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Company Registration No. 03396854 (England and Wales)

ACTICA CONSULTING LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2022

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FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2022

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ACTICA CONSULTING LIMITED

COMPANY INFORMATION

Directors	Mr P. Allen Mr R. Davis Mr D. Starling Mr M. Gibson Dr A. Porter Dr D. Hyland Mr R Hawtin. (Appointed 1 July 2022) Mr Robert Cole. (Appointed 1 July 2022) Dr A. Evason. (Resigned 1 April 2022) Dr D. Haws. (Resigned 1 April 2022) Dr M. Murphy. (Resigned 1 April 2022)
Secretary	Ms R. Williams
Company number	03396854
Registered office	4 Stirling House Stirling Road Surrey Research Park Guildford Surrey GU2 7RF
Auditor	BDO LLP Arcadia House Maritime Walk Southampton SO14 3TL

The directors present the strategic report and financial statements for the year ended 30 June 2022.

Fair review of the business

The principal activities of the company are the provision of management and technical services in support of Digital Transformation. This includes architectures development and assurance, agile transformation and delivery support, cloud consultancy, cyber security and digital trust, data analytics and business intelligence, procurement support, portfolio, programme and project management and strategy, design and delivery services.

The company had a successful year. Our commitment to achieving client success on every assignment ensured we retained high levels of customer satisfaction. Our investment in capability development ensured our service remained relevant to our clients and therefore in strong demand.

We increased our overall revenue by approximately 23% and the revenue generated by our employees by approximately 16%. As we emerged out of the restrictions of the Covid pandemic, previously suppressed overhead spending has been returning to normal. Operating profit increased by approximately 5%.

Future developments

The company continues to make good progress in delivering against its growth strategy. During the year we succeeded in both:

- growing our business within our core public sector client base (central and local government, emergency services and non-departmental public bodies); and
- making significant progress in the development of our business in adjacent markets (finance, utilities and health).

We maintained our presence on key public sector framework contracts and won new frameworks that facilitate customer access to our newer service offerings (e.g., AI). We have maintained and developed our relationships with suitable partners (e.g., system Integrators). We have grown our resource pool by recruiting and retaining excellent consultants and architects, providing them with challenging work and supporting them with opportunities for learning and development. We have also maintained our pool of associates providing complimentary skills and surge capacity.

The outlook continues to looks favourable. There are significant opportunities within our current client base. Demand remains strong for our services and our sales pipeline looks healthy as we move into the second quarter of the new financial year.

The management team remain focussed on continuing to grow a robust profitable business, prioritising the delivery of high-quality services that meet or exceed our clients' expectations.

Key performance indicators

The Key Performance Indicators used to monitor company performance are associated with turnover, EBITDA (before non-recurring items), profit margin, staff utilisation and achieved charge-out rate. Turnover, EBITDA and profit margin (after tax) are detailed in the table below for the company's last 3 financial years. A tax credit in the year enhanced the net profit margin.

KPI	2022	2021	2020
Turnover	£29,393,513	£23,861,160	£20,966,851
EBITDA (before non-recurring items)	£8,753,072	£7,743,483	£6,221,268
EBITDA %	30%	32%	30%

Non-recurring items relate to share-based payment costs.

Principal risks and uncertainties
Risks are monitored regularly by the Board. The principal risks faced by the business together with how management mitigates these risks are set out below:

Operational risk
This is managed and mitigated through the maintenance of appropriate systems, processes and controls, and training of staff. Operational risk is further mitigated by public liability insurance.

Reputational risk
A robust project management structure ensures full transparency and communication with clients to ensure projects are managed and completed to the expected standard and within the given timescales.

Price Risk
A robust bidding process ensures that projects are priced appropriately for the scope of delivery. Whilst the market continues to be price sensitive, our deep technical expertise and commitment to quality delivery ensures that we are the consultant of choice for our clients.

Credit Risk
This is managed with robust credit control procedures rigorously enforced. At the centre of these procedures is regular informal and formal dialogue with both our clients and our internal account holders to ensure potential problems are managed proactively.

