ABINGDON HEALTH

Annual Report and Financial Statements

For the Year Ended 30 June 2024

Abingdon Health plc

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Company Information

Directors	Dr Chris Hand Mrs Mary Tavener Mr Chris Yates	Non-executive Chairman Non-executive Director Chief Executive Officer
Company Secretary and Registered Office	Mr Chris Yates York Biotech Campus Sand Hutton York YO41 1LZ	
Nominated Advisor	Zeus Capital Limited 12th Floor 125 Old Broad Street London EC2N 1AR	
Sole Broker	Zeus Capital Limited 12th Floor 125 Old Broad Street London EC2N 1AR	
Independent Auditor	BDO LLP Central Square 29 Wellington Street Leeds LS1 4DL	
Solicitors	Squire Patton Boggs (UK) LLP 6 Wellington Place Leeds LS1 4AP	
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP	
Registrars	Link Market Services Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU	
Company number	06475379	

Chairman & CEO Joint Statement

We are pleased to report continued revenue growth in the year ended 30 June 2024 and an improving cashflow and EBITDA performance, particularly in the second half of the financial year. Revenue increased by 52% to £6.1m (2023: £4.0m) and Adjusted EBITDA losses reduced to £1.1m from £2.9m in FY23.

As well as increasing our revenue in the year, we also completed two acquisitions (one post year-end) that will enhance our regulatory service capability. We successfully raised £5.6m post year-end to support expansion of the analytical laboratory services at our Doncaster site, enhance product development, and provide additional working capital.

Our service proposition is resonating well with our international customer base, and we believe we are well placed for continued revenue growth. The lateral flow market continues to grow, and we are seeing expanding use of the technology across a range of applications. As a knowledge leader in the application of lateral flow technology Abingdon is proud to support its customers in bringing innovative rapid testing products through development and onto the market.

Abingdon's mission is improving life through making rapid tests accessible to all; and we seek to fulfil this by supporting our customers in bringing their innovative lateral flow products to market. We are seeing growth in the market and Abingdon is active across a broad range of applications including clinical (point of care and self-test), animal health, plant pathogen, food and environmental testing.

Our customer service proposition is to provide all the "pieces of the jigsaw" to allow a customer to take a project from idea through to commercial success. Abingdon's service offering includes contract research and development, scale-up, technical transfer, manufacturing, packaging design and kitting, regulatory support, and analytical laboratory services. Abingdon's integrated Contract Research Organisation ("CRO") and Contract Development and Manufacturing Organisation ("CDMO") model continues to resonate well with a diverse customer base and we have broadened and deepened our service offering in the year and post-year-end through the acquisition of regulatory service providers IVDeology, in May 2024, and Compliance Solutions (Life Sciences), in August 2024. Furthermore, we will invest to expand our analytical laboratory service offering following the fundraising completed in August 2024 which raised gross proceeds of £5.6m.

The rapid diagnostic market is forecast to be worth over $280 billion by 2033 growing at a cumulative annual growth rate (CAGR) of 20.8% between 2023 and 2033. The lateral flow segment is estimated to be the largest segment of the rapid testing market, accounting for 36% of the market in 2023 (Source: Precedence Research: 2024 Rapid Diagnostics Market report). This growth is being driven in part by reduced barriers to adoption for lateral flow technology ("LFT") due to the widespread adoption of LFT during the COVID-19 pandemic. According to Statista (Tests for COVID-19 most impacted countries worldwide 2022 | Statista), there were 1.15 billion and 0.5 billion COVID-19 lateral flow tests performed in the US and the UK respectively by December 2022. Most people in the USA, the UK and other western countries have performed a lateral flow test and understand the technology. The second growth driver is innovation. We believe the COVID-19 pandemic has driven a second wave of innovation in the lateral flow market and this is driving greater use of the technology as the usability and performance of lateral flow technology improves.

Chairman & CEO Joint Statement (continued)

Further growth drivers include the expansion in infectious disease testing, growing use within chronic disease management, rising consumer interest and growth in home testing kits, integration of digital technologies, and regulatory and reimbursement developments.

We remain confident that Abingdon Health's knowledge leadership position in the lateral flow industry and our integrated service offering will continue to lead to sustainable revenue growth. Our key objective remains to move the company to sustained positive cashflow and we are making solid progress towards this objective.

Our strategy

Our mission at Abingdon Health is to improve life by making rapid results accessible to all. We achieve this by supporting our customers, as an integrated lateral flow CRO & CDMO, in developing and manufacturing lateral flow tests across a range of sectors including clinical (human health), animal health, plant pathogen and environmental testing.

Our technology focus continues to be on the lateral flow market which is large and growing. Our acquisitions of IVDeology and Compliance Solutions (Life Sciences) give us access to other regulatory, clinical testing, and quality assurance elements of the lateral flow market and also provide access to adjacent markets. Key drivers of the growth in the lateral flow sector include reduced barriers to adoption of lateral flow technology following widespread lateral flow testing during the COVID-19 pandemic, innovation in the lateral flow market, as well as other factors such as a drive towards the decentralisation of testing to improve patient and economic outcomes, the increase in rates of infectious disease and the emergence of new pathogens; and the increased demand from consumers for diagnostic tools to enable them to manage their own health.

Abingdon Health's focus within the lateral flow market is two-fold.

