Company Registration No. NI055847 (Northern Ireland)

3173 LIMITED

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3173 LIMITED

COMPANY INFORMATION

Directors	Mr A M Collins Mr M P Selby Ms K S Stafford Mr G M Farmer Mr C J Roberts Mr B Galvin
Secretary	Ms K S Stafford
Company number	NI055847
Registered office	Linen Loft Adelaide Street Belfast BT2 8FE
Auditor	RSM UK Audit LLP Chartered Accountants The Ewart 4th Floor 3 Bedford Square Belfast BT2 7EP
Business address	Linen Loft Adelaide Street Belfast BT2 8FE 46 New Broad Street London EC2M 1JH
Bankers	Santander UK Plc Bootle Merseyside L30 4GB
Solicitors	A & L Goodbody 6th Floor 42-46 Fountain Street Belfast BT1 5EF

3173 LIMITED

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STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The directors of 3173 Limited ('3173') are pleased to present their Strategic Report for the year ended 31 March 2024.

The activities of the group are delivered through a number of companies operated by 3173, namely:

- Dalriada Trustees Limited ('Dalriada');
- Mantle Hosting Limited ('MHL');
- Mantle Services Limited ('MSL');
- Spence & Partners Limited ('Spence'); and
- The 3173 Company Limited ('The 3173 Co').

Review of the business for 2023/24
This financial year saw continued growth of the group.

2024 was the first full financial year following the investment by the Synova Capital Fund IV LP into the Group. The investment was made in 3173 Topco Limited, the ultimate holding company of 3173 Limited.

This year we have continued to consolidate and build on our market leading position in the increasingly competitive pensions and fintech industries. We provide a wide range of services to Pension Schemes including the provision of professional pension trustee services, administration and actuarial pensions software, consultancy, administration, governance , scheme actuarial and investment services.

In addition, we have continued to prepare the foundations of the next phase of growth with the development of longer term strategic plans for Spence & Partners, Dalriada Trustees and Mantle to define the key areas for investment, development and growth over the coming years.

We have continued to invest in new talent across the Group in order to add complementary skills and experience to 3173 to support our growth ambitions and to allow us to respond positively to the significant change and opportunities that are a feature within the pensions industry at this time.

2024 was a year of transition in our senior leadership.

Chief Executive Officer (CEO) and co-founder of the Group, Brian Spence moved into the role of non-executive deputy chairman of 3173 TopCo. Bill Galvin, a recognised industry veteran having latterly been CEO of the Universities Superannuation Scheme was appointed as the new CEO of 3173 and was formally appointed as a director on 1 March 2024.

David Davison, formerly a Director of 3173, retired in January 2024. Neil Copeland, also a Director of 3173 and co-founder of the Group retired from his full time role in March 2024. Neil has been retained in an advisory capacity in relation to a number of specialist Dalriada Trustee appointments.

We are happy to report on a further year of growth. Turnover in 2023/24 increased by 19% reflecting a combination of new business wins and strong organic growth across our existing client base.

The directors are very satisfied with the results of the group for the year.

Dalriada Trustees Limited

Our professional pensions trusteeship business Dalriada Trustees Limited "Dalriada" has continued to grow and consolidate its position as one of the largest firms in the UK pension trusteeship marketplace.

Turnover increased by 27%, reflecting a combination of new business wins and expanding services across our existing client trusteeship portfolio. Demand for Dalriada's ongoing trusteeship services remains strong, with pension schemes seeking to appoint a professional trustee due to the increasing governance burden on schemes. Over the course of the financial year, Dalriada has continued to grow the number of schemes to which it provides services. Our ongoing trusteeship portfolio now sits at over 240 schemes, with 50 new client schemes added in the year.

The business launched two new services in the financial year. Our Pensions Management service supports in house pension teams with outsourced governance support, secretarial services and the delivery of discrete projects.

Dalriada.Together is the refreshed brand name for our pensions consolidation service that delivers full trusteeship, governance, administration and daily operations service to pension scheme clients while allowing corporate sponsors to retain control of the scheme's investment and longer term strategy. Dalriada. Together is a further development of the original 'Dalriada. A Better Way' service.