Liquidity Risk
Cash forecasts are produced monthly and cash balances and flows are managed on a daily basis to monitor liquidity, ensure our interest payable commitments are met and there are sufficient funds available for unforeseen requirements.

COVID-19
The outbreak has had a significant impact globally, creating challenges for people, communities and business everywhere. Our priorities in responding to pandemic have been to: protect the health and safety of our staff and clients; to minimise the disruption to the services we provide to our clients and ensure the company remains financially strong. The actions taken ensured that client service delivery was not materially affected and staff successfully working remotely throughout the financial year. Following the easing of lockdown restrictions across the UK from July we have re-opened our office in a COVID-secure manner. The Executive team continues to monitor guidance issued by the UK government and will adapt our working practices as required. To date the Company has proved to be resilient in the face of the pandemic.

Going Concern
The ultimate Parent Company, Aion Topco Limited and its subsidiaries (the Group) are funded by bank loans of £17m and shareholder loan notes of £61m. The bank loans and loan notes are due for repayment on 31 March 2029. In addition, the Group has access to a working capital facility of £1.5m until 30 September 2028, as at the year-end none of this had been drawn.

The bank loans and revolving facility are subject to quarterly financial covenant tests. If the Group does not comply with the covenants, then the lenders would have the right, but would not be obliged, to demand immediate repayment of all amounts owed.

Going Concern (continued)

The Directors have reviewed the Group's forecasts and projections, including assumptions regarding sales, gross margins, cost levels and the associated cash flows generated, taking into account current market conditions and recent trading. In carrying out this assessment for the next 12 months, the Directors have identified actions that can be taken if trading varies from forecast and as a result are satisfied that the Group can operate within its covenants.

Based on their forecasts and analysis as set out above, the Directors are satisfied that the Group and Company will be able to operate within the level of its facilities and comply with its covenants for a year for at least 12 months from the signing of these financial statements. The Group therefore continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Environmental policies

We remain committed to minimising the Company's impact on the Environment. We do this through setting objectives and targets to continually improve our environmental performance; providing training and communications to raise awareness and understanding of environmental issues, and to show their impact on the business; ensuring that all decisions regarding working practices and purchasing take environmental considerations into account; minimizing and monitoring our usage of resources and consumables; purchasing recycled or long-life products, and ensuring the use of public transport when practical is the norm and avoiding air travel.

Section 172 Statement

From 1 January 2019 legislation was introduced requiring companies to include a statement pursuant to section 172 of the Companies Act 2006.

The Board of control recognises the importance of the Group's wider stakeholders' interests when performing their duties under section 172(1) of the Companies Act and their duties to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

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

The Board considers that all their decisions are taken with the long term in mind, understanding that these decisions need to regard the interests of the Group's employees, its relationships with suppliers, customers, the communities, and the environment in which it operates.

Other information and explanations

In summary, the Directors remain optimistic about future growth opportunities and the Company continues to pursue increasing targets for revenue and profit. On behalf of the board, I would like to thank all our employees for their effort during the past year.

This report was approved by the board on 19 December 2022 and signed on its behalf.

Robin Davis

Mr R. Davis
Director

The directors present their information included in the Strategic Report, Directors' Report and financial statements for the year ended 30 June 2022.

Principal activity

The principal activities of the Company have been disclosed within the Strategic Report

Business review

A review of the business and its principal risks and uncertainties is set out in the strategic report on pages 2 to 3 of these financial statements.

Results and dividends

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

Ordinary dividends were paid amounting to £127,276, with a further £5,668,749 declared and were finally paid by September 2022.

Directors

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

Mr P. Allen

Mr R. Davis

Mr D. Starling

Mr M. Gibson

Dr A. Porter

Dr D. Hyland

Mr R Hawtin. (Appointed 1 July 2022)

Mr Robert Cole. (Appointed 1 July 2022)

Dr A. Evason. (Resigned 1 April 2022)

Dr D. Haws. (Resigned 1 April 2022)

Dr M. Murphy. (Resigned 1 April 2022)

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Post year end events

No significant events of note occurred after the year end date.

