

Registered number: 07019261

MANAGED247 LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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MANAGED247 LTD

COMPANY INFORMATION

Directors

Mr S Boardman
Mr J M Pepper
Mr A T Whitford

Registered number

07019261

Registered office

100 Avebury Boulevard
Milton Keynes
Buckinghamshire
MK9 1FH

Independent auditors

MHA
Chartered Accountants & Statutory Auditors
The Pinnacle
150 Midsummer Boulevard
Milton Keynes
Buckinghamshire
MK9 1FD

MANAGED247 LTD

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Introduction

Managed247 continues to be a highly successful and innovative provider of IT managed services, outsourced service desk operations, and specialist IT consultancy. Our reputation is built on delivering a unique and bespoke customer service model that operates 24 hours a day, 365 days a year, and is supported exclusively by full-time employees based within the UK. This approach ensures consistency, accountability, and the highest levels of service delivery for our clients.

We are proud to differentiate ourselves within the marketplace by combining deep technical expertise with a strong customer-first ethos. Our services are designed not only to resolve immediate IT challenges but also to anticipate future needs, helping our customers to remain resilient, secure, and competitive in increasingly complex digital landscapes.

Our commitment to market-leading performance is underpinned by ongoing investment in people, processes, and technology. We continue to strengthen our service desk and automation capabilities, ensuring that we deliver scalable, efficient, and proactive support to customers of all sizes. By keeping customer satisfaction at the heart of our operations, we consistently achieve performance metrics and Net Promoter Scores that exceed industry benchmarks, reinforcing the trust and confidence our clients place in us.

Looking ahead, we remain focused on sustainable growth through the expansion of our managed services portfolio, deeper engagement with long-term clients, and continued innovation in areas such as monitoring, automation, and cyber security. With a strong operational foundation and a dedicated, highly skilled UK-based workforce, Managed247 is well-positioned to deliver best-in-class service and to build on its reputation as a trusted partner to businesses across the UK and beyond.

Business review

We are pleased to report that the continued dedication of our employees and management team was reflected in a respectable 6% increase in turnover across the year. Our Annual Recurring Revenues (ARR) mirrored this growth, also increasing by 6%, and now account for 86% of FY24 recognised revenues. This provides a solid and predictable launchpad for our 2025 endeavours.

In line with our strategic focus on long-term customer relationships, sales order wins remained strong throughout the year, with the business closing FY24 with a record-high order book. To support this demand and ensure seamless delivery of open orders in FY24 and beyond - while maintaining our market-leading service standards - we continued to invest in cutting-edge service desk capabilities and advanced automation technologies. The efficiencies & automations delivered by new technologies allowed us to provide an excellent customer service experience with fewer base-level employees and to invest in employees with a broader depth of experience and skillset.

This continuing investment, combined with our relentless commitment to customer success, is clearly reflected in our service performance. Between 1 January and 31 December 2024, our IT Service Desk achieved a Net Promoter Score (NPS) of 93, significantly exceeding the industry average of 60.

Meanwhile, the development of our next-generation monitoring and automation platform progressed through its internal deployment phase. With a planned launch in FY25, this innovation will deliver significant benefits for both our internal support functions and our customers, further strengthening our position as a leader in the market.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Principal risks and uncertainties

The Directors undertake a process of identifying and evaluating risk acceptance and risk management through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management, and internal audit. Compliance with regulation, legal and ethical standards is a high priority for the Company and both the Board and the finance department take on an important oversight role in this regard.

The Company's principal credit risk relates to trade receivables. This is managed through rigorous initial client vetting and strong management of its trade receivables ledger.

The Company manages, and mitigates, liquidity risk by carefully monitoring cash generation and expenditure. The cash flow forecasts are updated regularly to ensure the availability of sufficient funds to meet all financial commitments.

The principal operations risk is presented third party outages or failures in their product/service delivery arising through fluctuations in the timing and frequency of such services. The Company carefully manages its relationship with key suppliers to mitigate these risks.

Financial key performance indicators

	2024	2023
Turnover	£8,264,979	£7,860,081
Gross profit	£3,804,095	£4,262,551
Gross profit %	46%	54%
EBITDA (excluding exceptionals)	£1,128,767	£1,260,944
Overheads (excluding exceptionals)	£2,724,324	£3,064,070

Other key performance indicators

	2024	2023
Headcount	50	70
Annual Recurring Revenues (Value of contracted recurring revenue normalised to a one year period)	£7,154,650	£6,772,203

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



.....
Mr J M Pepper
Director

Date: 21/11/2025

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

Principal activity

The principal activity of the Company was that of outsourced service desk facilities and specialist IT consultancy.

