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Built Cybernetics PLC
24 March 2025

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Built Cybernetics plc

("**Built Cybernetics**", the "**Company**", or, together with its subsidiaries, the "**Group**")

Audited results for the year ended 30 September 2024

Notice of Annual General Meeting ("AGM")

Built Cybernetics (AIM: BUC), the smart buildings group,announces its audited results for the year ended 30 September 2024 and Notice of AGM.

Highlights:

Financial

- Revenue less sub consultant costs (from continuing operations) up 38% to £19.5 million (2023: £14.1 million)
- Smart buildings revenues exceed architecture revenues for the first time
- Gross profit up 24% to £14.3 million (2023: £11.5 million)
- Trading recovery in the second half, with full year losses contained within the first half of the year
- Trading loss before tax (from continuing operations) of £536,000 (2023: profit £28,000)
- £1.24 million of exceptional items (2023: £0.38 million)
- Post tax loss £1.71 million (2023: profit £92,000)
- Loss per share 0.54p (2023: profit per share 0.04p)
- Net debt down 88% to £253,000 (2023: £2.14 million)

Operational

- First sale of Smart Core Enterprise Licence for a six-figure sum, with ongoing support revenues
- Acquisition of ecoDriver business whose proprietary software identifies waste energy in commercial buildings
- Acquisition of the Vanti assets accompanied by a £0.425 million equity fundraise
- Launch of employee share purchase schemes - staff (excluding directors/PDMRs) now own around 8% of the company, up from 1% two years ago, primarily through continuing on-market purchases

Post period end

- Performance in the first half of the current financial year is materially better than in the year under review
- Launch of EDDIE, ecoDriver's Retrieval Augmented Generative (RAG) AI chatbot which links to users' own building energy usage data for highly tailored support on saving energy
- Company name changed to reflect the growth strategy as a PropTech group drawing on our deep architectural expertise and contacts

- Launch of new website designed for prospective and existing investors
- Attendance at Master Investor Show planned for 29 March 2025 to raise profile with investors

Clive Carver, Chairman, commented:

"This was a transformational year. The evolution from a pure architecture business to a business lead by smart buildings drawing on our strong architecture heritage quickened significantly, with smart building revenues exceeding architecture revenues for the first time. We believe there is significant opportunity for growth within the smart buildings sector and look forward to the future with excitement and optimism."

Nick Clark, Chief Executive, commented:

"We are building a next-generation property technology group, combining smart buildings expertise with unparalleled contacts and influence from our architecture businesses.

Our recent progress demonstrates the potential of our model, and we see significant opportunities ahead, whether through strategic or opportunistic acquisitions, from organic growth in each business, and increasingly from cross-selling opportunities. As the smart buildings sector evolves, we intend to lead the way, leveraging our architectural heritage and AI capabilities to create a group which delivers an intelligent, efficient, and sustainable built environment."

The 2024 audited accounts and Notice of AGM will be available today on the Company's website (www.builtcybernetics.com), as well as a summary video where the executive team discusses the results. The accounts and notice of AGM are being posted in the coming week to those shareholders who have elected to receive a printed version. The AGM will be held at the Company's registered office, 10 Bonhill Street, London EC2A 4PE, on Thursday 26 June 2025 at 10am.

For further information, please contact:

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About Built Cybernetics plc

Built Cybernetics is a London-quoted PropTech group delivering Smart Buildings and related services. The Group is uniquely positioned to ensure the technical systems that run modern premises are designed as an integral part of the structure, from the outset.By cross-selling smart buildings services alongside our renowned architecture projects, the Group's strategy positions Built Cybernetics plc to build beyond one-off project fees and generate scalable and recurring revenues for our investors.

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Chairman's statement

Introduction

We are pleased to present the financial statements for the year ended 30 September 2024.

Overview

While we made encouraging progress towards achieving our strategic objectives our financial performance was disappointing. Despite increasing turnover by 38% and gross profit by 24% the Group lost approximately £0.5 million from trading. The Group also lost a further approximately £1.2 million from a combination of the write down of a freehold property; the impairment of investments; acquisition costs; the accounting loss on the disposal of a subsidiary; and a supplementary call required by our UK Architecture's professional indemnity insurer to meet a regulatory requirement to strengthen its capital base.

Encouragingly, the Group's performance in the second half of the financial year was, as expected, significantly better than in the first six months, with the property sale at the end of the financial year also greatly reducing our debts.

Strategy

We are coming to the end of the second year in the Group's transition from pure architecture to one where the provision of smart buildings services forms the core of the Group's activities. As set out more fully in the Chief Executive's report we remain convinced that this is the best way to maximise shareholder value.

The additional burden from the last UK budget, which we estimate will add at least £0.25 million to our annual cost base from April 2025 through the increase in employer's national insurance, has highlighted the need to press on with our plans to become a leading property technology focused business. In that regard, and as more fully set out in the Chief Executive's Report, the Group's name has changed to Built Cybernetics plc.

Maximising the benefits of our public listing

The costs associated with being a public company seem to grow each year with little or no obvious additional benefit for shareholders. Additional regulation inevitably results in additional costs, most acutely seen with our prior year audit costs reaching £0.3 million, charged by our previous auditor. We have taken steps to significantly reduce our regulatory costs but we are fully aware there is a level below which they cannot fall.

However, unlike many other smaller companies we have no plans to delist but rather to make our public listing work for the benefit of shareholders. This requires that we become a much larger entity which, as set out more fully in the Chief Executive's Report, we intend to achieve

through a combination of organic growth and growth by further targeted acquisitions, in the smart building space and more generally as opportunities arise.

Outlook

Trading in the first half of the current financial year has started much better than the year under review and we look forward to the future with confidence.

Clive Carver
Chairman
21 March 2025

Chief Executive's Report

Introduction

I am pleased to present this review of the year ended 30 September 2024 and to set out our plans for the future. While the financial result is disappointing we made important progress towards achieving our strategic goals and I am excited by the opportunity ahead of us.

Trading review

The financial year under review includes 12 months' trading from most of the Group's businesses but we had the benefit of the Vanti assets for only the final six months of the period.

The Group was active across a wider range of activities than in recent years with revenue increasing to £19.7 million, of which architectural services accounted for £9.6 million or 48% of the total; the first time in the Group's history that the majority of revenue has not come from architectural services. However, profitability suffered from the investment required to build up our smart buildings capabilities, from delays to the start of a number of projects and other challenges.

Performance in the two halves of the year was very different. The Group made a profit from its architecture businesses in the first half, but losses in the rest of the Group plus increased central costs pushed us to a loss overall.

In the second half as expected both the smart buildings and architecture divisions reported trading profits at a level sufficient collectively to more than cover central costs. Despite the write down of the goodwill associated with the acquisition of Anders + Kern the Group achieved a small trading profit overall in the second half, which reduced the pre-tax loss for the year as a whole.

Smart Buildings

The vision

We plan to create significant shareholder value by building a technology led property services group drawing on our strong architecture heritage.

As a reminder, smart buildings integrate advanced technologies, data analytics, and automation to create vibrant ecosystems. They optimise energy consumption, streamline operations, and personalise experiences for occupants. By leveraging the Internet of Things (IoT) and artificial intelligence (AI), smart buildings offer real-time monitoring, energy savings, improved comfort, proactive maintenance, and cost reduction.

The business model

In comparison with pure architecture a smart buildings business model has two fundamental advantages essential to create shareholder value, namely scalability and longevity.

- Selling property related software and services not constrained by the need to take on ever increasing numbers of staff provides an ability to scale revenues disproportionally to costs, which does not exist where income is principally the function of hours charged.
- Architects also typically primarily get paid during a building's planning and construction phases whereas with smart buildings a greater degree of income can be generated throughout the entire life of the building.

The Group's unique advantage is its ability to draw on its architecture heritage to help generate and convert smart buildings leads at an earlier stage than a business solely operating in the smart buildings space.

Smart buildings businesses

The Group's smart buildings businesses reported a trading profit, before property write downs and central management charges of approximately £86,000 on revenues of £10.2 million.

Vanti

Vanti is the focus of the Group's smart buildings activities. It has been created by rebranding Torpedo Factory Ltd, the master systems integrator we acquired in March 2023 as part of the Torpedo Factory Group purchase and which was the subsidiary we used to acquire the Vanti assets in March 2024.

The expanded Vanti business leads our principal smart buildings activities. As master systems integrators, Vanti transform buildings into intelligent environments where people want to work, play, and learn. Their proprietary software is used in sites with over 2 million square feet of floorspace, in locations from Santa Monica to Singapore, from Birmingham to Bahrain.

Vanti reported a particularly strong second half, including the first sale of the Enterprise edition of Smart Core, Vanti's open source Building Operating System, to the owners of a notable skyscraper in the City of London.

Stage Technology

The TFG Stage Technology business delivers technology system integration for theatres and other performance venues.

Stage Technology had a disappointing year after the completion in September 2023 of its largest ever project, suffering from the lack of a similar-sized project to replace it. The Stage Technology business is typically seasonal with the summer months usually accounting for a good proportion of annual sales. However, in the year under review and for a variety of reasons that summer boost was delayed, with the expected upturn not starting until September 2024.

ecoDriver

ecoDriver provides energy monitoring software, energy efficiency consulting services and the provision of sensors and other hardware to monitor energy usage.

Revenues grew strongly, albeit from a low base, but were not quite sufficient to generate a profit as costs increased at a faster rate reflecting the Group's continued investment principally to build out the sales team.

ecoDriver's in house developers created an Artificial Intelligence application during the year to overcome a barrier to the rate at which the business can scale. Once ecoDriver's software is monitoring a site, the client generally needs help evaluating how best to act on the data. ecoDriver's sustainability engineers are on hand to help them through this process. However, one of the challenges is that the client needs educating in this field and this can take up engineering time. To combat this the team developed EDDIE, the ecoDriver Data Intelligence Engine, an AI chatbot which connects to a specific site's data, and can provide helpful insights into the way energy is used. This frees up the company's sustainability engineers meaning the number of sites that one engineer can cover is significantly higher.

Anders + Kern

Anders + Kern is a distributor of hardware and software for the installation of room and desk booking systems and other workplace technology.

Anders + Kern's clients are generally system integrators many of whom need help taking advantage of the opportunities offered by smart buildings. The company had a difficult year, the principal cause of which was the impact of manufacturers of two of its largest product lines changing ownership, with both new owners having existing alternative routes to market.

We responded by substantially reducing overheads in order to sharply reduce losses. The longer term strategy is to use the Anders + Kern client base to distribute the software that the group develops, to increase the speed of deployment.

Architecture

The Group has two established UK architecture businesses, Veretec, which offers executive architecture services - often in partnership with pure design architects - and Aukett Swanke Limited, which offers a full design service. Additionally the Group owns 25% of Aukett +

Heese, a leading Berlin based architecture practice and 50% of Aukett + Heese Frankfurt, an architecture and general planning practice serving businesses in the Frankfurt area.

In addition to their cash contributions from their core activities these businesses are also tasked to help facilitate the growth in smart buildings revenues.

Veretec

Veretec provides executive architecture services in partnership with other design architects and now employs over 65 full time equivalent fee earning staff. The business has grown steadily in recent years as executive architecture becomes a more established part of the wider architecture scene, particularly in London. Veretec is a true leader in this part of the market and is showing strong growth.

Veretec met its revenue target during the year, with sales of £5.9m representing growth of 11.2% on the prior year.

In the current financial year Veretec has secured a number of sizeable projects, particularly in the West End of London, including a luxury hotel in Mayfair. Veretec is also expanding its successful work monitoring projects, and following the legislative changes that have emerged from the Grenfell tragedy has trained up staff to fulfil the important Principal Designer role created by the Building Safety Act.

Aukett Swanke Limited

Aukett Swanke Limited (ASL) provides a full architectural and interior design service and now employs approximately 23 full time equivalent fee earning staff. By its very nature ASL's business is lumpy, typically with a small number of relatively large contracts. A major hotel project in Midtown London for which ASL was appointed repeatedly missed deadlines for securing project finance and was subsequently sold to new developers.

Since the end of the financial year under review ASL has begun to see movement on larger projects. One such project was the hotel in Midtown London mentioned above, where we are delivering the project despite the change in ownership. Converting one or more additional larger projects would provide a sufficient pipeline to underpin the studio's current cost base for several years.

A key attribute of the ASL business is its ability to open up smart buildings opportunities for other parts of the Group, and progress on this has been pleasing. As such pure profitability is not the only basis on which we assess ASL's contribution.

German investments

The Berlin business employs approximately 121 full time equivalent architects and generated a solid performance, with profits of approximately €1.2 million before management charges and local tax on gross revenue of €18.3 million and with cash balances of approximately €2.4 million at 30 September 2024.

Frankfurt is a smaller business, serving a smaller metropolitan area and employs 11 full time equivalent architects. It broadly broke even on revenues of €1.4 million.

Both German businesses are accounted for as associated undertakings, which means we do not include their results in the consolidated revenue and operating profit numbers.

In total the Group received approximately £0.3 million in management charges and dividends from our German investments. As under German accounting rules dividends can only be paid after a contract has been completed, regardless of any income received during the life of such a contract and with contracts sometimes lasting for several years, there is an inevitable delay in receiving dividend payments that under UK accounting rules could be made years earlier.

While the accounting carrying value of our German investments is £1.0 million we regard their true commercial value as being much greater.

Central costs

The Group's central costs, being the costs of the central management team and all the costs associated with being a publicly listed company, are too much for a Group of our size. We are seeking to reduce these costs where we can - in particular we have already made significant savings from the change of auditor.

We recognise there is little point being a public company with a market capitalisation much below £50 million and more realistically £100 million. Our plan is therefore to grow rapidly and in so doing the central costs will be absorbed over a wider base.

Funding

The losses recorded in the first half of the financial year created pressure on the Group's working capital, which improved during the remainder of the financial year as the result of better trading, asset sales and cost cutting.

In September 2024 we completed the sale of the freehold building acquired at the time of the TFG acquisition for a cash consideration of £2.5 million plus VAT, with the proceeds of the sale being used to pay down Group debt.

Additionally, during the year under review we completed an exercise intended to reduce annual costs by £2 million, with the principal savings being freehold property finance and operating costs, general regulatory and administrative costs and by removing 12 full time equivalent positions in Aukett Swanke Ltd, 9 in Vanti/TFG Stage Technology, and 4 in Anders + Kern.

Current trading

Performance in the first half of the current financial year is materially better than in the year under review.

We are particularly encouraged by progress across most of our smart buildings businesses. Vanti and TFG Stage Technology have a large pipeline of work and a number of exciting prospects, and ecoDriver is growing strongly. We are merging the Vanti and TFG Stage Technology entities in one company to create operating efficiencies and to reduce costs further. Anders + Kern is building its way back to profitability following the loss of the two major supplier relationships through circumstances outside its control.

At our architecture businesses, trading at Veretec remains strong with headcount continuing to increase to support a growing workload and increasing revenues, with record profitability targeted. At Aukett Swanke Limited trading remains dependent on the progress of a relatively small number of high value projects.

Our German investments look set to have an improved performance this year off the back of some notable contract wins. Berlin looks set to deliver another reliable performance and Frankfurt has secured sizeable contracts with two EU agencies so should have a strong year.

The costs reduction actions referred to above have also led to lower central costs.

Future plans

Our focus is on building a profitable smart buildings core for the Group aided by the contacts and extensive property market expertise in our architecture businesses.

As has been widely reported, there are difficulties in obtaining expansion funding for businesses of the size of interest to us. This presents opportunities, as this shortage of investment capital is leading to otherwise viable projects and companies becoming distressed assets, with only limited competition to take them forward. In short it is a buyers' market.

In the first 12 months under the new strategy we completed four acquisitions and have used the time since to focus on their integration. We now wish to move forward with the next set of acquisitions, based principally around building out our smart buildings activities.

We have divided these acquisition opportunities into three categories. The first covers growth businesses which have run out of funding and which can be acquired at a low cost, such as Vanti, where for a minimal outlay we have acquired something potentially worth a great deal. The second category covers more established businesses, which we believe would justify an element of dilution for the commercial benefits they would bring. A third category covers opportunistic acquisitions where there is a clear commercial rationale either to provide funding for the Group as a whole or to add sustainable earnings or assets.

I would like to thank our employees for their support and fortitude in a challenging year, particularly those who continue to purchase our shares each month, showing their confidence in our vision. We are excited by the opportunity ahead and I look forward to sharing news of our progress.

Running an AIM company is a privilege offered to few entrepreneurs and I intend to take full advantage of the quote to show how a valuable PropTech group can be built.

Current and prospective shareholders are encouraged to visit our investor-focused website atwww.builtcybernetics.comand sign up to receive updates and engage with the business.

Nick Clark
Chief Executive

Financial review

The headline financial results of the Group were:

	2024 £'000	2023 £'000
Continuing operations		
Revenue	19,716	14,335
Revenue less sub consultant costs[1]	19,451	14,103
Cost of sales	(5,198)	(2,627)
Net operating expenses	(14,997)	(11,869)
Other operating income	500	326
Net finance costs	(448)	(246)
Share of results of associate and joint ventures	156	341
Trading (loss)/profit from continuing operations	(536)	28
Acquisition costs	(41)	(379)
Revaluation of freehold property	(585)	-
Loss on disposal of subsidiary	(88)	-
Goodwill impairment	(260)	-
Supplementary call levy to mutual insurer	(264)	
Loss before tax from continuing operations	(1,774)	(351)
Tax credit	94	433
(Loss)/profit from continuing operations	(1,680)	82
(Loss)/profit from discontinued operations	(27)	10
(Loss)/profitfor the year	(1,707)	92

[1] Alternative performance measure, refer to page 16 for definition

The result for the year is split between continuing operations and the discontinued Middle East operations.

Segmental analysis from continuing operations

Year ended 30 September 2024	Smart Buildings £'000	Architecture £'000	Group costs* £'000	Total £'000
Revenue (excluding sub consultants costs)	10,152	9,299	-	19,451
Gross profit	4,954	9,299	-	14,253
Trading (loss)/profit	(289)	405	(652)	(536)
Non-trading costs	(859)	(352)	(27)	(1,238)
(Loss)/profit before tax	(1,148)	53	(679)	(1,774)

Year ended 30 September 2023	Smart Buildings £'000	Architecture £'000	Group costs* £'000	Total £'000
Revenue (excluding sub consultants costs)	5,283	8,820	-	14,103
Gross profit	2,656	8,820	-	11,476
Trading profit/(loss)	607	183	(762)	28
Non-trading costs	(144)	-	(235)	(379)
(Loss)/profit before tax	463	183	(997)	(351)

*Group costs are shown net of management charges to subsidiaries, and the German associate and joint venture. Group costs excluding income from management charges are disclosed in Note 4.

Overview

The Group reported a trading loss of £536k (2023: profit £28k) principally as the result of the continuing investment in our smart buildings activities and the high central cost burden for a Group of our size.

Group revenues

Revenues for the year from continuing operations were £19.72m, an increase of 37.5% on the previous year (2023: £14.34m). Revenues less sub consultants increased by 37.9% to £19.45m (2023: £14.10m), with subconsultant costs increasing by 31.0% to £0.30m (2023: £0.23m).

This significant increase in revenue is due to the full year of consolidated revenue from the Torpedo Factory Group (comprising Vanti Ltd and TFG Stage Technology Ltd) and Anders + Kern operations following their acquisitions during the prior year, as well as revenue following the ecoDriver acquisition in the year together with a six month's contribution from the Vanti assets acquired in March 2024.

Smart Buildings businesses

Torpedo Factory Group (including Vanti and TFG Stage Technology)

	2024 £'000	2023 £'000
Revenue	8,592	4,816
Gross Profit	4,200	2,503
FTE technical staff[1]	24	14
Net revenue per FTE technical staff[1]	358	344
(Loss) / profit before tax (excluding Group management charges)[1]	(373)	467
(Loss) / profit before tax (including Group management charges)	(625)	401

[1]Alternative performance measures, refer to page 16 for definition

Basis of inclusion

The results shown above for the prior year related only to the performance from the date of acquisition of Torpedo Factory Group Limited on 20 March 2023, when its results were consolidated into the Group, and therefore represented just over 6 months' trade for the year ended 30 September 2023. Much of the year on year increase in revenue and gross profit is therefore due to a full year of consolidated trade in the reporting year.

Results

The loss before tax includes a one-off£585k cost of revaluation of The Old Torpedo Factory freehold property sold during the year, and £14k relating toRTS Technology Solutions Limited ("Vanti") assetsacquisition costs.

Excluding this exceptional cost gives a more comparable year on year indication of the trading performance of these operations, which would show a profitbefore tax (excluding Group management charges) of £226k.

TFG was behind expectations at the half-way stage in its performance in what was a year of significant change. This included the purchase of certain assets of RTS Technology Solutions Ltd on 20 March 2024 in its Torpedo Factory Ltd subsidiary (renamed Vanti Ltd on 9 October 2024) and the sale of the freehold of its main operational hub The Old Torpedo Factory on 17 September 2024. This raised working capital for the wider group and reduced costs from an underutilised premises. Encouragingly, TFG returned to profitability in the second half of the financial year.

The subsidiary Vanti Ltd contributed the majority of the TFG profit with a strong performance in its projects department off the back of its expedited move to master systems integration work from the acquisition of the Vanti assets. Software revenue increased recurring revenue within the service department, making the company less reliant on new project wins.

TFG Stage Technology Ltd performed poorly after a record breaking previous financial year. Much of this was due to the lack of a comparable replacement for its largest ever project in 2022/23. TFG Stage Technology's pipeline and work in progress significantly increased towards the end of the financial year under review providing greater stability to future revenue streams.

The property sale in September 2024 will also result in a significantly reduced overhead for Vanti as a result of being able to move its operational hub to Birmingham where a large proportion of its staff are based.

Anders + Kern

	2024 £'000	2023 £'000
Revenue	1,083	467
Gross Profit	347	153
FTE technical staff[1]	1	1
Net revenue per FTE technical staff[1]	1,083	467

(Loss) / profit before tax (excluding Group management charges)[1]	(162)	62
(Loss) / profit before tax (including Group management charges)	(215)	62

[1]Alternative performance measures, refer to page 16 for definition

The results shown above for the prior year related only to the performance from the date of acquisition on 14 July 2023, when its results were consolidated into the Group, and therefore represented just over 2 & 1/2 months' trade for the year ended 30 September 2023.

Anders + Kern U.K. Ltdperformed significantly behind expectations. The company lost key distribution rights and is now transitioning to be more focussed on SaaS and smart building revenue streams. The company's cost base has been realigned to match its level of activities in the current financial year.

ecoDriver

	2024 £'000	2023 £'000
Revenue	477	-
Gross Profit	407	-
FTE technical staff[1]	2	-
Net revenue per FTE technical staff[1]	239	-
Loss before tax (excluding Group management charges)[1]	(5)	-
Loss before tax (including Group management charges)	(48)	-

[1]Alternative performance measures, refer to page 16 for definition

The results shown above for the current year related only to the performance from the date of acquisition on 17 October 2023, when its results were consolidated into the Group, and therefore represented just under 11 & 1/2 months' trade for the year ended 30 September 2024.

ecoDriver grew strongly in its first year of ownership by the Group, with revenue of £477k with second half revenue 21% higher than the first half. The segment recorded a small loss excluding group management charges, with £110k of software development costs being capitalised. Approximately 30% of ecoDriver's revenue is recurring, under long term contracts for software licence fees and advisory services.

Architecture businesses

United Kingdom Architecture

	2024 £'000	2023 £'000
Revenue	9,525	8.858
Revenue less sub consultant costs[1]	9,260	8,692
FTE technical staff[1]	92	85
Net revenue per FTE technical staff[1]	101	102
Profit before tax (excluding Group management charges)[1]	250	202
Loss before tax (including Group management charges)	(20)	(94)

[1]Alternative performance measures, refer to page 16 for definition

The UK's architecture revenue increased 7.5%, and stripping out pass through subconsultant costs revenue increased 6.5% year on year.

With net revenue per full time equivalent technical staff remaining broadly constant with the previous year the increase in revenues together with the cost cutting actions referred to in the Chief Executive's report fed through to an increase in the contribution of the UK architecture businesses both before and after central management charges.

The loss before tax includes a provision of£264,000relating to a call from The Wren, a mutual insurance organisation of which the Group's UK Architecture businesses are members and through which they obtain their professional indemnity insurance, tomeet a regulatory requirement to strengthen its capital base.

Improvements in the market in the final quarter of the year saw significant new enquiries and success, Veretec in particular converting the enquiries into confirmed work. As a result, Veretec started the year commencing 1 October 2024 with a much stronger order book and has been undertaking significant levels of recruitment.

Continental Europe

The principal components of the Continental Europe hub are the two German investments, for which under the prevailing accounting rules we do not show revenue and costs but only report our share of profits.

	2024 £'000	2023 £'000
Revenue	39	194
Revenue less sub consultant costs[1]	39	128
FTE technical staff[1]	2	6
Net revenue per FTE technical staff[1]	20	21
Profit before tax (excluding Group management charges)[1]	204	423
Profit before tax (including Group management charges)	73	277
Including 100% of associate & joint ventures		
Total revenues under management	16,862	18,317
Revenue less sub consultant costs[1]	11,487	12,491
FTE technical staff[1]	117	121
Net revenue per FTE technical staff[1]	98	103

[1]Alternative performance measures, refer to page 16 for definition

The hub result before tax(including Group management charges), including the joint venture and associate in Germany, was a profit of £73k (2023: £277k).

