The unrecognised deferred tax asset is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences will reverse. Based on tax rates and laws enacted or substantively enacted at the latest balance sheet date, the rate when the above temporary differences are expected to reverse is currently 25% (2023: 25%).

21. Issued capital and reserves

Ordinary shares and share premium
The Company has one class of ordinary shares. The share capital issued has a nominal value of £0.01 and each share carries the right to one vote at shareholders' meetings and all shares are eligible to receive dividends. Share premium is recognised when the amount paid for a share is in excess of the nominal value.

The Group and Company's opening and closing share capital and share premium reserves are:

	Group and Company		
	Ordinary shares Number	**Share capital £000**	**Share premium £000**
Authorised, issued and fully paid			
At 30 September 2023 and at 30 September 2024	**48,351,373**	**484**	**84,802**

21. Issued capital and reserves continued

Exercise of share options

During the year, no share options were exercised.

Other reserves

Accumulated losses

This reserve relates to the cumulative results made by the Group and Company in the current and prior periods.

Merger relief reserve

In accordance with Section 612 'Merger Relief' of the Companies Act 2006, the Company issuing shares as consideration for a business combination, accounted at fair value, is obliged, once the necessary conditions are satisfied, to record the share premium to the merger relief reserve.

Reverse acquisition reserve

Reverse accounting under IFRS 3 'Business Combinations' requires that the difference between the equity of the legal parent and the issued equity instruments of the legal subsidiary, pre-combination, is recognised as a separate component of equity.

Capital redemption reserve

This reserve holds shares that were repurchased and cancelled by the Company.

Foreign exchange translation reserve

This reserve represents the impact of retranslation of overseas subsidiaries on consolidation.

Cash flow hedge reserve

This reserve represents the movement in designated hedging instruments in the year that have not yet crystallised.

22. Share-based payments

Certain Directors and employees of the Group hold options to subscribe for shares in the Company under share option schemes. All share options relate to a single scheme outlined in the EMI Share Option Plan 2014.

The scheme is open, by invitation, to both Executive Directors and employees. Participants are granted share options in the Company which contain vesting conditions. These are subject to the achievement of individual employee and Group performance criteria as determined by the Board. The vesting period varies by award and the conditions approved by the Board. Options are usually forfeited if the employee leaves the Group before the options vest.

Total share options outstanding have a range of exercise prices from £0.01 to £0.70 per option and the weighted average contractual life is 5.5 years (2023: 6.7 years). The total charge for each period relating to employee share-based payment plans for continuing operations is disclosed in note 10 of the consolidated financial statements.

Details of the share options under the scheme outstanding during the period are as follows:

	2024		2023	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Outstanding at start of the period	3,529,681	£0.15	4,490,931	£0.18
Exercised	-	-	(200,000)	£0.01
Lapsed	(495,176)	£0.34	(761,250)	£0.29
Outstanding at end of the period	**3,034,505**	**£0.12**	**3,529,681**	**£0.15**
Exercisable at end of the period	**2,459,504**	**£0.10**	**1,949,680**	**£0.08**

23. Financial risk management

In common with all other areas of the business, the Group is exposed to risks that arise from the use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

The main risks arising from the Group's financial instruments are liquidity, interest rate, foreign currency and credit risk. The Group's financial instruments comprise cash and various items such as trade receivables and trade payables, which arise directly from its operations.

Categories of financial instruments

	2024	2023
	£000	£000
Financial assets held at amortised cost		
Trade and other receivables excluding prepayments	**1,845**	1,795
Cash and cash equivalents	**1,787**	4,031
	3,632	5,826
Financial liabilities held at amortised cost		
Trade and other payables excluding statutory liabilities	**745**	1,144
Lease liabilities	**314**	387
	1,059	1,531
Financial liabilities held at fair value		
Forward contracts held at fair value (Level 2)	**-**	27
	-	27

Fair value of financial assets and liabilities
There is no material difference between the fair values and the carrying values of the financial instruments held at amortised cost because of the short maturity period of these financial instruments or their intrinsic size and risk.

Liquidity risk management
Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due through having insufficient resources. The Group monitors its levels of working capital to ensure that it can meet its liabilities as they fall due. Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate framework for the management of the Group's short-, medium- and long-term funding and liquidity requirements.

The principal current asset of the business is cash and cash equivalents and is therefore the principal financial instrument employed by the Group to meet its liquidity requirements. The Board ensures that the business maintains surplus cash reserves to minimise any liquidity risk.