Results and dividends

The profit for the year, after taxation, amounted to £440,070 (2023 - £568,269).

No dividends were paid in the year (2023: £Nil).

Directors

The Directors who served during the year were:

Mr S Boardman
Mr J M Pepper
Mr A T Whitford

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Future developments

The Company will actively seek to optimise the customer service experience by continuing to invest in its workforce (through training and career development), operational software and processes and its Predictably monitoring tool.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

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

Post balance sheet events

Please refer to Note 27 for details surrounding post balance sheet events.

Auditors

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

MHA will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

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


.....

Mr J M Pepper
Director

Date: 21/11/2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MANAGED247 LTD

Opinion

We have audited the financial statements of Managed247 LTD (the 'Company') for the year ended 31 December 2024, which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard 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 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MANAGED247 LTD (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 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 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 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 the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MANAGED247 LTD (CONTINUED)

Auditors' 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 Auditors' 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:

- enquiry of management and those charged with governance around actual and potential litigation and claims;
- enquiry of entity staff in tax compliance functions to identify any instances of non-compliance with laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reviewing minutes of meetings of those charged with governance; and
- reviewing financial statement disclosures and testing to supporting documentation to access compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

MANAGED247 LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MANAGED247 LTD (CONTINUED)

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 Auditors' 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.



Simon Knibbs MA FCA (Senior Statutory Auditor)
for and on behalf of

MHA

Chartered Accountants
Statutory Auditors
Milton Keynes, United Kingdom
Date: 26 November 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

MANAGED247 LTD

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 £	2023 £
Turnover	4	8,264,979	7,860,081
Cost of sales		(4,460,884)	(3,597,530)
Gross profit		3,804,095	4,262,551
Administrative expenses		(2,724,324)	(3,064,070)
Exceptional administrative expenses	11	(440,640)	-
Operating profit		639,131	1,198,481
Interest receivable and similar income	8	121	1,699
Interest payable and similar expenses	9	(296,982)	(257,128)
Profit before tax		342,270	943,052
Tax on profit	10	97,800	(374,783)
Profit after tax		440,070	568,269
Retained earnings at the beginning of the year		5,650,001	5,081,732
Profit for the year		440,070	568,269
Retained earnings at the end of the year		6,090,071	5,650,001


There were no recognised gains and losses for 2024 or 2023 other than those included in the statement of income and retained earnings.

The notes on pages 13 to 30 form part of these financial statements.

**BALANCE SHEET
AS AT 31 DECEMBER 2024**

	Note	2024 £	2024 £	Restated 2023 £	Restated 2023 £
Fixed assets					
Intangible assets	12		8,054,600		7,332,177
Tangible assets	13		60,602		102,140
			<u>8,115,202</u>		<u>7,434,317</u>
Current assets					
Stocks	14	-		981,159	
Debtors	15	5,929,351		5,415,350	
Cash at bank and in hand	16	782,424		699,484	
			<u>6,711,775</u>	<u>7,095,993</u>	
Creditors: amounts falling due within one year	17	(6,705,916)		(7,317,895)	
Net current assets/(liabilities)			<u>5,859</u>		<u>(221,902)</u>
Total assets less current liabilities			<u>8,121,061</u>		<u>7,212,415</u>
Creditors: amounts falling due after more than one year	18		(910,818)		(373,973)
Provisions for liabilities					
Deferred tax	21		(1,119,172)		(1,187,441)
Net assets			<u><u>6,091,071</u></u>		<u><u>5,651,001</u></u>
Capital and reserves					
Called up share capital	22		1,000		1,000
Profit and loss account	23		6,090,071		5,650,001
			<u><u>6,091,071</u></u>		<u><u>5,651,001</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
Mr J M Pepper
Director

Date: 21/11/2025

The notes on pages 13 to 30 form part of these financial statements.