Statement of directors' responsibilities

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

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

Statement of directors' responsibilities (continued)

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

Auditor

TC Group have resigned as auditors and the board would like to thank TC Group for their assistance and support. The auditor, BDO LLP, who were appointed during the year, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Statement of disclosure to auditor

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

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

This report was approved by the board on 19 December 2022 and signed on its behalf.

Robin Davis

Mr R. Davis
Director

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Actica Consulting Limited (the 'company') for the year ended 30 June 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

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

Procedures performed by the audit team included:

- Discussions with management regarding known or suspected instances of non-compliance with laws and regulations;
- Evaluation of controls designed to prevent and detect irregularities, and
- Assessing journal entries as part of our planned audit approach.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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

Use of our report

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

DocuSigned by:
James Newman
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James Newman (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton, UK
Date 19 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

ACTICA CONSULTING LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	2021 £
Turnover	3	29,393,513	23,861,160
Cost of sales		(19,345,701)	(15,173,365)
Gross profit		10,047,812	8,687,795
Administrative expenses		(1,688,712)	(978,235)
Operating profit	6	8,359,100	7,709,560
Interest receivable and similar income	7	7,088	8,438
Change in market value of current asset investments	8	(88,863)	(5,664)
Profit before taxation		8,277,325	7,712,334
Taxation	9	(2,678,679)	(1,430,698)
Profit for the financial year		10,956,004	6,281,636
Other comprehensive income		-	-
Total comprehensive income for the year		10,956,004	6,281,636

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

ACTICA CONSULTING LIMITED

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		40,191		37,845
Current assets					
Debtors	12	9,936,301		4,221,429	
Investments	14	41,650		648,975	
Cash at bank and in hand		6,573,662		5,354,487	
		16,551,614		10,224,891	
Creditors: amounts falling due within one year	13	(9,379,650)		(8,645,856)	
Net current assets			7,171,964		1,579,035
Total assets less current liabilities			7,212,155		1,616,880
Provisions for liabilities					
Deferred tax liability	16	-		56,880	
			-		(55,880)
Net assets			7,212,155		1,560,000
Capital and reserves					
Called up share capital	17		60,000		60,000
Capital contribution reserve	18		364,900		-
Profit and loss reserves			6,787,255		1,500,000
Total equity			7,212,155		1,560,000

The financial statements were approved by the board of directors and authorised for issue on 19 December 2022 and are signed on its behalf by:

Mr R. Davis
Director

Company Registration No. 03396854

The notes on pages 14 to 27 form part of these financial statements

ACTICA CONSULTING LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Share capital £	Capital contribution reserve £	Profit and loss reserves £	Total £
Balance at 1 July 2020		60,000	-	1,500,000	1,560,000
Year ended 30 June 2021:					
Profit and total comprehensive income for the year		-	-	6,281,636	6,281,636
Dividends	10	-	-	(6,281,636)	(6,281,636)
Balance at 30 June 2021		60,000	-	1,500,000	1,560,000
Year ended 30 June 2022:					
Profit and total comprehensive income for the year		-	-	10,956,004	10,956,004
Dividends	10	-	-	(5,668,749)	(5,668,749)
Share based payment	18	-	364,900	-	364,900
Balance at 30 June 2022		60,000	364,900	6,787,255	7,212,155

Reserves

Called up share capital
Called up share capital represents the nominal value of the shares issued.

Capital contribution reserve
The capital contribution reserve relates to share options issued by the parent company to employees of Actica Consulting Limited for which this company owes no money to its parent.

Profit and loss reserves
Profit and loss account represents cumulative profits and losses net of dividends paid and other adjustments.

The notes on pages 14 to 27 form part of these financial statements

1 Accounting policies

1.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below. This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.
- Section 3 'Financial statement Preparation': Preparation of financial statements and related noes and disclosures.

The financial statements of the company are consolidated in the financial statements of Actica Holdings Limited. The consolidated financial statements are available to the public and may be obtained from Companies House.

