Company Registration No. 06591591 (England and Wales)

Made Tech Limited

Annual Report and Audited Financial Statements for the year ended 31 May 2024

MADE TECH LIMITED

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MADE TECH LIMITED

COMPANY INFORMATION

Directors	R P MacDonald C J Blackburn D Lovegrove (resigned 1 February 2024) N Elton (appointed 1 February 2024)
Company number	06591591
Registered office	4 O'Meara Street London SE1 1TE
Independent Auditors	Crowe U.K LLP 55 Ludgate Hill London EC4M 7JW
Legal Advisers	Fieldfisher No1 Spinningfields 1 Hardman Square Manchester M3 3EB

STRATEGIC REPORT
For the year ended 31 May 2024

The Directors present their annual report and financial statements for the year ended 31 May 2024.

Made Tech Limited (the "Company") is the trading company of the Made Tech PLC group of companies (the "Made Tech Group") in the United Kingdom.

Business Review

The principal activity of Made Tech Limited is a provider of digital, data and technology services to the UK public sector. Service offerings include digital service delivery, embedded capabilities, data infrastructure and insights and legacy application transformation.

The Company was a wholly owned subsidiary of Made Tech Group PLC for the year ended 31 May 2024.

Financial Results

The Company recorded revenue in the year of £38.6m (2023: £40.2m).

Gross margin increased from 35.8% to 38.8% primarily as a result of improved capacity management. Adjusted EBITDA (operating profit before depreciation, amortisation, impairment and exceptional items) increased from £1.5m in FY23 to £2.9m in FY24.

A loss after tax of £1.7m (2023: profit of £0.6m) is stated after an exceptional impairment charge of £4.3m related to historic investments in the development of software products and an apprenticeship academy.

Financial key performance indicators (KPIs)
The Company's Directors set and monitor business targets. The Company's Directors are of the opinion that additional analysis using KPIs is not necessary for an understanding of the performance or position of the Company on a standalone basis.

A number of KPIs are tracked at group level to identify trends in trading performance and to benchmark progress of key objectives, such as staff well-being and satisfaction. Further information is contained in the consolidated financial statements of Made Tech Group PLC.

Principal risks and uncertainties
There are a number of current risks and uncertainties which could have a material impact on our operations, financial results, reputation or the value and liquidity of our securities and could cause our actual results to differ materially from historical and forecast results.

Governance and risk management framework
The Board is responsible for the Company's risk management and for ensuring that robust processes are in place to identify, manage and report risks that threaten the business objectives of the Company. These include Financial, Operational and Regulatory Compliance risks. The principal features of the Company's risk management regime are a strong control environment, which is founded on an appropriate organisational structure for planning, executing, controlling and monitoring business operations. It includes clearly defined responsibilities and accountabilities.

Control procedures
These include: budgetary systems and management controls to manage financial risk, timely and accurate management information in respect of key performance measures and procedures to ensure complete and accurate accounting, which are regularly reviewed by the Board.

Risk management process
The Board uses a Risk register as its principal tool for monitoring and reporting risk.

The Risk Register describes each risk, the potential impact of each risk, the likelihood of that risk occurring and the mitigating controls. The preparation of the register is coordinated at senior management level, and input is obtained from all areas of the business in the preparation process. An appropriate senior person is assigned as the owner of each risk to ensure the correct level of focus is applied to managing the risk and its potential impact. Management regularly reviews and updates the Risk Register. The Group's Audit & Risk Committee formally reviews the Risk Register at least once a year.

When significant changes to risks occur, they are reported to the Board at Group Board meetings, and the Board receives an update from the Audit & Risk Committee after each formal review of the Risk Register. The Board considers our risk assessment processes to be comprehensive and appropriate.

The principal risks and uncertainties are:

Attracting and retaining talented staff — ***Change to risk – decreased***

Description	**Potential impact**	**Mitigation**
We may be unable to recruit or retain employees with suitable skills at all required levels.	Our most important asset is our talented staff. We recognise that the future success of our business is dependent on attracting, developing, motivating and retaining our people. Made Tech strives to be an employer with outstanding development opportunities, competitive total rewards and a culture of creativity and inclusivity. Failure to attract and retain key talent could negatively impact the Group's ability to innovate and grow and could lead to decreased productivity, or undermine customer relationships. The market remains competitive for top talent. Made Tech's diverse product and service solutions often require niche skill sets and experiences to meet customer expectations and performance obligations. This could impact our ability to provide contracted solutions and services, negatively impacting revenue, profit and cash flow in the short term and causing damage to our reputation, customer relationships and staff morale.	We routinely benchmark ourselves against our peers and adapt best practices to ensure success in recruiting, hiring and maintaining a highly competent and engaged workforce. To manage hiring for specialist roles we have activated several successful strategies to source top talent, including expansion of our presence on hiring platforms and investment in our in-house talent acquisition and mobility team. We continue to focus on appointing high quality candidates to replace leavers or fill new roles, and continuously focus on employee development through training and other employee engagement measures. The Group puts culture and purpose at the forefront of what we do and strives to become an employer of choice. Our goal is to have a diverse workforce that replicates the diversity of where we operate. We offer competitive compensation packages that are reviewed regularly, and we routinely survey our employees to monitor employee engagement levels and identify opportunities for further improvement. Attrition rates are monitored monthly to enable mitigating actions to be taken quickly if necessary.