The business continues to attract talent from the pensions industry to fill key roles across its service areas. Following a period of strong and sustained growth over a number of years we have embarked on a period of consolidation with significant investment in improved efficiency across our operational processes and increased focus on the development of our people.

Mantle Hosting Limited and Mantle Services Limited

The 3173 software product, Mantle®, is a software as a service (SaaS) product that caters to the needs of participants in the UK defined benefit (DB) pensions market. It is the only fully integrated software in the UK market that covers actuarial, administration, accounting, payroll and member engagement in one neat, easy to implement solution, which is readily scalable through the use of cloud based technology.

Mantle® is the core technology solution used within the 3173 Group, and over the last 12 months we have focused on growing our direct market presence. We now hold a number of prestigious blue chip clients amongst our customer base.

This financial year has seen the development of a long term business strategy which has defined the product roadmap for future development and growth.

The strategic development of Mantle® has been supported by a number of important new hires including the recruitment of a Chief Commercial Officer and an Installation Manager to support the growth in our installed client base.

This financial year has also been a year of consolidation with the expansion of the business operations team and the development of streamlined processes, building the foundations for future growth in client numbers and the planned enhancements in the software product.

Spence & Partners Limited

Spence & Partners Limited "Spence" delivers consultancy, actuarial services, administration services and the development of specialist IT solutions to the pensions industry.

Demand for our services continues to be strong. Turnover increased by 4% in the year reflecting the sustained strength of our client portfolio and the breadth of quality services offered by Spence.

During the year to 31 March 2024, Spence was newly appointed to work with 44 occupational pension schemes, in addition to our substantial existing client portfolio.

Spence has continued to invest in its people, adding a number of experienced pensions professionals to the team, bringing complementary skills to enable us to offer a comprehensive service to pension schemes at all stages in their life cycle.

As with the other business areas Spence has now developed a long term strategy which has identified the priority areas for investment and growth, in order to ensure that we can fully capture the opportunities of the evolving defined benefit pensions market.

Information Technology

Our Information Technology team continued to develop the managed services to deliver support right across our Group. This year has seen the redevelopment and deployment of our governance and customer relationship management systems across our client facing, marketing and business development teams.

This year has seen a continued need for both vigilance for and resilience against cyber threats across our industry. Our Group has continued to focus on training our staff to spot the signs of phishing attempts and ensuring that our response to such threats is robust.

Our investment in technology during the period of the COVID-19 pandemic has allowed us to transition seamlessly to the new hybrid working environment with our teams now working from both home and an office environment. We can accommodate in person, hybrid or virtual meetings as required, from our offices to any other locations. We find that pension schemes are adapting their meeting needs as required for their attendees.

Quality / Information Security

The Group's Information Security Management System has been certified under ISO07001:2013 for 12 Years and Cyber Essentials and Cyber Essentials Plus for seven years. We successfully completed ISO9001:2015 recertification audit by BSI in February 2023, with the latest surveillance visit being September 2023. We also gained our recertification to ISO27001:2013 in September 2013.

The internal controls for Spence and Dalriada are subject to annual external audit under AAF 01/20 and ISAE 3402 (administration services). The Internal controls for Dalriada are subject to external audit under AAF 02/07 (trusteeship services) and AAF 05/20 (master trusts)

Both Dalriada and Spence hold gold standard accreditation from the Pensions Administration Standards Association (PASA), and both were successfully reaccredited following audits in March 2024. Spence holds the Institute and Faculty of Actuaries Quality Assurance Scheme accreditation, and 3173 Limited's own pension scheme holds the Pensions and Lifetime Savings Association's Pension Quality Mark Plus.

Environmental and Social Governance

We have a number of employee led committees that contribute to our corporate environmental and social governance. They cover the following areas: mental health & wellbeing; diversity and inclusion; charity, sports and social and environment and sustainability. Each develops a programme of activity across the group promoting issues to staff and helps to drive the development of corporate policy.

The Environment and Sustainability Committee has a broad aim to promote activities that contribute to the improvement of our environment and the environmental sustainability of our group of businesses.

Diversity, Equity & Inclusion

3173 is committed to diversity and inclusion and has an established Diversity and Inclusion ('D&I') Subcommittee to promote and drive best practice across our business in this important area.

