ADVFN PLC

ANNUAL REPORT AND AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2024

Registered Number: 02374988 (England and Wales)

Contents of the Financial Statements

Directors, officers and advisers

Directors

Amit Tauman

Matthew Collom (Sales Director)

Lord Gold (Non-executive Chairman)

Anthony Wollenberg (Non-executive Director)

Shalom Berkovitz (Non-executive Director) (appointed on 3 June 2024)

Registered Office

Suite 28, Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA

Independent Auditor

Saffery LLP, 71 Queen Victoria St, London, EC4V 4BE

Nominated Adviser

Beaumont Cornish Limited, Building 3, 566 Chiswick High Road, London, W4 5YA

Broker

Peterhouse Capital Limited, 80 Cheapside, London, EC2V 6EE

Registrars

Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD

Company number: 02374988

Chairman's Statement

This year has been pivotal for ADVFN, as we continue to strengthen our foundations for future success.

The Board remains robust, with the addition of a new, highly experienced member, further enhancing our finance and business development team.

Whilst there remain headwinds in the industry, we remain confident in our approach. The company continues to innovate and develop state-of-the-art technologies, in part powered by AI, which empower retail investors and position ADVFN at the forefront of financial technology.

We are resolved to steering the company through these challenges, always aligning our long-term vision for growth with shareholders' best interests.

Lord Gold
Non-executive Chairman

Chief Executive's Statement

Dear Shareholders, Employees, and Stakeholders,

I am pleased to present to you the annual report for ADVFN PLC (ADVFN) ("the Company") and its subsidiaries (together "the Group") for the fiscal year 2023-2024.

Our mission at ADVFN is to empower retail investors by connecting them together in real-time, providing them with the tools and insights they need to make informed investment decisions. Our vision is to become the leading platform for trading ideas and live discussions, fostering a dynamic and engaged community of investors. Our aim is to be positioned at the forefront of the financial technology market. With our deep understanding of market dynamics and our commitment to innovation, we are equipped to deliver cutting-edge products and offerings.

This year has presented numerous challenges and opportunities for ADVFN. Our revenues for this year stood at £4.4 million, reflecting the impact of the downturn in advertising sales and strategic decisions to wind down certain components of our site. However, we successfully reduced our net loss from £2.2 million to £918,000, meeting our cost reduction targets.

This year has been marked by several key milestones and innovations:

- **Partnerships:** We established a new relationship with our Italian partners, Prodesfin, strengthening our presence in the Italian market.
- **Platform Revamp:** We revamped our website, www.advfn.com, and initiated the rollout process to other countries, enhancing user experience and engagement.
- **New App Launches:** We launched two new apps, which are expected to have a positive impact and are paving our way to increase our revenue stream. Additionally, we plan to open up Android subscription purchases and integrate an ad network within our apps, further bolstering our revenue and expanding our customer base.
- **AI Intelligence and ADVFN Live Chat:** We are particularly excited about the release of AI Intelligence and the ADVFN Live Chat platform. AI Intelligence utilizes the latest GPT-4 and other large language models (LLMs) to transform how our users consume financial data, providing advanced insights and analytics that empower investors to make smarter decisions. For these AI tools, we plan to charge a premium subscription to users, ensuring high-margin revenue streams.

The ADVFN Live Chat platform represents the next generation of ADVFN, connecting users in real-time and sharing trading ideas while leveraging ADVFN market data and tools. This platform is designed to be a cornerstone of our community, enhancing user engagement and collaboration. We plan to start with an advertising model focused on exclusive partnerships and eventually move toward an Investor Relations B2B model, complemented by a premium subscription service. These strategies are designed to diversify our revenue streams and drive sustained growth.

These advancements exemplify our commitment to being a cutting-edge platform. The advertising market continues to experience a downturn, presenting challenges for us, our peers, and the entire space. This business model has proven to be unpredictable, and as such, we are transitioning from a reliance on advertising sales to a more focused products and tools platform.

Looking ahead to 2024-2025, our main focus will be on live discussions, AI, and trading tools. We believe in our ability and skills to achieve our goals in these areas, positioning them as central pillars of our growth strategy, however these will take time to show a significant increase in revenue.

I extend my thanks to our dedicated employees for their hard work and commitment. I also appreciate the continued support of our partners, stakeholders, and shareholders, whose trust and confidence drive us forward.

Sincerely,

Signed by:
Amit Tauman
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Amit Tauman
CEO

20 November 2024

Strategic Report

Financial Overview

The financial reporting framework that has been applied in the preparation of the Group and Company financial statements is the applicable law and UK-adopted international accounting standards.

The loss for the financial year after tax amounted to £918,000 (2023: a loss of £2,169,000).

The business is focused on the new products and services that are being launched in the coming months, with the intention of driving improved subscription numbers in the long term. The Group has been through significant changes in the past 2 years and the impact of these is still being felt.

While the spend was high this year, we are moving toward one of our goals and seeing diminishing expenses and constantly reducing operational costs:

- Operational costs are down on average by 24.6% YoY £5,335k vs £7,076k
- Headcount, reduced by 25% YoY from 31 to 23

ADVFN 2023-2024 financial highlights:

- Revenue was £4.4 million compared to £5.4 million in the prior year.
- Net loss was £0.9 million compared to net loss of £2.2 million in the prior year period.
- Cash and cash equivalents: £4.1 million compared to £5.6 million in the prior year.

The Directors are not proposing payment of a dividend (2023: £Nil).

Business Review

We are working to grow our user base and improve engagement, with the goal of gradually tapping into the potential of these platforms to support our overall business growth.This is why we have been working on a modern, state-of-the-art platform that will enable investors to interact in new ways, with a particular focus on private groups that could evolve into a B2B model for financial influencers. Given the current market landscape, where many competitors are struggling with shrinking gross margins and declining revenues, we anticipate a consolidation within the industry this year, as the space has shrunk since 2020-2022. We see many companies lacking a cash buffer, and with current traffic levels and basic figures, it will be very challenging to achieve profitability. We have strategically positioned ourselves with a strong cash reserve and a clean balance sheet, enabling us to explore opportunities for mergers and acquisitions in the realms of artificial intelligence and community development. These initiatives will help us expand our reach and integrate cutting-edge technologies that align with our long-term goals.

For ADVFN, the unpredictability and decline in the advertising market, which has been significantly impacted, led us to pivot toward enhancing our subscription model, including the development of a community premium model. We plan to grow this model by expanding our product offerings, including AI-driven tools and the introduction of new products including a premium community model. The premium community model will focus on providing exclusive access to private groups, specialized content, and advanced features tailored for our most engaged users, which we hope will host their own private rooms. Our business model hinges on driving traffic to our site, which we then monetize through two primary streams: advertising and subscriptions. On the advertising side, increased user engagement leads to more ad impressions and higher revenue, while our subscription model benefits from robust product offerings and effective funnel management, driving higher conversion rates and recurring revenue (MRR).

We are committed to optimizing our traffic acquisition strategies and refining our product offerings to improve user retention and enhance the overall user experience. By doing so, we aim to boost both subscription conversions and ad impressions, ultimately increasing revenue while maintaining the quality and integrity of the user experience. As we move forward, we will continue to monitor market trends and adjust our strategies to ensure sustainable growth and long-term success.

Summary of key performance indicators

Our approach to Key Performance Indicators (KPIs) is designed to clearly show our stakeholders where our targets, efforts, and priorities lie each year.

For example, last year, we set targets with a focus on operational cost reductions. We are pleased to report that we met our cost-saving KPIs, achieving a reduction that brought our operational expenses to less than £5.5 million.

Given this success, we no longer include cost reduction as a KPI for the upcoming period. We believe that after 18 months of rigorous cost management, we have made the company highly efficient. Each new cost and expense is now closely tied to return on investment (ROI), ensuring that we maintain a lean operation while continuing to scale. We are confident that we can sustain growth without significantly increasing our fixed costs in relative terms.

In the coming financial year, the KPIs we will monitor will shift the focus towards development and growth.

Strategic Report (continued)

Why These are KPIs:
These KPIs are considered key drivers of our business because they directly impact our ability to generate revenue, retain users, and expand our market presence. By focusing on traffic growth, turnover, community engagement, and subscription premium users, we are addressing the core components that fuel our platform's success. These KPIs are critical as they reflect the health of our business, guide our strategic decisions, and measure our progress toward achieving our long-term goals.

- **Traffic Growth:** Building on our past efforts, traffic growth remains a top priority. We aim to increase the number of unique visitors to our platform through targeted SEO and marketing strategies, Live Chat, and product offerings. This metric is crucial for our B2C business model as it drives the initial stages of our engagement funnel, setting the stage for increased revenue opportunities.

- **Turnover:** We anticipate that new products launched will contribute to a substantial increase in turnover, albeit one that will take time to materialize. Our monetization strategies are now optimized, ensuring that the increased user base translates into higher revenue. This includes a focus on attracting premium subscribers, enhancing advertising revenues, and exploring new revenue streams to diversify our income sources.

- **Community Engagement:** Community engagement is a vital KPI because it reflects the health and vibrancy of our platform. A highly engaged community is more likely to generate valuable content, contribute to discussions, and foster a collaborative environment that attracts new users and retains existing ones. Engaged users are more likely to explore our premium offerings and increase their usage of paid tools and services, driving revenue growth. We measure this through the **number of unique posters** and the **frequency of posts**, setting targets to increase these metrics by 20% this year compared to the previous year. These targets are aligned with our efforts to enhance Live Chat, improve SEO, and attract new users.

- **Subscription Premium Users:** The growth in the number of subscription premium users is a key indicator of our ability to convert free users into paying customers. This KPI is essential because premium subscribers represent a significant and stable revenue stream with higher margins. We will measure this by tracking the growth rate of premium subscriptions, setting a target to increase the number of premium users by 25% compared to the previous year. This growth will be driven by the introduction of new premium features in AI tools, Live Chat, and mobile apps, as well as targeted marketing efforts.

Principal risks and uncertainties

In the dynamic environment in which we operate, we face several principal risks and uncertainties that could impact our business. We have identified key areas where these risks are most prevalent and have developed strategies to mitigate them.

1. **Currency Fluctuations**: Operating in multiple countries exposes us to the risks associated with fluctuating exchange rates of the Euro, GBP, and the US Dollar. These currency fluctuations can impact our revenues, expenses, and overall financial stability, making it imperative to employ effective currency risk management strategies. To mitigate these risks, we are reviewing our pricing transfer agreements and primarily maintaining most of our revenues in GBP. This approach helps stabilize our financial operations against currency volatility.
2. **Ad Networks Industry Volatility**: The ad networks industry is witnessing a decline in overall revenue, exemplified by the recent bankruptcy of companies in that space. This is reflected in the Online Ad Revenue Index, which has dropped by 20%. These industry-wide challenges necessitate a proactive approach in diversifying our revenue streams and ensuring financial stability. To address these industry-wide challenges, we are diversifying our revenue streams by expanding our product offerings and focusing on increasing subscriptions. This strategy is designed to reduce our dependence on ad revenues and enhance financial stability.
3. **Market Uncertainty Impacting Traffic**: The unpredictability in global markets and exchange pricing directly impacts our website traffic and user engagement. During times of economic uncertainty and a steady downward trend, users may reduce their online activity or shift their preferences, affecting our platform's performance. Developing resilience and adaptability strategies is essential to mitigate the adverse effects of market fluctuations on our traffic and user engagement. To counteract these effects, we are continually working on converting new traffic and intensively improving our SEO. These efforts are aimed at maintaining and growing our user base despite market fluctuations.
4. **Regulatory Adherence:** In today’s rapidly evolving regulatory landscape, we understand the increasing complexities that extend beyond GDPR to encompass broader issues such as data privacy, User-Generated Content (UGC) compliance, AI ethics, and online safety. These regulatory frameworks are critical in shaping how we manage data and interact with our user base. To navigate these changes effectively, we are steadfast in our commitment to staying abreast of new regulations and governance practices. Our approach includes the development of robust compliance guidelines and ongoing consultations with legal experts and industry specialists.