Legal, Regulatory & Compliance requirements — ***Change to risk – no change***

Description	Potential impact	Mitigation
We need to comply with legal, regulatory and contractual information security, data protection and privacy, and related requirements. We have to comply with laws and regulations applicable to us and design our products and services to meet laws and regulations applicable to our customers. Our intellectual property ("IP") is centred around the software and services we develop for customers. We have to manage the risk of infringing a third party's IP rights in its development of software and services.	Non-compliance could expose us to liability and fines (for example under GDPR), reduce profit and cash flow in the short term, cause reputational damage and harm customer relationships and credibility in the market. If we infringe a third party's IP rights it could expose us to liability, negatively impact profit and cash flow in the short term and cause reputational damage. If a third party infringes our IP rights, it could expose us to competitive disadvantage, loss of revenues or increased security risks.	We review the impact of new and updated information security, data protection and privacy regulations and legislation in advance, to understand how these will affect both us and our clients. The output of these reviews will influence the delivery of our internal controls and processes and the design of products, solutions and working practices. We make staff aware of the potential impact of changing regulations and provide targeted training within business divisions, and through the delivery of focused training initiatives. We enter into non-disclosure agreements with employees, independent contractors and third parties in the ordinary course of our business to provide a degree of protection. All staff are made aware of client confidentiality requirements. Where practical, focused patent searches are undertaken to identify areas in which new products or services under development may conflict with third-party IP. We constantly monitor the use of third-party software in our product offerings. The choice of third-party components is subject to technical review and assessment at design stage. Our employment and consultancy contracts have clauses to protect IP. Background checks and security clearances are performed on employees. Our finance, compliance and legal teams review draft and current regulatory and legislative requirements, including, for example, GDPR (UK Data Protection Act 2018), and provide an impact assessment for the products and services that we deliver to customers. In relation to bribery and corruption, we have an established Anti-Bribery and Corruption ("ABC") Policy.

Cybersecurity and risk to privacy — ***Change to risk – increased***

Description	Potential impact	Mitigation
We maintain the confidentiality, integrity and availability of data, and ensure the secure operation of our IT systems, both internally and as part of our service offerings to customers. Cybersecurity events are occurring more frequently, and are of greater scale and sophistication. The move to remote working has brought a fresh aspect to this risk.	IT security breaches, computer malware and other cyber-attacks causing loss of customer data could result in a loss of business to the Group, limit our operations, expose us to fines (for example under GDPR) and/or contractual liability, reduce short-term profit and cash flow, cause reputational damage, and damage customer relationships and credibility in the market.	We regularly review and improve our systems and processes in order to mitigate the risk of an IT security breach and cybersecurity event. The Group implements a robust testing process on systems and software that includes external penetration testing by software consultants. Disaster recovery plans have been developed to respond to such incidents to ensure the business is able to recover with limited interruption should an incident arise. The Group has crisis management procedures in place to help us to promptly deal with any security incident efficiently. We have mandatory CyberSecurity training in place for all staff. The Group holds an appropriate level of cyber-insurance.

Quality of service delivery — ***Change to risk – no change***

Description	Potential impact	Mitigation
The success of the Group is largely dependent on its technical capabilities	Any malfunctioning of the Group's technology and systems or those of key third-party suppliers could	The Group's private network provides greater performance reliability, security and capability benefits compared to the public internet. The Group's technology infrastructure is built with resilience and redundancy

and it relies to a significant degree on the efficient and uninterrupted operation of its software, computer and communications systems and those of its third-party suppliers, including the security of internet services. Software bugs or lack of availability or support for hosted or supported services could affect our customer service.	result in a lack of confidence in the Group's products, with a consequential adverse effect on the Group's business and financial results. This could expose us to liability and negatively impact profit and cash flow in the short term, cause reputational damage and harm our client relationships and credibility in the market.	as key components and is hosted in multiple data centre locations operated by internationally recognised data centre providers. The Group monitors its software and systems on a 24/7 basis to ensure that in the event of any interruption (irrespective of the cause) it is able to respond quickly to issues that affect the performance of its products. We design our systems, client solutions and infrastructure to provide both resilience and service availability. We maintain awareness of vendor/supplier product roadmaps and support capabilities. The Group is ISO 9001 and ISO 27001 certified and operates rigorous change control and software development processes to ensure that any work undertaken on its software and technology infrastructure minimises the impact on its clients. Critical incident and problem management processes are in place and are audited as part of our ISO 9001 certification. Professional indemnity insurance is in place. Our software development life cycle includes following coding practices, quality assurance and testing and is periodically audited as part of our ISO 9001 and ISO 27001 certifications.

Visibility of revenue and quality of earnings — ***Change to risk – no change***

Description	**Potential Impact**	**Mitigation**
The majority of the Group's client contracts are for one-off projects or call-off contracts. The time between bid, award and the commencement of work can be short and clients can usually give limited notice to cease work. In addition, clients may choose to diversify or change how, or from whom, they source the services currently provided by the Group.	In addition to the risk that there is a limited contracted forward visibility of revenue, the ability of the Company to flex its staffing, and ensure an appropriate mix of specialist skills may result in margins being impacted through overcapacity or, not being able to service revenue due to under capacity.	Our leadership team and client partners maintain regular contact with key clients to maintain and build relationships and maximise forward visibility of opportunities and workload. The Group's strategy is to expand its client base within the territories it currently operates, to diversify the capabilities that the Company offers, and to leverage its current relationships. The Company is also looking to pursue longer term agreements such as managed service contracts, and to develop software solutions for specific client needs. Management focuses on staff utilisation and the appropriateness of the skills mix within the business, and where necessary use contractors to fulfil periods of peak demand.

Competitor activity — ***Change to risk – Increased***

Description	**Potential Impact**	**Mitigation**
Some of the Group's competitors include significantly larger enterprises with greater financial and marketing resources than the Group. There may also be new entrants to the market which could become competitors to the Group.	Competitors to the market may impact our ability to win and retain clients, and could result in a reduction in our rate card, negatively impacting our profit and cash flow.	The Directors believe that significant barriers to entry exist in the markets in which the Group operates, including, for example, placement on government frameworks, maintaining appropriate certifications, and the technical skills and expertise required to develop its services. The Group's continued success in winning new clients and renewing existing contracts demonstrates the robustness of the Group's service offering, and the Group is focused on delivering first class services to deliver successful projects in a timely manner. The Directors are nevertheless aware of the need to ensure that the Group's services are at the leading edge of technology offerings to its clients and it invests in new capabilities to ensure that a service offering meets its clients' requirements. We continue to monitor the bid-to-win ratios to identify potential risks.