Our in house training manager trains all colleagues across the group to promote D&I awareness.

We are committed to participating in a number of initiatives to help improve the diversity of the pensions industry.

We see networks as a key part in enhancing a culture of inclusivity. We have established a network specifically for LGBTQ+ issues and successes in the workplace, as well as for menopause issues both of which will allow us to consider what we are doing well, and what could we be doing better.

Our senior leaders take an active role in raising awareness of diversity both internally and in the wider pensions industry:

- One of our colleagues is a member of the APPT's Diversity Committee.
- Colleagues have spoken at industry conferences on how to achieve diversity and inclusion.

We also run a series of internal events and campaigns to raise awareness of cultural issues and other areas we feel important to promoting D&I, often inviting external guest speakers in to share their experiences with the team.

We are a Living Wage Employer, a signatory to the Menopause Workplace Pledge and a Disability Confident Employer (Level Two).

Principal Risks and uncertainties

The continuing uncertain economic and geopolitical environment could impact demand for some of our services.

The majority of 3173's revenue is related to the provision of services to private sector defined benefit occupational pension schemes. The overall number of these schemes is in a slow decline. However, within that decline the penetration of services such as those provided by Dalriada Trustees, Spence & Partners and Mantle® continues to grow strongly and the demand for these services is expected to be strong for many years.

The growth of the risk transfer insurer market in the UK and USA provides both profitable shorter term opportunities in readying schemes for transfer and also provides diversification opportunities for Spence & Partners and Mantle®.

The pensions professional services industry is a competitive market and Spence and Dalriada compete directly with other industry professionals. Spence has invested in marketing activities to raise its brand profile and articulate its unique selling points. Dalriada seeks to differentiate itself in this market through diversity in our team, breadth and depth of our technical expertise and our commitment to innovation and continual development of our trustee offering to deliver better services to pension schemes.

Dalriada is exposed to regulatory risk. There are many regulatory initiatives underway at the current time, including regulations to be introduced under the Pension Schemes Act 2021 in relation to issues such as The Pensions Regulator's (TPR) powers, the funding of defined benefit pension schemes and compliance with the requirements of the Pensions Dashboard.

The new single code of practice from TPR will increase the governance requirements on pension schemes in respect of which our Group is well positioned to meet the growing needs of our clients.

The Group classes the management of information security risks as a high priority. The Group manages this risk through the application of rigorous internal controls and has invested heavily in secure IT infrastructure, processes, training and awareness. System security is regularly tested through the Group's commitment to external quality standards such as ISO 27001 and CSA STAR.

The Group maintains a risk register documenting the risks it faces and the mitigation strategies in place. We have a Risk and Audit Committee as well as a specialised Risk and Audit team to ensure that appropriate consideration and oversight is given to this important area.

Development and Performance

The 2024 financial year was strong for the Group. We have continued to develop new and innovative offerings to the UK pensions market.

The Board considers the development and performance of the group in to have been very satisfactory and believes it will provide a sound platform for continued growth and development in the coming financial year.

Key performance indicators

We consider our key financial performance indicators to be turnover and FTE.

The performance of the Group as measured against those key performance indicators was as follows:

Year	2024	2023	2022
Turnover (£'000)	29,053	24,470	22,061
FTE	230	214	204

Revenue increased by 19% [2023: 11%]. Revenue growth was driven by a combination of new business wins and organic growth in existing client revenues across all business areas.

By order of the board

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Mr B Galvin
Director

Date: 03/10/24

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The directors present their annual report and financial statements for the year ended 31 March 2024.

Principal activities
The principal activities of the group are providing advice and administrative services to pension schemes, acting as Trustees in relation to pension policies, schemes and trusts and the development of software for use by advisors to Trustees of occupational pension schemes.

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

Mr A M Collins	
Mr M P Selby	
Mr B D Spence	(Resigned 29 February 2024)
Ms K S Stafford	
Mr G M Farmer	
Mr C J Roberts	
Mr B Galvin	(Appointed 1 March 2024)

Results and dividends
The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors' liability insurance
Qualifying indemnity provision is in force for the benefit of all directors of the group, in accordance with sections 234 and 235 of the Companies Act 2006. Neither the Group's indemnity nor insurance providers cover in the event that a Director or officer is proved to have acted fraudulently or dishonestly.