Continental Europe's result is materially dominated by the associate in Berlin and joint venture in Frankfurt. The year to 30 September 2024 represented another profitable year, albeit down on the prior year, as the operations experienced a significant slowdown in the local market, primarily in the residential sector. However, they together still contributed £157k (2023: £341k) profit (including Group management charges)to the Continental Europe result.

Reported revenues comprise the Turkish subsidiary for the 3 months up to the sale of the operation in December 2023. Revenues therefore decreased to £39k (2023: £194k), with revenue less subconsultant costs of £39k (2023: £128k). The operation made a £4k profit before tax across those months, however the segment result includes a charge of £88k being the accounting loss on disposal.

Total revenues under management decreased 7.9%, whilst revenue less sub consultant costs decreased 8.0%. Staff numbers decreased to 117 FTEs (2023: 121), due to the sale of the Turkish subsidiary. Lower efficiency in Germany due to market driven project pauses and delays led to a decrease in net revenue per FTE technical staff to £98k (2023: £103k) and with it the reduction in profitability.

Middle East - discontinued operation

	2024 £'000	2023 £'000
Revenue	-	2
Revenue less sub consultant costs[1]	-	-
FTE technical staff[1]	-	-
Net revenue per FTE technical staff[1]	N/A	N/A
(Loss)/profit before tax (excluding Group management charges)[1]	(27)	10
(Loss)/profit before tax (including Group management charges)	(27)	10

[1]Alternative performance measures, refer to page 16 for definition

Following the disposal of John R Harris & Partners (JRHP) in April 2022, and management's decision to take on no new projects and transition to cease activities in the region, costs were nominal in the year.

The Middle East hub continues to be treated as a discontinued operation.

Financing

The year under review and subsequently has seen a marked improvement in the Group's cash position.

The net deficit (see note 25) at the year-end was significantly lower than the prior year as a result of the cash generated from the sale of The Old Torpedo Factory freehold property sale, from which the mortgage on the freehold was fully repaid, along with a partial prepayment against theCoronavirus Business Interruption Loan Scheme ("CBILS")loan TFG has with NatWest.

The year-end deficit was £253k (2023: £2,140k), comprising cash of £353k (2023: £522k), cash included in assets held for sale (see note 28) of £nil (2023: £30k), a net overdraft of £164k (2023: £122k), the balance of the Coutts CBILS loan fully paid off in the year £nil (2023: £167k), the NatWest CBILS loan reduced to £417k (2023: £992k), and the mortgage paid off £nil (2023: £1,411k). WhenTRCS (renamed ecoDriver) was acquired in Oct-23 it had a Lloyds Banking Group loan facility guaranteed by the Bounce Back Loan Scheme (BBLS), the balance as at 30 September 24 was £25k.

The Group's £250k overdraft facility from its bankers Coutts & Co was renewed in September 2024 for 6 months to 31 March 2025, continuing to provide working capital flexibility and to support the UK Architecture businesses. Coutts have indicated they intend to extend an overdraft for a longer period and will review the amount at the renewal date. This is discussed further in note 1.

The Coutts CBILS loan set out in note 24 was arranged with Coutts & Co in response to the challenges impacting trade incurring losses during the COVID pandemic. The loan was repayable over 3 years with a 12 month payment holiday, and the first instalment made in June 2022, to be paid back in 24 monthly instalments through to May 2024. The final payment on the loan was made as scheduled during the year.

Vanti Ltd and TFG Stage Technology Ltd have a combined Invoice Finance Agreement with Bibby Factors, amounts due in respect of this facility are disclosed under other creditors. The companies can use these facilities to draw down a percentage of the value of certain sales invoices and applications. This is limited to a maximum draw down of £540k across both companies with a year-end balance drawn of £535k, this is secured by way of debenture.

Going Concern

Overview

As set out more fully in the Chief Executive's report the Group's two divisions are trading well, with strong order books, circumstances which, in the Directors' opinion, are sufficient to allow the Group's debts to be discharged as they fall due.

In the event trading deteriorates the Group has a number of actions it could take to mitigate funding pressure, including an existing undrawn financial facility of £920k.

Basis of the board's opinion

The Board has produced cash flow forecasts for a period of 18 months from the approval of these financial statements,which comprise detailed income statements, statements of the financial position and cash flow statements for each of the Group's operations. The Board has also consideredthe risks and uncertainties associated with the principal operations and the funding position in general, including the consideration of a number of differing scenarios based on varying trading performance across the Group.

The Group's forecasts are prepared using information on secure contracted work and potential work which is deemed to have a greater than 50% chance of being undertaken, with the income figures suitably discounted, and on new work based on historical experience.

Acquisitions

The Board's stated intention is to achieve a leading presence in the provision of smart buildings services through a combination of organic growth and targeted acquisitions. To date, the Group has made four Smart Building related acquisitions and plans to make others in the coming months and years. Inevitably this requires an element of cash, as part of the purchase consideration and for the associated professional fees.

However, in connection with this assessment of going concern the Directors note that each such acquisition is a discretionary event, as is the proportion of any consideration paid in cash. The Board's intention is to avoid placing undue stress on the Group's cashflows from expanding at a pace faster than can be sensibly funded.

Bank debt

As at 30 September 2024 total borrowings were significantly lower than the prior year at £606k (2023: £2,692k), as the Group paid off the final balance of the Coutts CBILS loan, repaid the balance of the mortgage on completion of the sale of the freehold property and made significant payments on the NatWest CBILS loan. Of this balance, current borrowings were £522k (2023: £2,050k).

The Coutts overdraft is due for renewal from 31 March 2025. Based on discussions to date the board expects a facility to be offered on an acceptable basis.

Mitigating action

Should either the cash generation from the Group's existing business units decline or the push for growth in the smart buildings arena lead to a prolonged shortfall in cash the Board has the following funding or mitigating options beyond the typical cost cutting in the face of declining activities:

- Vanti Ltd has received a time limited fully approved offer for a £920k loan which can be drawn down if needed.
- The Board also believes that the existing invoice discounting facility may be extended to a larger limit.
- The Group is currently paying off its liability in respect of state-backed funding provided during the Covid pandemic. The CBILS loan drawn by TFG will be fully repaid by July 2026. By replacing this debt with a new facility repayable over a longer period the annual cash costs associated with this debt would fall.
- The Board believes the commercial value of a number of its businesses and investments is substantial in relation to the Group as a whole and if necessary could be realised at values which are in excess of book value.
- As a company with shares quoted on the London Stock Exchange there is the option to seek additional equity investment from the issue of new shares, as was demonstrated by the share subscription in connection with the Vanti transaction.
- The Group has outstanding warrants entitling holders to subscribe £375,000 of cash for new shares. The exercise price is 1 penny per share, which is a significant discount to the current market price, and it is therefore reasonable to expect the warrants will be exercised prior to their expiry in April 2027.

Other funding and mitigating options available to the board are also discussed in note 1.

Based on forecasts prepared and reviewed for the period to 30 September 2026, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future.For this reason, the Board considers it appropriate to prepare the financial statements on a going concern basis.

The going concern statement in the Directors' report and corresponding section in note 1 provide a summary of the assessments made by the directors to establish the financial risk to

the Group over the next 12 months. This is further supplemented by the principal risks and uncertainties section in the Strategic Report.

Key Performance Indicators ("KPIs")

The key performance indicators used within the Group for assessing financial performance are:

- Revenue less sub consultant costs which reflects the revenue generated by our own technical staff but excludes the revenue attributable to sub consultants, which are mainly passed through at cost. This is the key driver of profitability for our business, and is discussed by segment on pages 9 to 14;

- Revenue less sub consultant costs being generated per full time equivalent (FTE) technical member of staff ('net revenue per FTE technical staff'). This KPI is only analysed on a segmental basis and calculations for each segment can be found on pages 10 to 14;

- Result before taxation (excluding Group management charges), and result before taxation (including Group management charges), which are further assessed on pages 10 to 14;

- Cash at bank and in hand and net funds / (debt), which is assessed further on page 2.

- Full time equivalent technical members of staff are given for each hub on pages 10 to 14.

Antony Barkwith
Group Finance Director
21 March 2025

Strategic report

The Directors present their Strategic Report for the Group for the year ended 30 September 2024.

Strategy

We aim to create shareholder value over the medium and longer terms through the provision of smart building services to the property sector drawing on our extensive architecture heritage. At the same time we aim to provide an attractive and rewarding working environment for our staff.

On 27 February 2025, in recognition of the progression of the Group's strategy, the Group's name was changed to Built Cybernetics plc.

Business Model

Smart Buildings

We intend to establish a leading presence in the delivery of smart buildings services, which entails acquiring and developing our own smart buildings software and the provision of support services.

We have completed four related acquisitions and for the first time in the Group's history income from non-architecture activities exceeds income from architecture.

As this side of the Group's activities continues to develop and as we further develop our own systems the proportion of income represented by software licencing and related services is expected to increase. In so doing this element of the Group's business will be far more scalable than the traditional architecture model, where growth generally requires the recruitment of additional staff and once a project is completed there is no further revenue.

Architecture

Our architecture and interior design businesses operate in the UK and Germany. Our operation in Turkey was sold to local management in December 2023, and along with other locations will continue to operate through licence based arrangements where the responsibility for profit rests with local management and owners.

The United Kingdom hub comprises two principal service offers: an executive architectural delivery service operating under the Veretec brand, and a comprehensive architectural design including master planning, interior design and fit-out capability under the Aukett Swanke brand.

Additionally, we have equity interest in leading architecture practices in Berlin and Frankfurt and brand licence arrangements in the UAE and Turkey.

Our architecture business model is to charge on a time or project basis for the work of our professional staff.

Principal Risks and Uncertainties

The directors consider the principal risks and uncertainties facing the business are as follows:

Geo-political factors

Political events and decisions, or the lack thereof, can seriously affect the markets and economies in which the Group operates, leading to a lack of decisions by government bodies and also by clients. More specifically anything that creates or adds to economic uncertainty

has the possibility of delaying long term property related investment decisions. In turn this directly impacts workload and can even delay committed projects.

Levels of property development activity

Changes in development activity levels have a direct impact on the number of projects that are available. These changes can be identified by rises and falls in overall GDP, construction output, planning application submissions, construction tenders and starts, investment in the property sector and numbers of new clients.

In addressing this risk, the Group considers which markets and which clients to focus upon based on the strength of their financial covenant so that there is clear ability to provide both project seed capital and geared funding to complete the delivery process.

Share price volatility

A strong share price and higher market capitalisation attract new investors and provide the Group with greater flexibility when considering M&A activity. Conversely a weaker share price affords the Group less flexibility.

The widely reported issues with AIM, which in 2024 lost 9% of its companies remains a concern, but one outside the Company's control.

Technical Risk

There can be no guarantee that the Group's current competitors or new entrants to the markets in which the Group's businesses operate will not bring superior technologies, software, products or services to the market which, in consequence, make the Group's current offerings obsolete. The Group therefore needs to enhance and develop these offerings and will need to anticipate or respond promptly and successfully to technological change. If the Group is unable to do this sufficiently well, or at all, it may be at a significant disadvantage to the competition. The Group seeks to mitigate this risk through, inter alia, a well structured development programme and ongoing investment in its software and by staying abreast of market trends.

Operational gearing and funding

As a small but acquisitive Group we have a relatively high level of operational gearing, through staffing, IT and property costs, which makes it difficult to reduce costs sufficiently quickly to immediately avoid losses and associated cash outflows when faced with sharp and unpredicted falls in revenue.

Nevertheless in 2024 we instigated a £2.0 million cost savings programme which, together with the disposal of a freehold property for £2.5 million in September 2024, improved the position.

The Directors seek to ensure that the Group retains appropriate funding arrangements and regularly and stringently monitor expected future requirements through the Group's annual budgeting, monthly forecasting and cash flow, and weekly and daily cash reporting processes in order to react immediately to a required change with maximum flexibility.

Staff skills and retention

Our business model relies upon a certain standard and number of skilled individuals based on qualifications and project track record. Failure to retain such skills makes the strategies of the Group difficult to achieve.

The Group aims to ensure that knowledge is shared and that particular skills are not unique to just one individual.

The Group conducts external surveys to ensure that salaries and benefits are appropriate and comparable to market levels and endeavours to provide an attractive working environment for staff.

Staff training programmes, career appraisals and education assistance are provided, including helping our professionally qualified staff comply with their continuing professional development obligations. Training programmes take various forms including external courses and external speakers.

Quality of technical delivery

In common with other firms providing professional services, the Group is subject to the risk of claims of professional negligence from clients.

The Group seeks to minimise these risks by retaining skilled professionals at all levels and operating quality assurance systems which have many facets. These systems include identifying specific individuals whose roles include focusing on maintaining quality assurance standards and spreading best practice.

The Group's UK architecture operation is registered under ISO 9001 which reflects the quality of the internal systems under which we work. As part of these registrations an external assessor undertakes regular compliance reviews. In addition, as part of its service to members, the Mutual, which provides professional indemnity insurance to the UK, undertakes annual quality control assessments.

The Group's UK architecture businesses maintain professional indemnity insurance in respect of professional negligence claims but are exposed to the cost of excess deductibles on any successful claims. This insurance cover is provided by The Wren, which is an industry body formed to provide such insurance, and of which the Group's UK architecture businesses are members. The Wren is a mutual organisation owned and funded by its members and accordingly, the Group's UK architecture businesses can be subject to cash calls alongside other members in the event The Wren's reserves fall to a level where its capital ratios are below the level required by its regulator.

Contract pricing

Fee proposals to clients are prepared by experienced practice directors who will be responsible for the delivery of the projects. Fee proposals are based on appropriate due diligence regarding the scope and nature of the project, knowledge of similar projects previously undertaken by the Group and estimates of the resources necessary to deliver the project. Fee proposals for larger projects are subject to review and approval by senior Group management and caveats are included where appropriate.

Under performing acquisitions

The acquisition of businesses for too high a price or which do not trade as expected can have a material negative impact on the Group, affecting results and cash, as well as absorbing excessive management time.

The Group invests senior management time and Group resources into both pre- and post-acquisition work. Pre-acquisition there is a due diligence process and price modelling based on several criteria. Agreements entered into are subject to commercial technical and legal review. Post-acquisition there is structured implementation planning and ongoing monitoring and review.

Cybersecurity Risk

An unauthorised intrusion, phishing infiltration, denial of service or some similar act by a malevolent party could disrupt the integrity, continuity, security and trust of the Group's systems, including those licenced to customers. Although the Group has protections and backup systems in place, should these protections fail or be breached in a cyber attack, this could impact the day to day operations of the Group and result in costly litigation, significant financial liability and a loss in confidence in the Group's ability to serve its clients securely, which could have a material adverse impact on the Group's business. In addition, due to the ever-evolving nature of these threats, the Group is required to continue to invest resources to enhance the Group's security systems. The Group has technical and physical controls in place to mitigate unauthorised access to client data, but may not be able to prevent a material event in the future.

The Strategic Report was approved by the Board on 21 March 2025 and signed on its behalf by

Nick Clark
Chief Executive

Board of Directors

Clive Carver (Non-Executive Chairman)

FCA FCT Aged 64

Clive became Chairman in December 2022 having joined the board in May 2019 as a non-executive director.

He has been the Chairman of AIM listed Caspian Sunrise PLC since 2006, and over the past decade has served on the boards of 8 companies listed on the London Stock Exchange, often in the role of Chairman.

He spent 15 years as a Qualified Executive with a number of City broking firms and was until 2011 Head of Corporate Finance at finnCap. He qualified as a Chartered Accountant with Coopers & Lybrand and has worked in the corporate finance departments of Kleinwort

Benson, Price Waterhouse, Williams de Broe and Seymour Pierce. He is also a qualified Corporate Treasurer.
Clive chairs the Audit committee and the Governance & Regulatory Committee and is a member of the Remuneration and Risk Committees.

Robert Fry (Deputy Chairman)
BA(Hons) DipArch MA RIBA Aged 68

Robert was appointed interim CEO of the Group in January 2023 having joined the Board in March 2018 as Executive Director and Managing Director - International.

Following Nick Clark's appointment as Group Chief Executive in April 2023 Robert became a part time executive director and Deputy Chairman with responsibly for the Group's UK architecture and international operations. Robert became a non-executive director in April 2024.

Following his graduation from Sheffield University he spent his formative years at Milton Keynes Development Corporation. In 1987 Robert became a founding member of Swanke Hayden Connell's London office, joining its Board in 2002 and becoming Managing Director of the UK and Europe group in 2005.

Robert is Chairman of the board's Risk committee and a member of the Audit, Remuneration, and Governance & Regulatory Committees.

Nick Clark (Chief Executive)
BSc (Hons), MPhil Aged 50

Nick was appointed as an executive director of the Group in March 2023 following the acquisition of TFG and became Chief Executive in April 2023.

He founded the TFG business in 1997 and has grown it through a combination of acquisitions and organic growth. Nick is also a non-executive director at Acuity RM Group plc, the AIM-quoted provider of risk management software.

Prior to starting TFG Nick studied physics at Imperial College, followed by an MPhil in Microelectronic Engineering and Semiconductor Physics at the University of Cambridge.

Nick is a member of the Remuneration and Governance & Regulatory Committees.

Antony Barkwith (Group Finance Director)
FCA MPhys (Hons) Aged 44
Tony is the Group Finance Director of Built Cybernetics plc. He joined the Group in November 2018 as Group Financial Controller, was promoted to Group Finance Director (non-Board) in April 2019 and was subsequently appointed to the Board in July 2019.
Tony is a Chartered Accountant, having qualified with BDO LLP, and has a master's degree from the University of Warwick. He was previously Group Financial Controller for Advanced

Power, an international power generation developer, owner and asset manager, working there from2010 until 2018.

Freddie Jenner (Group Chief Operating Officer)
FCCA BSc (Hons) Aged 41

Freddie was appointed to the Board in June 2023 as Chief Operating Officer.

Freddie joined the finance team at what is now Vanti Ltd in 2007, becoming Finance Director of the parent company Torpedo Factory Group Limited when he qualified as a chartered certified accountant in 2012. He was instrumental in driving growth in value of TFG through acquisitions and upgrading systems and processes over the following decade, prior to the acquisition of TFG by the Group in March 2023.

Freddie is a member of the Risk Committee.

Tandeep Minhas (Non-executive director)
LLB (Hons), LPC, CF Aged 53

Tandeep was appointed to the board as a non-executive director in April 2023.

Tandeep is a partner in international law firm Taylor Wessing LLP, where she heads the Corporate Finance practice. She advises on all aspects of corporate finance M&A work, including public takeovers, fundraisings and IPOs, company and business acquisitions and disposals, joint ventures and reorganisations.

She has specialist knowledge of the public markets in the UK and has advised on numerous flotations and secondary fundraisings on both the Main Market and AIM, acting for both companies and corporate finance/broking houses, nomads and sponsors.

She has particular experience in advising international companies across a wide variety of sectors and is lead corporate partner in Taylor Wessing's India Business Group. She also sits on the Board of the Corporate Finance Faculty of the Institute of Chartered Accountants in England & Wales.

Tandeep chairs the Remuneration Committee and is a member of the Audit, Governance & Regulatory and Risk Committees.

Board committees

The board has the following committees

- Audit Committee
- Remuneration Committee
- Governance & Regulatory Committee
- Risk Committee

Remuneration Committee Report

Remuneration Committee

The Remuneration Committee comprises Tandeep Minhas, Clive Carver, Robert Fry and Nick Clark, and is chaired by Tandeep Minhas.

The Remuneration Committee determines the contract term, basic salary, and other remuneration for the members of the Board and the senior management team. No director participates in any decisions regarding their own remuneration.

Remuneration policy

The remuneration policy is to provide terms of employment that will attract, retain and motivate the Group's Directors and senior management. This consists of a basic salary, pension, ancillary benefits and other performance-related remuneration appropriate to their individual responsibilities and having regard to the remuneration levels of comparable posts.

Service contracts

Details of the current Directors' service contracts are as follows:

Director	Date of appointment	Date of latest service contract / appointment letter	Date of last re-election
Executive			
Nick Clark	20 March 2023	20 March 2023	21 April 2023
Antony Barkwith	9 July 2019	10 March 2022	21 April 2023
Freddie Jenner	26 June 2023	1 November 2023	26 April 2024
Non-executive			
Clive Carver	10 May 2019	15 February 2023	21 April 2023
Robert Fry	29 March 2018	26 April 2024	21 April 2023
Tandeep Minhas	24 April 2023	26 January 2024	26 April 2024

The Company's policy is to offer service agreements to Executive Directors with notice periods of not more than twelve months. Antony Barkwith, Nick Clark and Freddie Jenner have rolling service contracts with the Company which are subject to six months' notice of termination by either party.

The remuneration packages of Executive Directors comprise basic salary, contributions to defined contribution pension arrangements, discretionary annual bonus, discretionary share options and benefits in kind such as medical expenses insurance.

Non-Executive Directors do not have service contracts with the Company, but the appointment of each is recorded in writing. Non-Executive Directors do not receive any benefits in kind and are not eligible for bonuses or participation in either the share option schemes or pension arrangements.

Basic salary, pension, and benefits

The basic salaries, pensions, and benefits of the Directors who served during the financial year are established by reference to their responsibilities and individual performance, and are disclosed in note 9.

On 26 April 2024 Robert Fry transitioned from an executive director and became a non-executive director.

Bonus schemes

All Executive Directors are eligible for consideration of participation in the Company bonus scheme. However, no bonuses are payable in respect of the year ended 30 September 2024 (2023: nil).

Long term incentives

Share options

The current interests as at 30 September 2024 (which is unchanged as at the date of approval of these accounts) of the current Directors in share options agreements are as follows:

Directors	Number of Shared under option	Granted	Exercise price (p)	Expiry Date
Nick Clark	2,000,000	22 December 2023	1.0p	22 December 2033
Freddie Jenner	4,700,000	22 December 2023	1.0p	22 December 2033
Antony Barkwith	1,000,000	22 December 2023	1.6p	22 December 2033
Antony Barkwith	1,000,000	22 December 2023	1.0p	22 December 2033

All of the above options were granted under the Company Share Option Plan ("CSOP"). This was introduced on 22 December 2023 and replaced the Company's previous Enterprise Management Incentive ("EMI") scheme. All outstanding options under the EMI scheme were surrendered and the CSOP is the Group's only outstanding option scheme.

There were no options exercised in the year to 30 September 2024.

The total number of options at 30 September 2024 and at the date of this report is 29,716,666, representing approximately 8.71% of the total number of shares currently in issue.

On behalf of the Directors of Built Cybernetics plc,

Tandeep Minhas
Chair of Remuneration Committee

Directors' report

The Directors present their report for the year ended 30 September 2024.

Corporate governance

The Company is pleased to be an early adopter of theQCA Corporate Governance Code (2023)published by the Quoted Companies Alliance, which comprises 10 Principles.

We set out our compliance with these Principles below. This information can also be found on our website here:https://builtcybernetics.com/corporate-documents-and-circulars

PRINCIPLE 1: Establish a purpose, strategy, and business model which promotes long-term value for shareholders

The strategy and business model for the Group is set out in the Strategic Report on page 17.

During the period under review and subsequently the Group's strategy has evolved so that its principal purpose is to create shareholder value through the development of smart building services to the property sector drawing on its extensive architectural heritage.

We aim to create this shareholder value over the medium and longer terms by increasing profits and at the same time provide an attractive and rewarding working environment for our staff.

On 27 February 2025 in recognition of the progression in the Group's strategy the Group's name was changed to Built Cybernetics plc.

We operate throughout the United Kingdom from sites in London, Birmingham, and Manchester; Continental Europe with significant investments in Berlin and Frankfurt; along with a Licensee operation in Istanbul and a Marketing Agreement with a Middle East operation in Dubai.

Our Smart Buildings activities are centered on the Vanti operations, which incorporates the Torpedo Factory Audio Visual and Stage Technology businesses acquired in March 2023. Additionally we operate in the energy efficiency sector under the ecoDriver brand and distribute sensors and other workplace technology under the Anders+Kern UK brand.

The UK Architecture hub comprises two principal service offerings: an executive architectural delivery service operating under the 'Veretec' brand and a comprehensive architectural design including master planning, interior design and fit-out capability under the 'Aukett Swanke' brand.

Our Continental European Architecture operations provide services offered that are consistent with those of the UK Architecture operation.

Our Licencee Agreement is marketed under the 'Aukett Swanke' brand. The service offered within the regions they operate within include architectural and interior design, post contract delivery services including architect of record and project execution stage services.

PRINCIPLE 2: Promote a corporate culture that is based on ethical values and behaviours

The About Us section of the Company's website sets out our vision and explains how we engage with our clients and other stakeholders. This also provides separate website details of each entity within the Group.

Our employees recognise that the professional services we offer have a significant impact on not just our direct clients but also on the public realm, society and the environment as a whole.

Client and stakeholder engagement and feedback are an integral and iterative part of the design process undertaken on projects.

Alongside the contribution made to our clientele and others through the execution of our services we actively participate as thought and practice leaders in initiatives and events in the property and PropTech industries. We also undertake voluntary and charitable endeavours that are featured on the Company and subsidiaries' websites, internal Intranet sites and social media platforms.