Strategic Report (continued)

Principal risks and uncertainties (continued)

5. **Inadequate Disaster Recovery Procedures**: Addressing the risks associated with our on-premises data storage, especially in the event of a disaster, is a top priority. Such events pose serious threats to our data integrity and infrastructure. To mitigate these risks, we are transitioning to cloud-based data storage for improved security and redundancy and are updating our infrastructure by replacing old hardware with more robust and reliable systems. This strategy is key to ensuring the protection and stability of our operations under any circumstances.
6. **Cybersecurity Risks**: As we continue to expand our digital footprint, cybersecurity risks become increasingly significant. Threats such as data breaches, ransomware, and cyber-attacks can disrupt operations and compromise sensitive information. We are committed to maintaining robust cybersecurity measures, including regular security audits, penetration testing, and employee training programs to protect against these threats. Our incident response plan is continually updated to ensure rapid action in the event of a security breach.

Consideration of the principal risks associated with financial instruments is contained in note 23.

People

We would like to thank the whole team at ADVFN who have worked hard during a tumultuous time in the markets**.**

Directors' statement of responsibilities under section 172 Companies Act 2006

The Directors have considered the requirements of Section 172(1) of the Companies Act 2006 to prepare a statement explaining how the Directors have considered the wider stakeholder needs when performing their duties under Section 172 of the Companies Act 2006.

The Directors consider the stakeholders to be the people who work for us, work with us, invest with us, own us, regulate us and live in the societies we serve. The Directors recognise that building strong relationships with our stakeholders will help deliver the Group's strategy in line with the long-term values. The Directors are committed to effective engagement with all of our stakeholders and seek to understand the interests and views of the Group's stakeholders by engaging with them directly as appropriate.

Depending on the nature of the issue in question, the relevance of each stakeholder group may differ and, as such, as part of the Group's engagement with stakeholders, the Directors seek to understand the relative interests and priorities of each group and to have regard to these, as appropriate, in their decision making. The Directors acknowledge, however, that not every decision the Board makes will necessarily result in a positive outcome for all stakeholders. However, the Directors do challenge management to ensure all stakeholder interests are considered in the day-to-day management and operations of the Group.

As part of their deliberations and decision-making process, the Directors take into account the following:

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

As a result of these activities, the Directors believe that they have demonstrated compliance with their obligations under s.172 of the Companies Act 2006.

Environmental Matters

The Directors' aim for the Group is to be and remain a contributing and good "Corporate Citizen".

As a small AIM-listed company, we recognise the importance of understanding and managing the risks and opportunities associated with climate change and other environmental matters. Our business does not have a high carbon footprint and we consider it to be a sustainable business. We try to ensure that our planet's precious resources are used appropriately for the benefit of current and future generations.
Although we are not required to report under the Task Force on Climate-related Financial Disclosures (TCFD) framework, we are committed to monitoring our exposure to climate related risks and identifying opportunities to contribute to a low carbon economy. The Board considers that the business and strategic decisions which it takes now, in furtherance of the Group's business objectives, do not damage the global environment.

Strategic Report (continued)

Employees

The Group has a small number of employees but those it has are situated and are deployed on the Group's business around the World. We ensure that we comply with all local labour laws and apply what the Directors believe are appropriate standards and systems to monitor and ensure the welfare of those employees.

Stakeholder engagement

The Group is entirely owned by the shareholders of ADVFN Plc and the shares of the Group are traded on AIM. The stakeholders of the Group consist predominantly of the shareholders, employees, advisers and suppliers. The Directors recognise the importance of these relationships and take active steps to develop and strengthen them through dialogue and engagement. These relationships are regularly monitored at Board level.

Governance

Each Board meeting addresses compliance by the Group with its corporate governance codes and reinforces the Board's requirement that its business be conducted with integrity and with due regard for ethical standards.

ON BEHALF OF THE BOARD

Signed by:
Amit Tauman
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Amit Tauman

CEO

20 November 2024

Corporate Governance Report

In April 2018, the Quoted Companies Alliance (QCA) published an updated version of its Code which provides UK small and mid-sized companies with a corporate governance framework that is appropriate for a Group and Company of our size and nature.

The Board considers the principles and recommendations contained in the QCA Code are appropriate and has therefore chosen to apply the QCA Code. The updated 2018 QCA Code has 10 principles that should be applied. Each principle is listed in the statement below together with an explanation of how the ADVFN PLC ("the Company") and its subsidiaries (together "the Group") applies or otherwise departs from each of the principles.

In 2023, the Quoted Companies Alliance (QCA) published an updated version of its Code. The updated code will be applied in the financial statements for the year ended 30 June 2025.

Principle One
Business Model and Strategy
The board has concluded that the medium-long term value that can be delivered to its shareholders is for ADVFN to obtain technological advantage while building cutting edge tools for real-time data and for growing our community. We remain in the position that a key indicator for our company's health is our subscriptions, and we maintain our sales-subscription model as it is.

Principle Two
Understanding Shareholder Needs and Expectations
The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Group has close ongoing relationships with its brokers, NOMAD and shareholders. Shareholders also have the opportunity to attend our AGM and can access current information about the Group via our Investor Relations (IR) website or at www.advfn.com.

Principle Three
Considering wider stakeholder and social responsibilities
The Board recognises that the long-term success of the Group is reliant upon the efforts of the employees of the Group and its contractors, suppliers, regulators and other stakeholders. In addition, the Board is conscious of its responsibility to ensure that the website users' experience is a positive one by being aware of its social, economic and environmental impact, and considering human rights. The finance team review this on a regular basis to ensure that there is close oversight and contact with its key resources and relationships.

Principle Four
Risk Management
In addition to its other roles and responsibilities, the Audit Committee and Finance team are responsible to the Board for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Group. The risk assessment matrix below sets out those risks and identifies their ownership and the controls that are in place. This matrix is updated as changes arise in the nature of risks or the controls that are implemented to mitigate them. The following principal risks and controls to mitigate them have been identified:

Activity	Risk	Impact	Control(s)
Management	Recruitment and retention of key staff	Reduction in operating capability	Stimulating and safe working environment Balancing salary with longer term incentive plans
Regulatory adherence	Breach of rules	Censure or withdrawal of authorisation	Strong compliance regime instilled at all levels of the Group
Strategic	Inadequate disaster recovery procedures	Loss of key operational and financial data	Robust compliance Secure offsite storage of data and Cloud migration.

Corporate Governance Report (continued)

Activity	Risk	Impact	Control(s)
Financial			
	Fixed overheads	Decline in revenue affects going concern	Board monitor
	Fluctuations in exchange rates and inflation	Exposure to negative impact will reduce value of assets and revenues	Monitoring by Board and consultants, reviewing price transferring agreement and use of forward contracts where required
Economic	General downturn	Business activity reduced	Market engagement by staff and Board monitor
Technical	Product obsolescence	Visits to site and revenue fall	Maintain R & D spend and technical expertise

The Directors have established procedures, as represented by this statement, for the purpose of providing a system of internal control. An internal audit function is not considered necessary or practical due to the size of the Group and the close day to day control exercised by the executive directors. However, the Board will continue to monitor the need for an internal audit function.

Principle Five
A Well-Functioning Board of Directors
As at the date hereof the Board comprised, the Non-Executive Chairman Lord Gold, CEO Amit Tauman, Sales Director Matthew Collom and non-executive directors Anthony Wollenberg and Shalom Berkovitz. Biographical details of the current Directors are set out within Principle Six below. Executive and Non-Executive Directors are subject to re-election at intervals of no more than three years.

The Board meets regularly throughout the year (ordinarily 6 times). It has established an Audit Committee and Finance team and a Remuneration Committee, particulars of which appear below. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. Anthony Wollenberg, Lord Gold and Shalom Berkovitz are considered to be Independent Directors. The Board notes that the QCA recommends a balance between executive and non-executive Directors and recommends that there be two independent non-executives. While the Board considers to date that the Board composition (including the non-executive role of the Chairman and the two non-executive directors) has been appropriate for the Group given the size of the business, the board will review further appointments as scale and complexity grows.

Directors' attendance at Board Meetings

	10/7/23	23/11/23	**4/12/23**	**18/12/23**	**19/3/24**	15/5/24
Amit Tauman	x	x	x	x	x	x
Matthew Collom	x	x	x	x	x	x
Lord David Gold (Non-exec)	x	x	x	x	x	x
Anthony Wollenberg (Non-exec)	x	x	x	x	x	x
Shalom Berkovitz (appointed 3 June 2024)	-	-	-	-	-	-

Principle Six
Appropriate Skills and Experience of the Directors
The Board currently consists of 5 Directors (2023:4). The Group believes that the current balance of skills in the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Directors has experience in public markets. However, we are in a search to expand our board of directors.

The Board recognises that it currently has limited diversity and this will be taken fully into account if the Board concludes that replacement of directors is required. The Board will review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

Corporate Governance Report (continued)

Amit Tauman
Chief Executive Officer

Amit took responsibilities across several business operations, including creating and implementing the company's culture, vision, mission, and overall direction while leading the development and implementation of the company's overall strategy. Amit came from an extensive background in mathematics and computer science with years of experience in AI and machine learning. Amit Tauman assumed the title of CEO on 25 November 2022.

Matthew Collom
Sales Director

Matthew Collom joined ADVFN in 2001 and has 20 years' experience within the on-line advertising industry. He became the Sales Director of the company in May 2014.

Lord Gold
Non-Executive Chairman

Lord Gold was appointed Director of ADVFN on 29 April 2022. His background is as a litigation solicitor at Herbert Smith, becoming Senior Partner in April 2005. In March 2011 he set up a consultancy advising on strategy and tactics. In October 2018, Lord Gold joined forces with Simon Collins, former Senior Partner of KPMG, to create a new business called Gold Collins Associates, which advises organisations and individuals facing crisis situations. He became a Conservative Peer in February 2011. He chairs the investment committee of litigation funder, Balance Legal Capital. He also chairs the London campus of international business school, ESCP.

Anthony Wollenberg
Non-Executive Director

Tony Wollenberg joined the board in 2022 together with Lord Gold and Amit Tauman. Tony Wollenberg is a solicitor specialising in financial services and big ticket commercial disputes, often with alleged fraud at their heart. He founded and managed his own law firm for 22 years before its merger with a US law firm. Tony Wollenberg has also founded and invested in a number of commercial ventures. He currently serves as a director of eToro (U.K.) Limited which is part of one of the world's largest investment platforms which he helped found in 2007.

Shalom Berkovitz
Non-Executive Director

Shalom Berkovitz joined the board on 3 June 2024, Mr Berkovitz was formerly Chief Financial Officer and Deputy Chief Executive of eToro from 2016 to 2023 when he retired. Mr Berkovitz continues to act on a number of eToro's Group company boards (as set out further below). Prior to joining eToro, Mr Berkovitz was Chief Executive of DSNR Media Group. Mr Berkovitz graduated with a B.Sc.EE in1987 from Technion – Israel Institute of Technology, an MBA from Tel Aviv University in 1992, and is a Harvard Business School GMP25 graduate.

Principle Seven
Evaluation of Board Performance
Internal evaluation of the Board, the Committees and individual Directors is to be undertaken in the form of appraisal and discussions to determine the effectiveness and performance as well as the Directors' continued independence. There is no formal programme of appraisal in place as the Board is small and in constant contact. Informal meetings include discussions around members' effectiveness and performance.

Principle Eight
Corporate Culture
The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Group as a whole and that this will impact upon the performance of the Group. The Board is very aware that the tone and culture set by the Board will greatly impact on all aspects of the Group as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Group delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Group.