Financial instruments
The group operates a treasury function which is responsible for managing the liquidity, foreign currency and credit risks associated with the group's activities.

In addition to liquid cash balances, the group has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations, these are managed in accordance with the working capital requirements of the group.

Liquidity risk
The group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

Foreign currency risk
The group's principal foreign currency exposures arise from trading with overseas companies. This is a minimal risk due to the majority of business taking place wholly within the UK market.

Credit risk
Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Research and development
We continue to develop our Mantle pensions software platform and continue to encourage our staff to seek out self improvement in their fields. This enables us to offer a varied and quality service to our wide range of clients.

Auditor
In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

Strategic report
The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

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Ms K S Stafford
Director

Date: 03/10/24

3173 LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 3173 LIMITED

Opinion

We have audited the financial statements of 3173 Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception
In 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 7, 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk 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, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud having obtained an understanding of the effectiveness of the overall control environment.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to FCA regulations, money laundering, health & safety, data protection, cyber security, employment laws & regulations and pension laws & regulations. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities as appropriate.

The group audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and testing revenue using data analytics and substantive procedures.

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

Use of our report

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

Claire Leece

Claire Leece (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
The Ewart
4th Floor
3 Bedford Square
Belfast
BT2 7EP

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04/10/24

3173 LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Turnover	3	29,052,739	24,469,588
Exceptional payroll costs	4	-	(6,638,350)
Other administrative expenses		(25,218,624)	(21,842,944)
Total administrative expenses		(25,218,624)	(28,481,294)
Other operating income		-	10,465
Operating profit/(loss)	6	3,834,115	(4,001,241)
Interest receivable and similar income	8	218,652	53,860
Interest payable and similar expenses	9	(3,842)	-
Profit/(loss) before taxation		4,048,925	(3,947,381)
Tax on profit/(loss)	10	(559,370)	887,654
Profit/(loss) for the financial year		3,489,555	(3,059,727)
Profit and total comprehensive income for the year is attributable to:			
- Owners of the parent company		3,489,555	(3,055,225)
- Non-controlling interests		-	(4,502)
		3,489,555	(3,059,727)

Company Registration No. NI055847

3173 LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible assets	12		547,879		-
Tangible assets	13		339,900		388,834
			887,779		388,834
Current assets					
Debtors	17	8,570,853		6,819,700	
Cash at bank and in hand		5,722,490		4,010,715	
		14,293,343		10,830,415	
Creditors: amounts falling due within one year	18	(5,554,143)		(5,091,860)	
Net current assets			8,739,200		5,738,555
Total assets less current liabilities			9,626,979		6,127,389
Provisions for liabilities	19		(45,601)		(35,566)
Net assets			9,581,378		6,091,823
Capital and reserves					
Called up share capital	21		8,960		8,960
Capital redemption reserve	22		1,040		1,040
Profit and loss reserves	22		9,571,378		6,014,620
Equity attributable to owners of the parent company			9,581,378		6,024,620
Non-controlling interests			-		67,203
			9,581,378		6,091,823

The financial statements were approved by the board of directors and authorised for issue on 03/10/24 and are signed on its behalf by:

Geoffrey Farmer

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Mr G M Farmer

Director

Company Registration No. NI055847

3173 LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	13		339,900		388,834
Investments	14		260,104		260,104
			600,004		648,938
Current assets					
Debtors	17	7,180,062		7,464,463	
Cash at bank and in hand		4,080,899		1,460,175	
		11,260,961		8,924,638	
Creditors: amounts falling due within one year	18	(6,333,452)		(3,632,529)	
Net current assets			4,927,509		5,292,109
Total assets less current liabilities			5,527,513		5,941,047
Provisions for liabilities	19		(45,601)		(35,566)
Net assets			5,481,912		5,905,481
Capital and reserves					
Called up share capital	21		8,960		8,960
Capital redemption reserve	22		1,040		1,040
Profit and loss reserves	22		5,471,912		5,895,481
Total equity			5,481,912		5,905,481

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's loss for the year was £423,569 (2023: loss £384,772).