PRINCIPLE 3: Seek to understand and meet shareholder needs and expectations

Information about the Company's shares, listing information, significant shareholders, Directors' shareholdings and share donations are set out within the AIM Securities information section of the Company's website and in the annual report.

The Executive Directors understand the importance of shareholder dialogue and regularly engage with shareholders at the time of results announcements, at the AGM or as requested. A dedicated mailbox is available at investors@builtcybernetics.com

Following the recent name change, the Company has a new website atwww.builtcybernetics.comwhich is investor-focused and where shareholders can register to receive notifications of RNS announcements, and can ask questions of the Company and its management.

The primary contact for investors is Nick Clark, Chief Executive.

PRINCIPLE 4: Take into account wider stakeholder interests, including social and environmental responsibilities

The Group is committed to delivering smart building solutions and architectural services that create long-term value for all stakeholders, including clients, employees, investors, and wider society. Our approach integrates environmental sustainability, social impact, and ethical business practices into our decision making.

Sustainability & Environmental Responsibility

- We incorporate sustainable design principles, energy efficiency strategies, and circular economy practices into our projects.
- Our architecture and smart building solutions support BREEAM, LEED, and WELL standards, ensuring high-performance, low-carbon buildings that improve occupant well-being.
- Our ecoDriver brand helps clients optimise energy consumption, reducing environmental impact across real estate portfolios.
- We actively seek to minimise our own operational footprint, with initiatives focused on reducing energy use, material waste, and carbon emissions.

Engagement with Clients, Tenants & Building Users

- As an industry leader in smart buildings, we prioritise user experience, integrating technologies that enhance workplace productivity, comfort, and efficiency.
- We engage clients and end-users in the design process, ensuring our solutions meet both functional and sustainability goals.
- Our Vanti operations specialise in workplace technology that supports hybrid working models and enhances real estate flexibility.

Industry Engagement

- We actively participate in PropTech and real estate industry forums, collaborating with policymakers, developers, and technology partners to shape the future of smart buildings.
- Our teams contribute to thought leadership initiatives, speaking at events and sharing insights on best practices in architectural design and PropTech innovation.

Through these initiatives, we align our business activities with the interests of our stakeholders, creating long-term value while making a positive environmental and social impact.

PRINCIPLE 5: Embed effective risk management, internal controls, and assurance activities

The Group's risk management objective is to identify, document, and monitor factors that represent risks to the Group in fulfilling its strategic objectives and to manage those risks consistent with agreed risk tolerances.

The Risk Committee is the principal tool by which the Group carries out this process, allowing the Board to assess business risks in the context of best practices consistent with corporate governance codes.

Key risks and uncertainties are set out on pages 18 to 20 of this annual report, and corporate governance statements relating to the company and its operations are set out within the Corporate Documents section of the Company's website.

A data privacy notice outlines our policy and procedures covering how information is collected and used, whether via our website or by visiting our sites, along with individuals' rights and reporting measures for any breaches.

The Company's intranet site provides details of our internal management structure, policies, and compliance procedures, including sustainability, health & safety, data privacy, anti-corruption & bribery, share dealing, social media, whistleblowing, equality & diversity, and modern slavery policies.

PRINCIPLE 6: Establish and maintain the board as a well-functioning, balanced team led by the chair

The Board comprises three Non-Executive Directors (NED's) and three Executive directors.The Board believes that this is an optimal structure for a Group of our size balancing oversight, governance, strategic development, and operational performance.Two of the NEDs are independent and the third is a former executive director and qualified architect.

The Board meets formally on a bi-monthly basis.

The ultimate management of the Group is by the Board and its committees. The role, remits and reports of the committees are set out in the Directors' report. Implicit within all remits is the obligation of the Board under the Companies Act 2006 to promote the success of the Company.

Day to day and operational management is delegated to the Chief Executive, Group Finance Director, Chief Operating Officer, Chief Technical Officer and the subsidiary directors. Each business in the group has its own management team and its own board. At least two of the Chief Executive, COO, CTO and GFD are represented on all trading subsidiary boards.

Delegated responsibility is defined at each level and there are authority matrices which set out limits of responsibility at specific levels and for specific actions and activities. Each individual board meets formally at least quarterly, and informally more frequently.

The attendance record for the year is included in the Directors' Report on page 32.

Board committees and their remits are set out in the Directors' Report.

PRINCIPLE 7: Maintain appropriate governance structures and ensure directors have up-to-date experience and skills

Biographies of each board member are on pages 21-22 of the annual report and on the AIM Rule 26 section of our website.

Board members are encouraged to take on external roles that do not conflict with their directorship. Several directors hold external positions that contribute to their professional development and the company's strategic insights.Where the Board lacks appropriate skills it approaches relevant experts within the Group or externally as required.

The Directors have access to the Company's nominated adviser, lawyers and auditors as and when required and can obtain advice from other external bodies when necessary. If required, the Directors are entitled to take independent legal advice.

The instances where external advice was sought in 2024 were in relation to compliance with the AIM Rules and various legal matters.

The Board believes that the current balance of skills reflects a broad range of personal, commercial and professional skills and a range of financial and managerial skills. The Chairman maintains ongoing communications and updates with the Non-Executives between formal Board meetings.
The Directors and senior members of staff review, mentor and develop colleagues on an ongoing basis in a coaching and advisory capacity.
All members of the Board endeavour to keep up-to-date and attend seminars and training courses as appropriate. Directors are required to complete CPD in accordance with their professional qualification where relevant.

PRINCIPLE 8: Evaluate board performance based on clear objectives

Following the recommendations of the new QCA Code the board has undertaken a formal review of its effectiveness.

The review considered among other things

- Board composition

- Board skills & experience
- Compliance with best practice governance standards
- Board meetings (before, during and after)
- Board committees
- Decision making
- Strategy
- Executive management assessment
- Non-executive directors assessment
- Training needs
- Value for money

The general assessment was good with clarity on the strategic direction and how best to achieve it. However, as a result of the review improvements are being made to

- the board packs distributed before the meetings
- ensure board discussions focus more on strategic rather than operational matters
- the delineation on the roles of the executive directors
- provide a clearer focus on the board's approach to risk management
- add a formal review of compliance with the regulations appropriate to an AIM company to the remit of the renamed Governance and Regulatory Committee

PRINCIPLE 9: Establish a remuneration policy supportive of long-term value creation

The Remuneration Committee is responsible for assessing and managing Board performance and rewards. More information about this committee is provided on page 31 of the annual report and on the PLC Board section of the Company's website. The Remuneration Committee's report, which includes the Remuneration Policy, is set out on pages 23 and 24 of the annual report.

In line with the new QCA Code the Company is putting the Remuneration Policy and the Remuneration Report to advisory votes at the forthcoming AGM.

PRINCIPLE 10: Communicate how the company is governed and is performing

The following documents are held on the Company's website:

- Annual Report and Accounts
- Interim Announcements
- General Meeting notices
- Trading updates
- Memorandum and Articles of Association
- Most recent Admission Document

Board of Directors

The Group is headed by a Board of Directors which leads and controls the Group, and which is accountable to shareholders for the corporate governance of the Group.

The Board currently comprises three Executive Directors and three Non-Executive Directors who bring a wide range of experience and skills to the Company.

The Board considers Clive Carver and Tandeep Minhas to be independent Non-Executive Directors. Robert Fry, who became a non-executive director at the closing of the 2024 AGM, is not under QCA rules considered to be independent in view of his longstanding previous role as an Executive Director.

The Board meets regularly six times a year and additionally as required to determine the policy and business strategy of the Group and to take or approve significant decisions. The Board has delegated certain authorities to Board committees, each with formal terms of reference.

At each board meeting where relevant the Committee Chairs report to the board on matters discussed at the committee meetings.

Audit Committee

The Audit Committee is responsible for overseeing the relationship with the external auditor, which includes considering its selection, independence, terms of engagement, remuneration and performance.

It meets at least twice a year with the external auditor to discuss audit planning and the audit findings, with certain executive directors attending by invitation. If appropriate, the external auditor attends part of each committee meeting without the presence of any executive directors.

The Audit Committee currently comprises Clive Carver as Chairman, who for the past 34 years has been a Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW), Robert Fry, and Tandeep Minhas, who is a board member of the ICAEW's corporate finance faculty.

During the year the Committee met on 3 occasions, and in November 2024 approved the appointment of MAH, Chartered Accountants as the new Group auditors.

Remuneration Committee

The Remuneration Committee convenes not less than twice a year, ordinarily on a six monthly basis, and during the year it met on 1 occasion. The Committee currently comprisesTandeep Minhas as Chair,with Clive Carver, Robert Fry and Nick Clark as members.

It is responsible for determining remuneration policy and all aspects of the Directors' remuneration and incentive packages including pension arrangements, bonus provisions, discretionary share options, relevant performance targets and the broader terms and conditions of their service contracts. No director participates in discussions relating to their own remuneration.

Governance & Regulatory Committee

Since the year end the Governance & Regulatory Committee has been re-constituted to deal with the burden of compliance with seemingly ever-increasing layers of regulation.

The committee now comprises Clive Carver as Chair, with Tandeep Minhas and Nick Clark as members. In a previous life Clive Carver spent 15 years as a Qualified Executive under the AIM Rules and led the corporate finance departments of three of the more active Nominated Adviser firms. Additionally, Tandeep Minhas has 30 years' experience in advising public companies on compliance with the regulations applicable to UK public companies. Nick Clark's presence on the Committee provides a link between the non-executive members and the management teams across the Group,

Risk Committee

The Risk Committee is responsible for setting the Group's policy to the identification and mitigation of risk. It is not however, responsible for the day-to-day identification and mitigation of risk which is very much an executive function.

The Risk Committee currently comprises Robert Fry, as Chairman and was for several decades a leading architect, Freddie Jenner, Clive Carver and Tandeep Minhas.

Directors

Antony Barkwith, Clive Carver, Nick Clark, Robert Fry, Freddie Jenner and Tandeep Minhas all served as Directors of the Company throughout the year ended 30 September 2024.

Biographical details of the Directors are set out on pages 21 and 22.

The Company maintains directors' and officers' liability insurance.

Attendance at board meetings by members of the Board were as follows:

	Number of meetings while in office	Number of meetings attended
Executive Directors		
Robert Fry (as executive)	6	6
Antony Barkwith	9	9
Nick Clark	9	9
Freddie Jenner	9	9
Non-executive Directors		
Clive Carver	9	9
Robert Fry (as non-executive)	3	3
Tandeep Minhas	9	9

Directors' interests

Directors' interests in the shares of the Company were as follows:

Number of ordinary shares	30 September 2024	30 September 2023
Nick Clark	42,531,539	40,531,539
Freddie Jenner	8,564,817	6,064,817
Tandeep Minhas	-	-
Clive Carver	-	-
Antony Barkwith	5,000,000	-
Robert Fry	4,150,000	2,150,000

Substantial shareholdings

At 21 March 2025 the Company had been informed of the following notifiable interests of three per cent or more in its share capital:

Shareholder	Notes	Number of ordinary shares	Percentage of ordinary shares
* Nick Clark	Director of the Company	42,531,539	12.47%
* Keith McCullagh	Former chairman of TFG	41,339,142	12.12%
Philip J Milton & Company Plc	Institutional Investor	27,928,541	8.19%
Nicholas Thompson	Former Director of the Company	21,129,111	6.19%
Braveheart Investment Group Plc	Institutional Investor	20,000,351	5.87%
John-David Papworth	Former Director of TFG	16,274,624	4.77%
Jim Mellon	Institutional Investor	13,500,000	3.96%
Jeremy Blake	Former employee of the Group	13,030,638	3.82%

* Nick Clark and Keith McCullagh's shares are included within a Concert Party holding a total of 96,159,484 shares representing 28.19% of the number of ordinary shares.

Share price

The mid-market closing price of the shares of the Company at 30 September 2024 was 1.675 pence and the range of mid-market closing prices of the shares during the year was between 0.85 pence and 1.775 pence.

Streamlined energy and carbon reporting ("SECR")

Under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 ('the 2013 Regulations') and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('the 2018 Regulations'), quoted companies and large unquoted companies are required under part 13 of the companies Act 2006 to disclose information relating to their energy usage and Greenhouse Gas ("GHG") emissions.

For these purposes, quoted companies defined as those whose equity share capital is officially listed on the main market of the London Stock Exchange ("LSE"); or is officially listed in an European Economic Area State; or is admitted to dealing on either the New York Stock Exchange or NASDAQ.

The Company is not large, and whilst the Company's shares are traded on AIM, the Company is not listed or traded on the main market of the LSE. The company is therefore not required to disclose energy and carbon information.

Statement by the Directors in performance of their statutory duties in accordance with s172 (1) Companies Act 2006

The Board is mindful of the duties of directors under S.172 of the Companies Act 2006 to have regard to the following six factors:

a) the likely consequences of any decisions in the long-term;
b) the interests of the Group's employees;
c) the need to foster the Group's business relationships with suppliers, customers and others;
d) the impact of the Group's operations on the community and environment;
e) the desirability of the Group maintaining a reputation for high standards of business conduct; and
f) the need to act fairly as between shareholders of the Group.

Directors act in a way they consider, in good faith, to be most likely to promote the success of the Group for the benefit of its shareholders. In doing so, they each have regard to a range of matters when making decisions for the long term success of the Group.

Our culture is that of treating everyone fairly and with respect and this extends to all our principal stakeholders. Through engaging formally and informally with our key stakeholders, we have been able to develop an understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition.

As part of the Board's decision-making process, the Board and its Committees consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Group's operations on the community and environment, responsible business practices and the likely consequences of decisions on the long term.

Our objective is to act in a way that meets the long term needs of all our main stakeholder groups. However, in so doing we pay particular regard to the longer term needs of shareholders.

We engage with investors on our financial performance, strategy and business model. Our Annual General Meeting provided an opportunity for investors to meet and engage with members of the Board.

The Board continues to encourage senior management to engage with staff, suppliers, customers and the community in order to assist the Board in discharging its obligations.

Further details of how the Directors have had regard to the issues, factors and stakeholders considered relevant in complying with s172 (1) (a)-(f), the methods used to engage with stakeholders and the effect on the Group's decisions during the year can be found throughout this report and in particular in the Chairman's statement on page 3 (in relation to decision-making), in the Strategic Report on pages 17-20 (where the Group's strategy, objectives and business model are addressed), the following Employees statement (in relation to employees), and the following Environmental Policy (in relation to social and environmental matters).

We seek to attract and retain staff by acting as a responsible employer. The health and safety of our employees is important to the Company and is a standing item at all Group board meetings.

We continue to provide support to communities and governments through the provision of employment, and high quality sustainable design.

We have established long-term partnerships that complement our in-house expertise and have built a network of specialised partners within the industry and beyond.

Environmental policy

The Group promotes wherever possible an ecologically sound policy in all its work, but always takes into account the considerable pressures of budget, commercial constraints and client preferences. Sustainability is essential to our design philosophy and studio ethos. It is an attitude of mind that is embedded within our thinking from the start of any project. We design innovative solutions and focus on:

- incorporating passive design principles that mitigate solar gain and heat loss from the outset;
- reducing energy demand through active and passive renewable energy sources;
- the use of energy and resource efficient materials, methods and forms;
- the re-use of existing buildings and materials and flexibility for future change;
- and importantly the careful consideration of the experience and wellbeing of the end user in our buildings.

Employees

The Group's ability to achieve its commercial objectives and to service the needs of its clients in a profitable and effective manner depends upon the contribution of its employees. The Group seeks to keep its employees informed on all material aspects of the business affecting them through the operation of a structured management system, staff presentations and an intranet site.

The Group's employment policies do not discriminate between employees, or potential employees, on the grounds of age, gender, sexual orientation, ethnic origin or religious belief. The sole criterion for selection or promotion is the suitability of any applicant for the job.

It is the policy of the Group to encourage and facilitate the continuing professional development of our employees to ensure that they are equipped to undertake the tasks for which they are employed, and to provide the opportunity for career development equally and without discrimination. Training and development is provided and is available to all levels and categories of staff.

It is the Group's policy to give fair consideration to application for employment for disabled persons wherever practicable and, where existing employees become disabled, efforts are made to find suitable positions for them.

Health and safety

The Group seeks to promote all aspects of health and safety at work throughout its operations in the interests of employees and visitors.

The Group has a Health and Safety Steering Committee, chaired by Freddie Jenner, to guide the Group's health and safety policies and activities. Health and safety is included on the agenda of each board meeting.

Group policies on health and safety are regularly reviewed and revised and are made available on the intranet site. Appropriate training for employees is provided on a periodic basis.

Disclosure of information to auditor

Each of the Directors who were in office at the date of approval of these financial statements has confirmed that:

- so far as they are aware, there is no relevant audit information of which the auditor is 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 auditor is aware of that information.

Independent Auditors

The auditors, MAH, Chartered Accountants were appointed in the year and have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Financial instruments

Information concerning the use of financial instruments by the Group is given in notes 32 to 36 of the financial statements.

Post balance sheet events

Information concerning post balance sheet events is given in note 39.

Research and development

During the year the Group was involved in the research and development of software as disclosed in note 14.

Dividends

The Board does not intend to pay a dividend in the forthcoming year.

Going Concern

Overview

As set out more fully in the Chief Executive's report the Group's two divisions are trading well, with strong order books, circumstances which in the Directors' opinion, are sufficient to allow the Group's debts to be discharged as they fall due.

In the event trading deteriorates the Group has a number of actions it could take to mitigate funding pressure, including an existing undrawn financial facility of £920k.

Basis of the board's opinion

The Board has produced cash flow forecasts for a period of 18 months from the approval of these financial statements,which comprise detailed income statements, statements of the financial position and cash flow statements for each of the Group's operations. The Board has also consideredthe risks and uncertainties associated with the principal operations and the funding position in general, including the consideration of a number of differing scenarios based on varying trading performance across the Group.

The Group's forecasts are prepared using information on secure contracted work and potential work which is deemed to have a greater than 50% chance of being undertaken, with the income figures suitably discounted, and on new work based on historical experience.

Acquisitions

The Board's stated intention is to achieve a leading presence in the provision of smart buildings services through a combination of organic growth and targeted acquisitions. To date, the Group has made four Smart Building related acquisitions and plans to make others in the coming months and years. Inevitably this requires an element of cash, as part of the purchase consideration and for the associated professional fees.

However, in connection with this assessment of going concern the Directors note that each such acquisition is a discretionary event, as is the proportion of any consideration paid in cash. The Board's intention is to avoid placing undue stress on the Group's cashflows from expanding at a pace faster than can be sensibly funded.

Bank debt

As at 30 September 2024 total borrowings were significantly lower than the prior year at £606k (2023: £2,692k), as the Group paid off the final balance of the Coutts CBILS loan, repaid the balance of the mortgage on completion of the sale of the freehold property and made significant payments on the NatWest CBILS loan. Of this balance, current borrowings were £522k (2023: £2,050k).

The Coutts overdraft is due for renewal from 31 March 2025. Based on discussions to date the board would expect a facility to be offered on an acceptable basis.

Mitigating action

Should either the cash generation from the Group's existing business units decline or the push for growth in the smart buildings arena lead to a prolonged shortfall in cash the Board has the following funding or mitigating options beyond the typical cost cutting in the face of declining activities:

- Vanti Ltd has received a time limited fully approved offer for a £920k loan which can be drawn down if needed.
- The Board also believes that the existing invoice discounting facility may be extended to a larger limit.
- The Group is currently paying off its liability in respect of state-backed funding provided during the Covid pandemic. The CBILS loan drawn by TFG will be fully repaid by July 2026. By replacing this debt with a new facility repayable over a longer period the annual cash costs associated with this debt would fall.
- The Board believes the commercial value of a number of its businesses and investments is substantial in relation to the Group as a whole and if necessary could be realised at values which are in excess of book value.
- As a company with shares quoted on the London Stock Exchange there is the option to seek additional equity investment from the issue of new shares, as was demonstrated by the recent share subscription in connection with the Vanti transaction.
- The Group has outstanding warrants entitling holders to subscribe £375,000 of cash for new shares. The exercise price is 1 penny per share, which is a significant discount to the current market price, and it is therefore reasonable to expect the warrants will be exercised prior to their expiry in April 2027.

Other funding and mitigating options available to the board are also discussed in note 1.

Based on forecasts prepared and reviewed for the period to 30 September 2026, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future.For this reason, the Board considers it appropriate to prepare the financial statements on a going concern basis.

The going concern statement in the Directors' report and corresponding section in note 1 provide a summary of the assessments made by the directors to establish the financial risk to the Group over the next 12 months. This is further supplemented by the principal risks and uncertainties section in the Strategic Report.

Annual General Meeting

Notice of the annual general meeting, which is expected to be held on 26 June 2025, will be issued alongside this report and accounts and posted to shareholders contemporaneously.

The Directors' report was approved by the Board on 21 March 2025 and signed on its behalf by

Antony Barkwith
Company Secretary
Built Cybernetics plc
Registered number 02155571

Statement of directors' responsibilities

Directors' responsibilities

The Directors are responsible for preparing the annual report and 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 Group and Company financial statements in accordance with UK adoptedinternational accounting standards in conformity with the requirements of the Companies Act 2006. 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. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adoptedinternational accounting standards in conformity with the requirements of the Companies Act 2006, 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 Group and enable them to ensure that the financial statements comply with the requirements of 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.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent auditor's report to the members of Built Cybernetics plc

Opinion

We have audited the financial statements of Built Cybernetics plc (formerly Aukett Swanke Group Plc) (the 'parent Company' and its subsidiaries (the 'Group') for the year ended 30 September 2024 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Cash Flows, the Consolidated and Company Statements of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group and parent Company financial statements is applicable law and UK adopted International Accounting Standards and, as regards the parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

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

Our evaluation of the Directors' assessment of the Group and the parent Company's ability to continue to adopt the going concern basis of accounting has been highlighted as a key audit matter based on our assessment of the significance of the risk and the effect on our audit strategy.

Our evaluation of the Directors' assessment of the Group and the parent Company's ability to adopt the going concern basis of accounting and our response to the key audit matter include:

- A critical assessment of the detailed cash flow projections prepared by the Directors, which are based on future revenue pipelines and newly won contracts, we also evaluated the sensitivities that the Directors performed against this forecast.

- We evaluated and challenged the key assumptions in the forecast, which were consistent with our knowledge of the business and considered whether these were supported by the evidence we obtained. We have analysed the risks affecting the ability of the Group and parent Company to continue to trade and meet its liabilities as they fall due for at least twelve months from the date of approval of the Group and parent Company financial statements.

- We have enquired about revenue pipeline, and status of outstanding bids. We have agreed submitted proposal documents and newly won contracts where appropriate.

- We have examined current year actual results against the budget for the year to determine the accuracy of the budgeting and forecasting by management.

- We have reviewed the funding and mitigating options available to the Boardshould either the cash generation from the Group's existing business units decline or the push for growth in the smart buildings arena lead to a prolonged shortfall in cash and considered whether they are reasonable.

- We examined the disclosures relating to the going concern basis of preparation and found that these provided an explanation of the Directors' assessment that was consistent with the evidence we obtained.

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.

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

The components of the Group were evaluated by the Group audit team based on a measure of materiality, considering each component as a percentage of the Group's net assets, gross revenue and results before tax, which allowed the Group audit team to assess the significance of each component and determine the planned audit response.We determined there to be six significant components to the Group, which were Built Cybernetics plc, Aukett Swanke Limited, Veretec Limited, Torpedo Factory Group Limited, Vanti Limited and TFG Stage Technology Limited. They were all subjected to full scope audits.

Also, we have performed full scope audits on Shankland Cox Limited, Aukett Fitzroy Robinson International Limited, Swanke Hayden Connell International Limited, Swanke Hayden Connell Europe Limited, Anders + Kern Limited and ecoDriver Limited for the purpose of coverage and to cover specific identified risk. All full-scope audits were conducted by the group audit engagement team. We also performed specified audit review procedures over Aukett + Heese Frankfurt GmbH (50% owned joint venture) and Aukett + Heese GmbH (25% owned associate) as these were material components but not deemed to be significant.

For significant components requiring a full scope approach, we evaluated controls by performing walkthroughs over the financial reporting systems identified as part of our risk assessment, reviewed the accounts production process, and addressed critical accounting matters. We then undertook substantive testing on significant transactions and material account balances.

We have overall coverage of 100% of group profit before tax, 100% of Group revenue and 100% of Group total assets.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

In addition to the matter described in the material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our audit report.