A large part of the Group's activities is centred upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Group successfully to achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Group does. The Directors consider that at present the Group has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Group has adopted, with effect from the date on which its shares were admitted to AIM, a code for Directors' and employees' dealings in securities which is appropriate for a Group whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

Corporate Governance Report (continued)

Principle Nine

Maintenance of Governance Structures and Processes

Ultimate authority for all aspects of the Group's activities rests with the Board, the respective responsibilities of the Non-executive Chairman and Chief Executive Officer arising as a consequence of delegation by the Board. The Non-executive Chairman is responsible for the effectiveness of the Board, while management of the Group's business and primary contact with shareholders has been delegated by the Board to the CEO.

Audit Committee

During the financial year ended 30 June 2024 the Audit Committee comprised Anthony Wollenberg, Amit Tauman and Lord David Gold and was chaired by Lord David Gold. This team has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported. It receives reports from the executive management and auditors relating to the interim and annual accounts and the accounting and internal control systems and their effectiveness in use throughout the Group. The Audit Committee has unrestricted access to the Group's auditors. The Audit Committee now comprises Antony Wollenberg, Amit Tauman, Shalom Berkovitz and Lord David Gold.

In respect of the Company's system of internal controls and its effectiveness, the Directors:
-are satisfied that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity; and
-have reviewed the effectiveness of the risk management and internal control systems including material financial, operational and compliance controls (including those relating to the financial reporting process) and no significant failings or weaknesses were identified.

Remuneration Committee

The Remuneration Committee comprises Amit Tauman, Lord Gold and Anthony Wollenberg. The Remuneration Committee reviews the performance of the executive directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Group's Remuneration Policy.

Nominations Committee

The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors

The Board has adopted guidelines for the appointment of Non-Executive Directors which have been in place and observed throughout the year. These provide for the orderly and constructive succession and rotation of the Non-executive Chairman and non-executive directors insofar as both the Non-executive Chairman and non-executive directors will be appointed for an initial term of three years and may, at the Board's discretion, believing it to be in the best interests of the Group, be appointed for subsequent terms.

In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Group; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten

Shareholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Group has close ongoing relationships with its private shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Group.

Investors also have access to current information on the Group through its website, www.advfn.com, and via Amit Tauman, CEO, who is available to answer investor relations enquiries.

The Group shall include, when relevant, in its annual report, any matters of note arising from the audit or remuneration committees.

ON BEHALF OF THE BOARD

DocuSigned by:

David Gold

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Lord Gold
Chairman
20 November 2024

Report of the Directors

The Directors present their report and the audited financial statements for the year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Group is the development and provision of financial information primarily via the internet, research services and the development and exploitation of ancillary internet sites.

DIRECTORS

The Directors set out below held office throughout the year except where stated:

A Tauman (Chief Executive Officer)
M Collom (Sales Director)
Lord Gold (Non-executive Chairman)
A Wollenberg (Non-executive Director)
S Berkovitz (appointed on 3 June 2024) (Non-executive Director)

In 2024 A Tauman and Lord Gold will retire by rotation and, being eligible, offer themselves for re-election. The Directors' interests in the shares of the Company are shown in the Directors' Remuneration Report.

DIRECTORS' INDEMNITIES

The company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

SUBSTANTIAL SHAREHOLDERS

At 30 June 2024 the Directors were aware of the following shareholdings in excess of 3% of the Company's issued share capital:

	Shareholding	%
Amit Tauman (Director)	5,437,972	11.55
Yair Tauman	4,225,165	9.13
Dan Horsky	4,071,437	8.80
Ron Izaki	2,979,761	6.44
Online Blockchain Plc	2,291,938	4.95
The Estate of Zohar Zisapel	1,818,181	3.93
Soare Holdings Ltd	1,818,181	3.93

RESEARCH AND DEVELOPMENT

We are constantly engaged in research and development, striving to improve and expand our customers' on-line experience. We are highly focused on new developments including improvements to our website and researching and developing new investment tools and real-time systems. Expenditure during the year amounted to £278,000 (2023: £175,000) all of which is development expenditure and has been capitalised.

GOING CONCERN

The financial statements have been prepared on the going concern basis which assumes the Group will continue in existence for the foreseeable future. The Directors have prepared a detailed forecast of future trading and cash flows for at least 12 months from when the accounts were approved. The forecasts take into consideration potential future growth of the business both in the UK and USA, the development of products that will enhance the growth of the business and the potential areas for additional cost saving if required. At 30 June 2024 the Group's cash balances amounted to £4,091,000. The Group's forecasts are based on an amalgamation of pessimistic, realistic and optimistic scenarios using a baseline of current year figures and applying known and expected changes for costs as revenues as well as a 3% inflationary increase. The forecasts show that the Group and the company have sufficient funding to enable them to carry on as a going concern for the next twelve months from the date of signing the audit report. The Directors are also planning on developing new products that will enhance the growth of the business and will consider further areas for additional cost saving if required. The directors have given due consideration to the two subsidiaries for whom ADVFN Plc has given guarantees under the audit exemption rules and do not consider this will affect the Group's risk position. Accordingly, the Directors have prepared these financial statements on the going concern basis.

FINANCIAL RISK MANAGEMENT

Information relating to the Group's financial risk management is detailed in note 23 to the financial statements.

Report of the Directors (continued)

EVENTS AFTER THE BALANCE SHEET DATE

There were no relevant events after the balance sheet date.

STRATEGIC REPORT

Information in respect of the Business Review is not shown in the Report of the Directors because it is presented in the Strategic Report in accordance with s414C(11) of the Companies Act 2006.

CORPORATE GOVERNANCE REPORT

Information in respect of the Principal Risks and Uncertainties is not shown in the Report of the Directors because it is presented in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and as regards to the Parent Company financial statements, as applied in accordance with section 408 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 and profit or loss of the Company and Group for that period. 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 applicable law and UK-adopted international accounting standards, in conformity with the requirements of the Companies Act 2006, have been followed, subject to any material departures disclosed and explained in the financial statements and
- 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 Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report 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.

The Directors confirm that:

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

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

AUDITOR

In accordance with section 489(4) of the Companies Act 2006, a resolution appointing auditors will be put to the members at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD

DocuSigned by:

David Gold

92A833BDCF9844D...

Lord Gold
Chairman
20 November 2024

Directors' Remuneration Report

Directors' emoluments

	Salary & fees	Share based payments	2024 Total	2024 Pension	2023 Total	2023 Pension
	£'000	£'000	£'000	£'000	£'000	£'000
Executive Directors						
A Tauman	200	15	215	-	201	-
M J Hodges (resigned 8 August 2022)	-	-	-	-	37	6
J B Mullins (resigned 6 February 2023)	-	-	-	-	137	-
M Collom	156	2	158	-	141	-
Non-Executive Directors						
D Gold	80	-	80	-	100	-
A Wollenberg	55	-	55	-	79	-
S Berkovitz	3	-	3	-	-	-
T Spiller (resigned 8 August 2022)	-	-	-	-	3	-
	494	17	511	-	698	6

Remuneration policy for Executive Directors

The Group's policy on Executive Director's remuneration is to:

- attract and retain high quality executives by paying competitive remuneration packages relevant to each Director's role, experience and the external market. The packages include employment related benefits including contributions to private pension plans;
- incentivise Directors to maximise shareholder value through share options which are granted at an exercise price at the market price at date of grant and are normally exercisable for a period of 7 years and lapse if an employee leaves.

Service contracts

The Executive Directors have contracts with a ninety day notice period.

No Director had, either during or at the end of the year, a material interest in any contract which was significant in relation to the Group's business.

Directors' interests in shares

The interests of the Directors and their families in the shares of the company at 1 July 2023 and 30 June 2024 were as follows:

	30 June 2024 No of Shares	1 July 2023 No of Shares	**30 June 2024 No of Options**	1 July 2023 No of Options
M Collom	-	-	94,000	70,000
A Tauman	5,437,972	5,437,972	751,300	460,000
Lord Gold	140,000	-	-	-
A Wollenberg	140,000	-	-	-
S Berkovitz	-	-	-	-

There was no change in the Directors' interests between the reporting date and the date of this report.

Directors' interests in share options

During the year, options were granted to Amit Tauman (291,300) and Matthew Collom (24,000), vesting over 3 years, with an exercise price of £0.13.

Independent auditor's report to the members

Opinion

We have audited the financial statements of ADVFN PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2024 which comprise Consolidated Income Statement and Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement, Company Cash Flow Statement 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 UK-adopted international accounting standards.
In our opinion the financial statements:

- give a true and fair view of the state of affairs of the group and of the parent company as at 30 June 2024 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the 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 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.

Our approach to the audit

We tailored the scope of our audit to ensure that we obtained sufficient evidence to support our opinion on the financial statements as a whole, taking into account the size, risk profile, the organisation of the group, design and implementation effectiveness of group wide controls and changes in the business environment and the industry in which they operate.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at areas where the directors made subjective judgements for example in respect of significant accounting policies that involved making assumptions and considering future events that are inherently uncertain. The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are discussed under "Key audit matters" within this report.

The group consists of the parent company and its subsidiaries, which includes UK and overseas companies. Materiality and the risks of material misstatement were assessed at subsidiary level for our audit procedures on the subsidiaries, both in the UK and overseas.

Our group audit scope included an audit of the group and parent company financial statements. We performed an assessment to determine which components were significant to the group. Significant components were deemed to be those which financially contributed greater than 15% of the group's revenue. None of the UK components were identified as significant. One overseas entity was deemed a significant component and was subject to audit procedures by component auditors under the instruction of the group engagement team. The results of this audit work were reviewed by the group engagement team. Non-significant components were subject to analytical procedures by the group engagement team. The group engagement team also performed testing of the consolidation process and adjustments.

Key audit matters

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

Key Audit Matter	How our scope addressed this matter
<u>Carrying value of capitalised website and mobile application expenditure (Group & Company only)</u>	Our audit procedures included the following:

The group and company recognises a number of internally generated intangible assets from development projects. The total carrying value at the reporting date was £310,000. When capitalising an internally generated intangible asset there is significant judgement as to: • Assessing whether the recognition criteria for capitalisation under IAS 38 has been met; • Determining the asset's useful economic life and an appropriate amortisation policy once complete; and • Assessing whether there are indicators of impairment at the reporting date. The significance of capitalised development costs to the group and company, and the judgements involved regarding the recognition of development assets have led us to identify this as a key audit matter.	• Obtained an understanding of management's processes and controls for the capitalisation of website and mobile application by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls; • Assessed management's capitalisation policy to ensure recognition of costs was in accordance with IAS 38; • Performed substantive testing on costs capitalised to source data such as timesheets records and invoices and discussion with the R&D team ensuring appropriate allocation to appropriate projects; • Obtained and critically reviewed the Board's assessment for indicators of impairment, after considering both corroborative and contradictory evidence; and • Re-performed calculations of amortisation charges, ensuring they are appropriate given the accounting policies applied and reviewed whether the useful economic life applied us appropriate by comparing it to similar assets in external market. Based on the procedures performed, we have not identified any material misstatements arising in the carrying value of capitalised website and mobile application expenditure.

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in evaluating the effect of any identified misstatements and in forming our opinion. Our overall objective as auditor is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. We consider a misstatement to be material where it could reasonably be expected to influence the economic decisions of the users of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceeds materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below this level will not necessarily be evaluated as immaterial as we also take into account the qualitative nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial.

Based on our professional judgement and taking into account the possible metrics used by investors and other readers of the accounts, we have determined an overall group materiality of £66,000 based on 1.5% of revenue per draft financial statements at the planning stage. Materiality of £54,000 was used for the parent company which was also based on 1.5% of revenue per draft financial statements at the planning stage.

Group performance materiality was set at £49,000 and parent company performance materiality was set at £40,500. These represented 75% of overall materiality.

During the course of our audit, we reassessed initial materiality based on 31 June 2024 revenue and concluded that it remained appropriate as initially determined.