The financial statements were approved by the board of directors and authorised for issue on 03/10/24 and are signed on its behalf by:

Geoffrey Farmer

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Mr G M Farmer

Director

3173 LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Share capital	Capital redemption reserve	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
		£	£	£	£	£	£
Balance at 1 April 2022		8,960	1,040	9,403,828	9,413,828	71,705	9,485,533
Year ended 31 March 2023:							
Loss and total comprehensive income for the year		-	-	(3,055,225)	(3,055,225)	(4,502)	(3,059,727)
Dividends	**11**	-	-	(333,983)	(333,983)	-	(333,983)
Balance at 31 March 2023		8,960	1,040	6,014,620	6,024,620	67,203	6,091,823
Year ended 31 March 2024:							
Profit and total comprehensive income for the year		-	-	3,489,555	3,489,555	-	3,489,555
Purchase of shares in subsidiary from non-controlling interest		-	-	67,203	67,203	(67,203)	-
Balance at 31 March 2024		8,960	1,040	9,571,378	9,581,378	-	9,581,378

3173 LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2022		8,960	1,040	6,614,236	6,624,236
Year ended 31 March 2023:					
Loss and total comprehensive income for the year		-	-	(384,772)	(384,772)
Dividends	11	-	-	(333,983)	(333,983)
Balance at 31 March 2023		8,960	1,040	5,895,481	5,905,481
Year ended 31 March 2024:					
Loss and total comprehensive income for the year		-	-	(423,569)	(423,569)
Balance at 31 March 2024		8,960	1,040	5,471,912	5,481,912

3173 LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		2,802,859		(2,580,810)
Interest paid			(3,842)		-
Income taxes paid			(620,997)		(254,132)
Net cash inflow/(outflow) from operating activities			2,178,020		(2,834,942)
Investing activities					
Purchase of intangible assets		(605,849)		-	
Purchase of tangible fixed assets		(86,548)		(75,750)	
Proceeds on disposal of tangible fixed assets		7,500		-	
Proceeds from loans within other debtors		-		33,000	
Interest received		218,652		53,860	
Net cash (used in)/generated from investing activities			(466,245)		11,110
Financing activities					
Dividends paid to equity shareholders		-		(333,983)	
Net cash used in financing activities			-		(333,983)
Net increase/(decrease) in cash and cash equivalents			1,711,775		(3,157,815)
Cash and cash equivalents at beginning of year			4,010,715		7,168,530
Cash and cash equivalents at end of year			5,722,490		4,010,715

1 Accounting policies

Company information
3173 Limited ("the company") is a private company limited by shares and is registered and incorporated in Northern Ireland. The registered office is Linen Loft, Adelaide Street, Belfast, BT2 8FE.

The group consists of 3173 Limited and all of its subsidiaries. The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of 3173 Topco Limited. The consolidated financial statements of 3173 Topco Limited are available from its registered office, 46 New Broad Street, London, EC2M 1JH.

Basis of consolidation
The consolidated financial statements incorporate those of 3173 Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 March 2024. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Any non-controlling interest is recognised at the non-controlling interest's share of the net identifiable assets, liabilities and provisions for contingent liabilities recognised at the acquisition date.

1 Accounting policies (Continued)

Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have given particular consideration to the risks of the continuing uncertain economic and geopolitical environment and have prepared and considered forecast financial information in assessing the potential future impact on the company. To date there has been very little impact on the business at either an operational level or on the services provided to clients. As such, the directors consider that there are no material uncertainties about the group and company's ability to continue as a going concern. On this basis the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover
Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the time cost and stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Research and development expenditure
Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Intangible fixed assets other than goodwill
Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software Development	20% straight line
Software Installation	25% straight line

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	10-20% straight line
Computer equipment	33.33% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

3173 Limited capitalise assets individually costing more than £500.

1 Accounting policies (Continued)

Fixed asset investments
In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets
At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Amounts recoverable on services
Amounts recoverable on services relates to unbilled income at the year end. Amounts recoverable on services are valued at selling price. Where unbilled income is not recoverable a provision is made and recognised in profit or loss.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of amounts recoverable on services over its estimated billing amount less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents
Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

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

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

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

Basic financial assets
Basic financial assets, which include trade and other debtors, amounts recoverable on services, cash and bank balances and amounts owed by group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

1 Accounting policies (Continued)

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities
Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings are initially recognised at transaction price.