The financial liabilities of the Group and Company are due within 3 months (2023: 3 months) of the Consolidated Statement of Financial Position date, with the exception of the lease liability. Further analysis of the lease liability is provided in note 19. All other non-current liabilities are due between 1 to 3 years after the period end. The Group does not have any borrowings or payables on demand which would increase the risk of the Group not holding sufficient reserves for repayment.

Market risk
Interest rate risk management
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group operates an interest rate policy designed to minimise interest costs and reduce volatility in reported earnings.

The Group holds all cash and cash equivalents with institutions with a recognised high credit rating. Interest rates on current accounts are floating. Changes in interest rates may increase or decrease the Group's finance income.

The Group does not have any committed interest-bearing borrowing facilities and consequently there is no material exposure to interest rate risk in respect of financial liabilities.

23. Financial risk management continued

Foreign currency risk management
Foreign currency risk is the risk that the fair value of future cash flows of a foreign currency exposure will fluctuate because of changes in foreign exchange rates.

The Group's exposure to the risk of changes in foreign exchange rates relates to the Group's overseas operating activities, primarily denominated in US Dollars, Euros and Swiss Francs. There is also an investment by the Company in a foreign subsidiary. The Group's exposure to foreign currency changes for all other currencies is not material. The Group seeks to minimise the exposure to foreign currency risk by matching local currency income with local currency costs where possible. The Group utilises US Dollar forward contracts to mitigate the risk of US Dollar fluctuations on client contracts. It agrees forward contracts based on forecasts of its US Dollar inflows and applies hedge accounting to minimise currency risk.

The Group enters into forward contracts to sell US Dollars at regular intervals and applies hedge accounting to these contracts. Under hedge accounting, unrealised gains or losses are recognised in other comprehensive income and the cash flow hedge reserve, with the ineffective portion being recognised in the profit and loss as soon as they occur. The gains or losses arising on these are allocated to revenue on settlement. The item hedged was a portion of highly probable forecast US Dollar inflows. The hedged item is the receipt of US Dollars, and the hedging instrument is the sale of a portion of these. The Group has determined that a 1:1 ratio exists between the instrument and items as the underlying risks of both are the same – the exchange rate of USD:GBP. The Group uses the dollar offset method to monitor effectiveness, which compares the change in fair value of the underlying derivative and the change in fair value of future cash flows. Ineffectiveness can arise due to the counterparties credit risk and inaccurate forecasting, which could leave the Group over hedged. In the year some ineffectiveness arose where the Group's actual inflows were below that of the hedging instrument. This ineffective portion was recognised in general and administrative expenses.

At year end the Group had no contracts to sell (2023: $750,000), these hedges are designated as effective under IFRS 9 and hence the fair value of these is recognised in other comprehensive income. These balances are removed from the Group's US Dollar exposure as there is deemed to be no foreign exchange exposure. At 30 September 2024 there were no hedges (2023: $750,000 hedged to period of March 2024, at an average rate of 1.2785). The contracts are valued based on observable market exchange rates.

The hedging transactions in the year had the following effect on the Group's results:

	Without hedge accounting £000	Hedging movements £000	**2024 £000**
Statement of Comprehensive Income			
Revenue	5,761	5	**5,766**
Gross profit	2,706	5	**2,711**
General and administrative expenses	(2,881)	(32)	**(2,913)**
Profit for the year	(1,974)	(27)	**(2,001)**
Total other comprehensive expense	(2)	27	**25**
Total comprehensive income attributable to equity holders for the period	(1,976)	-	**(1,976)**
Statement of financial position			
Accumulated losses	(9,353)	-	**(9,353)**

23. Financial risk management continued

	Without hedge accounting £000	Hedging movements £000	**2023 £000**
Statement of Comprehensive Income			
Revenue	6,638	27	**6,665**
Gross profit	3,243	27	**3,270**
General and administrative expenses	(2,743)	(111)	**(2,854)**
Profit for the year	(1,094)	(84)	**(1,178)**
Total other comprehensive expense	(21)	84	**63**
Total comprehensive income attributable to equity holders for the period	(1,115)	-	**(1,115)**
Statement of financial position			
Derivative financial liabilities	27	-	**27**
Cash flow hedge reserve	-	(27)	**(27)**
Accumulated losses	(7,387)	27	**(7,360)**

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at 30 September are as follows:

	2024	**2023**
US Dollar exposure	**USD'000**	**USD'000**
Balance at end of period		
Monetary assets	**587**	14
Monetary liabilities	**(16)**	(27)
Total exposure	**571**	(13)

	2024	2023
Euro exposure	**EUR'000**	EUR'000
Balance at end of period		
Monetary assets	**37**	156
Monetary liabilities	**(73)**	(13)
Total exposure	**(37)**	143

	2024	2023
Swiss Franc exposure	**CHF'000**	CHF'000
Balance at end of period		
Monetary assets	**58**	33
Monetary liabilities	**(22)**	-
Total exposure	**35**	33

The Company had no foreign currency exposure at the year end (2023: nil).