We agreed to report all individual audit differences in excess of £5,000 in relation to the group and parent company, being the level below which misstatements are considered to be clearly trivial. We also agreed to report any other identified misstatements that warranted reporting on qualitative grounds.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and the parent company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the directors going concern assessment and supporting cash flow forecasts for at least 12 months from date of signing this report;
- Critically appraising and assessing for arithmetical accuracy the directors' formal going concern assessment;
- Reviewing detailed cash flow forecasts to support management's going concern assessment to assess the ability of the company to continue in operation for at least 12 months from the date of signing this report and stress tested the forecasts under a range of scenarios;
- Performing a sensitivity analysis on key assumptions underlying the directors' going concern assessment, including revenue growth year on year and the level of expenditure on development and overheads and the continued impact of inflation on the expenditure being incurred;
- Discussing events after the reporting date with the directors to assess their impact on the going concern assumption, including comparison of the post year-end cash balances to forecast positions;
- Considering how the impact of the current economic climate has been factored into the forecasts including mitigating actions taken to reduce the impact and the timing of such measures;
- Reviewing the disclosures in the financial statements regarding the impact of current economic climate and the going concern status of the group; and
- Considering the form of our audit opinion.

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

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

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors, communication with component auditors and by updating our understanding of the sector in which the group and parent company operate.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006, the AIM Rules for Companies and UK Tax legislation as well as similar laws and regulations prevailing in each country in which we identified a significant component.

In addition, the group is subject to other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to its ability to operate or to avoid a material penalty. These include anti-bribery legislation and employment law.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications with component auditors included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael St

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Michael Strong (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

20 November 2024

Consolidated income statement

	Notes	**30 June 2024 £'000**	30 June 2023 £'000
Revenue	3	4,441	5,445
Cost of sales		(218)	(316)
Gross profit		4,223	5,129
Share based payment	21	(26)	319
Amortisation of intangible assets	12	(156)	(191)
Administrative expenses		(5,153)	(6,026)
Administrative expenses – non-recurring items	6	-	(1,178)
Total administrative expenses		(5,335)	(7,076)
Operating loss	4	(1,112)	(1,947)
Finance income	7	198	24
Finance expense	7	(1)	(11)
Other income		2	20
Loss before tax		(913)	(1,914)
Taxation	8	63	58
Loss from continuing operations		**(850)**	**(1,856)**
Loss from discontinued operations	3	(68)	(313)
Total loss for the period attributable to shareholders of the parent		**(918)**	**(2,169)**
Loss per share from continuing operations			
Basic and diluted	9	(1.85p)	(5.16p)
Loss per share from total operations			
Basic and diluted		(1.99p)	(6.03p)

Consolidated statement of comprehensive income

	30 June 2024 £'000	30 June 2023 £'000
Loss for the year	(918)	(2,169)
Other comprehensive income:		
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	48	33
Total other comprehensive income	48	33
Total comprehensive loss for the year attributable to shareholders of the parent	(870)	(2,136)

The accompanying accounting policies and notes on pages 28 to 59 form an integral part of these financial statements.

Consolidated balance sheet

	Notes	**30 June 2024 £'000**	30 June 2023 £'000 (Restated)	1 July 2023 £'000 (Restated)
Assets				
Non-current assets				
Property, plant and equipment	10	115	160	98
Goodwill	11	-	-	988
Intangible assets	12	311	218	339
Trade and other receivables	15	22	25	26
		448	403	1,451
Current assets				
Trade and other receivables	15	561	466	460
Cash and cash equivalents		4,091	5,557	915
		4,652	6,023	1,375
Total assets		5,100	6,426	2,826
Equity and liabilities				
Equity				
Issued capital	20	93	92	53
Share premium		6,705	6,676	305
Share based payment reserve		48	22	341
Foreign exchange reserve		364	316	283
Retained earnings		(3,531)	(2,613)	(445)
		3,679	4,493	537
Non-current liabilities				
Borrowing – bank loans	17	9	20	41
		9	20	41
Current liabilities				
Trade and other payables	19	1,402	1,903	2,148
Borrowing – bank loans	17	10	10	13
Borrowing – lease liabilities		-	-	87
		1,412	1,913	2,248
Total liabilities		1,421	1,933	2,289
Total equity and liabilities		5,100	6,426	2,826

The comparative information has been restated as a result of an error as discussed in note 2.

The financial statements on pages 21 to 59 were authorised for issue by the Board of Directors on 20 November 2024 and were signed on its behalf by:

Signed by:
Amit Tauman
C6F019A894924DF...

Amit Tauman
CEO
Company number: 02374988

The accompanying accounting policies and notes on pages 28 to 59 form an integral part of these financial statements.

Company balance sheet

	Note	At 30 June 2024 £'000	At 30 June 2023 £'000
Assets			
Non-current assets			
Property, plant and equipment	10	113	154
Intangible assets	12	311	218
Trade and other receivables	15	22	25
		446	397
Current assets			
Trade and other receivables	15	376	313
Cash and cash equivalents		4,026	5,301
		4,402	5,614
Total assets		4,848	6,011
Equity and liabilities			
Equity			
Called up share capital	20	93	92
Share premium account		6,705	6,676
Share based payment reserve		48	22
Retained earnings		(3,408)	(2,653)
		3,438	4,137
Non-current liabilities			
Borrowings - bank loans	17	9	20
Deferred tax		104	104
		113	124
Current liabilities			
Trade and other payables	19	1,287	1,740
Borrowings - bank loans	17	10	10
		1,297	1,750
Total liabilities		1,410	1,874
Total equity and liabilities		4,848	6,011

Company statement of comprehensive income

As permitted by Section 408 of the Companies Act 2006, the income statement and statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's result after taxation for the financial year was a loss of £755,000 (2023: loss of £2,146,000).

The accompanying accounting policies and notes on pages 28 to 59 form an integral part of these financial statements.

The financial statements on pages 21 to 59 were authorised for issue by the Board of Directors on 20 November 2024 and were signed on its behalf:

Signed by:
Amit Tauman
C6F019A894924DF...

Amit Tauman
CEO
Company number: 02374988

Consolidated statement of changes in equity

	Note	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Foreign exchange reserve £'000	Retained earnings £'000	Total equity £'000
At 1 July 2022		53	305	341	283	340	1,322
Effect of prior year adjustment						(785)	(785)
Balance at 1 July 2022 – As restated		53	305	341	283	(445)	537
Transactions with equity shareholders:							
Share issues	19	39	6,448	-	-	-	6,487
Cost associated with the issue of shares		-	(77)	-	-	-	(77)
Issue of options	20	-	-	1	-	-	1
Lapsed options	20	-	-	(320)	-	-	(320)
		39	6,371	(319)	-	-	6,091
Loss for the year after tax		-	-	-	-	(2,168)	(2,168)
Other comprehensive income							
Exchange differences on translation of foreign operations		-	-	-	33	-	33
Total other comprehensive income		-	-	-	33	-	33
Total comprehensive income		-	-	-	33	(2,168)	(2,135)
At 30 June 2023		**92**	**6,676**	**22**	**316**	**(2,613)**	**4,493**
Transactions with equity shareholders:							
Issue of shares	19	1	29	-	-	-	30
Issue of options	20	-	-	26	-	-	26
		-	29	26	-	-	56
Loss for the year after tax		-	-	-	-	(918)	(918)
Other comprehensive income							
Exchange differences on translation of foreign operations		-	-	-	48	-	48
Total other comprehensive income					48	-	48
Total comprehensive income		-	-	-	48	(918)	(870)
At 30 June 2024		**93**	**6,705**	**48**	**364**	**(3,531)**	**3,679**

The accompanying accounting policies and notes on pages 28 to 59 form an integral part of these financial statements.

Company statement of changes in equity

	Note	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
		£'000	£'000	£'000	£'000	£'000
At 1 July 2022		53	305	341	(507)	192
Transactions with equity shareholders:						
Issue of shares	19	39	6,448	-	-	6,487
Cost associated with the issue of shares		-	(77)	-	-	(77)
Issue of options	20	-	-	1	-	1
Lapsed options	20	-	-	(320)	-	(320)
		39	6,371	(319)	-	6,091
Loss for the year after tax		-	-	-	(2,146)	(2,146)
Total comprehensive income for the year		-	-	-	(2,146)	(2,146)
At 30 June 2023		**92**	**6,676**	**22**	**(2,653)**	**4,137**
Transactions with equity shareholders:						
Issue of shares	19	1	29	-	-	30
Issue of options	20	-	-	26	-	26
		1	29	26	-	56
Loss for the year after tax		-	-	-	(755)	(755)
Total comprehensive income for the year		-	-	-	(755)	(755)
At 30 June 2024		**93**	**6,705**	**48**	**(3,408)**	**3,438**

The accompanying accounting policies and notes on pages 28 to 59 form an integral part of these financial statements.

Consolidated cash flow statement

	Notes	**12 months to 30 June 2024 £'000**	12 months to 30 June 2023 £'000
Cash flows from continuing operating activities			
Loss for the year from continuing operations		(850)	(1,855)
Net finance income received	7	(197)	(13)
Depreciation of property, plant & equipment	10	49	75
Amortisation of intangible assets	12	156	191
Disposal of intangible assets	12	30	-
Write off goodwill	11	-	978
Share based payments	21	26	(319)
Issue of shares as directors' compensation	19	30	-
Increase in trade and other receivables		(91)	(20)
Decrease in trade and other payables		(501)	(226)
Net cash generated by continuing operations		(1,348)	(1,189)
Cashflow from discontinued operating activities			
Loss for the year from discontinued operations		(68)	(313)
Amortisation of intangible assets	12	-	23
Write off intangible assets	12	-	83
Decrease in trade and other receivables		-	14
Decrease in trade and other payables		-	(23)
Net cash generated by discontinued operations		(68)	(216)
Income tax receivable		-	-
Net cash generated by operating activities		(1,416)	(1,405)
Cash flows from financing activities			
Proceeds from issue of share capital	20	-	6,410
Bank interest received		198	24
Repayment of loans	17	(9)	(24)
Principal element of lease liability	17	-	(91)
Lease interest paid	17	-	(4)
Other interest paid		(1)	(1)
Net cash generated by financing activities		188	6,314
Cash flows from investing activities			
Payments for property, plant and equipment	10	(6)	(136)
Payment of website development costs	12	(279)	(175)
Net cash used by investing activities		(285)	(311)
Net increase in cash and cash equivalents		(1,513)	4,598
Exchange differences		47	44
Net increase in cash and cash equivalents		(1,466)	4,642
Cash and cash equivalents at the start of the period		5,557	915
Cash and cash equivalents at the end of the period		4,091	5,557

All financing and investing activities were continuing.

The accompanying accounting policies and notes on pages 28 to 59 form an integral part of these financial statements.

Company cash flow statement

	Notes	**12 months to 30 June 2024 £'000**	12 months to 30 June 2023 £'000
Cash flows from operating activities			
Loss for the period		(755)	(2,146)
Net finance income (received)/paid		(197)	1
Depreciation of property, plant & equipment	10	49	3
Amortisation of intangibles	12	156	191
Disposal of intangible assets	12	30	-
Impairment of investments		-	1,001
Share based payments – options/warrants	21	26	(319)
Issue of shares as directors' compensation	19	30	
(Increase)/decrease in trade and other receivables		(58)	473
Decrease in trade and other payables		(459)	(509)
Net cash generated by operating activities		(1,178)	(1,305)
Cash flows from financing activities			
Issue of share capital	20	-	6,410
Repayment of loans	17	(9)	(24)
Bank interest received		198	-
Interest paid		(1)	(1)
Net cash generated by financing activities		188	6,385
Cash flows from investing activities			
Payments for property, plant and equipment	10	(6)	(133)
Payment of website development costs	12	(279)	(175)
Net cash used by investing activities		(285)	(308)
Net increase/(decrease) in cash and cash equivalents		(1,275)	4,772
Cash and cash equivalents at the start of the period		5,301	529
Cash and cash equivalents at the end of the period		4,026	5,301

The accompanying accounting policies and notes on pages 28 to 59 form an integral part of these financial statements.