Investment decisions		***Change to risk – no change***
Description	**Potential impact**	**Mitigation**
Our investment decisions may not be satisfactory.	Failure to manage investment decisions could negatively impact medium and long term value creation for shareholders.	We undertake regular strategic reviews to ensure that the business applies an appropriate capital allocation process. Considerations include the prioritisation and timing of investment in business development activities such as sales, marketing, service delivery propositions, staff training, product developments and M&A. These decisions are informed by customer and market intelligence.

Contractual risk		***Change to risk – Increased***
Description	**Potential Impact**	**Mitigation**
The Group offers a wide variety of products and services with different risk profiles to a variety of customers, often in highly regulated markets and/or performing critical public services. Clients will often seek to contract under their own terms and conditions, and often will require audits with respect to assurance around quality and compliance.	Where the Group fails to meet contractual undertakings, such as delivering to a certain specification, deadline, response time undertaking, or other commitment there is a risk that payment milestones will be delayed, revenue reduced, or the business may need to apply extra resources to meeting the delivery requirements, impacting on profit margins. There is also the risk of reputational damage.	Most contracts undertaken by the business operate on a time and materials basis. Increasingly the Group is undertaking more long term and/or fixed price projects that may include milestone payments. The Group also enters into contracts with subcontractors. The Company operates a formal bid process where all opportunities are considered by the Industry Lead, Client Partner and Delivery Manager, drawing on technical expertise where appropriate. Bids are supported by the Group's Bid Team. Only when all the risks have been considered and satisfactory mitigating actions agreed will the Company proceed with a bid. The Company will ensure that deliverables and dependencies are clearly stated at the contractual stage and may choose to apply risk premiums to bids. The Company will seek independent legal support where appropriate. The client and delivery teams undertake regular project reviews and escalate issues internally and with clients as soon as they are identified. Strict change control measures are in place and the Company's Operations Team supports with compliance tracking.

Macroeconomic and government policy risk		***Change to risk – decreased***
Description	**Potential Impact**	**Mitigation**
The Group heavily relies on revenue from contracts with the UK government. Business may therefore be impacted by factors such as instability of the financial system, market disruptions or suspensions, a material downturn in the financial markets, an economic recession, or other unprecedented economic disruption caused by a global pandemic. There may be a change in government and/or change in government policy.	Changes to government policy or spending may have a material impact on future contract awards and consequently on the performance, financial condition or business prospects of the Group. If government procurement policy moves away from its current policy favouring SMEs such as Made Tech, or if any current or future government reduces its stated commitment to digital technology, the Group's performance, financial condition or business prospects may be adversely impacted.	Our service line structure together with our stakeholder engagement plans, regular dialogue with clients, research and marketing activities and regular strategic reviews of the overall business assist in maintaining a sustainable business. Our compliance and operations teams actively manage our business continuity plans and disaster recovery activities to ensure that Made Tech remains prepared for a wide variety of unplanned business disruptions. The Group is expanding into new capabilities, and diversifying its client base into other areas of the public sector to mitigate risk. We note that the Labour government, elected in July 2024, has committed to continuing investment in digital services as part of their manifesto.

Sustainability		***Change to risk – no change***
Description	**Potential Impact**	Mitigation
With the increasing global focus on sustainability and climate risk, Made Tech is prioritising the implementation of its ESG strategy.	Given the increased focus on sustainability and corporate responses to it, our failure to appropriately respond to climate risk and sustainability would run contrary to our values and could result in fines for non-compliance with any regulations and reputational damage. It could also deter: • prospective employees from joining us; • clients from appointing us to projects; and • investors from owning our shares.	The Group has a broad ESG response in place, as detailed in the Group's ESG report, which we are enhancing further through a number of initiatives aimed at improving our sustainability ratings. While we will endeavour to meet our ambition, success relies on some aspects beyond our direct control. For instance, the ability to fully decarbonise our Scope 2 emissions is dependent on the decarbonisation of local grids and/or adoption of renewable energy supply by our landlords. The Company's ability to reduce its Scope 3 emissions relies on our data centre suppliers decarbonising successfully. Further, other Scope 3 value chain emissions are reliant on development of new green technologies. Residual emissions are also dependent on a developed carbon dioxide removals market. We are undertaking the necessary steps to develop our transition plan to reduce emissions in line with a Paris Agreement-aligned pathway. The Group continues to improve the resilience and business continuity of its office network and supply chain and has transitioned to virtual and hybrid-working models as deemed appropriate. For more information on this area refer to the Social Value Report of the consolidated financial statements of Made Tech Group PLC. (page 22).

Section 172(1) statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would support the long-term success of the Company and its various stakeholders.

In doing this, our Directors need to consider a variety of factors, including: the long-term impact of any decision; the interests of our employees; our relationships with our suppliers and customers; the impact that we have in our communities and on the environment; maintaining our reputation for high standards of business conduct; and the need to act fairly for our shareholders.

Our Directors have exercised care in their decision-making, cognisant of their section 172 obligations, and taking into consideration the needs and interests of the various stakeholder groups as part of all board decision-making.

Stakeholder engagement

Under section 172, we consider our stakeholder groups to be our staff, our clients and partners and our investors and shareholders.

We recognise that the importance of a topic may vary between stakeholder groups and that there may occasionally be a conflict in the interests of different groups.

Recognising that not every decision can support each group equally, the Board is committed to effective engagement with our stakeholders to understand their interests and priorities.

The Directors engage directly with stakeholder groups as appropriate, with examples of this interaction set out below.

Our people

Our people are fundamental to the success and sustainability of Made Tech. We rely on their skills, talent, motivation and commitment to deliver services and solutions to our clients. Our people underpin the growth of the business so recruiting and retaining the best talent is a key focus for management. We work hard to ensure our people are engaged, motivated and rewarded and supported to succeed. We aim to provide an environment that puts employee wellbeing at its centre. We are building a culture based on transparency, integrity, respect and inclusion.

We embrace diversity across our organisation and the Company recognises that discrimination is unacceptable and that equality of opportunity is paramount. The aim of these policies is to ensure that no job applicant or employee is discriminated against either directly or indirectly on the grounds of race, colour, ethnicity, nationality, gender reassignment, disability, political opinion or age. Breaches of these policies result in disciplinary proceedings and, if necessary, action.