Key Audit Matters	How our scope addressed this matter
Going Concern The Group has recognised a loss before tax of £1.8 Million (2023: £0.3 Million) and had cash of £0.4 Million (2023: £0.5 Million) at the year end. Given the performance in the year and the low cash balance at the year end, going concern was considered to be a key audit matter.	Our audit work and conclusion in respect of going concern has been detailed in the 'Conclusions related to going concern' section of our audit report.
Revenue recognition, including valuation and cut-off of contract assets and liabilities: Most of the Group's revenue relates to the value of services performed for customers under construction type contracts. These contracts are generally fixed price and take place over a long term basis. This includes revenue from both architectural and smart buildings projects. The revenue is determined by reference to the stage of completion of those contracts at the Statement of Financial Position date. As the above measurement requires Directors to assess the final costs expected on a contract to determine the stage of completion, there is inherent estimation uncertainty. The significant judgement arising in the formulation of these estimates could vary materially over time and is dependent on customer activity. We therefore considered this to be a key audit matter. As at 30 September 2024 the group has recognised contract assets of £1.8 Million (2023: £0.8 Million) and contract liabilities of £2.6 Million (2023: £1.4 Million).	Our audit work included, but was not restricted to the following procedures: We evaluated the operating effectiveness of certain key controls identified in relation to revenue. We evaluated the Group's accounting policy in respect of revenue recognition to ensure it is compliant with IFRS 15. We selected a sample of contracts and the substantive testing procedures included the following: · Confirming revenue from the revenue recognition model to the underlying contract and where relevant, contract variations were agreed between the Group and its customers. · Comparing historical margins achieved on projects against the estimated margins expected on comparable on-going projects to confirm the accuracy of management's estimation of total project costs. Also discussed with management if there were material variances in this estimate. Further, subsequent invoices raised post the Statement of Financial Position date and collections were tested to compare the estimated margins to actuals. · Verifying the costs incurred to date for the selected projects. A sample of individual cost reports were agreed through to supporting timecards and charge rate agreed to group's charge rates to test the accuracy of the recorded time.

	· Confirming a sample of invoices recorded in the accounting system to the supporting contract, a copy of physical sales invoice raised, and cash received. · Assessed and challenged the key stage of completion judgments made by the Directors. This involved testing the basis of future costs expected to be incurred on the project and obtaining a detailed understanding of the project from management and the project director. · Reviewing material credit notes, invoices and receipts post year end. **Key observations:** Based on the procedures performed, we consider that the assumptions made by management in recognising revenue on part completed contracts with customers at the Statement of Financial Position date to be appropriate and did not identify any material misstatements in revenue recognition.
Annual impairment review of goodwill In the financial statements goodwill is valued at £1.8 Million. There were £0.6 Million acquisitions in the year, mainly relating to the ecoDriver Limited Cash Generating Unit (CGU) in October 2023. The Anders + Kern UK Limited (CGU) goodwill brought forward of £0.26 Million was fully impaired during the year. The process for assessing whether impairment exists under International Accounting Standard IAS 36 'Impairment of Assets' is complex. The process of determining the value in use, through forecasting cash flows and the determination of the appropriate discount rate and other assumptions to be applied, is highly judgemental and can significantly impact the results of the impairment review. There is significant management judgement and estimation uncertainty involved in the preparation of value in use models under applicable accounting standards for the group and as a result we consider this to be a key audit matter.	Our audit work included, but was not restricted tothe following procedures: · Obtained management's assessment of the Group CGU's and critically assessed Value In Use (VIU) model for each CGU to test compliance with the requirement of applicable accounting standards and mathematical accuracy of the model. · The weighted average cost of capital (WACC) of the models was re-computed with reference to external data to test the accuracy of computation. · Challenging the revenue cash flows within the model. Future revenue was checked to secure pipeline via contract verification. Potential wins were assessed for progress in bids by verification of correspondence. Future earnings were assessed by verification of historic conversion of new work. · Critically assessed the cost base for potential omissions or unrealistic targets based on actual and potential future changes in the business. We challenged management where this fell outside our expectation and checked that these were accurately stated, reasonable and achievable in the light of the economic environment and future pipeline of work.

	· Obtaining the sensitivity analysis performed by management to assess the impact of the movement in key variables in the model which would lead to an impairment. We tested this sensitivity analysis and concluded on whether such scenarios were likely to occur. **Key observation:** Based on the procedures performed and considering the assumptions and methodology used by management in preparing the VIU model, the calculations are appropriate.

Our application of materiality

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

Based on our professional judgement we determined materiality for the 2024 financial statements as a whole and performance materiality as follows:

	Group financial statements	**Parent company financial statements**
Materiality	£296,000	£120,000
Basis for determining materiality	1.5% of gross revenue	2% of net assets before adjusting for intercompany balances.
Rationale for the benchmark applied	The gross revenue has been used as a primary measure of performance which is a measure of demand for its services and the different sectors in which it operates. The "sub-consultants" i.e., the specialists' costs are agreed in the bid and included as part of the fees that is marked up to the client as Group's revenue. The professional indemnity insurance covers the gross fees chargeable to the customers which includes the subconsultants costs. The Group is responsible for the entire contract with their customer. Based on the above factors the Gross revenue i.e., including sub-consultant costs are to be considered as most relevant benchmark to check the	Due to the nature of the parent company, we considered net assets to be the focus for the readers of the financial statements, accordingly this consideration influenced our judgement of materiality.

	performance of the company rather than Net Revenue.	
Performance materiality	£148,000	£60,000
Basis for determining performance materiality	50% of Group materiality	50% of Parent company materiality

Performance materiality:

The performance materiality benchmark has been selected based of the following considerations:

- cumulative identification of errors noted in the previous years that has been posted by management
- our risk assessment, together with our assessment of the overall control environment

Component materiality:

We set materiality for each component of the Group based on a percentage of Group materiality dependent on the size and our assessment of risk of material misstatements of that component. Component materiality, other than the parent Company's, ranged from approximately £134,000 to £7,000. In the audit of each component, we further applied performance materiality levels of 50% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Trivial:

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £15,000 for the Group and £6,000 for the parent Company. We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds. We also reported to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with 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 group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of Directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the FRC's website athttps://wwww.frc.org.uk/auditors/auditor-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for

This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK adopted international accounting standards, the rules of the Alternative Investment Market, and UK taxation legislation.

- We obtained an understanding of how the Group and parent Company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance and by considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations as well as actual, suspected and alleged fraud.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations or irregularities. This included making enquiries of management and those charged with governance, obtaining additional corroborative evidence as required, reading the minutes of meetings of those charged with governance and reviewing correspondence.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 of the Group financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Use of our report

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

Mohammed Haque (Senior Statutory Auditor)
for and on behalf of MAH, Chartered Accountants
Statutory Auditor

2nd Floor
154 Bishopsgate
London
EC2M 4LN

21 March 2025

Consolidated income statement

For the year ended 30 September 2024

	Note	2024 £'000	2023 £'000
Continuing operations			
Revenue	4	19,716	14,335
Sub consultant costs		(265)	(232)
Revenue less sub consultant costs	4	19,451	14,103
Cost of sales		(5,198)	(2,627)
Gross profit		14,253	11,476
Personnel related costs		(11,520)	(9,031)
Property related costs		(1,599)	(1,322)
Other operating expenses		(1,645)	(1,375)
Distribution costs		(233)	(141)
Other operating income	5	500	326
Operating loss		(244)	(67)
Finance income		13	9
Finance costs	6	(461)	(255)
Loss after finance costs		(692)	(313)
Share of results of associate and joint ventures		156	341
Trading profit/(loss) from continuing operations		(536)	28
Acquisition costs		(41)	(379)
Revaluation of freehold property		(585)	-
Loss on disposal of subsidiary		(88)	-
Goodwill impairment	13	(260)	-
Supplementary call levy to mutual insurer		(264)	-
Loss before tax from continuing operations		(1,774)	(351)
Tax credit	10	94	433
Profit/(loss) from continuing operations		(1,680)	82
(Loss)/profit from discontinued operations	12	(27)	10
(Loss)/profit for the year		(1,707)	92
Profit/(loss) attributable to:			
Owners of Built Cybernetics plc		(1,707)	92
Earnings per share for profit/(loss) from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share	11	(0.53p)	0.04p
Diluted earnings per share	11	(0.49p)	0.04p
Earnings per share for profit/(loss) attributable to the ordinary equity holders of the Company:			
Basic earnings per share	11	(0.54p)	0.04p
Diluted earnings per share	11	(0.50p)	0.04p

Consolidated statement of comprehensive income

For the year ended 30 September 2024

	2024 £'000	2023 £'000
Profit/(loss) for the year	(1,707)	92
Revaluation of freehold property	(60)	60
Deferred tax movement on revaluation	15	(15)
Goodwill impairment on fair value adjustment of share options (note 13)	-	(222)
Currency translation differences	(4)	26
Currency translation differences on disposal recycled to gain on disposal of discontinued operation (note 12)	-	-
Currency translation differences on translation of discontinued operations (note 12)	-	-
Other comprehensive loss for the year	(49)	(151)
Total comprehensive loss for the year	(1,756)	(59)
Total comprehensive loss for the year is attributable to:		
Owners of Built Cybernetics plc	(1,756)	(59)
Non-controlling interests	-	-
Total comprehensive loss for the year	(1,756)	(59)
Total comprehensive profit/(loss) attributable to the owners of Built Cybernetics plc arises from:		
Continuing operations	(1,729)	(69)
Discontinued operations	(27)	10
	(1,756)	(59)

Consolidated statement of financial position

At 30 September 2024	Note	2024 £'000	2023 £'000
Non current assets			
Goodwill	13	1,814	1,502
Other intangible assets	14	573	404
Property, plant and equipment	15	176	238
Right-of-use assets	16	1,713	2,132
Investment in associate	18	732	786
Investments in joint ventures	19	263	285
Loans and other financial assets	20	7	89
Trade and other receivables	22	61	100
Deferred tax	26	596	625
Total non current assets		5,935	6,161

Current assets			
Inventories	21	393	372
Trade and other receivables	22	5,026	3,847
Contract assets	4	1,750	790
Cash at bank and in hand		353	522
		7,522	5,531
Assets in disposal groups classified as held for sale	28	-	3,208
Total current assets		7,522	8,739
Total assets		13,457	14,900
Current liabilities			
Trade and other payables	23	(5,483)	(4,589)
Contract liabilities	4	(2,585)	(1,398)
Borrowings	24	(522)	(2,050)
Lease liabilities	16	(528)	(492)
Provisions	27	(120)	-
		(9,238)	(8,529)
Liabilities directly associated with assets in disposal groups classified as held for sale	28	-	(148)
Total current liabilities		(9,238)	(8,677)
Non current liabilities			
Trade and other payables	23	(86)	(87)
Borrowings	24	(84)	(642)
Lease liabilities	16	(1,279)	(1,750)
Deferred tax	26	(23)	(161)
Provisions	27	(354)	(210)
Total non current liabilities		(1,826)	(2,850)
Total liabilities		(11,064)	(11,527)
Net assets		2,393	3,373
Capital and reserves			
Share capital	29	3,411	2,754
Merger reserve		2,979	2,883
Revaluation reserve		-	45
Foreign currency translation reserve		(535)	(531)
Retained earnings		(4,956)	(3,272)
Other distributable reserve		1,494	1,494
Total equity attributable to equity holders of the Company		2,393	3,373

The financial statements on pages 49 to 121 were approved and authorised for issue by the Board of Directors on 21 March 2025 and were signed on its behalf by:

Nick Clark
Chief Executive

Antony Barkwith
Group Financial Director

Company statement of financial position

At 30 September 2024

	Note	2024 £'000	2023 £'000
Non current assets			
Property, plant and equipment	15	-	1

Investments	17	5,245	5,406
Deferred tax	26	355	203
Trade and other receivables	22	61	100
Total non current assets		5,661	5,710
Current assets			
Trade and other receivables	22	316	168
Cash at bank and in hand		-	1
Total current assets		316	169
Total assets		5,977	5,879
Current liabilities			
Trade and other payables	23	(3,029)	(2,556)
Borrowings	24	(1)	(167)
Total current liabilities		(3,030)	(2,723)
Non current liabilities			
Trade and other payables	23	(86)	(87)
Borrowings	24	-	-
Total non current liabilities		(86)	(87)
Total liabilities		(3,116)	(2,810)
Net assets		2,861	3,069
Capital and reserves			
Share capital	29	3,411	2,754
Retained earnings		(5,023)	(4,062)
Merger reserve		2,979	2,883
Other distributable reserve		1,494	1,494
Total equity attributable to equity holders of the Company		2,861	3,069

The result for the year contained within the parent company's income statement is a loss of £984k (2023: loss £671k).

The financial statements on pages 49 to 121 were approved and authorised for issue by the Board of Directors on 21 March 2025 and were signed on its behalf by:

Nick Clark
Chief Executive

Antony Barkwith
Group Financial Director

Consolidated statement of cash flows

For the year ended 30 September 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Cash generated from operations	31	89	1,013
Income taxes received		-	196
Net cash inflow from operating activities		89	1,209
Cash flows from investing activities			
Purchase of property, plant and equipment		(169)	(154)
Sale of property, plant and equipment		2,453	-
Payments of software development costs		(221)	-
Sale of investments		(52)	33
Sale of loans and other financial assets		59	-
Net cash (paid)/received on acquisition of subsidiaries		(51)	367
Dividends receivedfrom associates & joint ventures		192	262
Net cash received in investing activities		2,211	508
Net cash inflow before financing activities		2,300	1,717
Cash flows from financing activities			
Issue of shares		482	-
Principal paid on lease liabilities		(514)	(496)
Interest paid on lease liabilities		(68)	(72)
Lease liability additions		79	-
Repayment of bank loans		(2,167)	(459)
Interest received		13	
Interest paid		(370)	(93)
Net cash outflow from financing activities		(2,545)	(1,120)
Net change in cash and cash equivalents		(245)	597
Cash and cash equivalents at start of year		430	(204)
Currency translation differences		4	37
Cash and cash equivalents at end of year	25	189	430

Cash and cash equivalents are comprised of:			
Cash at bank and in hand		353	522
Net cash included in assets held for sale		-	30
Secured bank overdrafts		(164)	(122)
Cash and cash equivalents at end of year		189	430

Company statement of cash flows

For the year ended 30 September 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Cash (expended by)/generated from operations	31	(480)	52
Interest paid		(8)	(24)
Net cash (outflow)/inflow from operating activities		(488)	28
Cash flows from investing activities			
Purchase of investments		(45)	(515)

Sale of investments	33	33
Dividends receivedfrom associates & joint ventures	183	248
Net cash generated from/(expended by) investing activities	171	(234)
Net cash outflow before financing activities	(317)	(206)
Cash flows from financing activities		
Issue of shares	482	-
Repayment of bank loans	(167)	(250)
Net cash inflow/(outflow) from financing activities	315	(250)
Net change in cash and cash equivalents	(2)	(456)
Cash and cash equivalents at start of year	1	457
Cash and cash equivalents at end of year	(1)	1
Cash and cash equivalents are comprised of:		
Cash at bank and in hand	-	1
Secured bank overdrafts	(1)	-
Cash and cash equivalents at end of year	(1)	1

Consolidated statement of changes in equity

For the year ended 30 September 2024

	Share capital	Foreign currency translation reserve	Retained earnings	Other distributable reserve	Merger reserve	Revaluation reserve	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 October 2022	1,652	(557)	(3,364)	1,494	1,176	-	401
Profit for the year	-	-	92	-	-	-	92
Other comprehensive income	-	26	-	-	(222)	45	(151)
Total comprehensive income	-	26	92	-	(222)	45	(59)
Issue of ordinary shares in relation to business combination	1,102	-	-	-	1,707	-	2,809
Employee share schemes - Value issued in relation to business combination	-	-	-	-	222	-	222
At 30 September 2023	2,754	(531)	(3,272)	1,494	2,883	45	3,373
Loss for the year	-	-	(1,707)	-	-	-	(1,707)
Other comprehensive income	-	(4)	-	-	-	(45)	(49)
Total comprehensive income	-	(4)	(1,707)	-	-	(45)	(1,756)

Issue of ordinary shares in relation to business combination	178	-	-	-	93	-	271
Share Subscription	479	-	-	-	3	-	482
Share based payment value of employee services	-	-	23	-	-	-	23
At 30 September 2024	3,411	(535)	(4,956)	1,494	2,979	-	2,393

The other distributable reserve was created in September 2007 during a court and shareholder approved process to reduce the capital of the Company.

The merger reserve was created through a business combination in December 2013 representing the issue of 19,594,959 new ordinary shares at a price of 7.00 pence per share.

This was then increased through a business combination in March 2023 representing the issue of 110,142,286 new ordinary shares at a price of 2.55 pence per share.

This was then further increased through a business combination in October 2023 representing the issue of 17,800,000 new ordinary shares at a price of 1.525 pence per share.

In May 2024 the Company issued 416,162 new ordinary shares of 1p to the trustees of the Company's All-Employee Share Option Scheme ("AESOP") at 1.7p per share.

Company statement of changes in equity

For the year ended 30 September 2024

	Share capital	Retained earnings	Other distributable reserve	Merger reserve	Total Equity
	£'000	£'000	£'000	£'000	£'000
At 1 October 2022	1,652	(3,391)	1,494	1,176	931
Loss for the year	-	(671)	-	-	(671)
Other comprehensive income	-	-	-	(222)	(222)
Total comprehensive income	-	(671)	-	(222)	(893)
Issue of ordinary shares in relation to business combination	1,102	-	-	1,707	2,809
Employee share schemes - Value issued in relation to business combination	-	-	-	222	222

At 30 September 2023	2,754	(4,062)	1,494	2,883	3,069
Loss for the year	-	(984)	-	-	(984)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	(984)	-	-	(984)
Issue of ordinary shares in relation to business combination	178	-	-	93	271
Share Subscription	479	-	-	3	482
Share based payment value of employee services	-	23	-	-	23
At 30 September 2024	3,411	(5,023)	1,494	2,979	2,861

The other distributable reserve was created in September 2007 during a court and shareholder approved process to reduce the capital of the Company.

The merger reserve was created through a business combination in December 2013 representing the issue of 19,594,959 new ordinary shares at a price of 7.00 pence per share.

This was then increased through a business combination in March 2023 representing the issue of 110,142,286 new ordinary shares at a price of 2.55 pence per share.

This was then further increased through a business combination in October 2023 representing the issue of 17,800,000 new ordinary shares at a price of 1.525 pence per share.

In May 2024 the Company issued 416,162 new ordinary shares of 1p to the trustees of the Company's All-Employee Share Option Scheme ("AESOP") at 1.7p per share.

Notes to the financial statements

1 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Basis of preparation

The financial statements for the Group and parent Company have been prepared in accordance with UK adoptedinternational accounting standards in conformity with the requirements of the Companies Act 2006.

New accounting standards, amendments and interpretations applied

For the year ended 30 September 2024,the Group has applied the following standards and amendments for the first time:

(i) IFRS 17 Insurance Contracts
(ii) Definition of Accounting Estimates - amendments to IAS 8
(iii) International Tax Reform - Pillar Two Model Rules - amendments to IAS, and
(iv) Amendments to IAS 1 - Classification of Liabilities as Current or Non-current and Amendments to IAS 1 - Non-current Liabilities with Covenants.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New accounting standards, amendments and interpretations not yet applied

Certain amendments to accounting standards have been published that are not mandatory for 30 September 2024 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Going concern

The Group's business activities, the principal risks and uncertainties facing the Group, and the financial position of the Group are described in the Strategic Report. The liquidity risks faced by the Group are further described in note 36. These factors are all considered when assessing the Group's ability to operate as a going concern.

The Group currently meets its day to day working capital requirements through its cash balances. It maintains an overdraft facility for additional financial flexibility.

During the year, the Group raised £482,000 through the issue of new equity, and two subsidiaries implemented an invoice discounting facility with the ability to draw up to the lower of 50% of eligible debtors or £600,000.

The Group £250k Coutts overdraft facility was due for renewal on 30 September 2024 and has been extended to 31 March 2025. Based on discussions to date the board would expect a facility to be offered on an acceptable basis.

The £500k CBILS drawn in May 2021 had a duration of three years with interest at 4.05% over the Coutts base rate in years two and three. As at 30 September 2023 the balance on the loan was £167k. The final instalment was paid in May 2024.

TFG has a CBILS loan with NatWest which was drawn in 2021 at £1.75m. Following a prepayment during the year in addition to the regular monthly payments, the 30 September 2024 balance was £0.42m (2023: £0.99m). The loan attracts a fixed rate of interest of 3.66%pa and capital is being repaid at £19k per month.

The mortgage secured against TFG's freehold property in London, was fully paid off in September 2024 on completion of the sale of this property.

Forecasts for the Group have been prepared for a period of at least 12 months following the approval of the financial statements, which comprise detailed income statements, statements of financial position and cash flow statements for each of the Group's operations.

The Group forecasts on the basis of earnings and billings from i) secure contractual work, ii) known potential work which is deemed to have a greater than 50% chance of being undertaken and is predominantly follow on stages of currently instructed work, to which a weighting is applied; and iii) new work from known sources such as competitive tenders and submitted fee proposals, or new work to be achieved based on historical experience of market activity and timescales in which work can be converted from an enquiry to an active project which varies by territory and the service each office in the Group provides.

The risk of rising energy prices and inflation globally appear materially lower than 12 months ago, and lower interest rates should help clients to be more confident to make decisions. This has resulted in significant new instructions across the segments of the Group and stronger order books.

The Group's forecasts, indicate that if it is generating sufficient new work to trade profitably then The Group will have sufficient funds to continue to meet its obligations as they fall due, however given the generation of turnover is dependent on clients decision making and is therefore not within the control of the Group, a significant deterioration in trading could lead to a shortfall of cash within the next 12 months.

Should either the cash generation from the Group's existing business units decline or the push for growth in the smart buildings arena lead to a prolonged shortfall in cash the Board has the following funding or mitigating options beyond the typical cost cutting in the face of declining activities:

- Vanti Ltd has received a time limited fully approved offer for a £920k loan which can be drawn down if needed.
- The Board also believes that the invoice discounting facility may be extended to a larger limit.
- The Group is currently paying off its liabilities in respect of state-backed funding provided during the Covid pandemic. The CBILS loan drawn by TFG will be fully repaid by July 2026. By replacing this debt with a new facility repayable over a longer period the annual cash costs associated with this debt would fall.
- The Board believes the commercial value of a number of its businesses and investments is substantial in relation to the Group as a whole and if necessary could be realised at values which are in excess of book value.
- As a company with shares quoted on the London Stock Exchange there is the option to seek additional equity investment from the issue of new shares, as was demonstrated by the share subscription in connection with the Vanti transaction.
- The Group has outstanding warrants entitling holders to subscribe £375,000 of cash for new shares. The exercise price is 1 penny per share, which is a significant discount to the current market price, and it is therefore reasonable to expect the warrants will be exercised prior to their expiry in April 2027.

Based on forecasts prepared and reviewed for the period to 30 September 2026, the Directors have a reasonable expectation that the Group will have adequate resources to continue in

operational existence for the foreseeable future.

For this reason, the Board considers it appropriate to prepare the financial statements on a going concern basis.

Basis of consolidation and equity accounting

The consolidated financial statements incorporate those of the Company and its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to variable returns from the investee, in addition to the ability to direct the investee and affect those returns through exercising its power. Intra group transactions, balances and any unrealised gains and losses on transactions between Group companies are eliminated on consolidation.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given and equity instruments issued. Identifiable assets acquired and liabilities assumed in an acquisition are measured initially at their fair values at the acquisition date, irrespective of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

The consolidated financial statements also include the Group's share of the results and reserves of its associate and joint venture.

Associate

The associate in Berlin is an entity for which the Group has significant influence but not control or joint control. This is presumed to be the case where the Group holds between 20% and 50% of the voting rights, but consideration is given to the substance of the contractual governance agreements in place. Investments in associates are accounted for under the equity method.

Joint venture

The Group has a joint venture in Frankfurt where ownership is contractual and the agreements require unanimous consent from all parties for relevant activities. The entity is considered a joint venture.

Joint ventures are accounted for under the equity method.

Borrowings

Borrowings are initially recognised at fair value, net of any transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds

(net of any transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, bank current accounts held at call, bank deposits with very short maturity terms and bank overdrafts where these form an integral part of the group's cash management process, for the purposes of the statement of cash flows.

Company income statement

The Company has taken advantage of the exemption provided by section 408 of the Companies Act 2006 not to present its income statement for the year. The Company's result is disclosed at the foot of the Company's statement of financial position.

Current Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred taxation

Deferred income tax is provided in full, using the statement of financial position liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements, and measured at an undiscounted basis.

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

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be generated against which the temporary differences can be utilised.

Dividends

Dividend payments are recognised as liabilities once they are no longer at the discretion of the Company.

Dividend income from investments is recognised in the income statement when the shareholders' rights to receive payment have been established.

Equity instruments

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

Foreign currency

Transactions in currencies other than the functional currency of each operation are recorded at the rates of exchange prevailing on the dates of the transactions. At the date of each statement of financial position, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the date of the statement of financial position. Gains and losses arising on retranslation are included in the consolidated income statement for the year.

On consolidation, the assets and liabilities of the Group's overseas operations are translated from their functional currencies at exchange rates prevailing at the date of the statement of financial position. Income and expense items are translated from their functional currencies at the average exchange rates for the year, which are materially consistent with the spot rates observed in the year for those entities. Exchange differences arising are recognised directly in equity and transferred to the Group's foreign currency translation reserve. If an overseas operation is disposed of then the cumulative translation differences are recognised as realised income or an expense in the year disposal occurs.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate. The Group has elected to treat goodwill and fair value adjustments arising on acquisitions before the date of transition to IFRS as sterling denominated assets and liabilities.

Government Grants

Government grants are recognised when there is reasonable assurance that the entity will comply with grant conditions and that the grant will be received.