MANAGED247 LTD

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024 £	2023 £
Cash flows from operating activities		
Profit for the financial year	440,070	568,269
Adjustments for:		
Depreciation of tangible assets	48,996	62,463
Interest paid	296,982	257,128
Interest received	(121)	(1,699)
Taxation charge	(97,800)	374,783
Decrease/(increase) in stocks	981,159	(977,239)
(Increase) in debtors	(514,001)	(529,669)
Increase in creditors	418,639	1,477,302
Corporation tax (paid)/received	(66,035)	111,081
Net cash generated from operating activities	1,507,889	1,342,419
Cash flows from investing activities		
Purchase of intangible fixed assets	(722,423)	(546,764)
Purchase of tangible fixed assets	(7,455)	(2,792)
Interest received	121	1,699
HP interest paid	(32,635)	(10,758)
Net cash from investing activities	(762,392)	(558,615)
Cash flows from financing activities		
Repayment of loans	(470,283)	(1,024,646)
Repayment of/new finance leases	72,073	458,051
Interest paid	(264,347)	(246,370)
Net cash used in financing activities	(662,557)	(812,965)
Net increase/(decrease) in cash and cash equivalents	82,940	(29,161)
Cash and cash equivalents at beginning of year	699,484	728,645
Cash and cash equivalents at the end of year	782,424	699,484
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	782,424	699,484
	782,424	699,484

The notes on pages 13 to 30 form part of these financial statements.

MANAGED247 LTD

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2024**

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	699,484	82,940	782,424
Debt due within 1 year	(470,283)	470,283	-
Finance leases	(459,421)	(72,073)	(531,494)
	<u>(230,220)</u>	<u>481,150</u>	<u>250,930</u>

The notes on pages 13 to 30 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. General information

Managed247 Ltd is a private company limited by shares, incorporated in England and Wales.

The registered office is 100 Avebury Boulevard, Milton Keynes, Buckinghamshire, MK9 1FH. The Company trades from this address.

These accounts are rounded to the nearest £1, the presentation and functional currency is GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 2-5 years
Office equipment	- 2-5 years
Computer equipment	- 15 years
Leasehold property	- 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due within the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

2.9 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.11 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in other creditors as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in profit or loss using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.15 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.16 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.18 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)**2.19 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Critical judgments in applying accounting policies

i) There are no judgments (apart from those involving estimates) that have had a significant effect on amounts recognised in the Financial Statements.

b) Key accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have the most significant potential impact upon the carrying values of assets and liabilities within the next financial year are as follows:

i) Capitalisation of development costs

The criteria for development expenditure to qualify as an intangible asset has been set out within the accounting policies. The net book value of the intangible asset as at 31 December 2024 was £7,766,210. This asset has not yet been amortised as management consider the net realisable value to be in excess of the carrying amount. No impairment charge has been deemed necessary as the asset is considered to be fully recoverable, and no indicators of impairment have been identified.

4. Turnover

An analysis of turnover by class of business is as follows:

	2024 £	2023 £
Sales - Professional services	2,377,448	1,995,814
Sales - Service desk support	2,106,310	2,371,520
Sales - Cloud and other services	3,781,221	3,492,747
	<u>8,264,979</u>	<u>7,860,081</u>

All turnover arose within the United Kingdom.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

5. Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2024 £	2023 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	17,300	17,300
Fees payable to the Company's auditors in respect of:		
All other services	3,350	3,350
	<u> </u>	<u> </u>

6. Employees

Staff costs, including Directors' remuneration, were as follows:

	2024 £	2023 £
Wages and salaries	1,896,456	2,406,484
Social security costs	201,568	232,058
Cost of defined contribution scheme	36,599	49,553
	<u>2,134,623</u>	<u>2,688,095</u>

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

	2024 No.	2023 No.
Employees	50	70
	<u> </u>	<u> </u>

7. Directors' remuneration

	2024 £	2023 £
Directors' emoluments	103,438	76,505
	<u> </u>	<u> </u>

Amounts paid to Key Management Personnel in the year totalled £289,319 (2023: £255,348).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

8. Interest receivable

	2024 £	2023 £
Other interest receivable	121	1,699

9. Interest payable and similar expenses

	2024 £	2023 £
Bank interest payable	205,145	243,145
Finance leases and hire purchase contracts	32,635	10,758
Other interest payable	59,202	3,225
	<u>296,982</u>	<u>257,128</u>

10. Taxation

	2024 £	2023 £
Corporation tax		
Adjustments in respect of previous periods	(29,531)	488
	<u>(29,531)</u>	<u>488</u>
Total current tax	<u>(29,531)</u>	<u>488</u>
Deferred tax		
Origination and reversal of timing differences	(68,269)	374,295
Total deferred tax	<u>(68,269)</u>	<u>374,295</u>
Tax on profit	<u>(97,800)</u>	<u>374,783</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2023 - higher than) the standard rate of corporation tax in the UK of 25% (2023 - 23.5%). The differences are explained below:

	2024 £	2023 £
Profit on ordinary activities before tax	342,270	943,052
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.52% (2022 - 19%)	85,568	221,617
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,479	40
Depreciation in excess of capital allowances for the year	671	4,847
Utilisation of tax losses	(82,932)	(231,143)
Other timing differences leading to an increase (decrease) in taxation	(5,786)	5,127
Movement in Deferred tax	(68,269)	374,295
Adjustments in respect of previous periods	(29,531)	-
Total tax charge for the year	(97,800)	374,783

11. Exceptional items

	2024 £	2023 £
Irrecoverable debt	400,000	-
Redundancy costs	40,640	-
	440,640	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. Intangible assets

	Computer Software Under Construction £	Development expenditure £	Computer software £	Total £
Cost				
At 1 January 2024	-	3,332,177	4,000,000	7,332,177
Additions	288,390	434,033	-	722,423
At 31 December 2024	<u>288,390</u>	<u>3,766,210</u>	<u>4,000,000</u>	<u>8,054,600</u>
Net book value				
At 31 December 2024	<u>288,390</u>	<u>3,766,210</u>	<u>4,000,000</u>	<u>8,054,600</u>
At 31 December 2023	<u>-</u>	<u>3,332,177</u>	<u>4,000,000</u>	<u>7,332,177</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
13. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Leasehold property £	Total £
Cost					
At 1 January 2024	184,889	301,424	67,664	384,398	938,375
Additions	-	7,455	-	-	7,455
At 31 December 2024	184,889	308,879	67,664	384,398	945,830
Depreciation					
At 1 January 2024	184,798	295,593	42,860	312,984	836,235
Charge for the year on owned assets	91	5,956	4,506	-	10,553
Charge for the year on financed assets	-	-	-	38,440	38,440
At 31 December 2024	184,889	301,549	47,366	351,424	885,228
Net book value					
At 31 December 2024	-	7,330	20,298	32,974	60,602
At 31 December 2023	91	5,831	24,804	71,414	102,140

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2024 £	2023 £
Leasehold property	32,974	71,414

14. Stocks

	2024 £	2023 £
Finished goods and goods for resale	-	981,159

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

15. Debtors

	2024	2023
	£	£
Due after more than one year		
Trade debtors	-	9,100
	<hr/>	<hr/>
	-	9,100
Due within one year		
Trade debtors	772,965	840,004
Other debtors	4,913,624	4,176,667
Prepayments and accrued income	242,762	389,579
	<hr/>	<hr/>
	5,929,351	5,415,350
	<hr/> <hr/>	<hr/> <hr/>

16. Cash and cash equivalents

	2024	2023
	£	£
Cash at bank and in hand	782,424	699,484
	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

17. Creditors: Amounts falling due within one year

	2024 £	Restated 2023 £
Bank loans	-	470,283
Trade creditors	1,704,083	1,712,345
Corporation tax	161,482	257,048
Other taxation and social security	2,303,470	1,721,344
Obligations under finance lease and hire purchase contracts	39,718	115,641
Other creditors	932,691	1,039,537
Accruals and deferred income	1,564,472	2,001,697
	<u>6,705,916</u>	<u>7,317,895</u>

The bank loan was secured by a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant & machinery. The bank loan was repaid in full during the year ended 31 December 2024.

Obligations under finance lease and hire purchase contracts are secured over the assets to which they relate.

Included in creditors was a loan from IWOCA funding amounting to £463,192 (2023: £474,967). The loan is unsecured with a market rate of interest and repayable within one year. The balance has been repaid in 2025.

18. Creditors: Amounts falling due after more than one year

	2024 £	Restated 2023 £
Net obligations under finance leases and hire purchase contracts	491,776	343,780
Trade creditors	22,842	-
Accruals and deferred income	396,200	30,193

19. Financial instruments

All financial instruments are held at amortised cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2024 £	2023 £
Within one year	39,718	115,641
Between 1-5 years	491,776	343,780
	<u>531,494</u>	<u>459,421</u>

21. Deferred taxation

	2024 £	2023 £
At beginning of year	(1,187,441)	(813,146)
Credited / (charged) to profit or loss	68,269	(374,295)
At end of year	<u>(1,119,172)</u>	<u>(1,187,441)</u>

The provision for deferred taxation is made up as follows:

	2024 £	2023 £
Accelerated capital allowances	(141,534)	(170,387)
Tax losses carried forward	286,395	123,639
Timing differences	1,489	6,790
Timing differences on research and development allowances	(1,265,522)	(1,147,483)
	<u>(1,119,172)</u>	<u>(1,187,441)</u>

22. Share capital

	2024 £	2023 £
Allotted, called up and fully paid		
1,000 (2023 - 1,000) Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

23. Reserves

Profit and loss account

The profit and loss reserve includes all current and prior period retained profits and losses.