The Company recognises its responsibility to employ disabled persons in suitable employment and gives full and fair consideration to such persons, including any employee who becomes disabled, having regard to their particular aptitudes and abilities. Where practicable, disabled employees are treated equally with all other employees in respect of their eligibility for training, career development and promotion.

Our Made Tech team plays a fundamental role in shaping our corporate responsibility culture through voluntary teams looking at employee engagement, charitable and environmental activities.

Further details on how we engage with our employees and the culture we are proud to have can be found in the ESG Report in the Group Consolidated Annual Report.

Clients and partners
Our clients are public sector leaders which play a critical role in society. They trust us to deliver high quality work that improves their services and in turn positively impacts society. Every client is different, but all focus on the quality and flexibility of our services. We are dedicated to being part of the solution. We have built strong relationships with our clients, working alongside them for better collaboration, communication and teamwork. Our partners are important; they enable us to provide a high-quality service to our clients. We work with a number of organisations and individuals to support and supplement our in-house resources.

Shareholders
The Group values the support of its shareholders, and aims to work responsibly and fairly with all its stakeholders so they may benefit from our continued growth and success. The Board meets on a monthly basis, and the CEO and CFO hold meetings with analysts and institutional shareholders throughout the year to provide detailed updates, giving them greater details around our operations, financial performance and progress against our growth strategy. Financial and other information is available through the RNS service and the Annual Report and on our website (www.madetech.com), which is updated regularly.

Environment
All stakeholder groups are increasingly interested in businesses' environmental impact. We recognise the importance of sustainable business practices in achieving long-term growth and profitability. Although our activities involve few energy-intensive processes and generate minimal waste, we are committed to reducing our environmental impact. Our latest energy and carbon report, along with the actions we intend to take to reduce the Company's carbon footprint.

Our people

Why we engage	**How we engage**	**Key topics of engagement**	**Impact of engagement**
• The sustainable success of our business depends upon our engagement with our people • We engage to promote the Group's corporate culture and cascade our ethical values, behaviours and expectations • We aim to create a positive and inclusive culture, sensitive to the issues that affect our people, so they can thrive and grow • We engage to ensure that	• Encourage feedback, including via team surveys, employee forums and one-to-one discussions • Enhancing training opportunities via learning and development offerings • Regular business performance and strategy updates directly from our CEO, CFO and senior team • Access to anonymous whistleblowing service	• Strategy & Vision: Short-term and long-term strategic plans (to the year 2030), including opportunities for departmental growth and advancement • Need for a flexible working environment with support for team health and wellbeing • Opportunities for growth and development and support in reaching full personal potential • Ensuring pay and benefits	• Increased and improved flexibility in working patterns • Improved decision making on team structure and recruitment • Improved focus on talent pipeline and development of succession planning • Promotion of leaders from within our businesses, alongside new talent sourced externally • Implementation of ESG initiatives

we continue to develop and invest in our highly talented and dedicated people in the right way		are competitive with our industry peers • Embracing diversity and inclusion	

Our clients and partners

Why we engage	**How we engage**	**Key topics of engagement**	**Impact of engagement**
• Effective engagement is key to attracting, and retaining, a quality client and partner base from which we can nurture strong and long-term relationships, trust and credibility, and ethics (including anti-corruption and bribery, human rights and modern slavery) • Our clients' and partners' success are driven by the quality of our products and services. We ensure continued investment in the right technology, services and teams to enhance our relationships and create long-term value on both sides	• Regular one-to-one feedback discussions • Through multiple client stakeholders and relationship owners • Virtual meetings/events to share learning • Hosting regular in-person events and service reviews • External CSAT interviews	• Our service offering and client support • Increasing the strategic nature of our relationships • Issue remediation and resolution • Opportunities for expansion and growth • Our people delivering services	• Strong client retention • Improved client satisfaction • Improvements in our service offerings and products • Reward and recognition of key staff

Our investors

Why we engage	**How we engage**	**Key topics of engagement**	**Impact of engagement**
• We strive to develop our investors' understanding of our business model, strategic objectives and culture • Through open and transparent engagement with the investor community, we aim to ensure the Group's operations and financial performance are clear and understood, and to provide the necessary information to ensure investors can make informed judgements about the Group • Investors and analysts require our engagement on ESG to guide their investment stewardship	• Publication of Annual Report and Accounts and annual Social Value Report • Regular and detailed trading updates to the market • Availability of CEO and CFO to answer questions around trading updates throughout the year • One-to-one and open online investor meetings or calls with the CEO/CFO at the full year and interim results • Detailed "Investor" section on the Company's website • Annual General Meetings and availability of Chair of the Group Board and Chair	• Financial performance • Approach to ESG and corporate governance • Strategic priorities • Market opportunity	• Improved investor knowledge and understanding of the Group, its operations and activities • Investor relations activity and feedback discussed regularly at Board meetings and factored into decision making by the Group Board • Improved transparency of Group information with open access investor relations content available on the Company's website

activities	of each Board Committee to answer questions • Ad-hoc meetings or written responses as requested by existing and potential shareholders and analysts		

Future outlook

The Directors remain extremely positive about the future of digitisation in the UK public sector, both immediately and over the long term. The Directors are confident that based upon the strong reputation and successful track record, Made Tech is well positioned to maintain a central role in this transformation drive.

The Company's progress in the past year provides confidence that the business is well positioned to deliver significant growth in the years ahead.

Going concern

Management has produced forecasts and projections through to February 2026 which have been reviewed by the Directors. These demonstrate that the Company is forecast to generate profits and cash in the year ending 31 May 2025 and beyond and that the Company has sufficient working capital to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements.

As such, the Directors have a reasonable expectation that the Company has adequate resources to continue to operate for the foreseeable future. The Directors therefore continue to adopt the going concern basis in preparing the financial statements.

Approval

The Strategic Report was approved by order of the Board on 28 February 2025.