Goodwill

Goodwill arising on acquisitions represents the excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired. Where the net fair value of the identifiable assets and liabilities of the acquiree is in excess of the consideration paid, negative goodwill is recognised immediately in the income statement.

Goodwill is tested annually for impairment and an impairment loss would be recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Impairment

At the date of each statement of financial position, a review of property, plant and equipment and intangible assets (excluding goodwill) is carried out to determine whether there is any indication that those assets have suffered any impairment. If any such indications exist, the

recoverable amount of the asset is assessed as the higher of fair value less costs to sell and value in use, in order to determine the extent of any impairment.

Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash generating unit to which the asset belongs is estimated.

The recoverable amount of a cash generating unit is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets and forecasts covering a five year period. Cash flows beyond the five year period are extrapolated using long term average growth rates.

Other intangible assets

Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently the intangible assets are carried at cost less accumulated amortisation and accumulated impairment. Amortisation is charged on a straight line basis with the useful economic lives attributed as follows:

Trade name - 25 years
Trade licence - 10 years
Customer relationships - 7 to 10 years
Software development - 5 years
Order book - Over the life of the contracts

Amortisation is charged to other operating expenses within the consolidated income statement.

Inventories

Inventories as designated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Freehold property

In the prior year, the directors considered the fair value of the freehold property of The Old Torpedo Factory, taking into account current rental yields and the market value of similar properties in the area they considered that the fair value was materially different to the depreciated historical cost of the property. As a result of this they adopted the accounting policy to value freehold property at the fair value. The freehold property was sold in the year to September 2024.

Investments

Investments in subsidiaries, associates and joint ventures are held in the statement of financial position of the Company at historical cost less any allowance for impairment.

The listed investments are traded in an active market, therefore the unadjusted quoted prices as at the period end date are used to determine the fair value of the investments.

Unlisted investments are carried at cost, as an approximation of the fair value, unless any indications exist to suggest a material difference in the value of the investments as at the reporting date.

Leases and asset finance arrangements

The majority of the Group's accounting policies for leases are set out in note 16.

Identifying Leases

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy all of the following criteria:

(a) There is an identified asset;
(b) The Group obtains substantially all the economic benefits from use of the asset; and
(c) The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that pre-determines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRSs rather than IFRS 16.

Operating segments

The Group's reportable operating segments have previously been based on the geographical areas in which its studios are located, as each reportable operating segment provided the same type of service to clients, namely integrated professional design services for the built environment. Internally the Group prepares discrete financial information for each of its geographical professional design service segments.

With the acquisitions of TFG and A+K in the prior year, and ecoDriver in the current year, the Group now further divides its business by types of service, with reporting segments expanded as professional design service regions, TFG, A+K and ecoDriver.

Other operating expenses

Other operating expenses include legal and professional costs, professional indemnity insurance premiums, marketing expenses and other general expenses.

Property, plant and equipment

All property, plant and equipment is stated at historical cost of acquisition less depreciation and any impairment provisions. Historical cost of acquisition includes expenditure that is directly attributable to the acquisition of the items.

Depreciation of property, plant and equipment is calculated to write off the cost of acquisition over the expected useful economic lives using either the straight line method or on a reducing balance and over the following number of years:

Leasehold improvements -	Unexpired term of lease	straight line method
Office furniture	4 years	straight line method
Office equipment	2-4 years	straight line method
Computer equipment	2-4 years	straight line method
Motor Vehicles	25%	reducing balance method

Provisions

Provisions are recognised when a present obligation has arisen as a result of a past event which is probable will result in an outflow of economic benefits that can be reliably estimated.

Where the effect of the time value of money is material, the provision is based on the present value of future outflows, discounted at the pre-tax discount rate that reflects the risks specific to the liability.

Employee benefits

In those geographies where it is a legal requirement, provision is also made for end of service benefit ('EOSB'), being amounts payable to employees when their contract with the Group ends (see note 27).

The charge to the income statement comprises the service cost and the interest on the liability and is included in personnel related expenses. The obligation has been measured at the reporting date using the projected unit credit method in accordance with IAS 19 and is funded from working capital.

Post retirement benefits

Costs in respect of defined contribution pension arrangements are charged to the income statement on an accruals basis in line with the amounts payable in respect of the accounting period. The Group has no defined benefit pension arrangements.

Rental Income

Rental income from sublet property is credited to the consolidated income statement in the year in which it accrues.

Revenue recognition

Architectural Contracts

Revenue represents the value of services performed for customers under contracts (excluding value added taxes). Revenue from contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using each performance obligation within the contract and the proportion of total time expected to be required to undertake each performance obligation which had been or is being performed.

Step 1) Identification of the contract

Contracts with clients are mostly on a fixed basis with the consideration generally being stipulated based on a percentage of the build cost.

Contract variations are treated as variations to a specific performance obligation, with any additional fees associated with that variation, and the time and cost required to fulfil the variations, included within the overall assessment of the time required to complete the overall performance obligation. This is on the basis that those variations are normally not distinct in themselves (modifications to existing elements of the obligations) and therefore are repriced as if they were part of the original contract.

Step 2) Identification of performance obligations

Whilst the nature of performance obligations may vary from project to project, they are generally split by identification of Royal Institute of British Architects ('RIBA') work stages (delivered as either an individual work stage or a group of work stages depending on the exact nature of the contract), which constitute individual and distinctive promises within the contract. These are capable of being delivered independently. Local equivalents of RIBA apply depending on the jurisdiction of the contract, and may be identified.

Step 3) Identify the consideration

Consideration is generally fixed and agreed within the contract for services between the Group and the client, subject to modifications as noted above in step 1.

Step 4) Allocate the transaction price

The performance obligations within the contract are billed on the basis of a fee allocated to each element of the project, however revenue is allocated to the performance obligations based on the total expected time cost and contract cost expected to be required to undertake each performance obligation within the contract. This leads to recognition of revenue being reallocated between work stages where Management assess that the billing

milestones associated to specific stages as stated in the contract do not fairly reflect the total time and cost required to complete those tasks.

Estimates of the total time expected to be required to undertake the contracts are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

Step 5) Recognition of revenue

For all contracts undertaken by Management, the measurement of revenues follows an "over time" pattern.

The basis on which this is the case is that the work performed by the Group has no alternative use and the contracts contain provisions by which consideration can be recovered for part-performance of obligations in the event that a contract is terminated.The revenue recoverable in such an instance would approximate to compensating the Group for the selling price of the services rendered to date.

The amount by which revenue exceeds progress billings is classified as contract assets. To the extent progress billings exceed relevant revenue, the excess is classified as contract liabilities.

Master systems integration

Revenue is recognised when the goods or services are provided, subject to the Group's specific revenue recognition policy for services rendered detailed below.

Maintenance contracts, consultancy and revenue arising from contracts for the design, supply and installation of master systems to which there is a contractual commitment at the balance sheet date are treated as long term contracts. Profit on these contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Revenue is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Distribution and Installation of Workplace Technology

The Group derives revenue from the transfer of goods and services over time and at a point in time. Revenues from external customers come from the sale of hardware and systems integration. The Group has a number of different types of contractual arrangements and consequently applies a variety of methods of revenue recognition. The revenue and profit in any period are based on the delivery of performance obligations and an assessment of when control is transferred to the customer. In determining the amount of revenue and profits to record and related balance sheet items (such as trade receivables, accrued income and deferred income) to recognise in the period, management is required to form a number of

judgements and assumptions. Revenue is recognised when the performance obligation in a contract has been performed (so 'point in time' recognition) or over time as the performance obligation is transferred to the customer.

The transaction price, being the amount to which the Group expects to be entitled and has rights to under the contract, is allocated to the identified performance obligations. For each performance obligation, the Group determines if revenue will be recognised over time or at a point in time. Where the Group recognises revenue over time for long-term contracts, this is in general due to the Group performing and the customer simultaneously receiving and consuming the benefits provided over the life of the contract. For each performance obligation to be recognised over time, the Company applies a revenue recognition method that faithfully depicts the Company's performance in transferring control of the goods or services to the customer. This decision requires assessment of the real nature of the goods or services that the Group has promised to transfer to the customer. The Group applies the relevant output or input method consistently to similar performance obligations in other contracts. If performance obligations in a contract do not meet the over time criteria, the Group recognises revenue at a point in time.

Share based payments

The Group has issued share options to certain employees, in return for which the Group receives services from those employees. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense other than where management perceive the fair value to be immaterial.

The total amount to be expensed is determined by reference to the fair value of the options granted including any market performance conditions (for example the Company's share price) but excluding the impact of any service or non market performance vesting conditions (for example the requirement of the grantee to remain an employee of the Group).

The fair value of the options granted is estimated by management by utilising a Black-Scholes option pricing model with reference to expected volatility, vesting period, exercise price, and market share price at the time of grant.

Non market vesting conditions are included in the assumptions regarding the number of options that are expected to vest. The total expense is recognised over the vesting period. At the end of each period the Group revises its estimates of the number of options expected to vest based on the non market vesting conditions. It recognises the impact of any revision in the income statement with a corresponding adjustment to equity.

Trade receivables

Trade receivables are amounts due from clients for services provided in the ordinary course of business and are stated net of any provision for impairment.

Following the adoption of IFRS 9, the Group followed the simplified approach and so makes an expected credit loss allowance using lifetime expected credit losses for all trade receivables and contract assets. The estimates and judgements applied are detailed further in note 22.

The Group endeavours to undertake work only for clients who have the financial strength to complete projects but even so, much property development is financed by funds not unconditionally committed at the commencement of the project. Problems with financing can on occasion unfortunately lead to clients being unable to pay their debts either on a temporary or more permanent basis.

The Group monitors receipts from clients closely and undertakes a range of actions if there are indications a client is experiencing funding problems. The Group makes further loss allowances if it is considered that there is a significant risk of non-payment. The factors assessed when considering a loss allowance include the ownership of the development site, the general financial strength and financial difficulties of the client, likely use / demand for the completed project, and the length of time likely to be necessary to resolve the funding problems.

The Group strives to maintain good relations with clients, but on occasions disputes do arise with clients requiring litigation to recover outstanding monies. In such circumstances, the directors carefully consider the individual facts relating to each case (such as strength of the legal arguments and financial strength of the client) when deciding the level of any further impairment allowance.

2 Accounting estimates and judgements

Estimates and judgements 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.

Accounting estimates

In preparing the financial statements, the directors make estimates and assumptions concerning the future. The resulting accounting estimates, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are considered to be:

Impairment of trade receivables

The Group provides architectural design services, master systems integration and stage technology, smart workplace systems, energy management software and related services to a wide variety of clients including property developers, owner occupiers and governmental organisations, both in the United Kingdom and overseas.

An increase of 5% (2023: 5%) as a percentage of total trade receivables would lead to a material bad debt exposure. Based on the combination of credit loss allowances and specifically identified further provisions, there is a £0.21m, (2023: £0.17m) trade receivables provision primarily against historic Middle East trade receivables. Given the nature of these,

there remains the potential to collect these in future years. Further quantitative information concerning trade receivables is shown in notes 22 and 34.

Impairment of goodwill and other intangible assets

Details of the impairment reviews undertaken in respect of the carrying value of goodwill and other intangible assets are given in note 17.

Impairment of investments in subsidiaries, associate and joint ventures

The company's investment in subsidiaries, associate and joint ventures is reviewed annually for impairment. The recoverable amount is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets and forecasts covering a five year period. Cash flows beyond the five year period are extrapolated using long term average growth rates.

The key assumptions made in these projections are the same as those given in relation to impairment of goodwill in note 17.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable direct labour costs. When an inventory check is carried out obsolete inventories identified are written off to cost of sales. The carrying value of inventories at the year end was £393k (2023: £372k). No provision for inventories has been included in the year end accounts as it was deemed that all inventories will realise in excess of its carrying value.

Freehold property

Freehold property is stated at fair value, on periodic valuations by external independent valuers, taking into account current rental yields and the market value of similar properties in the area.

Useful lives of other intangible assets

The useful economic life of customer relationships acquired in the TFG business combination is estimated to be at least 7 years based on analysis of the retention rate of recurring maintenance contracts in recent years.

Capitalisation of development costs

It is the Group's policy to capitalise development expenditure only if the Directors are satisfied as to the technical, commercial and financial viability of individual projects and if the asset recognition criteria under IAS 38 are met.

The assessment of directly attributable costs to projects involve a significant degree of estimation of staff costs. The assessment of future economic benefits generated by these

intangible assets and the determination of their amortisation profile involve a significant degree of judgement based on the estimation of future potential revenue and profit and the useful life of the assets.

Further information is provided in note 14.

Critical accounting judgements

Critical judgements represent key decisions made by management in the application of the Group's accounting policies.Where a significant risk of materially different outcomes exists due to management assumptions, this will represent a critical accounting judgement. Accounting judgements are continually reviewed in light of new information and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are considered to be:

Recognition of fee claim revenue

The nature of the project work undertaken by the Group means sometimes the scale and scope of a project increases after work has commenced. Subsequent changes to the scale and scope of the work may require negotiation with the clients for variations.

Advance agreement of the quantum of variation fees is not always possible, in particular when the timescale for project completion is changing or where the cost of variations cannot be determined until the work has been undertaken.

The Group have limited numbers of situations where we are entitled to a fee claim, on which estimationof the amount we would be entitled to in such a claim is considered on a case by case basis, and only recognised when it is highly probable that there will not be a subsequent reversal of the estimated revenuesof a probable outcome under the requirements of IFRS 15 for variable consideration.

In the current year no material fee claim revenue has been recognised at 30 September 2024.

IFRS 16 Right-of-use asset and Lease liability

The lease of its London studio includes an upward rent review after 5 years in May 2023, does not contain any break clauses, and expires in May 2028.

The lease includes provision for an additional 4 month rent free period on condition that the Group undertakes specific property improvements to the Landlord's reasonable satisfaction. The Group estimates that the cost of installation of these improvements would be equivalent or higher in cost than the value of the 4 months' rent free saving. As the Group would have to pay for a comfort cooling system to gain the rent free saving, the 4 month rent free period is not included within the IFRS 16 calculation for the right-of-use asset and associated lease liability.

The lease of Vanti Ltd's Farnham premises, includes a tenant's break clause in July 2025, and expires on 1 July 2027. The lease includes a penalty of £5k equivalent to 3 months' rent if the break clause is exercised.

3 Business combinations

Acquisition of ecoDriver

On 17 October 2023 the Group acquired 100% of the voting equity instruments in TR Control Solutions Limited ("TRCS"), a developer of energy management software and provider of energy efficiency services. Immediately after completing the acquisition management changed the name of the company to ecoDriver Ltd ("ecoDriver").

The acquisition is a further step in the Group's strategy to become a leading provider of Smart Building technology.

The operating results and assets and liabilities of the acquired company have been consolidated from 17 October 2023.

Consideration for the acquisition comprised:

i) 17,800,000 Ordinary Shares in Built Cybernetics plc at an issue price of 1.525p based on the closing price of Built Cybernetics plc shares on 17 October 2023; and

ii) £89,000 in cash. Half the cash consideration was paid on completion, with the remaining £44,500 paid on the first anniversary of completion in October 2024.

	£'000
Shares in Built Cybernetics plc	271
Cash	89
Total acquisition cost	360

	17 Oct-23 £'000
Goodwill (note 13)	527
Trade and other receivables	52
Assets	579
Trade and other payables	149
Contract liabilities	24
Net overdraft	7
Interest bearing loans and borrowings	39
Liabilities	219
Total net assets	360

Acquisition related costs of £27k are disclosed as acquisition costs in the consolidated income statement.

Acquisition of assets from RTS Technology Solutions Limited

On 20 March 2024 Vanti Ltd (formerly Torpedo Factory Ltd), a wholly owned subsidiary of the Group, acquired certain assets from the liquidator of RTS Technology Solutions Limited which formerly traded as Vanti ("RTS"). RTS was a master systems integrator, and a developer of Smart Core building operating system software and Kahu workplace technology software and hardware.

The acquisition is an important step in the Group's strategy to become a leading provider of Smart Building technology, and in particular to develop Torpedo Factory Group as a Master Systems Integrator, and for the Group to expand its range of smart building software.

The financial effects of this transaction affecting the assets, liabilities, and financial performance of Vanti Ltd have been consolidated from 20 March 2024.

Consideration for the acquisition comprises £37,003 in cash which was payable on completion, and contingent deferred consideration in cash payable over a period of up to 18 months. The deferred consideration was capped at £50,000, and the amount actually payable is expected to be £40,000 payable between April and September 2025.

	£'000
Cash	37
Deferred consideration	40
Total expected acquisition cost	77

	20 Mar-24 £'000
Property, plant and equipment	20
Goodwill (note 13)	45
Other intangible assets (note 14)	11
Inventories	1
Assets	77
Total net assets	77

Acquisition related costs of £14k are disclosed as acquisition costs in the consolidated income statement.

4 Operating segments

The Group's reportable operating segments have previously been based on the geographical areas in which its studios are located (together with a Group costs segment), as each reportable operating segment provided the same type of service to clients, namely integrated professional design services for the built environment. Internally the Group prepares discrete financial information for each of its geographical professional design service segments.

With the acquisitions of TFG and A+K in the prior year, and ecoDriver in the current year, the Group now further divides its business by types of service, with reporting segments expanded

as professional design service regions, TFG, A+K and ecoDriver.

The Group's professional service design regions consist of the United Kingdom, the Middle East and Continental Europe.Turkey is included within Continental Europe together with Germany.

As set out in note 28, the board concluded the sale of the Turkey subsidiaryAukett Swanke Mimarlik AS on 27 December 2023, and classified the assets and liabilities of that subsidiary as assets held for sale for the prior year as at 30 September 2023. The Group identifies geographical areas of operation aligned to its geographical segments. The Group retains its significant investments in its joint venture and associate in Germany and considers the subsidiary sold to have represented a small proportion of the geographical segment. Accordingly, Aukett Swanke Mimarlik AS was not re-presented as a discontinued operation.

The Middle East segment has been re-presented as a discontinued operationand is set out in note 12.

With the acquisition of ecoDriver during the period, ecoDriver's operation has been disclosed as an additional separate business segment.

Income statement segment information

Segment revenue	2024 £'000	2023 £'000
United Kingdom Architecture	9,525	8,858
Torpedo Factory Group	8,592	4,816
Anders+Kern	1,083	467
ecoDriver	477	-
Continental Europe	39	194
Revenue from continuing operations	19,716	14,335
Discontinued operations	-	2
Total revenue	19,716	14,337

Segment revenue recognised over time	2024 £'000	2023 £'000
United Kingdom Architecture	9,525	8,858
Torpedo Factory Group	8,058	4,523
Anders+Kern	438	384
ecoDriver	477	-
Continental Europe	39	194
Revenue from continuing operations	18,537	13,959
Discontinued operations	-	2
Revenue recognised over time	18,537	13,961

Segment revenue recognised at a point in time	2024 £'000	2023 £'000
United Kingdom Architecture	-	-
Torpedo Factory Group	534	293
Anders+Kern	645	83
ecoDriver	-	-
Continental Europe	-	-

Revenue from continuing operations	1,179	376
Discontinued operations	-	-
Revenue recognised at a point in time	1,179	376
Total revenue	19,716	14,337

Most of the Group's revenue relates to the value of services performed for customers under construction type contracts. These contracts are generally fixed price and take place over a long term basis.

Revenue is recognised over time for these services where control is transferred continuously as the Group fulfils its performance obligations.

Revenue is recognised at a point in time for distinct goods or services where control transfers to the customer upon delivery, acceptance, or another specific event

Segment revenue less sub consultant costs	2024 £'000	2023 £'000
United Kingdom Architecture	9,260	8,692
Torpedo Factory Group	8,592	4,816
Anders+Kern	1,083	467
ecoDriver	477	-
Continental Europe	39	128
Revenue less sub consultant costs from continuing operations	19,451	14,103
Discontinued operations	-	-
Revenue less sub consultant costs	19,451	14,103

All impairment losses recognised in note 22 are in respect of the Group's contracts with customers.

Segment net finance expense

Continuing operations	2024 £'000	2023 £'000
United Kingdom Architecture	(178)	(77)
Torpedo Factory Group	(258)	(145)
Anders+Kern	(3)	-
ecoDriver	(1)	-
Continental Europe	-	-
Group costs	(8)	(24)
Net finance expense	(448)	(246)

Segment depreciation	2024 £'000	2023 £'000
United Kingdom Architecture	74	60
Torpedo Factory Group	53	24
Anders+Kern	5	1
ecoDriver	1	-
Continental Europe	-	2
Group costs	1	5
Depreciation from continuing operations	134	92
Discontinued operations	-	-
Depreciation	134	92

Segment amortisation	2024 £'000	2023 £'000
United Kingdom Architecture	412	403

Torpedo Factory Group	137	63
Anders+Kern	-	-
ecoDriver	12	-
Continental Europe	-	-
Amortisation from continuing operations	561	466
Discontinued operations	-	-
Amortisation	561	466

Segment result before tax	2024 £'000	2023 £'000
United Kingdom Architecture [E]	(20)	(94)
Torpedo Factory Group [B D G H]	(625)	401
Anders+Kern	(215)	62
ecoDriver	(48)	-
Continental Europe [A]	73	277
Group costs [C F G]	(679)	(997)
Goodwill impairment	(260)	-
Loss before tax from continuing operations	(1,774)	(351)
Profit from discontinued operations	(27)	10
Total loss before tax	(1,801)	(341)

Segment result before tax (before reallocation of group management charges)	2024 £'000	2023 £'000
United Kingdom Architecture [E]	250	202
Torpedo Factory Group [B D G H]	(373)	467
Anders+Kern	(162)	62
Continental Europe [A]	204	423
ecoDriver	(5)	-
Group costs [C F G]	(1,428)	(1,505)
Goodwill impairment	(260)	-
Loss before tax from continuing operations	(1,774)	(351)
Profit from discontinued operations	(27)	10
Total loss before tax	(1,801)	(341)

[A]Sep-24segmental results before tax includes the £88k loss on disposal of the Turkish subsidiary Aukett Swanke Mimarlik AS.

[B]Sep-24 segmental results before tax includes the £585k loss on revaluation of The Old Torpedo Factory freehold property asset sale allocated within Torpedo Factory Group.

[C]Sep-24 segmental results before tax includes £27k of exceptional costs being transactional costs for the acquisition ofTRCS (ecoDriver)allocated within Group costs.

[D]Sep-24 segmental results before tax includes £14k of exceptional costs being transactional costs for the acquisition ofcertain assets from the liquidator of RTS Technology Solutions Limited which formerly traded as Vanti ("RTS")allocated within Torpedo Factory Group.

[E]Sep-24 United Kingdom Architecture result before tax includes a provision of£264k relating to a levy by The Wren, the Group's UK architecture businesses professional indemnity insurer. The Wren is an industry led mutual insurance organisation of which the Group's UK

architecture businesses are members. The levy was triggered by The Wren's reassessment of cladding-related claims, which reduced its solvency ratio below its regulatory requirements, necessitating additional member contributions.

[F]Sep-23 segmental results before tax include £25k of exceptional costs being transactional costs for the acquisition of Anders + Kern allocated within Group costs.

[G]Sep-23 segmental results before tax include £260k of exceptional costs being transactional costs for the acquisitions of Torpedo Factory Group and Anders + Kern allocated as £210k within Group costs, and £50k within TorpedoFactory Group.

[H]Sep-23 TFG segmental result before tax includes£94k of one-off costs relating to the settlement of TFG employees company share option costs and the loss on assets disposed of as part of the Live Events disposal.

The Group's share of results from associate and joint ventures included within the Continental Europe segment result are shown in notes 18 and 19.

Revenue from contracts with customers

Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

	2024 £'000	2023 £'000
Current contract assets relating to professional services contracts	1,750	790
Loss allowance	-	-
Total contract assets	1,750	790
Contract liabilities relating to professional services contracts	2,585	1,398
Total contract liabilities	2,585	1,398

Significant changes in contract asset and liabilities

Contract assets have increased as the Group provided higher amounts of services ahead of invoicing. Contract assets derived from the smart building businesses combined to £817k (September 2023: £614k). This is primarily driven by the Vanti acquisition which has promoted an uptick in overall business resulting in contract assets moving in line. For UK Architecture, the balance of contract assets also increased significantly to £933k (September 2023: £176k). The increase is primarily due to 2 projects in Veretec with combined work in progress of £323k, and 1 in ASL with work in progress of £183k, for which finalisation of the September monthly invoices was delayed with the respective clients meaning they had to be sent in October, and differences in billings schedules vs revenue recognition which will net down as the project continues.

Contract liabilities have increased as the Group has invoiced for higher amounts ahead of providing services. The increase primarily stems from the smart building businesses which contributed £1,681k towards the contract liabilities as at 30 September 2024. This side of the

business regularly invoices 40% up front resulting in large contract liability positions. The Vanti acquisition has been a big driver in overall business resulting in the contract liability position to grow. The remaining balance of contract liabilities derive primarily from contracts in the UK architecture operating segment.