Notes to the financial statements

1. General information

The principal activity of ADVFN PLC (“the Company”) and its subsidiaries (together “the Group”) is the development and provision of financial information, primarily via the internet, research services and the development and exploitation of ancillary internet sites.

The principal trading subsidiaries are InvestorsHub.com Inc and N A Data Inc,.

The Company is a public limited company which is quoted on the AIM of the London Stock Exchange and is incorporated and domiciled in the UK. The address of the registered office is Suite 28, Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA.

The registered number of the company is 02374988.

2. Summary of significant accounting policies

Basis of preparation

The consolidated and company financial statements are for the year ended 30 June 2024. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards as at 30 June 2024. The consolidated and company financial statements have been prepared under the historical cost convention and are presented in Sterling rounded to the nearest thousand (£’000) except where indicated otherwise.

The subsidiary companies Cupid Bay Limited, All IPO Plc and MJAC InvestorsHub International Conferences Ltd were dissolved during the year (Cupid Bay Limited and MJAC InvestorsHub International Conferences Ltd 21 November 2023, All IPO Plc 2 April 2024).

Prior year adjustment

The financial statements for the year ended June 2023 have been restated to correct for a prior period error. The intangible assets and the retained earnings have both been reduced by £785,000 which represents an intangible asset acquired as part of the historic acquisition of All IPO Plc. This asset had, incorrectly, not been amortised since its acquisition. Note 12 (Group), intangible assets, shows the effect of the restatement on the cost of the website development costs as at 1 July 2022. There is no impact on the basic or diluted earnings per share.

Assets had also been incorrectly allocated between the group companies, and this has been corrected in the Company as shown in note 12 (Company). There was no net impact of this on the Company financial statements.

Going concern

The financial statements have been prepared on the going concern basis which assumes the Group will continue in existence for the foreseeable future. The Directors have prepared a detailed forecast of future trading and cash flows for at least 12 months from when the accounts were approved. The forecasts take into consideration potential future growth of the business both in the UK and USA, the development of products that will enhance the growth of the business and the potential areas for additional cost saving if required. At 30 June 2024 the Group’s cash balances amounted to £4,091,000. The Group’s forecasts are based on an amalgamation of pessimistic, realistic and optimistic scenarios using a baseline of current year figures and applying known and expected changes for costs as revenues as well as a 3% inflationary increase. The forecasts show that the Group and the company have sufficient funding to enable them to carry on as a going concern for the next twelve months from the date of signing the audit report. The Directors are also planning on developing new products that will enhance the growth of the business and will consider further areas for additional cost saving if required. The directors have given due consideration to the two subsidiaries for whom ADVFN Plc has given guarantees under the audit exemption rules and do not consider this will affect the Group’s risk position. Accordingly, the Directors have prepared these financial statements on the going concern basis.

Notes to the financial statements (continued)

Adoption of new and amended standards and interpretations

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2023:

New standard or amendment	Effective date (annual periods beginning on or after):
IFRS 17 - Insurance Contracts 1 January 2023 Amendments to IFRS 17 - Insurance Contracts; and Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4 Insurance Contracts)	1st January 2023 1st January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 IFRS Practice Statement 2	1st January 2023
Definition of Accounting Estimates – Amendments to IAS 8	1st January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	1st January 2023
International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)	1st January 2023

None of the standards or amendments which became effective in the year had a significant impact on the company.

New standard or amendment – issued but not yet effective in the year

As at 30 June 2024, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 30 June 2024.

New standard or amendment	Effective date (annual periods beginning on or after):
Classification of Liabilities as Current or Non-current – Amendments to IAS 1, Non-current liabilities with Covenants – Amendments to IAS 1	1st January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1st January 2024
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7	1st January 2024
Amendments to IAS 21 to clarify the accounting when there is a lack of exchangeability	1st January 2025
Classification and Measurement of Financial Instruments (Amendments IFRS 7 and IFRS 9)	1st January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1st January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1st January 2027

The following IFRS Sustainability standards had been issued but were not mandatory for annual reporting periods ending on 30 June 2024.

New standard	Effective date (annual periods beginning on or after):
IFRS S1: General requirements for disclosure of sustainability-related financial information	1st January 2024
IFRS S2: Climate-related disclosures	1st January 2024

The company have not early adopted and standards or amendments which are not yet effective.

The Directors continue to monitor developments in the relevant accounting standards but do not believe that these changes will significantly impact the Group.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Basis of Consolidation
The Group's financial statements consolidate those of the parent company and all of its subsidiaries drawn up to 30 June 2024. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated on the date control ceases.

Inter-company transactions, balances and unrealised gains and losses (where they do not provide evidence of impairment of the asset transferred) on transactions between Group companies are eliminated.

Foreign currency translation
a) Functional and presentational currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Company's functional currency and the Group's and Company's presentational currency is Sterling.
b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.
c) Group companies
The results and financial position of all Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet.
- Income and expenses for each income statement are translated at the rate of exchange at the transaction date. Where this is not possible, the average rate for the period is used but only if there is no significant fluctuation in the rate and;
- On consolidation, exchange differences arising from the translation of the net investment in foreign entities are recognised in other comprehensive income and accumulated in a separate component of equity. Post transition exchange differences are recycled to profit or loss as a reclassification adjustment upon disposal of the foreign operation.

Income and expense recognition
Revenue is the fair value of the total amount receivable by the Group for supplies of services. VAT or similar local taxes and trade discounts are excluded.

The revenues of the Group are accounted for under IFRS 15 'Revenue from contracts with customers' and reported as follows:
- Subscriptions – both monthly and annual subscriptions are offered and the price for the subscription is quoted on the website. Contract liability for annual subscriptions is recognised on a time basis with equal monthly transfers to the income statement to allocate the recognition across the period of service provision. Payment is received in advance of subscription fulfilment.
- Advertising – fees for advertising are recognised when the service obligations are fulfilled and are subject to agreement by a written contract which includes pricing. Where there are multiple obligations amounts specific to that obligation are transferred to the income statement. Payment terms are 30 days following invoicing.

Interest income and expenditure are reported on an accruals basis. Operating expenses are recognised in the income statement upon utilisation of the service or at the date of their origin.

Employee benefits
The cost of pensions in respect of the Group's defined contribution scheme is charged to profit or loss in the period in which the related employee services were provided.

Non-recurring items
In the prior year certain administrative costs have been shown separately under the heading of "Administrative expenses – non-recurring items". The Directors consider these items to be unusual, one-off costs that are unlikely to reoccur in subsequent financial years. A breakdown of these costs is shown in note 6.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Intangible assets
- Licences
Licences are recognised at cost less any subsequent impairment and amortisation charges, they are amortised over a five-year period on a straight-line basis.

- Internally generated intangible assets
An internally generated intangible asset (website and mobile application) arising from development (or the development phase) of an internal project is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- the intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

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

Internally generated intangible assets are amortised over three to five years. Amortisation commences when the asset is made available for use.

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

- Intangible assets purchased
Intangible assets are purchased when the opportunity arises and capitalised at cost (fair value). Purchased intangible assets are amortised over their useful lives estimated at between 5 and 10 years. Subsequent to initial recognition, purchased intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

Property, plant and equipment
Property, plant and equipment are recorded at cost net of accumulated depreciation and any provision for impairment. Depreciation is provided using the straight-line method to write off the cost of the asset less any residual value over its useful economic life. The residual values of assets are reviewed annually and revised where necessary. Assets' useful economic lives are as follows:

Leasehold improvements	The shorter of the useful life of the asset or the term of the lease (1 to 3 years)
Computer equipment	33% per annum over 3 years
Office equipment	20% per annum over 5 years
Right of use lease assets	The earlier of the end of the useful life of the asset or the end of the lease term

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

Goodwill, other individual assets or cash-generating units that include goodwill and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount of the asset or cash-generating unit. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. The cashflow evaluations are a result of the Director's estimation of future sales and expenses based on their past experience and the current market activity within the business. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Financial assets
On initial recognition, the financial assets of the Group were all classified as financial assets at fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired. At the reporting year-end the financial assets of the Group were all classified as financial assets at fair value through profit or loss.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables
These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

They are initially recognised at fair value and measured subsequent to initial recognition at amortised cost using the effective interest method, less any impairment loss.

The Group's financial assets comprise trade receivables, other receivables (excluding prepayments) and cash and cash equivalents.

Trade and other receivables - impairment
The Group applies an expected credit loss model to calculate the impairment losses on its trade receivables. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. Trade receivables at the balance sheet date have been put into groups based on days past the due date for payment and an expected loss percentage has been applied to each group to generate the expected credit loss provision for each group and a total expected credit loss provision has thus been calculated.

Other receivables
These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the deposits given for short term rental of properties. They are initially recognised at fair value and measured subsequent to initial recognition at the value expected to be received back when the properties are vacated.

Financial liabilities
The Group's financial liabilities include trade and other payables and borrowings which include lease liabilities.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in the income statement.

Trade payables are recognised initially at their fair value, net of transaction costs and subsequently measured at amortised costs less settlement payments.

Other liabilities are recognised initially at their fair value, net of transaction costs and subsequently measured at amortised costs less settlement payments

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

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

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets such as those resulting from assessing deferred tax on the expense of share-based payments, are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Provisions, contingent liabilities and contingent assets
Provisions are recognised when the present obligations arising from legal or constructive commitment resulting from past events, will probably lead to an outflow of economic resources from the Group which can be estimated reliably.

Provisions are measured at the present value of the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Share based employee compensation
The Group operates equity settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (e.g. profitability or sales growth targets).

All share-based compensation is ultimately recognised as an expense in the income statement with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, up to the nominal value of the shares issued are reallocated to share capital with any excess being recorded as additional share premium.

Where modifications are made to the vesting or lapse dates of options the excess of the fair value of the revised options over the fair value of the original options at the modification date is expensed over the remaining vesting period.

Dividends
During the year, no dividends (2023: £Nil) were paid. The board is not recommending the payment of any further dividends in the current financial year.

Final equity dividends to the shareholders of ADVFN plc are recognised in the period that they are approved by shareholders. Interim equity dividends are recognised in the period that they are paid.

Dividends receivable are recognised when the Company’s right to receive payment is established.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Equity
Issued capital
Ordinary shares are classified as equity. The nominal value of shares is included in issued capital.
Share premium
The share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of the expenses of the share issue.
Share based payment reserve
The share-based payment reserve represents equity settled share-based employee remuneration until such share options are exercised.
Foreign exchange reserve
The foreign exchange reserve represents foreign exchange gains and losses arising on translation of investments in overseas subsidiaries into the consolidated financial statements.
Retained earnings
The retained earnings include all current and prior period results for the Group and the post-acquisition results of the Group's subsidiaries as determined by the income statement.

Use of key accounting estimates and judgements
Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies

a) Capitalisation of development costs in accordance with IAS 38 requires analysis of the technical feasibility and commercial viability of the project in the future. This in turn requires a long-term judgement to be made about the development of the industry in which the development will be marketed. Where the directors consider that sufficient evidence exists surrounding the technical feasibility and commercial viability of the project, which indicate that the costs incurred will be recovered they are capitalised within intangible fixed assets. The amount of the capitalisation is based on estimates to judge the percentage of the time relevant staff spend on projects as specific timesheets are not maintained. Where insufficient evidence exists, the costs are expensed to the income statement.
b) The directors have used their judgement to decide whether the Group should be treated as a going concern and continue in existence for the foreseeable future. Having considered the latest Group forecasts, which cover a period of eighteen months from the balance sheet date, together with the cash resources available to them, the directors have judged that it is appropriate for the financial statements to be prepared on the going concern basis.
c) The application of IFRS 15 - *Revenue from contracts with customers* requires an assessment of the elements of the contract to separate potentially bundled services requiring different treatment, the recognition of revenue at the point of performance obligations and the assessment of the correct amount of revenue for each of those obligations.
d) The directors have used their judgement to assess the valuation of the call option agreed on 3 May 2023 to purchase 50% of ADVFN Brasil Ltda within the next 3 years. Management have considered the future performance of the business and have judged that this will remain out of the money for the remainder of its existence and therefore continues to have no intrinsic value.