Neil Elton
Neil Elton (Feb 28, 2025 12:20 GMT)

Neil Elton
Director

DIRECTORS' REPORT
For the year ended 31 May 2024

Directors' report
The Directors present their annual report and financial statements for the year ended 31 May 2024.

Directors' responsibilities
The Directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and applicable law).

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 Company and of the profit or loss of the Group for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal activity
The principal activity of Made Tech Limited is a provider of digital, data and technology services to the UK public sector. Service offerings include digital service delivery, embedded capabilities, data infrastructure and insights and legacy application transformation.

Results and dividends
The Company recorded revenue in the year of £38.6m (2023: £40.2m) and loss after tax of £1.7m (2023: profit of £0.6m)

The Directors have not recommended the payment of a dividend for the year (2023: nil)

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R P MacDonald
C J Blackburn
N Elton (appointed 1 February 2024)
D Lovegrove (resigned 1 February 2024)

Directors' confirmations

The Directors consider that the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment was approved at the Group's AGM.

The report was approved by the board and signed on its behalf.

Neil Elton
Neil Elton (Feb 28, 2025 12:20 GMT)
Neil Elton
Director
28 February 2025

Independent Auditor's report to the members of Made Tech Limited

Opinion
We have audited the financial statements of Made Tech Limited ("the Company") for the year ended 31 May 2024, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statement, including significant accounting policies. The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standards applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice);

- In our opinion, the financial statements:
- give a true and fair view of the state of the Company's affairs as at 31 May 2024 and of its loss for the year then ended;
- have been properly prepared in accordance United Kingdom Generally Accepted Accounting Practice; and
- 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard 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.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion based on the work undertaken in the course of our 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 the 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 light of the knowledge and understanding of the 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 Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 the directors for the financial statements
As explained more fully in the directors' responsibilities statement on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 :

- We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and UK taxation legislation.
- We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for bias.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Leo Malkin

Leo Malkin (Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
EC4M 7JW
28 February 2025

MADE TECH LIMITED

STATEMENT OF COMPREHENSIVE INCOME/(LOSS)
For the year ended 31 May 2024

	Note	31 May 2024	31 May 2023
		£	£
Revenue	4	38,568,050	40,195,372
Cost of sales		(23,618,541)	(25,801,993)
Gross profit		**14,949,509**	**14,393,379**
Administrative expense		(12,064,311)	(12,943,181)
Other operating income		51,382	59,592
Depreciation/Amortisation	11/12	(1,080,387)	(263,730)
Impairment expense	12	(4,314,690)	-
Operating (loss)/profit	5	**(2,458,497)**	**1,246,060**
Exceptional items	8	-	(573,770)
Interest receivable		247,847	24,007
Interest payable	9	(1,394)	(8)
(Loss)/profit before tax		**(2,212,044)**	**696,289**
Taxation	10	526,176	(55,000)
(Loss)/profit for the period		**(1,685,868)**	**641,289**
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		**(1,685,868)**	**641,289**

All amounts relate to continuing activities. The notes on page 20 to 30 form an integral part of these financial statements.

MADE TECH LIMITED

BALANCE SHEET
As at 31 May 2024

	Note	31 May 2024	31 May 2023
		Audited	Audited
		£	£
Fixed assets			
Tangible assets	11	203,029	368,086
Intangible assets	12	1,119,976	5,012,350
Total fixed assets		**1,323,005**	**5,380,436**
Trade debtors and other receivables	13	6,415,244	6,149,228
Cash at bank and in hand		7,618,518	8,449,178
Total current assets		**14,033,762**	**14,598,406**
Total assets		**15,356,767**	**19,978,842**
Creditors: Amounts falling due within one year	14	(14,739,601)	(17,675,808)
Net current liabilities		**(705,839)**	**(3,077,402)**
Total assets less current liabilities		**617,166**	**2,303,034**
Net assets		**617,166**	**2,303,034**
Capital and reserves			
Called up share capital	15	200	200
Retained earnings		616,966	2,302,834
Shareholders' funds		**617,166**	**2,303,034**

The financial statements on page 20 to 31 were approved and authorised by the board of directors on 28 February 2025 and were signed on its behalf by:

Neil Elton
Neil Elton (Feb 28, 2025 12:20 GMT)
Neil Elton
Director

The accompanying accounting policies and notes on pages 20 to 30 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 May 2024

	Share capital £	Retained Earnings/(losses) £	Total Equity £
Equity at 1 June 2022	**200**	**1,661,545**	**1,661,745**
Profit for the period	-	641,289	641,289
Balance at 31 May 2023	**200**	**2,302,834**	**2,303,034**
Equity at 1 June 2023	**200**	**2,302,834**	**2,303,034**
Loss for the period		(1,685,868)	(1,685,868)
Balance at 31 May 2024	**200**	**616,966**	**617,166**

The notes on pages 20 to 30 are an integral part of these financial statements.

1 Company information
Made Tech Limited ("The Company") is a private company limited by share capital, incorporated in the United Kingdom, registration number 06591591. The address of its registered office is: 4 O'Meara Street, London, SE1 1TE. The company acts principally as a provider of digital, data and technology services to the UK public sector. Service offerings include digital service delivery, embedded capabilities, data infrastructure and insights and legacy application transformation.

2 Accounting policies
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The Company's ultimate parent undertaking, Made Tech Group plc includes the Company in its consolidated financial statements. The consolidated financial statements of Made Tech Group plc are prepared in Accordance with UK-adopted International Accounting Standards and are available to the public and may be obtained from Made Tech Group website www.madetech.com.

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash flow statement and related notes;
- Certain disclosures regarding revenue;
- Disclosure of key management personnel compensation and intragroup related party transactions;
- Detailed disclosures on the valuation and effect of share-based payments schemes;
- Financial instruments disclosures.

Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The Directors have considered the Company's cash flow forecasts and they have no grounds for concern regarding the Company's ability to meet its obligations as they fall due and continue to operate within the existing cash balance and working capital facilities, thus requiring no additional funding to maintain liquidity.