1.2 Going concern

As set out in the statement of directors' responsibilities statement on page 6, in preparing these financial statements the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. In satisfaction of this responsibility the directors have prepared forecasts (including cash flows) for the next 12 months and considered the company's ability to meet its liabilities as they fall due. The forecast continues to show good EBITDA performance and cash generation, underpinning the going concern basis of accounting in preparing these financial statements.

As a result of the market uncertainty, the possible impact on available cash during the next 12 months trading has been modelled under a new range of assumptions and sensitivities. As part of this, the directors have produced a detailed going concern stress test for Aion TopCo limited, which this company is a part of. The conclusion of the stress test is that the business could sustain the loss of more than 40% of EBITDA over the course of the 12 months following the date of the financial statements, without breaching current debt conditions.

1 Accounting policies (continued)

1.3 Turnover

Turnover is recognized to the extent that it is probable that the economic benefits will flow to the entity and can be reliably measured. Turnover represents amounts derived from the provision of services to third party customers on a time completed basis or in based on the delivery of service, plus recharged disbursements, and is stated net of VAT and discounts given.

1.4 Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

1.5 Tangible fixed assets

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

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold property	straight line over length of lease
Plant and machinery (IT equipment)	33% straight line
Plant and machinery (Office equipment)	25% reducing balance

1.6 Cash and cash equivalents

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

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Current asset investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs) and subsequently measured at fair value through profit or loss.

1 Accounting policies (continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

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

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1 Accounting policies (continued)

1.8 Equity instruments

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

1.9 Current and deferred taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

1.10 Employee benefits

The costs of short-term employee benefits are recognised as an expense and a liability to the extent of costs not paid at the year-end.

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

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

1.11 Defined contribution pension plan

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account, and once the contributions have been paid, the company has no further payment obligations.

1 Accounting policies (continued)

1.12 Dividends

Equity dividends are recognized when they become legally payable. Interim equity dividends are recognized when paid. Final equity dividends are recognized when approved by the shareholders at an annual general meeting. Dividends on shares recognized as liabilities are recognized as expenses and classified within interest payable.

1.13 Interest income

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

1.14 Finance costs

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

1.15 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Consolidated Statement of Comprehensive Income over the vesting period. Non market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Consolidated Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Consolidated Statement of Comprehensive Income is charged with the fair value of the goods and services received.

1.16 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

1 Accounting policies (continued)

1.17 Valuation of investments

In the company's individual accounts, investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted company shares, which have been classified as fixed asset investments as the Group intends to hold them on a continuing basis, are remeasured to market value at each balance sheet date. Gain and losses on remeasurement are recognised in profit and loss for the period.

Investment in listed company shares, which have been classified as current asset investment, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period

1.18 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. In preparing these financial statements, the Directors have had to make the following judgments:

Measurement of revenue and resulting profit recognition
The Directors exercise their judgement in assessing and estimating the measurement and timing of revenue recognition and the recognition of assets and liabilities that result from the performance of the contract. Revenue derived from contracts to provide services reflects the sales value of the work performed in the year, to the extent that the profit to be earned on the contract can be determined with reasonable certainty. The amount of revenue recognised is calculated on ta time incurred basis or based on the delivery of service.

Recoverability of deferred tax asset
Allied to the work performed and judgement made by the Directors in assessing the basis of going concern in preparing the financial statements, the Directors have exercised their judgement beyond the 12 months following the date of the financial statements in assessing the future recoverability of the deferred tax asset

2 Company Information

Actica Consulting Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The registered office is 4 Stirling House, Stirling Road, Surrey Research Park, Guildford, Surrey, United Kingdom, GU2 7RF.

3 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

	2022	2021
	£	£
Turnover		
United Kingdom	29,393,513	23,861,160

4 Employees

	2022	2021
	Number	Number
Directors	9	9
Administration staff	6	6
Consultants	116	98
Total	131	113

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	9,032,053	7,743,416
Social security costs	1,119,094	875,349
Pension costs	198,213	166,733
Share based payment cost	364,900	-
	10,714,260	8,785,498

The share-based payment cost is non-recurring.