Sources of estimation uncertainty
Determining whether intangible assets are impaired requires an estimation of the value in use of the cash generating unit to which the intangibles have been allocated. The carrying value of the investments are also assessed annually, to consider whether a reversal of the full impairment done in the year ended 30 June 2024 would be appropriate. The value in use calculations require an estimation of the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate a suitable present value.

Notes to the financial statements (continued)

3. Segmental analysis

The directors identify operating segments based upon the information which is regularly reviewed by the chief operating decision maker. The Group considers that the chief operating decision makers are the executive members of the Board of Directors. The Group has identified two reportable operating segments, being that of the provision of financial information and that of other services. The provision of financial information is made via the Group's various website platforms.

The parent entity's operations are entirely of the provision of financial information.

Three minor operating segments, for which IFRS 8's quantitative thresholds have not been met, are currently combined below under 'other'. The main sources of revenue for these operating segments are the provision of financial broking services, financial conference events and other internet services not related to financial information. Segment information can be analysed as follows for the reporting period under review.

2024	Continuing operations			Discontinued	
	Provision of financial information	Other	Total		Total
	£'000	£'000	£'000	£'000	£'000
Revenue from external customers	4,441	-	4,441	-	4,441
Depreciation and amortisation	(205)	-	(205)	-	(205)
Other operating expenses	(4,989)	(359)	(5,348)	(68)	(5,416)
Segment operating loss	(753)	(359)	(1,112)	(68)	(1,180)
Other income	2	-	2	-	2
Interest income	198	-	198	-	198
Interest expense	(1)	-	(1)	-	(1)
Segment assets	5,074	26	5,100	-	5,100
Segment liabilities	(1,420)	(1)	(1,421)	-	(1,421)
Purchases of non-current assets	(285)	-	(285)	-	(285)

2023	Continuing operations			Discontinued	
	Provision of financial information	Other	Total		Total
	£'000	£'000	£'000	£'000	£'000
Revenue from external customers	5,445	-	5,445	16	5,461
Depreciation and amortisation	(266)	-	(266)	(23)	(289)
Other operating expenses	(5,666)	(282)	(5,948)	(306)	(6,254)
Non-recurring iterms	(1,178)	-	(1,178)	-	(1,178)
Segment operating loss	(1,665)	(282)	(1,947)	(313)	(2,260)
Other income	20	-	20	-	20
Interest income	24	-	24	-	24
Interest expense	(11)	-	(11)	-	(11)
Segment assets	6,135	981	7,116	95	7,211
Segment liabilities	(1,784)	(22)	(1,806)	(27)	(1,833)
Purchases of non-current assets	(311)	-	(311)	-	(311)

Notes to the financial statements (continued)

Segmental analysis (continued)

The Group's revenues from all operations, which wholly relate to the sale of services, from external customers and its non-current assets, are divided into the following geographical areas:

	Revenue 2024 £'000	**Non-current assets 2024 £'000**	Revenue 2023 **£'000**	Non-current assets 2023 **£'000**
UK (domicile)	2,370	497	2,651	1,184
USA	1,849	-	2,659	983
Other	222	-	151	-
	4,441	497	5,461	2,167

Revenues are allocated to the country in which the customer resides. During both 2024 and 2023 no single customer accounted for more than 10% of the Group's total revenues.

4. Operating loss

Operating loss has been arrived at after charging:	**2024 £'000**	2023 £'000
Foreign exchange loss	8	7
Depreciation and amortisation:		
Depreciation of property, plant and equipment:	49	75
Amortisation of intangible assets from continuing and discontinued operations	156	214
Employee costs (Note 5)	2,228	2,837
Lease payments on land and buildings (Note 22)	-	91
Audit and non-audit services:		
Fees payable to the company's auditor for the audit of the Group's annual accounts	89	87

Remuneration of key senior management for Group and Company

	2024 £'000	2023 £'000
Key senior management comprises only directors		
Salary and fees	494	697
Share based payments	17	1
Post-employment benefits - defined contribution pension plans	-	6
	511	704
Highest paid director		
Salary and fees	200	200
Share based payments	15	1
	215	201

Details of the directors' emoluments, together with other related information, are set out in the Remuneration Report on page 15.

Notes to the financial statements (continued)

5. Employees

GROUP

	2024 **£'000**	2023 £'000
Employee costs (including directors):		
Wages and salaries	1,991	2,581
Social security costs	160	224
Pension costs	21	31
Share based payments	26	1
Payments made in shares	30	-
	2,228	2,837

The average number of employees during the year was made up as follows:	No.	No.
Development	6	4
Sales and Administration	17	27
	23	31

COMPANY

	2024 **£'000**	2023 £'000
Employee costs (including directors):		
Wages and salaries	1,337	1,359
Social security costs	108	135
Pension	20	28
Share based payments	56	1
	1,521	1,523

The average monthly number of employees during the year was as follows:	No.	No.
Development	3	3
Sales and Administration	13	13
	16	16

Details of the directors' emoluments, together with other related information, are set out in the Remuneration Report on page 15.

6. Non-recurring items

GROUP AND COMPANY

	2024 **£'000**	2023 £'000
Write off goodwill related to IHUB	-	978
Costs relating to the exit of directors	-	200
	-	1,178

In the prior year the goodwill on the investment in IHUB was impaired during the review of the valuation of the investments. There were further legal fees incurred relating to the exit of the previous directors.

Notes to the financial statements (continued)

7. Finance income and expense

GROUP

	2024 £'000	2023 £'000
Finance income:		
Bank interest	**198**	24
Finance expense:		
Lease interest	**-**	(4)
Bank interest	**(1)**	(7)

8. Income tax expense

GROUP

	2024 £'000	2023 £'000
Current Tax:		
UK corporation tax on losses for the year	(38)	(58)
Adjustments in respect of prior periods	(25)	-
Total current taxation	(63)	(58)
Deferred tax		
Origination and reversal of timing differences	106	88
Carried forward losses (DTA)	(106)	(88)
Taxation	(63)	(58)

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

	2024 £'000	2023 £'000
Loss before tax from total operations	(981)	(2,227)
Loss before tax multiplied by the respective standard rate of corporation tax applicable in the UK (25.00%) (2023: 19.00%)	(245)	(423)
Effects of:		
Non-deductible expenses	3	178
Capital allowances	7	(25)
Enhanced Research & Development expenditure	(44)	(43)
Surrender of tax losses for R & D tax credit	96	77
Current year R&D tax credit	(38)	(58)
Effect of discontinued operations	-	60
Effect of difference in tax rates	30	(21)
Effect of losses utilised against other income	49	-
Consolidation adjustments – no tax effect	104	197
Tax credit for the year	(38)	(58)

The Group has not applied the new Pillar 2 Model rules, as these apply only to multinational entities with revenue in excess of €750 million.

Notes to the financial statements (continued)

9. Loss per share

	12 months to 30 June 2024 £'000	12 months to 30 June 2023 £'000
Loss for the year attributable to equity shareholders from continuing operations	(850)	(1,856)
Loss for the year attributable to equity shareholders from total operations	(918)	(2,169)
Weighted average number of shares		
Prior year: number of shares in issue prior to rights issue	-	26,315,318
Prior year correction for deemed rights issue	-	169,179
Deemed number of shares before rights issue	-	26,484,497
Weighted average shares		
26,484,497 x 188/365 (prior to rights issue)	-	13,641,330
46,004,758 x 177/365 (post rights issue)	-	22,309,157
Weighted average number of shares used as the denominator for calculating basic and diluted loss per share.	46,039,279	35,950,487
Loss per share for the year attributable to equity shareholders from continuing operations:		
Basic and diluted	(1.85p)	(5.16p)
Loss per share for the year attributable to equity shareholders from discontinued operations:		
Basic and diluted	(0.14p)	(0.87p)
Total loss per share for the year attributable to equity shareholders:		
Basic and diluted	(1.99p)	(6.03p)

Where a loss has been recorded for the year the diluted loss per share does not differ from the basic loss per share.

Where a profit has been recorded but the average share price for the year remains under the exercise price the existence of options is not normally dilutive. However, whilst the average exercise price of all outstanding options is above the average share price there are a number of options which are not. Under these circumstances those options where the exercise price is below the average share price are treated as dilutive.

During the prior year, the company made a rights issue (Note 20). On 16 May 2024, 280,000 shares were issued.

Notes to the financial statements (continued)

10. Property, plant and equipment

GROUP

	Leasehold property improvements £'000	Computer equipment £'000	Office equipment £'000	Right of use lease assets £'000	Total £'000
Cost					
At 1 July 2022	48	435	308	349	1,140
Additions	-	132	4	-	136
Disposal	-	-	-	(349)	(349)
FX difference	-	-	(11)	-	(11)
At 30 June 2023	48	567	301	-	916
Additions	-	6	-	-	6
Disposal	-	(4)	(6)	-	(10)
FX difference	-	-	-	-	-
At 30 June 2024	48	569	295	-	912
Depreciation					
At 1 July 2022	48	411	307	276	1,042
Charge for the year	-	2	-	73	75
Disposal	-	-	-	(349)	(349)
FX difference	-	-	(12)	-	(12)
At 30 June 2023	48	413	295	-	756
Charge for the year	-	47	2	-	49
Disposal	-	(4)	(1)	-	(5)
FX difference	-	-	(3)	-	(3)
At 30 June 2024	48	456	293	-	797
Net book value					
At 30 June 2024	-	113	2	-	115
At 30 June 2023	-	154	6	-	160

Charge over assets

A fixed and floating charge is held by Barclays Bank which covers all the property and undertakings of the company against the provision of any loan, debenture or other bank liability.

Notes to the financial statements (continued)

Property, plant and equipment (continued)

COMPANY

	Leasehold property improvements £'000	Computer equipment £'000	Office equipment £'000	Total £'000
Cost				
At 1 July 2022	48	430	106	584
Additions	-	133	-	133
Disposals	-	-	-	-
At 30 June 2023	48	563	106	717
Additions	-	6	-	6
At 30 June 2024	48	569	106	723
Depreciation				
At 1 July 2022	48	406	106	560
Charge for the year	-	3	-	3
At 30 June 2023	48	409	106	563
Charge for the year	-	47	-	47
At 30 June 2024	48	456	106	610
Net book value				
At 30 June 2024	-	113	-	113
At 30 June 2023	-	154	-	154

11. Goodwill

GROUP

	£'000
At 1 July 2022	988
Exchange differences	(10)
Impairment	(978)
At 30 June 2023	-
Exchange differences	-
Impairment	-
At 30 June 2024	-

The goodwill carried in the balance sheet was attributable to InvestorsHub.com Inc.

During the year ended 30 June 2023, the goodwill was fully impaired.

Notes to the financial statements (continued)

12. Other intangible assets

GROUP

	Licences	Brands & subscriber lists	Website development costs	Mobile application	Software	Crypto-currencies	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
As restated							
Cost or valuation							
At 1 July 2022 (restated)	162	2,129	1,764	10	220	1	4,286
Additions	-	-	175	-	-	-	175
Disposals	-	-	-	-	(220)	-	(220)
At 30 June 2023	162	2,129	1,939	10	-	1	4,241
Additions	-	-	278	-	-	-	278
Disposals	(62)	(607)	(182)	-	-	-	(851)
At 30 June 2024	100	1,522	2,035	10	-	1	3,668
Amortisation							
At 1 July 2022 (restated)	162	2,129	1,531	10	115	-	3,947
Charge for the year	-	-	191	-	23	-	214
Disposals	-	-	-	-	(138)		(138)
At 30 June 2023	162	2,129	1,722	10	-	-	4,023
Charge for the year	-	-	156	-	-	-	156
Disposals	(62)	(607)	(153)	-	-	-	(822)
At 30 June 2024	100	1,522	1,725	10	-	-	3,357
Net book value							
At 30 June 2024	-	-	310	-	-	1	311
At 30 June 2023	-	-	217	-	-	1	218

Website development costs, mobile applications and software are internally generated assets. £148,000 of the £278,000 additions during the year are still 'under construction' and therefore do not meet the criteria for amortisation yet.