Foreign currency sensitivity analysis

As at 30 September 2024, the sensitivity analysis assumes a +/-10% change of the USD/GBP, EUR/GBP and CHF/GBP exchange rates, which represents management's assessment of a reasonably possible change in foreign exchange rates (2023: 10%). The sensitivity analysis was applied on the fair value of financial assets and liabilities.

	2024		2023	
	10% weaker[1]	**10% stronger**	10% weaker	**10% stronger**
	£000	**£000**	£000	£000
US Dollar	**(43)**	**43**	1	(1)
Euro	**3**	**(3)**	(12)	12
Swiss Franc	**(3)**	**3**	(3)	3
	(43)	**43**	(14)	14

[1] 10% weaker relates to the Great British Pound strengthening against the currency and therefore the Group would be in a weaker monetary position.

23. Financial risk management continued

Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's financial assets are cash and cash equivalents and trade and other receivables. The carrying value of these assets represents the Group's maximum exposure to credit risk in relation to financial assets.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the Consolidated Statement of Financial Position are net of allowances for any expected credit losses, estimated by the Group's management based on prior experience and their assessment of the current economic environment, and any specific criteria identified in respect of individual trade receivables. An allowance for expected credit losses is made where there is an identified loss event, which, based on previous experience, is evidence of a reduction in the recoverability of future cash flows. There are no outstanding expected credit losses identified at 30 September 2024 (2023: nil).

Prior to entering into an agreement to provide services, the Group makes appropriate enquiries of the counterparty and independent third parties to determine creditworthiness. The Group has not identified any significant credit risk exposure to any single counterparty or Group of counterparties as at the period end.

The Group and Company continually reviews client credit limits based on market conditions and historical experience. Any provision for impairment, as well as the ageing analysis of overdue trade receivables, is set out in note 17.

The Group and Company's policy is to minimise the risks associated with cash and cash equivalents by placing these deposits with institutions with a recognised high credit rating.

Capital risk management
The Group considers capital to be shareholders' equity as shown in the Consolidated Statement of Financial Position, as the Group is primarily funded by equity finance and is not yet in a position to pay a dividend. The Group had no borrowings at 30 September 2024 (2023: £nil).

The objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and for other stakeholders. In order to maintain or adjust the capital structure the Group may return capital to shareholders or issue new shares.

24. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Remuneration and transactions of Directors and key management personnel

Key management remuneration:

	2024	2023
	£000	£000
Short-term employee benefits	**1,147**	1,113
Post-employment benefits	**28**	29
Other long-term benefits	**(24)**	(44)
Share-based payments	**(7)**	19
Total remuneration	**1,144**	1,117

Key management includes Executive Directors, Non-Executive Directors and senior management who have the responsibility for managing, directly or indirectly, the activities of the Group.

The aggregate Directors' remuneration, including employers' National Insurance and share-based payments' expense, was £875,000 (2023: £687,000) and aggregate pension of £21,000 (2023: £16,000). Further detail of Directors' remuneration is disclosed in the Directors' Remuneration Report on page 42 and 43.

24. Related party transactions continued

Transactions with group companies

The Company is responsible for financing and setting Group strategy. The Company's subsidiaries carry out the Group's research and development strategy, employ all employees, including the Executive Directors, and manage the Group's intellectual property. As a result, a management charge is made between the subsidiaries and the Company for the services provided by the subsidiaries on behalf of the Company. Similarly, as share options are issued in the Company for employees of the subsidiaries, a charge is made between the Company and its subsidiaries.

Intercompany balances are unsecured and are interest bearing at 6%, with no fixed date of repayment but are repayable on demand. The intercompany balance also includes specific funding provided by the Company, which attracts a 0% interest rate.

Outstanding balances related to subsidiary undertakings are disclosed in note 17. During the year, the following transactions occurred with related parties:

	2024	2023
	£000	£000
Charges from subsidiaries:		
Management recharge from subsidiaries	**625**	530
Net interest charged	**(125)**	(100)
Charges to subsidiaries:		
Share option charge	**8**	52

25. Post balance sheet events

In October 2024, the Company completed a share capital raise. The company issued 42,621,508 new Ordinary shares for a total contribution of £4,050,000. Included in this, certain Directors of the Company have subscribed for an aggregate of 789,472 Ordinary shares for a total contribution of £75,000.