5 *Directors' remuneration*

	2022	2021
	£	£
Remuneration for qualifying services	1,944,488	1,477,983
Company pension contributions to defined contribution schemes	14,955	14,810
	1,959,443	1,492,793

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 7 (2021 - 7).

5 Directors' remuneration (continued)

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

	2022	2021
	£	£
Remuneration for qualifying services	544,095	389,667
Company pension contributions to defined contribution schemes	991	1,590

6 Operating profit

	2022	2021
Operating profit for the year is stated after charging:	£	£
Research and development costs	-	130,231
Fees payable to the company's auditor for the audit of the company's financial statements	40,000	11,000
Depreciation of owned tangible fixed assets	29,072	33,923
Loss on disposal of tangible fixed assets	-	41
Operating lease charges	69,215	110,335
Share based payment cost	364,900	-
Defined contribution pension cost	198,213	166,733

7 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	3,472	5,003
Other income from investments		
Dividends received	3,615	3,435
Total income	7,088	8,438

Investment income includes the following:

Dividends from financial assets measured at fair value through profit or loss	3,615	3,435

8 Gain/(loss) on investments

	2022	2021
	£	£
Change in value of financial assets held at fair value through profit or loss	(88,883)	(5,664)

9 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	(1,430,267)	1,430,267
Adjustments in respect of prior periods	(1,500)	(557)
Total current tax	(1,431,767)	1,429,710
Deferred tax		
Origination and reversal of timing differences	(959,803)	988
Changes in tax rates	(287,109)	-
Total tax charge / (credit)	(2,678,679)	1,430,698

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	8,277,325	7,712,334
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,572,692	1,465,343
Tax effect of expenses that are not deductible in determining taxable profit	(40,972)	30
Utilisation of tax losses (including carried forward share option deduction)	(4,033,750)	-
Impact of changes in tax rates on deferred tax	(287,109)	-
Group relief	-	(1,519)
Research and development tax credit		(32,167)
Effect of revaluations of investments	32,695	988
Prior year adjustments	(1,500)	(557)
Permanent capital allowances in excess of depreciation	(2,679)	(1,420)
Taxation charge / (credit) for the year	(2,678,679)	1,430,698

An increase in the main rate of corporation tax to 25% with effective from 1 April 2023 was substantially enacted in May 2021 and has been reflected in the deferred tax calculations laid out above.

During the year, the company has incurred tax losses on the exercise of share options. A carry back claim has *been made in relation to these losses.*

10 Dividends

	2022	2021
	£	£
Equity dividends on ordinary shares	5,668,749	6,281,636

The final proposed dividend of £5,668,749 (£94.48 per share; 2020 - £104.69) was declared pre-yearend and accrued for and subsequently paid after the balance sheet date.

11 Tangible fixed assets

	Leasehold property	Plant and machinery	Total
	£	£	£
Cost			
At 1 July 2021	63,456	256,964	320,420
Additions	-	31,418	31,418
Disposals	-	-	-
At 30 June 2022	63,456	288,382	351,838
Depreciation and impairment			
At 1 July 2021	63,456	219,119	282,575
Depreciation charged in the year	-	29,072	29,072
Eliminated in respect of disposals	-	-	-
At 30 June 2022	63,456	248,191	311,647
Carrying amount			
At 30 June 2022	-	40,191	40,191
At 30 June 2021	-	37,845	37,845

12 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	2,687,764	1,793,410
Amount due from group undertakings	559,509	-
Corporation tax receivable	2,175,039	-
Prepayments and accrued income	3,267,626	2,363,467
Other debtors	56,330	64,551
Deferred tax asset	1,190,034	-
	9,936,301	4.221.429

The company has losses carried forward of £4,804,850 which equate to £1,190,034 of a deferred tax asset if fully recognised. The directors have assessed the recognition and recoverability of the deferred tax asset and have concluded it is probable that all the £4,804,850 of losses will be recovered against future taxable profits.