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

	£'000
Total contract liabilities as at 1 October 2023	(1,398)
Revenue recognised that was included in the contract liability balance at the beginning of the period	1,039
Credits issued relating to the contract liability balance at the beginning of the year, previously invoiced but not recognised as revenue.	64
Cash received in advance of performance and not recognised as revenue in the period	(2,290)
Total contract liabilities as at 30 September 2024	(2,585)

Statement of financial position segment information

Segment assets	2024 £'000	2023 £'000
United Kingdom Architecture	3,044	1,790
Torpedo Factory Group	2,345	1,444
Anders+Kern	57	339
ecoDriver	89	-
Middle East	-	5
Continental Europe	-	50
Trade receivables and contract assets	5,535	3,628
Other current assets	1,987	5,111
Non current assets*	5,935	6,161
Total assets	13,457	14,900

*Non current assets include investments in associate and joint ventures.

Segment liabilities	2024 £'000	2023 £'000
United Kingdom Architecture	2,634	2,637
Torpedo Factory Group	2,797	1,602
Anders+Kern	298	346
Middle East	133	198
ecoDriver	171	
Continental Europe	-	72
Trade payables, contract liabilities and accruals	6,033	4,855
Other current liabilities	3,205	3,822
Non current liabilities	1,826	2,850
Total liabilities	11,064	11,527

Contract segment information

Contract assets	2024 £'000	2023 £'000
United Kingdom Architecture	933	176
Torpedo Factory Group	707	473
Anders+Kern	60	141
ecoDriver	50	-
Middle East	-	-
Continental Europe	-	33
Total contract assets	1,750	823

Contract liabilities	2024 £'000	2023 £'000
United Kingdom Architecture	904	1,098
Torpedo Factory Group	1,571	249
Anders+Kern	17	50
ecoDriver	93	-
Middle East	-	-
Continental Europe	-	32
Total contract assets	2,585	1,429

Geographical areas

Revenue	2024 £'000	2023 £'000
United Kingdom	19,677	14,141
Country of domicile	19,677	14,141
Turkey	39	194
United Arab Emirates	-	2
Foreign countries	39	196
Revenue	19,716	14,337

Non current assets	2024 £'000	2023 £'000
United Kingdom	4,344	4,465
Country of domicile	4,344	4,465
Germany	995	1,071
Foreign countries	995	1,071
Non current assets excluding deferred tax	5,339	5,536
Deferred tax	596	625
Non current assets	5,935	6,161

Major clients

During the year ended 30 September 2024, the Group did not derive 10% or more of its revenues from any major clients (2023: one client).

	2024 £'000	2023 £'000
Largest client revenues	1,271	1,636

The largest client revenues for 2024 relate to the Torpedo Factory Group operating segment (2023: United Kingdom Architecture operating segment).

Revenue by project site

The geographical split of revenue based on the location of project sites was:

	2024 £'000	2023 £'000
United Kingdom	19,677	13,831
Middle East	-	2
Continental Europe	39	479
Rest of the world	-	25
Revenue	19,716	14,337

5 Other operating income

	2024 £'000	2023 £'000
Property rental income	139	163
Management charges to joint ventures and associates	131	134
Government grant	128	-
Other sundry income	102	29
Total other operating income from continuing operations	500	326
Discontinued operations	-	-
Total other operating income	500	326

6 Finance costs

Continuing operations	2024 £'000	2023 £'000
Fair value movement on investments	23	80
Payable on bank loans and overdrafts	170	89
Finance lease interest payable	68	74
Other interest payable	200	12
Total finance costs	461	255

7 Auditor remuneration

During the year the Group incurred the following costs in relation to the Company's auditor and associates of the Company's auditor, and to the Company's previous auditor:

	2024 £'000	2023 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts for the year ended September 2024	34	135

Additional fees paid to the Company's previous auditor for the audit of the Company's annual accounts for the year ended September 2023	50	-
Fees payable to the Company's auditor and its associates for other services		
Audit of the Company's subsidiaries pursuant to legislation	66	124

The figures presented above are for Built Cybernetics plc and its subsidiaries as if they were a single entity. Built Cybernetics plc has taken the exemption permitted by United Kingdom Statutory Instrument 2008/489 to omit information about its individual accounts.

8 Employee information

The average number of persons including directors employed by the Group and Company during the year was as follows:

	Group		Company	
	2024 Number	2023 Number	2024 Number	2023 Number
Technical	115	97	-	-
Administrative	65	35	8	6
Total	180	132	8	6

In addition to the number of staff disclosed above, the Group's associate and joint ventures employed an average of 152 persons (2023: 153 persons).

The costs of the persons employed by the Group and Company during the year were:

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Wages and salaries	9,078	6,471	763	550
Social security costs	942	703	89	67
Contributions to defined contribution pension arrangements	536	331	118	47
Total	10,556	7,505	970	664

The Group contributes to defined contribution pension arrangements for its employees in the UK. The assets of these arrangements are held by financial institutions entirely separately from those of the Group.

The Group's Turkish subsidiary, which was sold during the year, is required to pay termination benefits to each employee who completes one year of service and whose employment is terminated upon causes that qualify the employee to receive termination indemnity payments.

9 Directors' emoluments

2024	Basic Pay £'000	Benefits in kind £'000	Aggregate emoluments £'000	Pension contributions £'000	Total £'000
Robert Fry	55	6	61	9	70
Clive Carver	60	-	60	-	60
Tandeep Minhas	33	-	33	-	33
Nick Clark	150	2	152	20	172
Freddie Jenner	135	1	136	17	153
Antony Barkwith	135	3	138	17	155
Total	568	12	580	63	643

2023	Basic Pay £'000	Benefits in kind £'000	Aggregate emoluments £'000	Pension contributions £'000	Total £'000
Nicholas Thompson	37	2	39	3	42
Robert Fry	83	7	90	15	105
Clive Carver	77	-	77	-	77
Raúl Curiel	20	-	20	-	20
Tandeep Minhas	14	-	14	-	14
Nick Clark	73	-	73	9	82
Freddie Jenner	34	-	34	4	38
Antony Barkwith	135	3	138	17	155
Total	473	12	485	48	533

Benefits were accruing to four Directors (2023: five Directors) under defined contribution pension arrangements.

The aggregate emoluments of the highest paid Director were £152,000 (2023: £138,000) together with pension contributions of £20,000 (2023: £17,000).

10 Tax charge

	2024 £'000	2023 £'000
Current tax	-	-
Adjustment in respect of previous years	-	(196)
Total current tax	-	(196)
Origination and reversal of temporary differences	(97)	(79)
Adjustment in respect of previous years	3	(56)
Changes in tax rates	-	(102)
Total deferred tax (note 26)	(94)	(237)
Total tax credit	(94)	(433)

The standard rate of corporation tax in the United Kingdom that is applicable for the financial year was 25% (2023: 22%).

The tax assessed for the year differs from the United Kingdom standard rate as explained below:

	2024 £'000	2023 £'000
Loss before tax	(1,801)	(341)
Loss before tax multiplied by the standard rate of corporation tax in the United Kingdom of 25% (2023: 22%)	(450)	(75)
Effects of:		
Other non tax deductible expenses	119	66
Associate and joint ventures reported net of tax	(39)	(75)
Tax losses not recognised	208	9
Impact on deferred tax of change in UK tax rate	-	(102)
Current tax adjustment in respect of previous years	-	(196)
Deferred tax adjustment in respect of previous years	3	(56)
(Losses)/Income not taxable	65	(4)
Total tax credit	(94)	(433)

11 Earnings per share

The calculations of basic and diluted earnings per share are based on the following data:

Earnings	2024 £'000	2023 £'000
Continuing operations	(1,680)	82
Discontinued operations	(27)	10
(loss)/profit for the year	(1,707)	92

Number of shares	2024 Number	2023 Number
Weighted average of ordinary shares in issue	315,833,254	223,915,859
Adjustments for calculation of diluted earnings per share:		
- Effect of dilutive warrants	19,356,164	-
- Effect of dilutive options	6,399,419	-
Diluted weighted average of ordinary shares in issue	341,588,837	223,915,859

As explained in note 30 the Company has granted options over 29,716,666 of its ordinary shares. These have been included in the calculation of diluted earnings per share apart from 1,000,000 options granted in the year which are considered to be anti-dilutive. The amount of the dilution is based on the average market price of ordinary shares during the period minus the exercise price.

As explained in note 29, during the year the Company issued 42,500,000 warrants exercisable for 3 years at a price of 1 penny per share. As 5,000,000 were exercised during the year the effect of dilutive warrants includes the effect of the remaining 37,500,000 un-exercised warrants.

12 Discontinued operations

12 (a) Description

In April 2022, the Group sold assets, as part of the Group's disposal of JRHP constituting its John R Harris & Partners Limited (Cyprus) subsidiary and John R Harris & Partners (Dubai) entity, for a cash consideration of AED 5,000,000, comprising AED 4,250,000 cash up front and a further AED 750,000 deferred consideration paid over a 5 year period. This marked the sale of the main trading operations in the Group's Middle East segment. With closure costs incurred in the period relating to the planned termination of a number of trading licenses in the Middle East operations, the Middle East segment is presented as a discontinued operation in the current and comparative period.

Deferred cash consideration received in the year was £31k (2023: £33k).

12 (b) Financial performance and cash flow information

Result of discontinued operations

	2024 £'000	2023 £'000
Revenue	-	2
Sub consultant costs	-	(2)
Revenue less sub consultant costs	-	-
Property related costs	-	(2)
Expenses	(27)	12
(Loss)/profit before tax	(27)	10
Tax credit / (charge)	-	-
(Loss)/profit from discontinued operations	(27)	10
Exchange differences on translation of discontinued operation	-	-
Other comprehensive (loss)/profit from discontinued operations	(27)	10

Earnings per share from discontinued operations

	2024 £'000	2023 £'000
Basic (loss)/profit per share	(0.01p)	0.00p
Diluted (loss)/profit per share	(0.01p)	0.00p

Statement of cash flows

The statement of cash flows includes the following amounts relating to discontinued operations:

	2024 £'000	2023 £'000

Net cash outflow from operating activities	-	-
Net cash inflow from investing activities	-	-
Foreign exchange movements	-	-
Net cash from discontinued operations	-	-

13 Goodwill

Group

	£'000
Cost	
At 1 October 2022	1,752
Additions	1,724
Disposal	-
Exchange differences	-
At 30 September 2023	3,476
Additions	572
Disposal	-
Exchange differences	-
At 30 September 2024	4,048
Impairment	
At 1 October 2022	1,752
Impairment	222
Disposal	-
Exchange differences	-
At 30 September 2023	1,974
Impairment	260
Disposal	-
Exchange differences	-
At 30 September 2024	2,234
Net book value	
At 30 September 2024	1,814
At 30 September 2023	1,502
At 1 October 2022	-

Goodwill from the United Kingdom Architecture operation arose as £1,244k from the April 2005 acquisition of Fitzroy Robinson Limited and £496k from the December 2013 acquisition of Swanke Hayden Connell Europe Limited. In the years that have passed the UK operations have been merged into the Aukett Swanke Limited and Veretec Limited companies. Swanke Hayden Connell Europe Limited serves as a holding company for Swanke Hayden Connell International Limited which no longer employs staff or engages in architectural work and acted as a holding company for the Turkey subsidiary which was sold in the year. Management took the decision to write off the full £1,740k balance of Goodwill for the United Kingdom Architecture operations in the prior year.

Additions in the prior year comprised the acquisition of TFG in March 2023 giving rise to Goodwill of £1,464k, and the acquisition of Anders + Kern in July 2023 giving rise to Goodwill of £260k.

Prior year impairments:

- £92k of the TFG goodwill relates to additional consideration shares, which were not exercised and expired on 20 September 2023. Management made an impairment to goodwill in the prior year matching this amount.
- £130k of the TFG goodwill relates to the fair value of share options issued as part of the acquisition consideration of the business combination. Management took the decision in the prior year to impair the goodwill associated with the fair value acquisition cost represented by these share options.

Additions in the current year comprised the acquisition of TR Control Solutions Limited (renamed ecoDriver) in October 2024 giving rise to Goodwill of £527k, and the acquisition of certain assets of RTS Technology Solutions Limited in March 2024 giving rise to Goodwill of £45k as detailed in note 3.

A full provision for impairment of £260k (2023: £nil) was made during the year to reduce the Anders + Kern goodwill to zero. As discussed further in note 17, the CGU has struggled to retain previous distribution and reseller agreements in certain product sets and is transitioning to be more focussed on SaaS and Smart Building revenue streams. Cost savings have been initiated to streamline the team and reduce running costs following the year end. However, value in use calculations modelled do not support the full value of goodwill, and whilst the company is in a transition period with uncertainty on forecast revenue this makes the value in use calculation highly sensitive to small changes. Management therefore took the decision to make a full provision against the Anders + Kern goodwill.

The net book value of goodwill is allocated to the Group's cash generating units ("CGU") as follows:

	Torpedo Factory Group £'000	Anders + Kern £'000	ecoDriver £'000	United Kingdom Architecture £'000	Total £'000
At 1 October 2022	-	-	-	-	-
Additions	1,464	260	-	-	1,724
Disposal	-	-	-	-	-
Impairment	(222)	-	-	-	(222)
Exchange differences	-	-	-	-	-
At 30 September 2023	1,242	260	-	-	1,502
Additions	45	-	527	-	572
Disposal	-	-	-	-	-
Impairment	-	(260)	-	-	(260)
Exchange differences	-	-	-	-	-
At 30 September 2024	1,287	-	527	-	1,814

An annual impairment test is performed over the cash generating units ('CGUs') of the Group where goodwill and intangible assets are allocable to those CGUs.The net book values are supported by the value in use calculations detailed further in note 17.

14 Other intangible assets

Group	Trade name £'000	Customer relationships £'000	IT assets £'000	Development costs £'000	Total £'000
Cost					
At 1 October 2022	690	160	-	-	850
Acquired through business combinations	-	152	75	-	227
Exchange differences	(36)	(12)	-	-	(48)
At 30 September 2023	654	300	75	-	1,029
Acquired through business combinations	-	-	11	-	11
Additions	-	-	-	221	221
Exchange differences	(31)	(7)	-	-	(38)
At 30 September 2024	623	293	86	221	1,223
Amortisation					
At 1 October 2022	480	160	-	-	640
Charge	13	11	7	-	31
Exchange differences	(34)	(12)	-	-	(46)
At 30 September 2023	459	159	7	-	625
Disposal	-	-	-	-	-
Impairment	-	-	-	-	-
Charge	13	22	13	14	62
Exchange differences	(30)	(7)	-	-	(37)
At 30 September 2024	442	174	20	14	650
Net book value					
At 30 September 2024	181	119	66	207	573
At 30 September 2023	195	141	68	-	404
At 1 October 2022	210	-	-	-	210

Amortisation is included in other operating expenses in the consolidated income statement.

Impairment

An annual impairment test is performed over the cash generating units ('CGUs') of the Group where goodwill and intangible assets are allocable to those CGUs.The net book values are supported by the value in use calculations detailed further in note 17.

Trade name

The trade name was acquired as part of the acquisition of Swanke Hayden Connell Europe Limited ("SHC") in December 2013 and also on the acquisition of Shankland Cox Limited ("SCL") in February 2016. The SHC trade name reflects the inclusion of the Swanke name in the enlarged Group. Trade names are amortised on a straight line basis over a 25 year period from the acquisition. The SHC trade name has a remaining amortisation period of 15 years.

Customer relationships

Customer relationships were acquired as part of the acquisition of SHC in December 2013 This represents the value attributed to clients who provided repeat business to the Group on the strength of these relationships. Customer relationships are amortised on a straight line

basis over a 7-10 year period from the acquisition dates. The customer relationships acquired in December 2013 were amortised over a 7 year period which ended in December 2020.

In the prior year to 30 September 2023, the assets acquired were part of the acquisition of Torpedo Factory Group in March 2023.This represents the value attributed to clients who provided repeat business to the Group on the strength of these relationships. The fair value was ascertained by analysing the net present value of recurring maintenance contracts adjusted for retention rates based on historical customer retention data. The customer relationships are being amortised on a straight line basis over a 7 year period from the acquisition date.

IT assets

The IT assets were acquired as part of the acquisition of Torpedo Factory Group in March 2023 and consist of domain names, computer software and website development costs.

In the year to 30 September 2024, the IT assets acquired were part of the Asset Purchase Agreement (APA) resulting from the liquidation of RTS Technology Solutions Ltd in March 2024 (note 3). This represents various software applications that were purchased as part of this agreement that are outlined below:

- Kahu Software, £5,000. This is a suite of technology products that help create a flexible, modern workplace.
- Smart Core Software, £5,000. Smart Core is a building operating system that enables developers and landlords seamless integration of smart building technology requirements.
- StageMaster Software, £1,000. A complete solution for school and theatre halls relating to integration of light, sound and image technology.

These assets will be impaired on a yearly basis. It should be noted that there is additional consideration that may be paid for the Kahu and Smart Core software which could total £25k in each instance collectively totalling an additional £40k of cost. This is based on certain revenue targets that need to be hit as part of the APA.

Development Costs

Development costs in the year relating to our internal IP has been capitalised under IAS 38. These costs have been scoped under the relevant criteria including the Technology Readiness Level (TRL) measurement system. Separation between research and development has been applied with prudent percentages then being utilised for relevant product development across Vanti Ltd and ecoDriver Ltd. Amortisation profiles for this capitalisation has been set at a 5-year period which is appropriate for the software IP that is being developed.

15 Property, plant & equipment

Group	Freehold Property	Leasehold improvements	Furniture & equipment	Motor vehicles	Total

	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 October 2022	-	6	532	-	538
Acquired through business combinations	3,020	41	110	60	3,231
Additions	-	-	102	-	102
Disposals	-	(5)	(60)	(8)	(73)
Revaluation	60	-	-	-	60
Assets classified as held for sale	(3,080)	-	-	-	(3,080)
Exchange differences	-	-	(9)	-	(9)
At 30 September 2023	-	42	675	52	769
Acquired through business combinations	-	-	20	-	20
Additions	-	-	56	-	56
Disposals	-	-	(13)	(8)	(21)
Exchange differences	-	-	(3)	-	(3)
At 30 September 2024	-	42	735	44	821
Depreciation					
At 1 October 2022	-	6	463	-	469
Charge	-	3	80	9	92
Disposals	-	(5)	(9)	(7)	(21)
Exchange differences	-	(1)	(8)	-	(9)
At 30 September 2023	-	3	526	2	531
Charge	-	6	116	12	134
Disposals	-	-	(12)	(7)	(19)
Exchange differences	-	-	(1)	-	(1)
At 30 September 2024	-	9	629	7	645
Net book value					
At 30 September 2024	-	33	106	37	176
At 30 September 2023	-	39	149	50	238
At 1 October 2022	-	-	69	-	69

Company	Furniture & equipment £'000	Total £'000
Cost		
At 1 October 2022	17	17
Disposals	(10)	(10)
At 30 September 2023 and at 30 September 2024	7	7
Depreciation		
At 1 October 2022	10	10
Charge	5	5
Disposals	(9)	(9)
At 30 September 2023	6	6
Charge	1	1
At 30 September 2024	7	7
Net book value		
At 30 September 2024	-	-
At 30 September 2023	1	1

16 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations - see note 27).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Nature of leasing activities (in the capacity as lessee)

The Group leases a number of properties in the jurisdictions from which it operates. In some jurisdictions it is customary for lease contracts to provide for payments to increase each year by inflation or and in others to be reset periodically to market rental rates. In some jurisdictions' property leases the periodic rent is fixed over the lease term.

The Group also leases certain items of plant and equipment. Leases of plant and equipment comprise only fixed payments over the lease terms.

The lease liability recognised by the Group on land and buildings relates to the lease on the London premises. Rent on the premises is fixed, subject to a market value rent review in 2023. The Group has not received any subsequent notification of rent adjustment.

The payments on leasehold improvements are all fixed payments for the length of the leases.

The Group sometimes negotiates break clauses in its property leases. On a case-by-case basis, the Group will consider whether the absence of a break clause would expose the Group to excessive risk. Typically factors considered in deciding to negotiate a break clause include:

- the length of the lease term;
- the economic stability of the environment in which the property is located; and

- whether the location represents a new area of operations for the Group.

At 30 September 2024, the lease of Vanti Ltd's Farnham premises includes a tenant's break clause on 1 July 2025, and expires on 1 July 2027. The lease includes a penalty of £5k equivalent to 3 months' rent if the break clause is exercised.

Right-of-use Assets

	Land and buildings £'000	Restoration costs £'000	Leasehold improvements £'000	Motor vehicles £'000	Total £'000
At 1 October 2022	1,830	122	232	-	2,184
Acquired through business combinations	214	-	-	117	331
Additions	-	-	52	-	52
Amortisation	(351)	(22)	(44)	(18)	(435)
At 30 September 2023	1,693	100	240	99	2,132
Acquired through business combinations	-	-	-	-	-
Additions	77	-	16	-	93
Disposals	-	-	-	(13)	(13)
Amortisation	(394)	(21)	(53)	(31)	(499)
At30 September 2024	1,376	79	203	55	1,713

Lease liabilities

	Land and buildings £'000	Leasehold improvements £'000	Motor vehicles £'000	Total £'000
At 1 October 2022	2,364	55	-	2,419
Acquired through business combinations	213	-	106	319
Additions	-	-	-	-
Interest expense	67	1	4	72
Lease payments	(494)	(55)	(19)	(568)
At 30 September 2023	2,150	1	91	2,242
Acquired through business combinations	-	-	-	-
Additions	79	-	-	79
Disposals	-	-	(13)	(13)
Interest expense	63	-	5	68
Lease payments	(539)	(1)	(29)	(569)
At 30 September 2024	1,753	-	54	1,807

	£'000
Short-term lease expense	5
Low value lease expense	2
Expense relating to variable lease payments not included in the measurement of lease liabilities	-
Aggregate undiscounted commitments for short-term leases	2

The maturity analysis of lease liabilities of the Group at each reporting date are as follows:

Lease liabilities	Up to 3 months £'000	Between 3 and 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
At 30 September 2024	130	398	542	737	-
At 30 September 2023	122	370	508	1,242	-

The Group acts as a lessor through the sub-let of part of the third floor at its Bonhill Street studio and the entirety of its Farnham premises. The following is the aggregate minimum future receivables under these leases.

	2024 £'000	2023 £'000
Not later than one year	46	71
Later than one year and not later than five years	-	16
Later than five years	-	-
Total	46	87

17 Investments

Company	Subsidiaries £'000	Joint ventures £'000	Associate £'000	Total £'000
Cost				
At 1 October 2022	9,179	21	12	9,212
Additions	3,546	-	-	3,546
At 30 September 2023	12,725	21	12	12,758
Additions	360	-	-	360
At 30 September 2024	13,085	21	12	13,118
Provisions				
At 1 October 2022	7,123	-	-	7,123
Charge	229	-	-	229
At 30 September 2023	7,352	-	-	7,352
Charge	521	-	-	521
At 30 September 2024	7,873	-	-	7,873
Net book value				
At 1 October 2022	2,056	21	12	2,089
At 30 September 2023	5,373	21	12	5,406
At 30 September 2024	5,212	21	12	5,245

The increase in cost of £360k during the year related to the acquisition of ecoDriver Limited, see note 3.

In the prior year, a provision for impairment of £222k was made to reduce the value of the Company's investment in Torpedo Factory Group Limited. As explained in note 3, £92k of the TFG investment related to additional consideration shares, which were not exercised and expired on 20 September 2023. In the prior year, Management made an impairment to investments matching this amount. £130k of the TFG investment relates to the fair value of share options issued as part of the acquisition consideration of the business combination. As the closing share price of Built Cybernetics plc reduced after the acquisition to 30 September 2023, Management took the decision to impair the investment associated with the fair value acquisition cost represented by these share options.

A provision for impairment of £6k (2023: £7k) was made during the year to reduce the Company's investment in Swanke Hayden Connell Europe Limited down to the net book value of its balance sheet.

A provision for impairment of £515k (2023: £nil) was made during the year to reduce the Company's investment in Anders + Kern down to zero, as discussed with regard to the value in use projections below.

The current net book values of the investments in subsidiaries is £5,212k (2023: £5,373k) after charges made in the current year, which is larger than the net assets of the consolidated statement of financial position of £2,657k (2023: £3,373k). This is primarily due to the Company's cost of investment in the UK operations (Aukett Swanke Limited and Veretec Limited) being higher than the Group's carrying value of Goodwill and other intangible assets in these entities.

The net book values are supported by the value in use calculations.

An annual impairment test is performed over cash generating units ('CGUs') of the Group. The UK architectural operations (Aukett Swanke Limited and Veretec Limited) are considered to be one CGU. Torpedo Factory Group Limited along with its subsidiaries Vanti Ltd andTFG Stage Technology Ltd are considered to be one CGU.

The recoverable amount of a CGU is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets and forecasts covering a five year period. Cash flows beyond the five year period are extrapolated using long term average growth rates.

The key assumptions in the discounted cash flow projections for the United Kingdom architectural operation are:

- the future level of revenue, set at a compound growth rate of 5.15% (2023: 8.12%) over the next five years - which is based on two years of budgeted revenue targets, with following years assuming annualised inflation of earnings (and costs) using a CPI assumption of 3.50% based on the Dec-24 annualise UK CPI index.

- long term growth rate - which has been assumed to be 1.6% (2023: 1.7%) per annum based on the average historical growth in gross domestic product in the United Kingdom over the past fifty years; and

- the discount rate - which is the UK Architecture segment's pre-tax weighted average cost of capital and has been assessed at 18.82% (2023: 18.13%).