In reaching their decision to prepare the financial statements on a going concern basis, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statement. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

Revenue recognition
Revenue is the fair value of the total amount receivable by the Company for supplies of services. VAT or similar local taxes and trade discounts are excluded. The Company's source of revenue is from the provision of digital, data and technology services to the UK public sector and product subscription and support services.

The majority of the provision of services contracts are typically "time and materials" whereby the customer is contractually bound to pay for services for each hour or day spent in delivering a contractually agreed services scope. Materials are incidental expenses incurred whilst delivering the services. These contracts typically have no payment milestones or bundling with other services and have no variable element. Revenue is therefore recognised in line with the chargeable "time and materials" which are allocated to the contracted project. The Company recognises revenue each month once as it provides these services for the duration of the contract. At the balance sheet date, an asset is recognised for unbilled amounts for services provided yet to be invoiced. Payment for the services is based on the agreed payment terms.

For fixed-price service contracts, the company recognises the revenue when the performance obligation is satisfied, which may be by the completion and approval of milestones described and priced in the contract or based on the actual labour hours and costs incurred at the end of the reporting period when performance obligations over time criteria have been met.
For product subscription contracts the client pays fees at regular intervals to access the functionalities, support and maintenance of the software. Current contracts are recognised ratably over the contract term.
Revenue contract liability is recorded when cash payments are received in advance of satisfying the performance obligation. Contract liabilities are recognised in profit or loss in the period when the Company completes the agreed services to the customers. In all other cases payments are due from customers within 30–60 days (depending on the credit terms applicable) of the service being agreed and invoiced.
Interest income and expenditure are reported on an accruals basis.

Taxation
Current tax
Current income tax assets and liabilities comprise those obligations to fiscal authorities in the countries in which the Company carries out its operations. They are calculated according to the tax rates and tax laws applicable to the fiscal period and the country to which they relate. All changes to current tax liabilities are recognised as a component of tax expense in the income statement unless the tax relates to an item taken directly to equity, in which case the tax is also taken directly to equity. Tax relating to items recognised in other comprehensive income is recognised in other comprehensive income.

Deferred tax
Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Exceptional items
The Company's income statement separately identifies exceptional items. Such items are those that in the Directors' judgement are one off in nature or non-operating and need to be disclosed separately by virtue of their size or incidence. In determining whether an item should be disclosed as an exceptional item, the Directors consider quantitative and qualitative factors such as the frequency, predictability of occurrence and significance. This is consistent with the way financial performance is measured by management and reported to the Board.

Intangible assets
Internally generated intellectual property
An internally generated intangible asset consisting of intellectual property, arising from development (or the development phase) of an internal project is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- the intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset

- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangibles not yet in use are not amortised but are subject to annual impairment testing.

Internally generated intangible assets have been amortised over three to five years.

Research expenditure is recognised as an expense in the period in which it is incurred.

Tangible assets
Tangible assets are recorded at cost net of accumulated depreciation and any provision for impairment. Depreciation is provided to write off the cost of the asset less any residual value over its useful economic life in line with below. The residual values of assets are reviewed annually and revised where necessary. Assets' useful economic lives are as follows:

Furniture and fittings	25% reducing balance
Office equipment	3 years straight line
Leasehold improvements	25% reducing balance
Right-of-use lease assets	straight line over the lease term

Impairment of assets
For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount of the asset or cash-generating unit. The recoverable amount is the higher of fair value, reflecting market conditions, less costs to sell, and value in use based on an internal discounted cash flow evaluation. The cash flow evaluations are a result of the Directors' estimation of future sales and expenses based on their past experience and the current market activity within the business. All assets are reassessed and impairment losses previously recognised may be reversed where the recoverable amount exceeds the carrying value in subsequent periods.

Any impairment charge arising from the review of the carrying value of assets, where material, is disclosed separately on the face of the consolidated income statement.

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date.

If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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

Employee benefits
The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Defined contribution pension obligation
The Company operates a defined contribution pension scheme. The assets are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund. Other payables include £230,588 (2023: £203,643) in respect of pension contributions committed but not yet paid at year end.

The cost of pensions in respect of the Company's defined contribution scheme is charged to the income statement in the period in which the related employee services were provided.

3 Judgements in applying accounting policies and key sources of estimation uncertainty
The preparation of financial statements requires management to make judgements, estimations and assumptions that affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. These judgements and estimates are based on management's best

knowledge of the relevant facts and circumstances, their historical experience and other factors including expectations of future events. Actual results may differ from the amounts included in the financial statements.

The estimates and assumptions that have a significant risk of material adjustment to the carrying amount of assets and liabilities within the next financial years are summarised below:

Development costs
Capitalisation of development costs in accordance with IAS 38 requires analysis of the technical feasibility and commercial viability of the project in the future. This in turn requires a long-term judgement to be made about the development of the industry in which the development will be marketed. Where the Directors consider that sufficient evidence exists surrounding the technical feasibility and commercial viability of the project which indicates that the costs incurred will be recovered they are capitalised within intangible fixed assets. The amount of the capitalisation is based on estimates to judge the percentage of the time relevant staff spend on projects. Where insufficient evidence exists, the costs are expensed to the income statement.

Sources of estimation uncertainty
Intangible assets useful life
The useful life of the Company's intangible assets has been estimated based on the classification of intellectual properties into two categories: Technology Platforms and Capability IP. Management's judgement in this estimation process incorporates a comprehensive analysis of market conditions, potential client needs, competitive developments, and internal expertise to assess the obsolescence risk associated with the developed technology. The Company will review the estimated useful lives of these intangible assets at least annually and adjust them as necessary to reflect changes in circumstances or expectations regarding their economic benefits. Please refer to note 12 for more details.