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	764,212	444,069
Amounts owed to group undertakings	5,668,750	6,281,026
Corporation tax	-	481,728
Other taxation and social security	1,578,643	406,925
Other creditors	-	53,709
Accruals and deferred income	1,368,045	978,399
	9,354,276	8,645,856

14 Current asset investments

	2022	2021
	£	£
Investment bonds	-	581,848
Listed investments	41,650	67,127
	41,650	648,975

15 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	198,213	166,733

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

16 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Balances: Asset/(Liabilities)	**2022 £**	**2021 £**
Accelerated capital allowances	(9,668)	(6,838)
Revaluations of investments	(1,512)	(50,042)
Tax losses carried forward	1,201,214	-
	1,190,034	(56,880)

Movements in the year:	**2022 £**
Liability at 1 July 2021	(56,880)
Credit to profit or loss	1,246,914
Asset at 30 June 2022	1,190,034

17 Share capital

	2022 £	**2021 £**
Ordinary share capital		
Issued and fully paid		
30,000 Ordinary A shares of £1 each	30,000	30,000
30,000 Ordinary B shares of £1 each	30,000	30,000
	60,000	60,000

Voting and dividend rights are attached to Ordinary A shares. Dividend rights are attached to Ordinary B shares.

18 Share-based payment transactions

Actica Holdings Limited group operates an equity settled shared based remuneration scheme for key employees and directors who are employed by and deliver service to Actica Consulting Limited. The only vesting condition is that the individual remains an employee of the group over the nine year and nine month vesting period. In addition, the administrator will determine the time or times that an award will vest or become exercisable. Without limiting the forgoing, the administrator of the scheme can also accelerate the vesting or exercisability of the award.

An alternative valuation method, based on the group's equity enterprise value has been used to value the equity-settled share based payment as it was considered that this approach would result in materially accurate estimate of the fair value of the options granted.

The options outstanding at the beginning of the year relate the options issued during the year ended 30 June 2018 ("Tranche 3").

	2022 Number of shares	2022 Weighted average exercise price £	2021 Number of shares	2021 Weighted average exercise price £
Outstanding at the beginning of the year	10,000	36.50	10,000	36.50
Exercised during the year	(10,000)	36.50	-	-
Outstanding at the beginning of the year		-	10,000	36.50

The number of options exercised during the year was 10,000 (2021: nil). They were exercisable at a price of £0.01 for E class ordinary shares. The remaining expense due to their grant was recognised within administration expenses in the year.

	Group		Company	
Expenses recognised in the year	2022 £	2021 £	2022 £	2021 £
Arising from equity settled share-based payment transactions	364,900	36,490	-	36,490

The capital contribution reserve of £364,900 relates to share options issued by the parent company for employees of Actica Consulting Limited for which this company owes no money.

19 Operating lease commitments

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

	2022	2021
	£	£
Within one year	69,215	69,215
Between two and five years	23,072	92,287
	92,287	161,502

20 Related party transactions

The company has taken advantage of the exemption under Section 33.1A of FRS102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Key Management

Key management personnel include all directors and senior management across the company who together have authority and responsibility for planning, directing, and controlling the activities of the company. Total compensation for key management personnel for services rendered to the company was £1,953,443 (2021 - 1,492,793). There are no balances owed to key management personnel at yearend (2021 – £Nil). The share based payment charge in note 4 relates to key management personnel, and is where the options were in Actica Holdings Limited but for which the service was given to Actica Consulting Limited.

Dividends

Dividends totalling £5,668,749 (2021: 6,281,636) remain unpaid at the balance sheet date.

21 Post balance sheet events

There were no post balance sheet events.

22 Controlling party

The company's immediate parent is Actica Holdings Limited, a company incorporated in the United Kingdom. On 1 April 2022, Actica Holdings Limited became a wholly owned subsidiary of Aion Topco Limited, a company incorporated in the United Kingdom.

The largest and smallest group in which results of the company were consolidated for the year ended 30 June 2022 were that headed by Actica Holdings Limited. The consolidated accounts for this company are available to the public and may be obtained from Companies House.

Prior to 1 April 2022, the company was under the control of the directors.

From 1 April 2022 there is no ultimate controlling party, however Sovereign Capital Partners LLP is a person with significant control, as is Athica Limited.