Based on the discounted cash flow projections, the recoverable amount of the UK CGU is estimated to exceed carrying values by £3,840k (220%). A 7.1% fall in all future forecast revenues(applied as a smooth reduction to the compound growth rate noted above)without a corresponding reduction in costs in the UK CGU, or an increase in the discount rate to over 81%, would result in carrying amounts exceeding their recoverable amount. A decrease in the effective compound growth rate of revenue to 3.62% instead of the 5.15% noted above, without a corresponding reduction in costs in the UK CGU, would result in carrying amounts exceeding their recoverable amount. Management believes that the carrying value of the investment remains recoverable despite this sensitivity given the conservative nature of the underlying forecasts prepared.

The same assumptions on CPI, the long term growth rate and the discount rate were also applied for the reviews of the TFG and A+K operations.

- For Anders + Kern the future level of revenue, set at a compound growth rate of 1.55% (2023: 9.49%) over the next five years - is based on two years of budgeted revenue targets, with following years assuming annualised inflation of earnings (and costs) using a CPI assumption of 3.50% based on the Dec-24 annualised UK CPI index.

The CGU has struggled to retain previous distribution and reseller agreements in certain product sets and is transitioning to be much more focussed on SaaS and Smart Building revenue streams. Cost savings have been initiated to streamline the team and reduce running costs following the year end. Based on the discounted cash flow projections, the recoverable amount of the A+K CGU is estimated to be below carrying values by £270k (52.5%).

However as the CGU is in a transitional period with uncertainty on the forecast revenue projections, and the value in use calculation highly sensitive to small changes, a full provision for impairment of £515k (2023: £nil) has made to reduce the Company's investment in Anders + Kern to zero.

- For Torpedo Factory Group the future level of revenue, set at a compound growth rate of 9.15% (2023: 4.51%) over the next five years - is based on two years of budgeted revenue targets, assuming an increase in revenue of 30.8% in 24/25 including a full year of trading of the Vanti business assets acquired and revenue stream built up, with following years assuming annualised inflation of earnings (and costs) using a CPI assumption of 3.50% based on the Dec-24 annualised UK CPI index.

Based on the discounted cash flow projections, the recoverable amount of the TFG CGU is estimated to exceed carrying values by £2,251k (80%). A 8.9% fall in all future forecast revenues(applied as a smooth reduction to the compound growth rate noted above)without a corresponding reduction in costs in the TFG CGU, or an increase in the discount rate to over

31%, would result in carrying amounts exceeding their recoverable amount. A decrease in the effective compound growth rate of revenue to 7.21% instead of the 9.15% noted above, without a corresponding reduction in costs in the TFG CGU, would result in carrying amounts exceeding their recoverable amount. Management believes that the carrying value of the investment remains recoverable despite this sensitivity given the conservative nature of the underlying forecasts prepared.

- For ecoDriver the future level of revenue, set at a compound growth rate of 36.08% (2023: N/A) over the next five years - is based on two years of budgeted revenue targets, assuming an increase in revenue of 55.4% in 24/25, 53.8% in 25/26, with following years assuming annualised inflation of earnings (and costs) of 25%. Forecast increases in revenue are set significantly higher than the other CGU's as ecoDriver is growing from a small base, with spend on developing the energy monitoring software, which should lead to higher levels of long term contracts for software licences and advisory services.

Based on the discounted cash flow projections, the recoverable amount of the ecoDriver CGU is estimated to exceed carrying values by £640k (178%). An 8.3% fall in all future forecast revenues(applied as a smooth reduction to the compound growth rate noted above)without a corresponding reduction in costs in the ecoDriver CGU, or an increase in the discount rate to over 38%, would result in carrying amounts exceeding their recoverable amount. A decrease in the effective compound growth rate of revenue to 33.75% instead of the 36.08% noted above, without a corresponding reduction in costs in the ecoDriver CGU, would result in carrying amounts exceeding their recoverable amount. Management believes that the carrying value of the investment remains recoverable despite this sensitivity given the forecast increase in cost base is forecast increase at 25%, which would be significantly reduced if lower growth in revenue was realised.

Subsidiary operations

The following are the subsidiary undertakings at 30 September 2024:

Name	Country of incorporation and registered office address (see table below)	Proportion of ordinary equity held		Nature of business
		2024	2023	
Subsidiaries				
Aukett Swanke Limited	(A)	100%	100%	Architecture & design
Aukett Fitzroy Robinson International Limited	(A)	100%	100%	Architecture & design
Veretec Limited	(A)	100%	100%	Architecture & design
Swanke Hayden Connell International Limited	(A)	100%	100%	Architecture & design
Aukett Swanke Mimarlik AS (formerly Swanke Hayden Connell Mimarlik AS)	(B)	0%	100%	Architecture & design
Shankland Cox Limited	(A)	100%	100%	Architecture & Engineering
Aukett Swanke Architectural Design Limited	(A)	100%	100%	Architecture & design

Anders + Kern U.K. Limited	(A)	100%	100%	Distribution and installation of workplace technology
Torpedo Factory Group Limited	(A)	100%	100%	Holding company
Vanti Ltd (formerly Torpedo Factory Ltd)	(A)	100%	100%	Smart Building and AV System Integration, and Software Development
TFG Stage Technology Ltd	(C)	100%	100%	Design, supply and installation of stage technology, stage engineering and associated master systems
ecoDriver Ltd	(A)	100%	0%	Software and systems for monitoring energy use in buildings
Swanke Hayden Connell Europe Limited	(A)	100%	100%	Non-trading
Fitzroy Robinson Limited	(A)	100%	100%	Dormant
Aukett Swanke Group Limited	(A)	100%	100%	Dormant
Aukett Fitzroy Robinson Limited	(A)	100%	100%	Dormant
Thomas Nugent Architects Limited	(A)	100%	100%	Dormant
Aukett Fitzroy Robinson Europe Limited	(A)	100%	100%	Dormant
Aukett Limited	(A)	100%	100%	Dormant
Aukett (UK) Limited	(A)	100%	100%	Dormant
Aukett Group Limited	(A)	100%	100%	Dormant
Fitzroy Robinson West & Midlands Limited	(A)	100%	100%	Dormant
Foresight Audio Visual Limited	(A)	100%	0%	Dormant
Pinnerton Video Systems Limited	(A)	100%	0%	Dormant
Orion Audio Visual Limited	(A)	100%	0%	Dormant

Aukett Fitzroy Robinson International Limited is incorporated in England & Wales. The entity operated principally through its Middle East branch which was registered in the Abu Dhabi emirate of the United Arab Emirates. The branch licence expired and was cancelled in July 2020, with new work engaged through Aukett Swanke Architectural Design Limited.

Aukett Swanke Architectural Design Limited is incorporated in England & Wales, but operated principally in the United Arab Emirates. The trade licence expired in March 2021 and the operation is no longer undertaking new work.

Shankland Cox Limited is incorporated in England & Wales, but operated principally through its Middle East branches registered in emirates of the United Arab Emirates including Abu Dhabi, Dubai, and Al Ain. These licenses expired in January and April 2022, with ongoing projects being reassigned to JRHP prior to the sale of JRHP.

The UAE domiciled branches are consolidated into the Group principally based on profit sharing agreements in place.

Interest in associate and joint ventures

Set out below are the associate and joint ventures of the Group as at 30 September 2024. The entities listed below have share capital consisting solely of ordinary shares, held directly by the Group. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Country of incorporation and registered office address (see below)	Proportion of ordinary equity held		Nature of relationship	Measure-ment method
		2024	2023		
Aukett + Heese Frankfurt GmbH	(D)	50%	50%	Joint venture	Equity
Aukett + Heese GmbH	(E)	25%	25%	Associate	Equity

All joint venture and associate entities provide architectural and design services. There are no contingent liabilities or commitments in relation to the joint ventures or associates.

Country of incorporation and registered office addresses

Ref	Country of Incorporation	Registered office address
(A)	England & Wales	10 Bonhill Street, London, EC2A 4PE, United Kingdom
(B)	Turkey	Alkaranfil Sk. No:8 Levent, 34330, Istanbul, Turkey
(C)	England & Wales	Trent Industrial Estate, Duchess Street, Shaw, Oldham, England, OL2 7UT
(D)	Germany	Gutleutstrasse 163, 60327 Frankfurt am Main, Germany
(E)	Germany	Budapester Strasse 43, 10787 Berlin, Germany

18 Investment in associate

As disclosed in note 17, the Group owns 25% of Aukett + Heese GmbH which is based in Berlin, Germany. The table below provides summarised financial information for Aukett + Heese GmbH as it is material to the Group. The information disclosed reflects Aukett + Heese GmbH's relevant financial statements and not the Group's share of those amounts.

Summarised balance sheet	2024 £'000	2023 £'000
Assets		
Non current assets	135	213
Current assets	6,870	7,883
Total assets	7,005	8,096
Liabilities		
Current liabilities	(4,075)	(4,953)
Total liabilities	(4,075)	(4,953)
Net assets	2,930	3,143

Reconciliation to carrying amounts:

	2024 £'000	2023 £'000

Opening net assets at 1 October	3,143	3,041
Profit for the period	588	1,194
Other comprehensive income	(118)	(46)
Dividends paid	(683)	(1,046)
Closing net assets	2,930	3,143
Group's share in %	25%	25%
Group's share in £'000	732	786
Carrying amount	732	786

Summarised statement of comprehensive income	2024 £'000	2023 £'000
Revenue	15,592	16,460
Sub consultant costs	(4,934)	(5,216)
Revenue less sub consultant costs	10,658	11,244
Operating costs	(9,810)	(9,521)
Profit before tax	848	1,723
Taxation	(260)	(529)
Profit for the period from continuing operations	588	1,194
Other comprehensive income	(118)	(46)
Total comprehensive income	470	1,148

The Group received dividends of £163,000 after deduction of German withholding taxes (2023: £248,000) from Aukett + Heese GmbH. The principal risks and uncertainties associated with Aukett + Heese GmbH are the same as those detailed within the Group's Strategic Report.

19 Investments in joint ventures

Frankfurt

As disclosed in note 17, the Group owns 50% of Aukett + Heese Frankfurt GmbH which is based in Frankfurt, Germany.

	£'000
At 1 October 2022	247
Share of profits	42
Dividends paid	-
Exchange differences	(4)
At 30 September 2023	285
Share of profits	10
Dividends paid	(21)
Exchange differences	(11)
At 30 September 2024	263

The Group received dividends of £20k after deduction of German withholding taxes (2023: £nil) from Aukett + Heese Frankfurt GmbH. The following amounts represent the Group's 50%

share of the assets and liabilities, and revenue and expenses of Aukett + Heese Frankfurt GmbH.

	2024 £'000	2023 £'000
Assets		
Non current assets	3	4
Current assets	323	371
Total assets	326	375
Liabilities		
Current liabilities	(63)	(90)
Total liabilities	(63)	(90)
Net assets	263	285

	2024 £'000	2023 £'000
Revenue	616	832
Sub consultant costs	(127)	(272)
Revenue less sub consultant costs	489	560
Operating costs	(475)	(498)
Profit before tax	14	62
Taxation	(4)	(20)
Profit after tax	10	42

The principal risks and uncertainties associated with Aukett + Heese Frankfurt GmbH are the same as those detailed within the Group's Strategic Report.

20 Loans and other financial assets

Group

	Listed investments £'000	Unlisted investments £'000	Total £'000
Cost or valuation			
At 1 October 2022	-	-	-
Acquisition of subsidiary (note 3)	119	50	169
Revaluations	(30)	(50)	(80)
At 30 September 2023	89	-	89
Acquisition of subsidiary (note 3)	-	-	-
Additions	-	-	-
Disposals	(59)	-	(59)
Revaluations	(23)	-	(23)
At 30 September 2024	7	-	7

21 Inventories

Group	2024 £'000	2023 £'000
Goods for resale	393	372

The cost of inventories recognised as an expense within cost of sales amounted to £nil (2023: £nil) in relation to obsolete stock.

The cost of inventories recognised as an expense during the year in respect of continuing operations was £3,931,000 (2023: 1,817,000)

22 Trade and other receivables

Group	2024 £'000	2023 £'000
Amounts due after more than one year		
Other financial assets at amortised cost	61	100
Total amounts due after more than one year	61	100
Amounts due within one year		
Gross trade receivables	3,991	3,053
Impairment allowances	(208)	(167)
Net trade receivables	3,783	2,886
Other financial assets at amortised cost	402	289
Amounts owed by associates and joint ventures	-	-
Corporate tax receivable	-	-
Other current assets	841	672
Total amounts due within one year	5,026	3,847
Total	5,087	3,947

Company	2024 £'000	2023 £'000
Amounts due after more than one year		
Other financial assets at amortised cost	61	100
Total amounts due after more than one year	61	100
Amounts due within one year		
Trade receivables	3	11
Amounts owed by subsidiaries	264	111
Amounts owed by associate and joint ventures	-	-
Other financial assets at amortised cost	30	34
Other current assets	19	12
Total amounts due within one year	316	168
Total	377	268

The amounts owed by subsidiaries were secured in January 2013 by debentures over all the assets of the relevant subsidiaries. These debentures rank after the debentures securing the Coutts overdraft.

During the year, the Company reduced provisions totalling £85k (2023: made provisions of £13k) against amounts owed by subsidiaries. These are amounts owed by Aukett Fitzroy Robinson International Limited, Aukett Swanke Architectural Design Limited and Shankland

Cox Limited. Following the Group's decision to restructure the UAE business either freezing or allowing trade licenses in these companies to expire, management took the decision to make a provision against amounts owed by these companies to the Group.

Impairment allowances

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and project retentions, and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group engages with clients who are creditworthy, liquid developers. Management identified that the loss allowances should be calculated and applied separately based on geographic segments of the Group, and more specifically to each country in which the Group has operations. Whilst the specific terms each contract the Group engages in may be different, certain common characteristics can be applied.

Provisions on bad and doubtful debts in UK architecture have been immaterial in the historical period reviewed in order to establish the expected loss rate at 30 September 2024. In the UK the Group generally builds up advances for contract work recognised as a credit to the balance sheet which reduces the impact of potential bad debts. Amounts due for contract work not yet billed are generally not material. No loss allowance provision has been made for trade receivables and contracts assets owed to Group entities operating in these countries.

For Torpedo Factory Ltd, TFG Stage Technology Ltd, A+K and ecoDriver, provisions on bad and doubtful debts have been immaterial in the period post acquisition, and in the historical pre-acquisition period reviewed.Standard payment terms for all companies are 30 days for smaller works completed. It is usual on larger projects to agree in advance with the client at the start of the project a monthly billing schedule which generally leads to relatively low levels of contracts assets (and consequentially higher levels of contract liabilities). These larger projects tend to be 30 days although certain JCT contracts may extend to 60 day terms. Service Contracts as standard are billed annually in advance for a 12 month period. No loss allowance provision has been made for trade receivables and contracts assets owed to these Group entities.

Amounts due for contract work in the Middle East segment have been material in prior years, with contracts in the Middle East often billed in arrears. However, the Middle East operations of the Group are currently not undertaking new work and are not expected to trade in the future. No loss allowance has been made as at 30 September 2024.

The total impairment allowance is up £41k compared to the prior year, but against a significantly higher year end closing debtor balance. Impairment allowances as a percentage of gross trade receivables has therefore increased marginally to 5.2% (2023: 5.0%).

A further allowance for impairment of trade receivables and contract assets is established on acase-by-case basis amounting to £208k at 30 September 2024 and £167k at 30 September 2023 when there areindicators suggesting that the specific debtor balance in question has experienced a significant deterioration in credit worthiness. Known significant financial difficulties of the client and lengthy delinquency in receipt of payments are considered indicators that a trade receivable may be impaired. Where a trade receivable or contract asset is considered impaired the carrying amount is reduced using an allowance and the amount of the loss is recognised in the income statement within other operating expenses.

The movement on impairment allowances for trade receivables was as follows:

	£'000
At 1 October 2022	199
Loss allowance provision	(4)
Charged to the income statement based on additional case by case provisions	14
Allowance utilised	(29)
Exchange differences	(13)
At 30 September 2023	167
Loss allowance provision	-
Charged to the income statement based on additional case by case provisions	54
Allowance written-off	-
Exchange differences	(13)
At 30 September 2024	208

23 Trade and other payables

Group	2024 £'000	2023 £'000
Amounts due after more than one year		
Amounts owed to associate and joint venture	86	87
Total amounts due after more than one year	86	87
Amounts due within one year		
Trade payables	2,525	1,808
Other taxation and social security	1,269	1,086
Other payables	766	118
Accruals	923	1,577
Total amounts due within one year	5,483	4,589
Total	5,569	4,676

Company	2024 £'000	2023 £'000
Amounts due after more than one year		
Amounts owed to associate and joint venture	86	87
Total amounts due after more than one year	86	87

Amounts due within one year

Trade payables	134	117
Amounts owed to subsidiaries	2,658	2,082
Other taxation and social security	33	45
Other payables	60	19
Accruals	144	293
Total amounts due within one year	3,029	2,556
Total	3,115	2,643

See note 38 for further details of the amounts due to subsidiaries.

24 Borrowings

Group	2024 £'000	2023 £'000
Secured bank overdrafts	164	122
Mortgage	-	1,411
Secured bank loan (Lloyds)	25	-
Secured bank loan (NatWest)	417	992
Secured bank loan (Coutts)	-	167
Total borrowings	606	2,692
Amounts due for settlement within 12 months	522	2,050
Current liability	522	2,050
Amounts due for settlement between one and two years	84	350
Amounts due for settlement between two and five years	-	292
Non current liability	84	642
Total borrowings	606	2,692

Company	2024 £'000	2023 £'000
Secured bank overdrafts	1	-
Secured bank loan	-	167
Total borrowings	1	167
Instalments due within 12 months	1	167
Current liability	1	167
Instalments due between one and two years	-	-
Instalments due between two and five years	-	-
Non current liability	-	-
Total borrowings	1	167

The Coutts overdraft £142k (2023: £122k) is secured by debentures over all the assets of the Company and certain of its United Kingdom subsidiaries. The overdraft carries interest at 3% above the Coutts Base rate for the relevant currency. The Coutts bank loan was fully repaid in the year. The remaining overdraft £22k (2023: £nil) with Lloyds Bank Plc was a facility in place

on the acquisition of the subsidiary in the year, this overdraft facility was subsequently closed in January 2025.

The NatWest bank loan is a CBILS-backed loan secured by a debenture and cross guarantee from Torpedo Factory Group Limited, Vanti Ltd (formerly Torpedo Factory Ltd) and TFG Stage Technology Ltd. The bank loan initially drawn at £1.75m was being repaid at £29k per month. Following the sale of the freehold property a prepayment was made against the CBILS loan. Whilst the term of the loan remains unchanged, monthly repayments have reduced to £19k per month. The loan is at a fixed rate of interest of 3.66%pa.

The mortgage was fully repaid in the year on completion of the sale of The Old Torpedo Factory freehold property in September 2024.

25 Analysis of net deficit

Group	2024 £'000	2023 £'000
Cash at bank and in hand	353	522
Secured bank overdrafts (note 24)	(164)	(122)
Net cash included in assets held for sale (note 28)	-	30
Cash and cash equivalents	189	430
Mortgage (note 24)	-	(1,411)
Secured bank loan (note 24)	(25)	-
Secured bank loan (note 24)	(417)	(992)
Secured bank loan (note 24)	-	(167)
Net deficit	(253)	(2,140)

26 Deferred tax

Group	Freehold property revaluation	Tax depreciation on plant and equipment £'000	Trading losses £'000	Other temporary differences £'000	Total £'000
At 1 October 2022	-	38	273	(63)	248
Acquired through business combinations	(157)	(10)	144	18	(5)
Income statement	-	6	198	33	237
Revaluation reserve	(15)	-	-	-	(15)
Exchange differences	-	-	-	(1)	(1)
At 30 September 2023	(172)	34	615	(13)	464
Acquired through business combinations	-	-	-	-	-
Income statement	157	9	(61)	(11)	94
Revaluation reserve	15	-	-	-	15
Exchange differences	-	-	-	-	-
At 30 September 2024	-	43	554	(24)	573

Company	Tax depreciation on plant and equipment £'000	Trading losses £'000	Other temporary differences £'000	Total £'000
At 1 October 2022	(1)	-	-	(1)
Income statement	-	204	-	204
At 30 September 2023	(1)	204	-	203
Income statement	1	151	-	152
At 30 September 2024	-	355	-	355

Group	2024 £'000	2023 £'000
Deferred tax assets	596	625
Deferred tax liabilities	(23)	(161)
Net deferred tax balance	573	464

Company	2024 £'000	2023 £'000
Deferred tax assets	355	203
Deferred tax liabilities	-	-
Net deferred tax balance	355	203

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

The Group also did not recognise deferred income tax in respect of taxable losses carried forward against future taxable income of certain of its subsidiaries which are incorporated in the UK but operate wholly through permanent establishments in the Middle East and future profits are therefore anticipated to be non-taxable.

27 Provisions

Group	Supplementary call levy to mutual insurer £'000	Property lease provision £'000	Employee benefit obligations £'000	Total £'000
At 1 October 2022	-	210	39	249
Utilised	-	-	(12)	(12)
Charged to the income statement	-	-	2	2
Reclassified as Liabilities directly associated with assets in disposal groups classified as held for sale	-	-	(17)	(17)
Exchange differences	-	-	(12)	(12)
At 30 September 2023	-	210	-	210
Charged to the income statement	264	-	-	264

At 30 September 2024	264	210	-	474
Amounts due within one year	120	-	-	120
Amounts due after more than one year	144	210	-	354
Total at 30 September 2024	264	210	-	474

Supplementary call levy to mutual insurer

The Group has recognised a provision of £264,000 in relation to its obligation as a member of The Wren, a mutual insurer to the Group's UK architecture businesses. Following a reassessment of cladding-related claims, The Wren issued a supplementary call to recapitalise its capital position.

The provision represents the Group's best estimate of its obligation, based on The Wren's assessment of the required recapitalisation amount. Based on indications provide by The Wren, it is estimated that £120,000 of the supplemental levy would become due for payment in less than one year, and the balance of £144,000 would be due for payment in one to two years. The charge has been classified as an exceptional cost in the consolidated income statement.

Property lease provision

The provision arose from lease obligations in respect of the Company's leased Londonpremises.

There are uncertainties around the provision due to the fact that costs may increase over the period to maturity and the eventual outturn will be dependent on the level of negotiation over settlement of proposals with the Company's landlord.

The provision payable in four years reflects the future estimated cost of work to be performed.

The effect of time value of money is not considered material, having been assessed by management as a risk free rate of 10 year UK government bonds.

Employee benefit obligations

The Group's Turkish former subsidiary is required to pay termination indemnities to each employee who completes one year of service and whose employment is terminated upon causes that qualify the employee to receive termination indemnity. The liability in prior years was measured in line with IAS 19 and was funded from working capital. In the prior year the liability was reclassified as liabilities directly associated with assets in disposal groups classified as held for sale. In the current year the liability was disposed of on sale of the Turkey subsidiary in December 2023.

28 Assets and liabilities classified as held for sale

	2024	2023
	£'000	£'000

Non-current assets held for sale (i)	-	3,080
Current assets held for sale (ii)	-	128
Liabilities held for sale (ii)	-	(148)
Total assets held for sale	-	3,060

(i) Freehold Property

During the prior year, the board decided to market the freehold property of The Old Torpedo Factory in west London as the property was larger than was needed for the Group. Commercial property agents were instructed in October 2023, the property having been valued in July 2023 by a third party firm of surveyors at £3.08m. The freehold property sale was completed in September 2024 at a price of £2.50m (plus VAT).

(ii) Aukett Swanke Mimarlik AS (formerly Swanke Hayden Connell Mimarlik AS)

During the prior year, the board began discussions with the directors of Aukett Swanke Mimarlik AS regarding a sale of the subsidiary to local management. The sale was concluded on 27 December 2023 for a nominal sum.

The following major classes of assets and liabilities relating to Aukett Swanke Mimarlik AS were classified as held for sale in the consolidated statement of financial position as at 30 September 2023:

	2023 £'000
Trade and other receivables	65
Contract assets	33
Net cash	30
Assets held for sale	128
Trade and other payables	(100)
Contract liabilities	(31)
Provisions	(17)
Liabilities held for sale	(148)
Total net liabilities	(20)

29 Share capital

Group and Company	2024 £'000	2023 £'000
Allocated, called up and fully paid 341,072,100 (2023: 275,355,938) ordinary shares of 1p each	3,411	2,754

	Number
At 1 October 2022	165,213,652
Issue for acquisition of subsidiary	110,142,286
At 30 September 2023	275,355,938
Issue for acquisition of subsidiary (note 3)	17,800,000
Share subscription	42,500,000
Issue of shares to AESOP	416,162

Warrant exercise	5,000,000
At 30 September 2024	341,072,100

The Company's issued ordinary share capital comprises a single class of ordinary share. Each share carries the right to one vote at general meetings of the Company.

The objectives, policies and processes for managing capital are outlined in the strategic report.

In October 2023, the acquisition of TR Control Solutions Limited resulted in an increase in the share capital of 17,800,000 new ordinary shares of 1p, as disclosed in note 3.