Impairment of intangible assets
Determining whether intangible assets are impaired requires an estimation of the value in use of the cash-generating unit to which the intangibles have been allocated. The value in use calculations require an estimation of the future cash flows expected to arise from the cash-generating units and a suitable discount rate to calculate the present value. An assessment of impairment of intangibles is performed if there is an indicator of impairment. The key estimate for the carrying value of the intangibles is the cash flows associated with the investment and the Weighted Average Cost of Capital ("WACC"). Each intangible is reviewed regularly to ensure that it generates discounted positive cash flows. Where there is an indication of impairment, the investment is impaired by a charge to the consolidated income statement. The key area of uncertainty is revenue growth and WACC. Management performs sensitivity analysis to ascertain the level of growth rate and assumptions on the WACC that will start to impair the investment on a yearly basis. Please refer to note 12 for more details.

4 Revenue

	At 31 May 24	At 31 May 23
	£	£
Revenue from operations		
Revenue arises from:		
Provision of digital services	**38,568,050**	**40,195,372**

The Company operates only in the United Kingdom and had four customers that exceeded 10% of revenue in the year (2023: four customers). The Company has only one segment and therefore segmental analysis is not performed.

5 Operating profit

The operating profit has been arrived at after charging/(crediting):

	At 31 May 24	At 31 May 23
	£	£
Auditors' remuneration	65,000	11,000
Other accountancy fees	22,733	25,684
Loss on disposal of property, plant and equipment	8,138	9,220
Advertising expense	202,969	487,542
Depreciation of property, plant and equipment & amortisation	1,080,387	263,730
Impairment expense	4,314,690	-
Staff costs (note 6)	25,410,416	27,793,932

6 Staff costs

Staff costs consist of:

	At 31 May 24	At 31 May 23
	£	£
Wages and salaries	22,854,812	26,349,720
Other taxable benefits	87,014	109,611
Social security costs	2,502,557	3,011,002
Pensions	1,222,932	1,352,222
Total staff costs	**26,667,315**	**30,822,555**

Included in staff costs above is £1,256,899 (2023: £3,028,623) of costs that have been capitalised as intangible assets (see notes 12).

The average number of employees, including directors, during the year was as follows:

	At 31 May 24	At 31 May 23
Average number of employees	**358**	**434**

7 Key management remuneration

Key management personnel include all the directors of the Company, who together have authority and responsibility for planning, directing and controlling the activities of the Company.

In the year ended 31 May 2024 the directors' salaries of the Company were paid by the Company's ultimate parent, Made Tech Group PLC.

	At 31 May 24	At 31 May 23
	£	£
Wages and salaries	1,062,487	772,000
Other taxable benefits	4,687	5,924
Social security costs	136,922	107,727
Pensions	49,217	43,937
Total staff costs	**1,253,313**	**929,588**

Remuneration disclosed above includes the following amounts payable to the highest paid Director:

The highest paid director received a total remuneration of £492,595 (2023: £325,129), which included compensations for loss of office of £200,00 (2023: £nil)

8 Exceptional items

	At 31 May 24	At 31 May 23
	£	£
Exceptional items arise from:		
Termination costs – employee severance pay	-	493,365
Restructuring costs	-	80,405
Total	-	573,770

Exceptional items relate to the following:

• Termination costs – relating to severance for twenty employees exited in FY23
• Restructuring costs – relating to reorganisation and restructuring improvements to improve efficiency and accountability in FY23.

9 Finance expense

	At 31 May 24	At 31 May 23
	£	£
Other interest	1,394	8
Total finance expense	**1,394**	**8**

There were no exceptional items in FY24. In FY23 exceptional costs related to severance costs for exiting employees and restructuring costs relating to reorganisation improvements.

10 Taxation

	At 31 May 24	At 31 May 23
	£	£
Corporate tax	-	-
Total current tax expense	-	-
R&D tax credit	(502,050)	-
Origination and reversal of timing differences	(24,126)	55,000
Tax charge/(credit) for the year	**(526,176)**	**55,000**

The tax assessed for the year is different from the standard rate of corporation tax as applied in the respective trading domains where the Company operates. The differences are explained below:

	At 31 May 24	At 31 May 23
	£	£
Profit/ (Loss before tax)	**(2,212,044)**	**696,289**

Profit/(Loss) before tax multiplied by the respective standard rate of corporation tax applicable – 25% (FY23: 20%)	(553,011)	139,258
Effects of:		
Depreciation in excess of capital allowances	38,348	37,101
Expenses not allowed	1,296,809	47,422
Utilisation of losses	(354,357)	-
Unused tax losses	-	397,885
Group loss relief	(113,563)	
IP capitalised	(314,226)	(621,666)
Movement in deferred tax provision	(24,126)	55,000
Tax charge/(credit) for the year	**(24,126)**	**55,000**

Deferred tax

	At 31 May 24	At 31 May 23
	£	£
At 1 Jun	75,000	20,000
Deferred tax recognised	(24,126)	55,000
At 31 May	**50,874**	**75,000**

Current taxes comprise the income taxes of the Company which posted a taxable profit for the year, while deferred taxes show changes in deferred tax assets and liabilities which were recognised by the Company on the temporary differences between the carrying amount of assets and liabilities and their amount calculated for tax purposes and calculated using the rates that are expected to apply in the year these differences will reverse.

11 Tangible Assets

	Leasehold Improvements	Furniture, fittings and equipment	Total
	£	£	£
COST			
At 31 May 2022	33,314	885,165	918,479
Additions	-	60,293	60,293
Disposals	-	(106,181)	(106,181)
At 31 May 2023	33,314	839,277	872,591
Additions	5,169	83,714	88,883
Disposals	-	(52,856)	(52,856)
At 31 May 2024	**38,483**	**870,135**	**908,618**
DEPRECIATION			
At 31 May 2022	20,821	302,987	323,808
Charge for period	3,123	260,608	263,731
Disposals	-	(83,034)	(83,034)

At 31 May 2023	23,944	480,561	504,505
Charge for period	3,527	242,274	245,801
Disposals	-	(44,717)	(44,717)
At 31 May 2024	**27,471**	**678,118**	**705,589**
NET BOOK VALUE			
At 31 May 2023	9,370	358,716	368,086
At 31 May 2024	**11,012**	**192,017**	**203,029**

12 Intangible assets

Intangible assets relate to development activities to develop new software products (IP) to improve existing and/or create new products. All intangible assets have an identifiable future economic benefit to the Company at the point the costs are incurred.