The opening balances as at 1 July 2022 have been restated. Details of the restatement can be found in Note 2.

All additions are internally generated by capitalisation of development work on websites and software projects.

The directors are satisfied that no indication of impairment exists in respect of these assets.

Notes to the financial statements (continued)

Other intangible assets (continued)

COMPANY

	Licenses £'000	Mobile application £'000	Website development £'000	Crypto-currencies £'000	Total £'000
As restated					
Cost					
At 1 July 2022 (restated)	100	10	1,764	1	1,875
Additions	-	-	175	-	175
Disposals	-	-	-	-	-
At 30 June 2023	100	10	1,939	1	2,050
Additions	-	-	278	-	278
Disposals	-	-	(182)	-	(182)
At 30 June 2024	100	10	2,035	1	2,146
Amortisation					
At 1 July 2022 (restated)	100	10	1,531	-	1,641
Charge for the year	-	-	191	-	191
Disposals	-	-	-	-	-
At 30 June 2023	100	10	1,722	-	1,832
Charge for the year	-	-	156	-	156
Disposals	-	-	(153)		(153)
At 30 June 2024	100	10	1,725	-	1,835
Net book value					
At 30 June 2024	-	-	310	1	311
At 30 June 2023	-	-	217	1	218

Website development costs, mobile applications and software are internally generated assets. £148,000 of the £278,000 additions during the year are still 'under construction' and therefore do not meet the criteria for amortisation yet.

The opening balances as at 1 July 2022 have been restated. Details of the restatement can be found in Note 2.

All additions are internally generated by capitalisation of development work on websites and software projects.

The directors are satisfied that no indication of impairment exists in respect of these assets.

Notes to the financial statements (continued)

13. Subsidiary companies consolidated in these accounts

COMPANY

	Subsidiaries £'000
At 1 July 2022	1,001
Impairment	(1,000)
Write offs	(1)
30 June 2023	-
30 June 2024	-

In the prior year, the investment in InvestorsHub.com Inc was fully impaired. There have been no indications that any reversal of the impairment should be considered.

	Country of incorporation	% interest in ordinary shares 30 June 2024	Principal activity	Registered address
Fotothing Limited	England & Wales	100.00	Dormant	Suite 28 Ongar Business Centre, The Gables, Ongar, England, CM5 0GA
NA Data Inc.	USA	100.00	Office services	P.O. Box 780 Harrisonville Mo. 64701
InvestorsHub.com Inc.	USA	100.00	Financial information web site	As NA Data Inc.
ADVFN Brazil Limited	England & Wales	100.00	Dormant	As Fotothing Limited
Advfn IL Limited	Israel	100.00	Dormant	Rothschild 45, Tel-Aviv.
Cupid Bay Limited (dissolved 21 November 2023)	England & Wales	100.00	Dissolved	N/A
MJAC InvestorsHub International Conferences Limited (Dissolved 21 November 2023)	England & Wales	100.00	Dissolved	N/A
All IPO Plc (Dissolved 2 April 2024)	England & Wales	100.00	Dissolved	N/A

Notes to the financial statements (continued)

14. Deferred tax

GROUP

The following are the major deferred tax liabilities and assets recognised by the Group and the movements thereon during the current and prior periods:

	Website development & software costs £'000	UK tax losses £'000	**Total £'000**
At 30 June 2022	(387)	387	-
Credit/(charge) to profit or loss	(88)	88	**-**
At 30 June 2023	(475)	475	**-**
Credit/(charge) to profit or loss	(106)	106	**-**
At 30 June 2024	(581)	581	**-**

Deferred tax in ADVFN Plc amounted to £105,900 and nil in subsidiary companies. The deferred tax liability for the temporary difference has been recognised at 25% as per the future tax rate which has increased the deferred tax liability by £105,900. The deferred tax asset for the losses has also been recognised at 25% as per the future tax rate.

Certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances, after offset, for the purposes of financial reporting:

	2024 £'000	2023 £'000
Deferred tax liabilities		
- Website development & software costs	(106)	(88)
Deferred tax assets		
- UK tax losses	106	88
	-	-

At the balance sheet date the Group had unused tax losses of £3,688,436 (2023: £5,802,000) available for offset against future profits. The Group has surrendered losses of £382,000 for the R&D tax credit for the year. A deferred tax asset has been recognised in respect of £423,000 (2023: £350,000) of such losses, as these losses would offset any taxable profits arising as a result of the unwinding of the deferred tax liability in respect of website development costs. No deferred tax asset has been recognised in respect of the remaining £3,260,000 (2023: £5,452,000) due to the unpredictability of future profit streams. Substantially all of the losses may be carried forward indefinitely.

COMPANY

The Deferred Tax Liability in the ADVFN company is due to the temporary difference between the accounting base and tax base for the Intangible – Website development, temporary difference £340,000 and deferred tax liability £85,000 and for Computer Equipment, temporary difference £84,000 and deferred tax liability £21,000.

Notes to the financial statements (continued)

15. Trade and other receivables

GROUP

	2024 £'000	2023 £'000
Non-current assets		
Other receivables	22	25
Current assets		
Trade receivables - gross	368	257
Less: provision for impairment – expected loss	(38)	(14)
Less: provision for impairment - specific	(3)	(9)
Trade receivables - net	327	234
Prepayments and accrued income	87	124
Other receivables	27	26
Recoverable corporation tax	120	82
Total trade and other receivables	561	466

The ageing of trade receivables is as follows:

	2024 £'000	2023 £'000
Not past due and not impaired	193	192
Past due but not impaired	172	56
Past due and fully impaired	3	9
Trade receivables - gross	368	257
Not past due and not impaired	193	192
Past due but not impaired:		
Up to 30 days	4	28
31 to 60 days	11	1
61 to 90 days	24	15
Over 90 days	133	12
	172	56
Receivables not impaired	365	248
Past due but fully impaired	3	9
Less impairment provision	(41)	(23)
Trade receivables - net	327	234

Provision for impairment:

	2024 £'000	2023 £'000
Opening	23	20
Additional provision recognised	18	3
Closing	41	23

The Directors consider that the carrying amount of trade and other receivables in both the Group and Company is approximately equal to their fair value.

Notes to the financial statements (continued)

COMPANY

	2024 £'000	2023 £'000
Non-current assets		
Other receivables	22	25
Current assets		
Trade receivables - gross	167	123
Less: provision for impairment – expected loss	(8)	(7)
Less: provision for impairment - specific	(1)	(9)
Trade receivables - net	158	107
Prepayments and accrued income	83	102
Other receivables	15	21
Recoverable corporation tax	120	82
Amounts owed by Group undertakings	-	-
Total trade and other receivables	376	313

The ageing of trade receivables is as follows:

	2024 £'000	2023 £'000
Not past due and not impaired	127	84
Past due but not impaired	39	30
Past due and fully impaired	1	9
Trade receivables - gross	167	123
Not past due and not impaired	127	84
Past due but not impaired:		
Up to 30 days	2	21
31 to 60 days	2	-
61 to 90 days	3	7
Over 90 days	32	11
	39	39
Receivables not impaired	166	114
Past due and fully impaired	1	9
Less impairment provision	(9)	(16)
Trade receivables - net	158	107

Provision for impairment:

	2024 £'000	2023 £'000
Opening	16	10
Movement in the year	(7)	6
Closing	9	16

The Directors consider that the carrying amount of trade and other receivables in both the Group and Company is approximately equal to their fair value.

Notes to the financial statements (continued)

16. Credit quality of financial assets

An impairment provision has been calculated on the basis of expected credit losses ("ECL") as required under IFRS 9.

GROUP
As of 30 June 2024, trade receivables of £172,000 (2023: £56,000) were past due but not impaired (see note 15). These relate to a number of independent customers for whom there is no recent history of default.

Expected credit loss provision	2024			2023
	£'000	%	£'000	£'000
Not past due	192	1%	2	192
Not more than 3 months	40	5%	2	28
More than 3 months but not more than 6 months	39	15%	6	1
More than 6 months but not more than 1 year	75	25%	18	15
More than 1 year	19	50%	10	12
	365		38	248

Impaired receivables allowance account

Specific provision	2024 £'000	2023 £'000
At 1 July	9	2
Utilised during the year	(8)	(3)
Created during the year	2	10
At 30 June	3	9

The carrying amount of the Group's trade receivables is denominated in the following currencies:

	2024 £'000	2023 £'000
Sterling	84	62
Euro	11	3
US dollar	232	169
	327	234

Notes to the financial statements (continued)

Credit quality of financial assets (continued)

COMPANY
As of 30 June 2024, trade receivables of £39,000 (2023: £30,000) were past due but not impaired (see note 15). These relate to a number of independent customers for whom there is no recent history of default.

Expected credit loss provision		**2024**		2023
	£'000	**%**	**£'000**	£'000
Not past due	128	1%	1	84
Not more than 3 months	7	5%	-	18
More than 3 months but not more than 6 months	14	15%	2	-
More than 6 months but not more than 1 year	15	25%	4	3
More than 1 year	2	50%	1	9
	166		8	114

Impaired receivables allowance account

	2024	2023
Specific provision	**£'000**	£'000
At 1 July	9	2
Utilised during the year	(10)	(3)
Created during the year	2	10
At 30 June	1	9

The carrying amount of the Company's trade receivables is denominated in the following currencies:

	2024	2023
	£'000	£'000
Sterling	85	70
Euro	11	3
US dollar	62	34
	158	107

Notes to the financial statements (continued)

17. Interest bearing borrowings

Bank loans
As a result of the COVID-19 pandemic the Directors considered it prudent to take further steps to ensure that short term cashflow did not present a problem for the Group. Short term finance offered under the Business Bounce Back loan scheme provided an additional layer of protection whilst the economy rides out the effects of the pandemic. The UK loan is charged at 2.5% over 6 years with an interest and payment free period for the first 12 months.

Lease liabilities
The carrying value of the lease liabilities is included in the borrowing classification. There are no leases carried in the Company. For further details please see Note 22.

GROUP

	2024 £'000	2023 £'000
Non-current		
Bank loans	9	20
	9	20
Brought forward	20	41
Cash flows	(12)	(22)
Interest and fees	1	1
As at 30 June	9	20
Current		
Bank loans	10	10
Lease liability	-	-
	10	10
Brought forward	10	100
Cash flows	-	(94)
Interest and fees	-	4
As at 30 June	10	10

Notes to the financial statements (continued)

Interest bearing borrowings (continued)

COMPANY

	2024 £'000	2023 £'000
Non-current		
Bank loans	9	20
Brought forward	20	41
Cash flows	(12)	(20)
Interest and fees	1	1
As at 30 June	9	20
Current		
Bank loans	10	10
Brought forward	-	13
Cash flows	-	(4)
Interest and fees	-	1
As at 30 June	10	10

Changes in liabilities arising from financing activities

GROUP

	2023 £'000	Cash movements £'000	Non-cash movements £'000	2024 £'000
Long term borrowing	30	(12)	1	19

COMPANY

	2023 £'000	Cash movements £'000	Non-cash movements £'000	2024 £'000
Long term borrowing	30	(12)	1	19

Notes to the financial statements (continued)

18. Financial instruments

GROUP

Categories of financial instrument	**2024 £'000**	2023 £'000
Non-current		
Trade and other receivables – at amortised cost	22	25
Current		
Trade and other receivables - at amortised cost	355	260
Cash and cash equivalents	4,091	5,557
Financial assets	4,468	5,842
Non-current		
Borrowings	9	20
Current		
Borrowings – at amortised cost	10	10
Trade and other payables – at amortised cost	743	1,136
Financial liabilities	753	1,146

COMPANY

Categories of financial instrument	**2024 £'000**	2023 £'000
Non-current		
Trade and other receivables – at amortised cost	22	25
Current		
Trade and other receivables – at amortised cost	172	107
Cash and cash equivalents	4,026	5,301
Financial assets	4,220	5,433
Non-current		
Borrowings – at amortised cost	9	20
Current		
Borrowings	10	10
Trade and other payables – at amortised cost	708	1,073
Financial liabilities	718	1,083

Notes to the financial statements (continued)

19. Trade and other payables

GROUP

	2024 £'000	2023 £'000
Trade payables	447	771
Social security and other taxes	80	119
Accrued expenses	211	235
Contract liability	577	647
Other payables	85	131
	1,402	1,903

During the reporting period, for the Group, £647,000 of revenue was recognised that had been included in the contract liability at the beginning of the period.