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

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments
Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation
The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits
For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases
Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Government grants
Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised as income systematically over the asset's expected useful life. If part of such grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements
The directors do not believe there to be any key areas of judgement.

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Debtors recoverability
The group makes an estimate on the recoverable value of trade debtors. When assessing the recoverability management consider the ageing profile of debtors.

Accrued income
Estimates are made in respect of amounts recoverable on services provided. When assessing the level of provisions required, factors including current trading experience, historical experience and the ageing profile is considered. Where there is uncertainty as to whether costs are recoverable, revenue is not recognised, this is predominantly in relation to Irregular Schemes.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2024	2023
	£	£
Turnover analysed by class of business		
Revenue from the provision of professional services	29,052,739	24,469,588

	2024	2023
	£	£
Other revenue		
Interest income	218,652	53,860
Grants received	-	10,465

4 Employees

The average monthly number of persons (including directors) employed during the year was:

	Group		Company	
	2024	2023	2024	2023
	Number	Number	Number	Number
Professional services	175	162	-	-
Administration and support	55	52	-	-
Total	230	214	-	-

4 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2024 £	2023 £	Company 2024 £	2023 £
Wages and salaries	14,783,310	17,951,867	-	-
Social security costs	1,686,907	2,251,101	-	-
Pension costs	2,701,426	2,260,922	-	-
	19,171,643	22,463,890	-	-

Included within wages and salaries in the prior year are exceptional performance related expenses of £6,638,350 in recognition of the significant achievement of securing the investment of Synova Capital Fund IV LP into the 3173 Group.

5 Directors' remuneration

	2024 £	2023 £
Remuneration for qualifying services	1,177,226	6,628,349
Company pension contributions to defined contribution schemes	237,979	122,361
	1,415,205	6,750,710

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2024 £	2023 £
Remuneration for qualifying services	453,750	3,637,414
Company pension contributions to defined contribution schemes	8,883	4,000

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 7 (2023: 6).

6 Operating profit/(loss)

	2024	2023
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exceptional payroll costs (Note 4)	-	6,638,350
Exchange differences	3,450	4,441
Government grants	-	(10,465)
Depreciation of owned tangible fixed assets	135,482	190,476
Profit on disposal of tangible fixed assets	(7,500)	-
Amortisation of intangible assets	57,970	-
Operating lease charges	785,956	715,619

7 Auditor's remuneration

	2024	2023
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	33,966	29,536
Audit of the financial statements of the company's subsidiaries	35,034	30,464
	69,000	60,000

8 Interest receivable and similar income

	2024	2023
	£	£
Interest income		
Interest on bank deposits	218,652	53,860

9 Interest payable and similar expenses

	2024	2023
	£	£
Other interest	3,842	-

10 Taxation

	2024	2023
	£	£
Current tax		
UK corporation tax on profits for the current period	-	26,225
Adjustments in respect of prior periods	605,062	-
Total current tax	605,062	26,225
Deferred tax		
Origination and reversal of timing differences	(18,545)	(16,184)
Adjustment in respect of prior periods	(27,147)	-
Tax losses carried forward	-	(897,695)
Total deferred tax	(45,692)	(913,879)
Total tax charge/(credit)	559,370	(887,654)

The total tax charge/(credit) for the year included in the income statement can be reconciled to the profit/(loss) before tax multiplied by the standard rate of tax as follows:

	2024	2023
	£	£
Profit/(loss) before taxation	4,048,925	(3,947,381)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 25.00% (2023: 19.00%)	1,012,231	(750,002)
Tax effect of expenses that are not deductible in determining taxable profit	25,530	56,298
Adjustments in respect of prior years	605,062	26,226
Group relief	(277,145)	-
Deferred tax adjustments in respect of prior years	(27,147)	-
Remeasurement of deferred tax for change in rates	-	(219,331)
Movement in deferred tax not recognised	(768,315)	-
Other	(19,729)	(8,428)
Fixed asset differences	8,883	7,583
Taxation charge/(credit)	559,370	(887,654)

11 Dividends

	2024	2023
Recognised as distributions to equity holders:	£	£
Final paid	-	333,983

12 Intangible fixed assets

Group	Software Development	Software Installation	Total
	£	£	£
Cost			
Additions	335,725	270,124	605,849
At 31 March 2024	335,725	270,124	605,849
Amortisation			
Amortisation charged for the year	34,481	23,489	57,970
At 31 March 2024	34,481	23,489	57,970
Carrying amount			
At 31 March 2024	301,244	246,635	547,879
At 31 March 2023	-	-	-

The company had no intangible fixed assets at 31 March 2024 or 31 March 2023.