	Technology Platforms	Capability IP	Total
	£	£	£
COST			
At 31 May 2022	1,904,021	-	1,904,021
Additions	591,717	2,516,612	3,108,329
At 31 May 2023	2,495,738	2,516,612	5,012,350
Additions	1,256,902	-	1,256,902
At 31 May 2024	3,752,640	2,516,612	6,269,252
AMORTISATION			
At 31 May 2022	-	-	-
Charge for period	-	-	-
At 31 May 2023	-	-	-
Charge for period	274,798	559,788	834,586
Impairment	3,477,842	836,848	4,314,690
At 31 May 2024	3,752,640	1,396,636	5,149,276
NET BOOK VALUE			
At 31 May 2023	2,495,73	2,516,612	5,012,350
At 31 May 2024	**-**	**1,119,976**	**1,119,976**

The Company has classified its intangible assets into two types of intellectual property: Technology Platforms and Capability IP. During the year the Company has capitalised costs relating to the ongoing development of its Technology Platforms, being SaaS solutions aimed primarily at the Local Government housing market. After initial sales Made Tech has moved to the commercialisation phase of these products. Technology Platforms comprise 5 CGUs; amortisation of four of the CGUs commenced in June 2023 as commercialisation of the products began and they are amortised over five years. Personnel costs of £1,256,899 (FY23: £3,028,623) have been capitalised during the year related wholly to Technology Platforms.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Capability IP comprises 7 Cash Generating Units ("CGUs") based around some of the core capabilities of the Company such as Data & AI, and Transformation. Amortisation of all Capability IP CGUs, other than Academy, commenced in June 2023 over a useful life of three years.

Intangible assets have been tested for impairment by assessing the value in use of the CGUs. The value in use calculations were based on projected cash flows over the estimated useful economic life of the assets with no terminal rate being applied. Varying growth rates derived from market demand and an assessment of the assets' development pipeline were applied. The annual growth rates assumed for Technology Platforms IP was between c.0% and c.40%, dependent on the specific SaaS product. An annual growth rate of c.8% was assumed for the Capability IPs, excluding the Academy which was assumed to generate no revenue, on a total basis.

The discount rate used to test the cash-generating units used the Company's pre-tax WACC of 40.2%, being the equivalent of a post-tax WACC of 16.5% (FY23: 12.4%). The value in use calculations using the above growth assumptions indicated an impairment on all the Company's Technology Platforms and Academy Capability IP. As a result, an impairment charge of £4,314,690 has been booked in the year (FY23: nil). Following the early commercialisation of the Technology Platforms it has become evident that the sales cycles to local government clients was longer than originally anticipated, thus reducing the contribution that the SaaS products were forecast to deliver over the next four years. Nevertheless, the Company continues to pursue the commercialisation of the Technology Platform IP in what management view as a large, compelling and fragmented market. Made Tech had invested in its Academy IP to operate as an apprenticeship provider, working alongside government departments including the HMRC. However, changes in demand by government clients mean that the Board no longer views this as a core revenue generating offering and therefore as a result have impaired the full carrying value of the asset.

Additional sensitivity analyses were run on all the remaining Capability IP. Assuming nil growth in Capability IP revenue over the remaining useful economic life of the intangible assets, and using a post-tax WACC discount of 16.5%, an additional impairment of c.£405,000 was indicated. Assuming a 20.0% post-tax WACC and nil growth (with other assumptions remaining constant) an additional impairment of c.£22,000, when compared with sensitivity using the 16.5% post-tax WACC discount rate, was indicated. Management does not consider that any reasonably possible changes in the assumptions would result in an impairment. The assumptions used in the impairment review are subjective and provide key sources of estimation uncertainty, specifically in relation to growth assumptions, future cash flows and the determination of discount rates. The actual results may vary and accordingly may cause adjustments to the Company's valuation in future years.

13 Trade debtors and other receivables

	At 31 May 24	At 31 May 23
	£	£
Trade receivables – gross	4,428,915	4,304,406
Trade receivable – net	**4,428,915**	**4,304,406**
Other receivables	1,986,329	1,844,822
Total trade and other receivables	**6,415,244**	**6,149,228**

14 Creditors: amounts falling due within one year

	At 31 May 24	At 31 May 23
	£	£
Trade payables	617,997	1,607,840
Accruals	1,299,751	953,942
Tax and social security	587,989	1,873,083
Other payables	646,512	205,864
Amounts owed to Group undertakings	11,587,352	13,035,079
Total trade and other payables	**14,739,601**	**17,675,808**

Amounts owed to Group undertaking are unsecured and interest free, have no fixed date of repayment and are repayable on demand.

15 Share capital
On 31 May 2024, the issued and paid up share capital of the Company consisted of 100 'A' Ordinary shares and 100 'B' Ordinary shares each with a nominal value of £1.00.

'A' Ordinary shares have 3 votes per share, equal rights to dividends and preferential 75% rights to capital on winding up, asset sale, listing or share sale. The shares are not redeemable.

'B' Ordinary shares have 1 vote per share, equal rights to dividends and non-preferential 25% rights to capital on winding up, asset sale, listing or share sale. The shares are not redeemable.

16 Related party transactions
The Company has taken advantage of the exemption available under Financial Reporting Standard 102 "Related Party Disclosures" not to disclose transactions with companies that are wholly owned subsidiaries of Made Tech Group plc.

17 Capital and other commitments

The Company has the following commitments in respect of its rent:

	At 31 May 24	At 31 May 23
	£	£
Total commitments within one year	**123,750**	**165,000**
Total commitments between one and five years	**78,750**	**-**

The company had no off-balance sheet arrangements.

18 Subsequent Events
There are no significant events after the balance sheet date to report.

19 Ultimate controlling party
The ultimate parent undertaking is Made Tech Group PLC, a company registered in England and Wales.
The financial statements are included in the consolidated group accounts for Made Tech Group PLC available from Companies House.