COMPANY

	2024 £'000	2023 £'000
Trade payables	427	758
Other tax and social security	80	112
Accruals	199	207
Contract liability	498	554
Other payables	83	109
Amounts owed to Group undertakings	-	-
	1,287	1,740

During the reporting period, for the Company, £554,000 of revenue was recognised that had been included in the contract liability at the beginning of the period.

20. Share capital

GROUP AND COMPANY

Issued, called up and fully paid Ordinary shares of £0.002 each	Shares	£'000
At 30 June 2023	46,004,758	92
Share issued	280,000	1
At 30 June 2024	46,284,758	93

Shares issued

On 16 May 2024, 280,000 shares were issued to non-executive directors in lieu of salary. The shares had a nominal value of £0.002 per share and were issued at the market value on the date of issue of 10.5p per share, resulting in an increase in share capital of £560 and share premium of £28,840. The shares rank pari passu with the existing shares in issue.

On 6 December 2022, the company proposed an equity fundraise whereby qualifying existing shareholders were able to subscribe for new shares at an issue price of £0.33 on the basis of 11 offer shares for every 14 existing ordinary shares. Under the issue, open offer warrants were issued to the qualifying shareholders in relation to the purchase of shares on the basis of one warrant for every 3 open offer shares. The warrants may be exercised from the date of issue until 6 December 2026 at a price of £0.60 per share. On 6 January 2023 13,708,380 shares were admitted to the London Stock Exchange as a result of this open offer. A further 5,981,059 shares were admitted on 14 March 2023 after approval from the Financial Conduct Authority. A total of £6.5m was raised and 6,563,123 warrants were created.

Share price

The market value of the shares at 30 June 2024 was 13.00p (2023; 21.00p). The range during the year was 10.5p to 21.0p (2023; 20.5p to 57.5p). Shareholders are entitled to one vote per Ordinary share held and dividends will be apportioned and paid proportionately to the amounts paid up on the Ordinary shares held.

Notes to the financial statements (continued)

21. Share based payments

GROUP AND COMPANY

The Group uses share options as remuneration for services of employees. The fair value is expensed over the remaining vesting period.

The fair value of options granted during the year has been arrived at using the Black-Scholes model. The assumptions inherent in the use of this model are as follows:

- The option life is assumed to be at the end of the allowed period
- There are no vesting conditions which apply to the share options/warrants other than continued service up to 3 years.
- No variables change during the life of the option (e.g. dividend yield must be zero).
- Volatility has been calculated over the 3 years prior to the grant date by reference to the daily share price.

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

	2024 WAEP	
	Number	**Price (£)**
Outstanding at the beginning of the year	630,000	0.3333
Granted during the year	825,300	0.1947
Outstanding at the year end	1,455,300	0.2813
Exercisable at the year end	887,232	0.2640

	2023 WAEP	
	Number	Price (£)
Outstanding at the beginning of the year	1,351,473	0.4437
Granted during the year	530,000	0.33
Exercised during the year	-	-
Lapsed during the year	(1,251,473)	0.3570
Outstanding at the year end	630,000	0.3333
Exercisable at the year end	630,000	0.3333

Notes to the financial statements (continued)

Share based payments (continued)

The options outstanding at the year-end are set out below:

Expiry date	Issue date	Exercise Price (£)		**2024** Share options	**2024** Remaining life (years)	2023 Share options	2023 Remaining life (years)
10 year expiry							
24 November 2027	25 November 2017	0.4750	Options	**50,000**	**3**	50,000	4
24 November 2027	25 November 2017	1.0000	Options	**50,000**	**3**	50,000	4
3 year expiry							
8 June 2026	7 June 2023	0.33	Options	**530,000**	**2**	530,000	3
18 September 2027	19 September 2024	0.16	Options	**180,000**	**2**	-	-
25 April 2027	24 April 2024	0.13	Options	**315,300**	**3**	-	-
4 year expiry							
24 April 2028	23 April 2024	0.13	Options	**90.000**	**4**	-	-
24 April 2028	23 April 2024	0.33	Options	**240,000**	**4**	-	-
				1,455,300		630,000	

The total expense recognised during the year by the Group, for all schemes, was £26,301 (2023: £1,000).

Notes to the financial statements (continued)

22. Lease liabilities

Property, plant and equipment comprises owned and leased assets.

GROUP

	2024 £'000	2023 £'000
Right-of-use assets		
The group leases office buildings:		
Balance at 1 July	-	73
Additions in the year	-	-
Depreciation charge for the year	-	(73)
Balance at 30 June	-	-

Total cash outflows of £nil (2023 £103,000) were made in relation to right-of-use assets in the current year with £nil interest (2023 £5,000).

23. Financial risk management

The Group and Company's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. This year the Group and Company are also exposed to global inflation risks. All companies within the Group apply the same risk management programme. Overall, this focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Board and their policies are outlined below.

a) Market risk

Foreign exchange risk
The Group is exposed to translation and transaction foreign exchange risk as it operates within the USA and other countries around the world and therefore transactions are denominated in Sterling, Euro, US Dollars and other currencies. The Group policy is to try and match the timing of the settlement of sales and purchase invoices so as to eliminate, as far as possible, currency exposure. During the year, the weakening of Sterling has decreased the impact of movements in US Dollars.

The Group does not currently hedge any transactions and therefore there are no open forward contracts. Foreign exchange differences on retranslation of foreign currency monetary assets and liabilities are taken to the income statement.

GROUP

The carrying value of the Group's foreign currency denominated assets and liabilities are set out below:

	2024		2023	
	Assets £'000	**Liabilities £'000**	Assets £'000	Liabilities £'000
US Dollars	455	219	3,118	297
Euros	35	88	17	120
Yen	6	-	9	-
Other	-	12	-	-
	496	319	3,144	417

COMPANY

The carrying value of the Company's foreign currency denominated assets and liabilities are set out below:

	2024		2023	
	Assets £'000	**Liabilities £'000**	Assets £'000	Liabilities £'000
US Dollars	642	105	1,683	162
Euros	35	88	18	120
Yen	6	-	6	-
Other	-	12	-	22
	683	205	1,707	304

Notes to the financial statements (continued)

Financial risk management (continued)

Foreign exchange risk (continued)

The majority of the Group's financial assets are held in Sterling but movements in the exchange rate of the US Dollar and the Euro against Sterling have an impact on both the result for the year and equity. The Group considers its most significant exposure is to movements in the US Dollar.

Sensitivity to reasonably possible movements in the US Dollar exchange rate can be measured on the basis that all other variables remain constant. The effect on profit and equity of strengthening or weakening of the US Dollar in relation to sterling by 10% would result in a movement of:
Group: ±£63,000 (2023: ±£122,000).
Company: ±£69,000 (2023: ±£165,000).

Interest rate risk
The Group carries borrowings which are at fixed interest rates and as a result the directors consider that there is no significant interest rate risk.

b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk, the Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount:
Group: £460,000 (2023: £433,000).
Company: £230,000 (2023: £1,849,000).

Provision of services by members of the Group results in trade receivables which the management consider to be of low risk, other receivables are likewise considered to be low risk. The management do not consider that there is any concentration of risk within either trade or other receivables. The receivables are due from companies whose credit performance is constantly monitored and, if an amount becomes overdue, immediate action is taken to obtain payment. The population of clients is diverse, and this ensures no concentration of risk with any specific customer. A default is assumed and actioned when the Directors believe it will not be possible to obtain payment for the service supplied. This is not generally measured exclusively on the overdue period but judged on the basis of prior experience and the dialogue with the customer that follows the recognition of an overdue payment. For additional information on receivables see note 15.

Credit risk on cash and cash equivalents is considered to be small as the counterparties are all substantial banks with high credit ratings. The maximum exposure is the amount of the deposit.

c) Liquidity risk
The Group currently holds cash balances in Sterling, US Dollars and Euros to provide funding for normal trading activity. The Group also has access to additional equity funding, and, for short term flexibility, overdraft facilities would be arranged with the Group's bankers. Trade and other payables are monitored as part of normal management routine. Liabilities are disclosed as follows:

Notes to the financial statements (continued)

Financial risk management (continued)

Liquidity risk (continued)

GROUP

2024	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	447	-	-	-
Accruals	212	-	-	-
Other payables	83	-	-	-
Borrowings	10	9	-	-

2023	**Within 1 year £'000**	**One to two years £'000**	**Two to five years £'000**	**Over five years £'000**
Trade payables	771	-	-	-
Accruals	236	-	-	-
Other payables	131	-	-	-
Borrowings	10	10	9	-

COMPANY

2024	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	427	-	-	-
Accruals	199	-	-	-
Other payables	83	-	-	-
Borrowings	10	9	-	-

2023	**Within 1 year £'000**	**One to two years £'000**	**Two to five years £'000**	**Over five years £'000**
Trade payables	758	-	-	-
Accruals	207	-	-	-
Other payables	109	-	-	-
Borrowings	10	10	9	-

d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in a volatile and tight credit economy.

The Group will also seek to minimise the cost of capital and attempt to optimise the capital structure, which currently means maintaining equity funding and keeping debt levels to insignificant amounts of lease funding. Share capital and premium together amount to £6,798,000.

During the year, the Group did not pay a dividend to shareholders (2023: £Nil). The Group continues to plan for growth, and it will continue to be important to maintain the Group's credit rating and ability to borrow should acquisition targets become available.

Capital for further development of the Group's activities will, where possible, be achieved by share issues and not by carrying significant debt.

Notes to the financial statements (continued)

Financial risk management (continued)

Liquidity risk (continued)

e) Inflation risk

Inflation risk refers to the risks posed to the Group due to rising inflation. This increase in inflation could lead to increasing costs and potentially decreasing revenue as companies seek to decrease their own costs. Management have considered these factors in preparing their going concern forecasts and will continue to monitor the level of expenses and revenue going forward.

24. Capital Commitments

GROUP AND COMPANY

At 30 June 2024 neither the Group nor the Company had any capital commitments (2023: £Nil).

25. Related party transactions

GROUP AND COMPANY

The remuneration paid to Directors is disclosed on page 16 of the Directors' Report. Shares held by the directors are disclosed on page 15. Subsequent to the year ended 30 June 2024, CF Pro Limited became a management entity of the Group and Company, by virtue of the provision of key management services. This relationship commenced in August 2024. During the year ended 30 June 2024, fees totalling £103,000 were paid to CF Pro Limited. There was an outstanding balance owed to CF Pro Limited of £8,000 at the year end. Transactions with related parties were carried out on an arm's length basis.

26. Events after the balance sheet date

There were no relevant events after the balance sheet date.

27. Accounts

Copies of these accounts are available from the Company's registered office at Suite 28, Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA or from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

www.companieshouse.gov.uk

and from the ADVFN plc website:

www.ADVFN.com