13 Tangible fixed assets

Group and company	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2023	838,108	419,322	26,821	1,284,251
Additions	4,606	81,942	-	86,548
Disposals	(263,470)	(201,184)	(26,821)	(491,475)
At 31 March 2024	579,244	300,080	-	879,324
Depreciation				
At 1 April 2023	527,154	341,442	26,821	895,417
Depreciation charged in the year	74,171	61,311	-	135,482
Eliminated in respect of disposals	(263,470)	(201,184)	(26,821)	(491,475)
At 31 March 2024	337,855	201,569	-	539,424
Carrying amount				
At 31 March 2024	241,389	98,511	-	339,900
At 31 March 2023	310,954	77,880	-	388,834

14 Fixed asset investments

		Group		Company	
		2024	2023	2024	2023
	Notes	£	£	£	£
Investments in subsidiaries	15	-	-	260,104	260,104

Movements in fixed asset investments
Company

	Shares in group undertakings
	£
Cost or valuation	
At 1 April 2023 and 31 March 2024	260,104
Carrying amount	
At 31 March 2024	260,104
At 31 March 2023	260,104

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Dalriada Trustee Company Limited	Northern Ireland	Dormant	Ordinary	100	-
Dalriada Trustees Limited	Northern Ireland	Professional services	Ordinary	100	-
Spence & Partners Limited	Northern Ireland	Professional services	Ordinary	100	-
Mantle Hosting Limited	Northern Ireland	Software development	Ordinary	100	-
Mantle Services Limited	Northern Ireland	Information technology services	Ordinary	100	-
The 3173 Company Limited	Northern Ireland	Professional services	Ordinary	100	-

The investments in subsidiaries are all stated at cost.

The registered office of all Northern Ireland subsidiaries is Linen Loft, Adelaide Street, Belfast, BT2 8FE.

16 Related undertakings

The group also has significant holdings in undertakings which are not subsidiaries and are not classified as joint ventures or associated undertakings:

3173 Limited indirectly holds 100% of the share capital in one Trustee company and is the controlling party of another Trustee company that is limited by guarantee without share capital. 3173 Limited holds the interests in a professional capacity however, and cannot obtain benefit from the activities of these companies. On this basis they are not subsidiaries for reporting purposes.

Caribonum Pension Trustees Limited was dormant throughout the financial year. The registered office is 46 New Broad Street, London, EC2M 1JH.

Dalriada Trustees Limited holds 200 shares in NOW:Pension Trustee Ltd. since October 2017. These shares will be held only throughout the term of appointment as independent Trustee director, and is a requirement under NOW:Pension Trustee Ltd. Articles of Association. Dalriada Trustees Limited does not have significant control, as one of six directors, and derives no financial gain outside the receipt of fees for independent Trustee director services.

Dalriada Trustees Limited held 1 share in House of Fraser Pension Trustees Limited, a dormant entity until 13 February 2024 when the entity was dissolved. The share was held throughout the term of appointment as independent Trustee director. Dalriada Trustees Limited did not have significant control, as one of five directors. As House of Fraser Pension Trustees Limited was dormant, Dalriada Trustees Limited derived no financial gain from this investment.