24. Share-based payments

On 28 September 2015 the Company granted an approved Enterprise Management Incentive to certain senior employees. The terms of the incentive grant an option to the employee to acquire ordinary A shares amount to 5% of the total share capital of the Company at the date of exercise. The option to acquire these shares is exercisable only in the event of a significant reorganisation of the Company, at any time between the date the option was granted and 28 September 2025. There are no performance conditions attached to the options. Further options were granted on 9 March 2018 which are exercisable up to 9 March 2028.

On 28 September 2015 the Company granted an approved Enterprise Management Incentive to certain senior employees. The terms of the incentive grant an option to the employee to acquire ordinary B shares amount to 3% of the total share capital of the Company at the date of exercise. The option to acquire these shares is exercisable only in the event of a significant reorganisation of the Company, at any time between the date the option was granted and 28 September 2025. There are no performance conditions attached to the options. Further options were granted on 10 January 2017 which are exercisable up to 10 January 2027, and on 9 March 2018 which are exercisable up to 9 March 2028.

On 28 September 2015 the Company granted an approved Enterprise Management Incentive to certain senior employees. The terms of the incentive grant an option to the employee to acquire ordinary C shares amount to 2% of the total share capital of the Company at the date of exercise. The option to acquire these shares is exercisable only in the event of a significant reorganisation of the Company, at any time between the date the option was granted and 28 September 2025. There are no performance conditions attached to the options. Further options were granted on 10 January 2017 which are exercisable up to 10 January 2027, and on 9 March 2018 which are exercisable up to 9 March 2028.

25. Prior year adjustment

A prior year adjustment has been made to reclassify certain balances within the balance sheet to ensure appropriate presentation between current and non-current liabilities in accordance with FRS 102.

A review identified that an amount of £30,193, previously included within creditors: amounts falling due within one year, related to deferred income that will be recognised in periods beyond twelve months from the reporting date. This balance has therefore been reclassified to creditors: amounts falling due after more than one year.

In addition, net obligations under finance leases and hire purchase contracts totalling £343,780 have been reclassified within from creditors: amounts falling due within one year to creditors: amount falling due after more than one year to correctly present the portion due after more than one year.

These adjustments represent a change in classification only and have no impact on the prior year profit or loss, net assets, or cash flows.

Comparative figures have been restated accordingly.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

26. Pension commitments

The Company contributes to a defined contributions personal pension scheme for certain employees. The pension cost charge for the year was £36,599 (2023: £49,553) and the amount outstanding at the period end was £6,385 (2023: £24,451). The balance is included within other creditors.

27. Commitments under operating leases

At 31 December 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024 £	2023 £
Not later than 1 year	8,032	53,027
Later than 1 year and not later than 5 years	-	6,508
	<u>8,032</u>	<u>59,535</u>

28. Related party transactions

During the year, the Company was invoiced £177,386 (2023: £147,704) to Ancora Business Consultancy Limited, a company owned by Mr A T Whitford. There was no outstanding balance at the year end.

During the year, the Company was invoiced £83,492 (2023: £77,500) by Impact Commercial Consulting, an entity owned by Mr S Boardman. There was no outstanding balance at the year end.

During the year, the Company was invoiced £188,640 (2023: £110,040) by JMP Consulting, an entity owned by Mr J M Pepper. There was no outstanding balance at the year end.

29. Directors' advances, credit and guarantees

At the year end there was a loan due to the Company from Mr J M Pepper, a Director of the Company of £3,224,217 (2023: £2,676,963). Advances in the year totalled £547,566 (2023: £382,140) and repayments totalled £312 (2023: £21). No interest is charged on this loan. This balance is included within other debtors.

At the year end there was a loan due to the Company from Mr S Boardman, a Director of the Company, of £314,414 (2023: £234,414). Advances in the year totalled £80,000 (2023: £80,000). No interest is charged on this loan. This balance is included within other debtors.

At the year end there was a loan due to the Company from Mr A T Whitford, a Director of the Company, of £46,370 (2023: £13,657). Advances in the year totalled £33,324 (2023: £nil) and repayments totalled £611 (2023: £nil). No interest is charged on this loan. This balance is included within other debtors.

MANAGED247 LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

30. Post balance sheet events

Dividends totalling £600k were declared in September 2025.

31. Controlling party

The ultimate controlling party is deemed to be Mr J M Pepper by virtue of his majority shareholding in Managed247 Ltd.