In March 2024, the Group announced a share subscription raising an aggregate up to £425,000 through the issue and allotment of a total of up to 42,500,000 new ordinary shares of 1p. £275,000 was raised by way of direct subscriptions of 27,500,000 new ordinary shares by certain existing and institutional investors (the "Investors"). £150,000 was raised by way of direct subscriptions of 15,000,000 new ordinary shares by certain directors and managers of the Group on the same terms as the Investors (the "Subscription"). This subscription was completed in April 2024.

In aggregate the Subscription resulted in the issue and allotment of a total of up to 42,500,000 new ordinary shares of 1 penny each in the Company (the "Subscription Shares") at an issue price of 1 penny. Subscribers received warrants, exercisable for 3 years, to be issued (subject to certain conditions) on the basis of one warrant for every one Subscription Share with an exercise price of 1 penny. The Subscription Shares were issued under the Company's existing share authorities; the warrants required a specific authority to be sought which was approved at the annual general meeting in April 2024.

On 29 May 2024 the Company issued 416,162 new ordinary shares of 1p to the trustees of the Company's All-Employee Share Option Scheme ("AESOP") to satisfy monthly allocations under the AESOP for the month of May 2024. The new Ordinary Shares were issued at 1.7p per share, being the midmarket closing price on the trading day prior to the date of the purchase.

On 28 June 2024 the Company received a warrant exercise notice to subscribe for 5,000,000 new ordinary shares of 1p and received proceeds of £50,000.

30 Employee Share Plans and Share Options

The Company has implemented two share plans and one share option plan.

The Company has granted options over its Ordinary Shares to Group employees as follows:

Granted	At 1 October 2023 Number	Granted Number	Surrendered Number	At 30 September 2024 Number	Exercise price Pence	Earliest exercisable date	Latest exercisable date
24 Aug 2020	1,000,000	-	(1,000,000)	-	3.60	24 Aug 2022	24 Aug 2026

29 Jun 2021	1,000,000	-	(1,000,000)	-	1.60	29 Jun 2023	29 Jun 2027
20 Mar 2023	8,400,000	-	(8,400,000)	-	1.00	20 Mar 2025	20 Mar 2029
22 Dec 2023	-	24,591,666	-	24,591,666	1.00	22 Dec 2026	22 Dec 2033
22 Dec 2023	-	1,000,000	-	1,000,000	1.60	22 Dec 2026	22 Dec 2033
08 Apr 2024	-	4,125,000	-	4,125,000	1.25p	08 Apr 2027	08 Apr 2033
Total	10,400,000	29,716,666	(10,400,000)	29,716,666			

The weighted average remaining contractual life of share options outstanding as at 30 September 2024 was 9.3 years.

The fair value of these share options has been estimated at £23,000 using the Black-Scholes option pricing models model with the following inputs:

Input	Value 1 22 Dec 2023	Value 2 22 Dec 2023	Value 3 08 Apr 2024
Share price at date of grant	0.85 pence	0.85 pence	1.25 pence
Exercise price	1.00 pence	1.60 pence	1.25 pence
Expected option life	5 years	5 years	5 years
Expected volatility	50%	50%	50%
Expected dividends	Nil	Nil	Nil
Risk free interest rate	4.24%	4.24%	4.24%

The expected volatility was estimated based on the historical volatility over the three years prior to grant.

All Employee Share Ownership Plan

In November 2023 the Company implemented an All Employee Share Ownership Plan ("AESOP"). The AESOP is a Share Incentive Plan which entitles all eligible employees to invest between £10 and £150 per month in purchasing shares in the Group from their pre-tax salary. The Group matches this contribution pound-for-pound on the first £50 per month by purchasing matching shares for the relevant employee as a staff retention tool. These are ordinarily forfeit if the relevant employee leaves within 3 years.

Management Share Ownership Plan

In December 2023 the Company created a Management Share Ownership Plan ("MSOP"). The Company recognised that the management of the Group's businesses wished to build an ownership stake in excess of the limits the Government imposes on the AESOP scheme. Therefore, 34 members of the senior management of the Company and UK subsidiaries were invited to commit to purchasing shares. 32 of the 34 agreed and made a contractual commitment to spend an amount typically equivalent to either 2.5% or 5% of their gross annual salary on the purchase of Company shares, until such time as each of them own a minimum of either 0.25% or 0.5% of the Company's issued share capital - though they are free to acquire larger stakes if they wish. The shares are generally purchased on the open market.

MSOP members have made purchases within their pension plans from their Employer pension contributions, as their investments are intended to build long term stakes in the business.

Company Share Option Plan and surrender of existing EMI options

In December 2023 the Company created a Company Share Option Plan ("CSOP"). Pursuant to the CSOP, an aggregate 25,591,666 options were granted to members of the senior management team of the company and UK subsidiaries who made commitments under the MSOP. The CSOP options are exercisable at 1.0p, being the nominal value of each share and a 17.6% premium to the closing mid-market price on 22 December 2023 (save for 1,000,000 CSOP replacement options granted to Antony Barkwith, Director, as detailed below). A further 4,125,000 options were granted to additional joiners of the MSOP scheme in April 2024 with an exercise at 1.25p, being the closing mid-market price on the day prior to the date of grant.

Additionally, the Company agreed with option holders in the Company's pre-existing EMI option scheme for the surrender of their options, comprising in aggregate 10.4m EMI options. The replacement options are included within the CSOP grants detailed above.

A total of 8.4m CSOP options were granted at an exercise price of 1.0p per share to Freddie Jenner (Group COO) and Jason Brameld (Group CTO, a non-board PDMR) to replace 8.4m EMI options that were issued on the purchase of Torpedo Factory Group Limited ("TFG"). The EMI options surrendered had an exercise price of 1.0p.

Antony Barkwith (Group Finance Director) surrendered 1,000,000 EMI options with an exercise price of 1.6p which were replaced with 1,000,000 CSOP options with an exercise price of 1.6p. He also surrendered 1,000,000 EMI options with an exercise price of 3.6p which were not replaced.

Nick Clark, Freddie Jenner, Jason Brameld and Antony Barkwith also each received CSOP options in their capacity as parties who made the MSOP commitment.

CSOP Options granted to Directors/PDMRs were as follows:

Name	Number of CSOP options	Exercise Price	Notes
Nick Clark	2,000,000	1.0p	
Freddie Jenner	4,700,000	1.0p	Of which 3.7m replace EMI
Jason Brameld (PDMR)	5,700,000	1.0p	Of which 4.7m replace EMI
Antony Barkwith	1,000,000	1.0p	
	1,000,000	1.6p	Replacing EMI

All CSOP options vest between the third and tenth anniversary of grant. The total 29,716,666 CSOP options now outstanding represent 8.71% of the shares currently in issue. There are no

EMI options outstanding and the company's EMI scheme will be closed.

Further details of transactions with related parties can be found in note 38.

31 Cash generated from operations

Group	2024 £'000	2023 £'000
Loss before tax	(1,801)	(341)
Share based payment value of employee services	23	-
Finance income	(13)	(9)
Finance costs	461	255
Share of results of associate and joint ventures	(156)	(341)
Intangible amortisation	62	31
Intangible impairment	-	-
Depreciation	134	92
Goodwill impairment	260	-
Amortisation of right-of-use assets	499	435
(Profit)/loss on disposal of property, plant & equipment	(3)	52
Loss on revaluation of freehold property	585	-
(Increase)/decrease in trade and other receivables	(1,981)	1,405
(Increase)/decrease in inventories	(21)	61
Increase/(decrease) in trade and other payables	1,776	(617)
Change in provisions	264	(10)
Unrealised foreign exchange differences	-	-
Net cash generated from operations	89	1,013

Company	2024 £'000	2023 £'000
Loss before income tax	(1,136)	(876)
Share based payment value of employee services	23	-
Dividends receivable	(183)	(248)
Finance costs	8	24
Depreciation	1	5
Provision on investments	521	7
Loss on disposal of fixed assets	-	1
(Increase)/decrease in trade and other receivables	(142)	134
Increase in trade and other payables	428	1,005
Unrealised foreign exchange differences	-	-
Net cash (expended by)/generated from operations	(480)	52

Changes in liabilities arising from financing activities including changes arising from cash flows and non-cash changes

Group	Non-current loans and borrowings £'000	Current loans and borrowings £'000	Total £'000
At 1 October 2022	2,129	939	3,068

Cash flows			
- Repayment of borrowings	-	(583)	(583)
- Payment of interest	-	(161)	(161)
- Receipt of bank overdraft	-	-	-
- Payment of lease liabilities	-	(496)	(496)
Non-cash flows			
- Amounts recognised on business combinations	1,044	1,901	2,945
- Effects of foreign exchange	-	-	-
- Loans and borrowings classified as non-current at 30 September 2023	(781)	781	-
- Interest accrued in period	-	161	161
At 30 September 2023	2,392	2,542	4,934
Cash flows			
- Repayment of borrowings	(232)	(1,900)	(2,132)
- Payment of interest	-	(238)	(238)
- Receipt of bank overdraft	-	-	-
- Payment of lease liabilities	-	(514)	(514)
Non-cash flows			
- Amounts recognised on business combinations	31	15	46
- Lease liability additions	-	79	79
- Effects of foreign exchange	-	-	-
- Loans and borrowings classified as non-current at 30 September 2024	(843)	843	-
- Interest accrued in period	-	238	238
At 30 September 2024	1,348	1,065	2,413

Company	Non-current loans and borrowings £'000	Current loans and borrowings £'000	Total £'000
At 1 October 2022	167	250	417
Cash flows			
- Repayment of borrowings	-	(250)	(250)
- Payment of interest	-	(24)	(24)
Non-cash flows			
- Effects of foreign exchange	-	-	-
- Loans and borrowings classified as non-current at 30 September 2023	(167)	167	-
- Interest accrued in period	-	24	24
At 30 September 2023	-	167	167
Cash flows			
- Repayment of borrowings	-	(167)	(167)
- Payment of interest	-	(8)	(8)
Non-cash flows			
- Effects of foreign exchange	-	-	-
- Loans and borrowings classified as non-current at 30 September 2024	-	-	-
- Interest accrued in period	-	8	8
At 30 September 2024	-	-	-

32 Financial instruments

Risk management

The Company and the Group hold financial instruments principally to finance their operations or as a direct consequence of their business activities. The principal risks considered to arise from financial instruments are foreign currency risk and interest rate risk (market risks), counterparty risk (credit risk) and liquidity risk. Neither the Company nor the Group trade in financial instruments.

Categories of financial assets and liabilities

Group	2024 £'000	2023 £'000
Net trade receivables	3,783	2,886
Contract assets	1,750	790
Other financial assets at amortised cost	463	389
Accrued income	-	-
Inventories	393	372
Cash at bank and in hand	353	522
Loans and receivables measured at amortised cost	6,742	4,959
Trade payables	(2,525)	(1,808)
Amount owed to associate and joint ventures	(86)	(87)
Other payables	(766)	(118)
Accruals	(923)	(1,577)
Lease liabilities	(1,807)	(2,242)
Secured bank loans and overdrafts	(606)	(2,692)
Financial liabilities measured at amortised cost	(6,713)	(8,524)
Net financial instruments	29	(3,565)

Company	2024 £'000	2023 £'000
Net trade receivables	3	11
Amounts owed by subsidiaries	264	111
Accrued income	-	-
Other financial assets at amortised cost	91	134
Cash at bank and in hand	-	1
Loans and receivables measured at amortised cost	358	257
Trade payables	(134)	(117)
Amounts owed to subsidiaries	(2,658)	(2,082)
Amount owed to associate and joint ventures	(86)	(87)
Other payables	(60)	(19)
Accruals	(144)	(293)
Secured bank overdrafts	(1)	-
Secured bank loan	-	(167)
Financial liabilities measured at amortised cost	(3,083)	(2,765)
Net financial instruments	(2,725)	(2,508)

The Directors consider that there were no material differences between the carrying values and the fair values of all the Company's and all the Group's financial assets and financial liabilities at each year end based on the expected future cash flows.

Collateral

As disclosed in note 24 the Coutts bank overdraft £142k (2023: £122k) is secured by a debenture over all the present and future assets of the Company and certain of its United Kingdom subsidiaries. The carrying amount of the financial assets covered by this debenture were:

	2024 £'000	2023 £'000
Group	2,670	1,900
Company	216	128

Other receivables in the consolidated statement of financial position include a £251k rent security deposit (2023: £244k) in respect of the Group's London studio premises. The rent deposit redeems a cash sum of £279k at the end of the term of the lease in May 2028.

33 Foreign currency risk

The Group's operations seek to contract with customers and suppliers in their own functional currencies to minimise exposure to foreign currency risk, however, for commercial reasons contracts are occasionally entered into in foreign currencies.

Where contracts are denominated in other currencies the Group usually seeks to minimise net foreign currency exposure from recognised project related assets and liabilities by using foreign currency denominated overdrafts.

The Group does not hedge future revenues from contracts denominated in other currencies due to the rights of clients to suspend or cancel projects. The Board has taken a decision not to hedge the net assets of the Group's overseas operations.

Financial instruments which are denominated in a currency other than the functional currency of the entity by which they are held are as follows:

Group	2024 £'000	2023 £'000
EU Euro	(105)	(155)
US Dollar	117	51
Net financial instruments held in foreign currencies	12	(104)

Company	2024 £'000	2023 £'000
EU Euro	(85)	(86)
US Dollar	-	1
Net financial instruments held in foreign currencies	(85)	(85)

A 10% weakening of UK Sterling against all currencies at 30 September would have increased / (decreased) equity by the amounts shown below. This analysis is applied currency by currency in isolation (i.e. ignoring the impact of currency correlation and assumes that all other

variables, in particular interest rates, remain consistent). A 10% strengthening of UK Sterling against all currencies would have an equal but opposite effect.

	2024		2023	
	Profit £'000	Equity £'000	Profit £'000	Equity £'000
Group	1	(61)	(10)	(64)
Company	(8)	-	(8)	-

The following foreign exchange gains / (losses) arising from financial assets and financial liabilities have been recognised in the income statement:

	2024 £'000	2023 £'000
Group	(55)	(57)
Company	(33)	(46)

34 Counterparty risk

Group

No collateral is held in respect of any financial assets and therefore the maximum exposure to credit risk at the date of the statement of financial position is the carrying value of financial assets shown in note 32.

Counterparty risk is only considered significant in relation to trade receivables, amounts due from customers for contract work, other receivables and cash and cash equivalents.

The ageing of trade receivables against which an IFRS 9 impairment loss allowance has been made, as the directors consider their recovery is probable, was:

	Receivables pre-allowance 2024 £'000	loss allowance £'000	Receivables post-allowance 2024 £'000
Not overdue	1,755	-	1,755
Between 0 and 30 days overdue	1,150	-	1,150
Between 30 and 60 days overdue	805	-	805
Greater than 60 days overdue	73	-	73
Total	3,783	-	3,783

	Receivables pre-allowance 2023 £'000	loss allowance £'000	Receivables post-allowance 2023 £'000
Not overdue	2,065	-	2,065
Between 0 and 30 days overdue	373	-	373
Between 30 and 60 days overdue	371	-	371
Greater than 60 days overdue	77	-	77
Total	2,886	-	2,886

The processes undertaken when considering whether a trade receivable may be impaired are set out in notes 2 and 22.
All amounts overdue have been individually considered for any indications of impairment and specific provision for impairment made where considered appropriate. All of the trade receivables specifically considered to be impaired were greater than 90 days overdue.

An additional expected loss allowance provision has then been applied to the residual trade receivables as detailed in note 22.

The concentration of counterparty risk within the £5,533k (2023: £3,947k) of trade receivables and amounts due from customers for contract work is illustrated in the table below showing the three largest exposures to individual clients at 30 September.

	2024 £'000	2023 £'000
Largest exposure	516	540
Second largest exposure	449	191
Third largest exposure	433	163

The Group's principal banker is Coutts & Co, a member of NatWest Group.

At 30 September 2024 the largest exposure to a single financial institution of the Group's cash and cash equivalents held by various Group entities was represented by £183k held with Santander (2023: the largest exposure to a single financial institution represented by £372k held with NatWest).

Company

The Company only has £3k trade receivables (2023: £11k) and no amounts due from customers for contract work.

The amounts owed by United Kingdom subsidiaries were secured in January 2013 by debentures over all the assets of the relevant subsidiaries. These debentures rank after the debentures securing the bank overdraft. Prior to this all amounts owed by United Kingdom subsidiaries and by associate and joint ventures were unsecured. The amounts owed by associate and joint ventures remain unsecured.

All of the Company's cash and cash equivalents are held by Coutts & Co.

The Company is exposed to counterparty risk though the guarantees set out in note 37.

35 Interest rate risk

Group	2024 £'000	2023 £'000
Rent deposit	278	278
Mortgage	-	(1,411)
Secured bank loan (Lloyds)	(25)	-
Secured bank loan (NatWest)	(417)	(992)
Secured bank loan (Coutts)	-	(167)

Secured bank overdrafts	(164)	(122)
Interest bearing financial instruments	(328)	(2,414)

Company	2024 £'000	2023 £'000
Secured bank loans	-	(167)
Secured bank overdrafts	(1)	-
Interest bearing financial instruments	(1)	(167)

The property rent deposit earns variable rates of interest based on short-term interbank lending rates.

Cash and cash equivalents are generally held in instant access current accounts and in practice currently not interest bearing, and therefore have not been included in interest bearing financial instruments disclosures.

The Coutts bank overdraft carries interest at 3%pa above the Coutts Base rate for the relevant currency. The NatWest bank loan carries interest at a fixed rate of interest at 3.66%pa.

A 1% rise in interest rates would have the following impact on profit, assuming that all other variables, in particular the interest bearing balance, remain constant. A 1% fall in interest rates would have an equal but opposite effect.

	2024 £'000	2023 £'000
Group	1	(14)
Company	-	(2)

36 Liquidity risk

The Group's cash balances are held at call or in deposits with very short maturity terms.

At 30 September 2024 the Group had £850,000 (2023: £850,000) of gross borrowing facility and £250,000 net borrowing facility (2023: £250,000) under its United Kingdom bank overdraft facility with Coutts & Co. In October 2024 Coutts & Co renewed the overdraft facility maintaining the net overdraft facility at £250,000. It is now next due for review in April 2025.

The maturity analysis of financial liabilities, including expected future charges through the Income Statement is as shown below.

Group **Timing of cashflows**	Borrowings £'000	Lease liabilities £'000	Other financial liabilities £'000	Total £'000
Within one year	2,119	556	3,503	6,178
Between one and two years	368	556	87	1,011
Between two and five years	297	1,289	-	1,586
Greater than five years	-	-	-	-
	2,784	2,401	3,590	8,775
Expected future charges through the income statement	(92)	(159)	-	(251)

Financial liabilities at 30 September 2023	2,692	2,242	3,590	8,524

Timing of cashflows				
Within one year	532	581	4,214	5,327
Between one and two years	84	575	86	745
Between two and five years	-	753	-	753
Greater than five years	-	-	-	-
	616	1,909	4,300	6,825
Expected future charges through the income statement	(10)	(102)	-	(112)
Financial liabilities at 30 September 2024	606	1,807	4,300	6,713

Lease liabilities includes the finance lease on leasehold improvements and the land and buildings office lease (see note 16).

Company	Borrowings	Other financial liabilities	Total
Timing of cashflows	£'000	£'000	£'000
Within one year	172	2,511	2,683
Between one and two years	-	87	87
Between two and five years	-	-	-
	172	2,598	2,770
Expected future charges through the income statement	(5)	-	(5)
Financial liabilities at 30 September 2023	167	2,598	2,765

	Borrowings	Other financial liabilities	Total
Timing of cashflows	£'000	£'000	£'000
Within one year	1	2,996	2,997
Between one and two years	-	86	86
Between two and five years	-	-	-
	1	3,082	3,083
Expected future charges through the income statement	-	-	-
Financial liabilities at 30 September 2024	1	3,082	3,083

37 Guarantees, contingent liabilities and other commitments

A cross guarantee and offset agreement is in place between the Company and certain of its United Kingdom subsidiaries in respect of the United Kingdom bank overdraft facility. Details of the UK bank loan are disclosed in note 24. At 30 September 2024 the overdrafts of its United Kingdom subsidiaries guaranteed by the Company totalled £151,000 (2023: £124,000).

The Company and certain of its United Kingdom subsidiaries are members of a group for Value Added Tax (VAT) purposes. At 30 September 2024 the net VAT payable balance of those subsidiaries was £388,000 (2023: £406,000).

At the year end, one of the Group's Middle East subsidiaries had outstanding letters of guarantee totalling £62,000 (2023: £74,000). These guarantees are secured by matching cash on deposit. The cash on deposit was included within trade and other receivables, but a full provision was made on this amount in prior years to offset any risk against recovering this amount.

In common with other firms providing professional services, the Group is subject to the risk of claims of professional negligence from clients. The Group maintains professional indemnity insurance in respect of these risks but is exposed to the cost of excess deductibles on any successful claims. The directors assess each claim and make accruals for excess deductibles where, on the basis of professional advice received, it is considered that a liability is probable.

This insurance cover is provided by The Wren, which is an industry body formed to provide such insurance, and of which the Group's UK architecture businesses are members. The Wren is a mutual organisation owned and funded by its members and accordingly, the Group's UK architecture businesses can be subject to cash calls alongside other members in the event The Wren's reserves fall to a level where its capital ratios are below the level required by its regulator.

Torpedo Factory Group Limited has provided an unlimited cross guarantee and debenture to National Westminster Bank plc, for liabilities arising in Torpedo Factory Limited and TFG Stage Technology Limited. The contingent liability at 30 September 2024 was £Nil (2023: £Nil).

Prior to acquisition, Torpedo Factory Group Limited received a grant of £137,000 to assist in expanding its operations into the 'smart building infrastructure' sector. As at the year end we believe all of the grant conditions had been satisfied and as such £129,000 of the grant has been recognised in income (£8,000 in the previous year). No provision has been made in the accounts as the directors consider that the grant conditions have been satisfied.

38 Related party transactions

Key management personnel compensation

The key management personnel of the Group comprises the Directors of the Company together with those individuals that hold group wide roles.

In prior periods, the Group's disclosure of Key Management Personnel (KMP) included subsidiary directors. Following a reassessment of the definition of KMP under IAS 24 *Related Party Disclosures*, the Group has concluded that subsidiary directors (who do not hold dual roles at the parent/group level) do not meet the criteria for classification as KMP of the Group. This is because KMP, as defined by IAS 24, comprises individuals with authority and responsibility for planning, directing, or controlling the activities of the Group as a whole.

The comparative amounts for 2023 have not been restated, as the impact of this change is immaterial to the financial statements as a whole

Group	2024 £'000	2023 £'000
Short term employee benefits	792	1,611

Post employment benefits	80	158
Total	872	1,769

The key management personnel of the Company comprises its Directors.

Company	2024 £'000	2023 £'000
Short term employee benefits	647	543
Post employment benefits	63	49
Total	710	592

Transactions and balances with associate and joint ventures

The Group makes management charges to Aukett + Heese Frankfurt GmbH. The amount charged during the year in respect of these services amounted to £46,000 (2023: £47,000). Dividends of £20,000 (2023: £nil) were received from Aukett + Heese Frankfurt GmbH during the year. The amount owed to the Group by Aukett + Heese Frankfurt GmbH at the balance sheet date was £nil (2023: £nil).

The Group makes management charges to Aukett + Heese GmbH. The amount charged by the Group during the year in respect of these services amounted to £85,000 (2023: £87,000). Dividends of £163,000 (2023: £248,000) were received from Aukett + Heese GmbH during the year. The Group received a loan from Aukett + Heese GmbH amounting to £nil (2023: £43,000). The amount owed by the Group to Aukett + Heese GmbH at 30 September 2024 was £86,000 (2023: £87,000).

As disclosed in note 17, the Group owns 50% of Aukett + Heese Frankfurt GmbH and 25% of Aukett + Heese GmbH. The remaining 50% of Aukett + Heese Frankfurt GmbH and 75% of Aukett + Heese GmbH are owned by Lutz Heese, a former director of the Company.

None of the balances with the associate or joint ventures are secured.

Transactions and balances with subsidiaries

The names of the Company's subsidiaries are set out in note 17.

The Company made management charges to its subsidiaries for management services of £618,000 (2023: £373,000) and paid charges to its subsidiaries for office accommodation and other related services of £96,000 (2023: £96,000).

At 30 September 2024 the Company was owed £264,000 (2023: £111,000) by its subsidiaries and owed £2,658,000 (2023: £2,082,000) to its subsidiaries. These balances arose through various past transactions including working capital advances, treasury management and management charges. The amounts owed at the year-end are non interest bearing and repayable on demand.

Under IFRS 9, the Company has recorded no allowance for expected credit losses, as all subsidiaries owing funds to the Company are in a position to repay the amounts owed in line with the payment terms stipulated by the Company.

The amounts owed by United Kingdom Architecture subsidiaries were secured in January 2013 by debentures over all the assets of the relevant subsidiaries. These debentures rank after the debentures securing the bank loan and overdraft. Prior to this all amounts owed by subsidiaries were unsecured.

39 Post balance sheet events

On 27 February 2025 the Company changed its name to Built Cybernetics plc.

40 Corporate information

General corporate information regarding the Company is shown on page 2. The addresses of the Group's principal operations are shown on page 123. A description of the Group's operations and principal activities is given within the Strategic Report.

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