17 Debtors

	Group		Company	
	2024	2023	2024	2023
Amounts falling due within one year:	£	£	£	£
Trade debtors	2,125,437	2,097,864	-	-
Corporation tax recoverable	125,866	(31,659)	40,733	40,734
Amounts owed by group undertakings	-	-	6,877,739	6,797,744
Other debtors	15,625	-	25,770	16,165
Prepayments and accrued income	5,350,503	3,855,800	235,820	609,820
	7,617,431	5,922,005	7,180,062	7,464,463
Deferred tax asset (note 19)	953,422	897,695	-	-
	8,570,853	6,819,700	7,180,062	7,464,463

18 Creditors: amounts falling due within one year

	Group 2024 £	2023 £	Company 2024 £	2023 £
Trade creditors	634,301	458,449	227,234	134,015
Amounts owed to group undertakings	1,991,487	2,457,799	6,018,254	3,350,029
Corporation tax payable	-	(141,590)	-	-
Other taxation and social security	856,717	732,238	-	-
Other creditors	654,469	253,442	158	158
Accruals and deferred income	1,417,169	1,331,522	87,806	148,327
	5,554,143	5,091,860	6,333,452	3,632,529

19 Deferred taxation

The major deferred tax liabilities recognised by the group and company are:

Group	Liabilities 2024 £	Liabilities 2023 £	Assets 2024 £	Assets 2023 £
Accelerated capital allowances	45,601	35,566	56,452	-
Tax losses	-	-	896,970	897,695
	45,601	35,566	953,422	897,695

Company	Liabilities 2024 £	Liabilities 2023 £	Assets 2024 £	Assets 2023 £
Accelerated capital allowances	45,601	35,566	-	-

Movements in the year:	Group 2024 £	Company 2024 £
Liability/(Asset) at 1 April 2023	(862,129)	35,566
(Credit)/charge to profit or loss	(45,692)	10,035
Liability/(Asset) at 31 March 2024	(907,821)	45,601

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

20 Retirement benefit schemes

	2024	2023
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	2,701,426	2,260,922

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Share capital

	Group and Company			
	2024	**2023**	**2024**	**2023**
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Class 'A' Ordinary Shares of £1 each	5,085	5,085	5,085	5,085
Class 'B' Ordinary Shares of £1 each	3,875	3,875	3,875	3,875
	8,960	8,960	8,960	8,960

The A Ordinary shares have voting rights and the B Ordinary shares have no voting rights. All other rights and obligations attached to the A and B Ordinary shares are identical.

22 Reserves

Capital redemption reserve
The nominal value of shares repurchased and still held at the end of the reporting period.

Profit and loss reserves
Cumulative profit and loss net of distributions to owners.

23 Cash generated from/(absorbed by) group operations

	2024	2023
	£	**£**
Profit/(loss) for the year after tax	3,489,555	(3,059,727)
Adjustments for:		
Taxation charged/(credited)	559,370	(887,654)
Finance costs	3,842	-
Investment income	(218,652)	(53,860)
Gain on disposal of tangible fixed assets	(7,500)	-
Amortisation and impairment of intangible assets	57,970	-
Depreciation and impairment of tangible fixed assets	135,482	190,476
Movements in working capital:		
Increase in debtors	(1,537,901)	(1,372,429)
Increase in creditors	320,693	2,602,384
Cash generated from/(absorbed by) operations	2,802,859	(2,580,810)

24 Analysis of changes in net funds - group

	1 April 2023	Cash flows	31 March 2024
	£	£	£
Cash at bank and in hand	4,010,715	1,711,775	5,722,490

25 Operating lease commitments

Lessee
At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Within one year	260,026	331,556	-	-
Between one and five years	462,903	722,929	-	-
	722,929	1,054,485	-	-

26 Contingent Liabilities

The group has received financial assistance from Invest Northern Ireland. There exists a contingent liability to repay all of the financial assistance received under this agreement if a default occurs under the terms and conditions. There has not been, nor is there expected to be, a breach of the terms and conditions.

27 Related party transactions

The company has taken advantage of the exemptions under section 33.1A of FRS 102 not to disclose transactions with wholly owned group companies.

28 Directors' transactions

Dividends totalling £nil (2023: £136,221) were paid in the year in respect of shares held by the company's directors and their spouses.

29 Controlling party

The directors consider the ultimate parent undertaking to be 3173 Topco Limited, a company incorporated in England and Wales. 3173 Topco Limited is the largest group for which consolidated accounts including 3173 Limited are prepared. The consolidated accounts of 3173 Topco Limited are available from its registered office 46 New Broad Street, London, EC2M 1JH.

The directors consider the ultimate controlling party to be Synova Capital Fund IV LP, registered in the UK.