1) **Lateral flow CRO/CDMO – providing 89% of 2023/4 revenues**

Our core service proposition is to provide our customers with a fully integrated, contract research and contract development and manufacturing service enabling Abingdon to manage the lateral flow development projects in full, from "*idea through to commercial success*", and to provide large-scale automated manufacturing. The CRO and CDMO business model, well-established in the pharmaceutical industry, has direct application to the medical diagnostics market, and our contract services include R&D, optimisation and scale-up, technical transfer and manufacturing as well as added-value services such as reagent development, regulatory and clinical trial support and packaging design and kitting service provision. The ability to offer this range of services, providing outsourcing options to our customer base, continues to resonate well. It has been pleasing to see a number of customers benefit from this integrated service in the year utilising Abingdon not only for development, scale-up and technical transfer but also, for example, regulatory and analytical laboratory support. We continue to drive greater awareness of the capabilities of, and innovation in, lateral flow technology through a regular cadence of blogs and articles and we also attend third party workshops and conferences to promote the use of lateral flow technology and share knowledge. To that end we were delighted to sponsor the 2024 Next Generation Diagnostics Conference in Washington DC in August 2024.

Chairman & CEO Joint Statement (continued)

2) **Lateral flow product sales & distribution – providing 11% of 2023/4 revenues**

We continue to build a route to market initially within Europe for lateral flow self-tests. Our route to market will be a combination of both direct sales, on Amazon or through our website www.abingdonsimplytest.com and through retail and distribution agreements. We have established our own self-test lateral flow brand, Abingdon Simply Test™, which currently includes 16 self-test products.

Going forward, the core element of our strategy is to be a preferred supplier of lateral flow tests to major retailers, in essence a trusted partner in the sourcing of tests both through our own CDMO customer base and externally through third parties. We were therefore delighted to announce the launch of self-tests for Vitamin D and Ferritin (Iron) in March 2024 and saliva pregnancy test (May 2024) with Boots under the Boots own-label brand. We continue to pursue opportunities to expand the number of products we supply to Boots and other major European retailers with a focus on the provision of own-label solutions.

We regard our lateral flow sales & distribution platform as complementary to our CRO/CDMO business. It is intended to provide support to a number of our CDMO customers who are developing self-tests, with a ready-made route to market to drive early commercial adoption. The first such example was the launch of Salistick™, the first ever saliva pregnancy test, in the UK. The product is currently distributed in a number of major retailers including Superdrug and Boots.

Performance in the year

We were pleased with the financial performance in FY24 with revenue growth of 52% compared to FY23. The Group's revenues were £6.1m (2023: £4.0m) and excluding the impact of the acquisition of IVDeology in May 2024, FY24 revenues were £6.0m which was 49% higher than FY23.

Our CRO/CDMO business grew 51% year-on-year. This strong revenue growth arose from an increase in the number of customers utilising our contract development, scale-up, technical transfer and manufacturing services; and an expansion in our range of services such as regulatory support. Our model is based on bringing customers through the development process and into manufacturing and then supporting these customers in the long-term as manufacturing and regulatory customers. We saw three customer products transition into manufacturing in FY24: Salignostics (saliva pregnancy test), LoopDX (sepsis) and Up Front Diagnostics (stroke). We expect further technical transfers to transition into manufacturing in FY25 to continue to build upon our manufacturing customer base.

We were also pleased to see our Product business revenues grow strongly during FY24 with 56% year-on-year growth. We benefited in H2 FY24 from the launch of three lateral flow tests with Boots and in FY25 we will build on this progress with continued expansion of our product range and sales and distribution platform to generate further Product sales growth.

Acquisition of IVDeology

In May 2024 Abingdon acquired IVDeology, a UK-based leading provider of regulatory consultancy support to an international customer base in the in vitro diagnostics sector for total consideration of up to £700,000.

Chairman & CEO Joint Statement (continued)

Acquisition of IVDeology (continued)

IVDeology provides a range of regulatory services including those in support of IVDR (the In Vitro Medical Devices Regulation (EU) 2017/746) for the EU market, UKCA (UK Conformity Assessed) marking for the UK market, and FDA support for the US market to an international customer base. The acquisition strengthened Abingdon's existing regulatory service, knowledge leadership and expertise in the regulatory area. The regulatory environment for in vitro diagnostics, including lateral flow tests, is going through a period of significant change with the implementation of IVDR in Europe and the creation of UKCA marking in the UK. In addition, there have been recent changes to the classification of various categories of lateral flow products in the USA. These changes create opportunities for Abingdon to support existing and new customers in navigating this landscape.

The acquisition was satisfied by the issue of 5 million ordinary shares of 0.0025 pence each in Abingdon Health plc ("Ordinary Shares") to the owners of IVDeology at an issue price of 10 pence per Ordinary Share, equating to £0.5m. In addition, subject to achieving certain revenue targets in the two financial years following acquisition, an earn-out of £0.2m will be payable at the time. In its financial year ending 31 January 2024, the IVDeology group generated combined turnover of £392k; resulting in a combined loss before tax of £30k.

Concert Party

On 30 August 2023, we announced the break-up of a concert party established at IPO which effectively prevented those shareholders who together were holding approximately 35% of the issued share capital in Abingdon being able to buy additional shares. Now that this 'IPO concert party' has been split into three smaller concert parties, those shareholders in the original concert party may now buy additional shares.

Team

During the financial year our average staff numbers were 85 (2023: 82). As at 31 August 2024 there were 120 employees within Abingdon Health following the completion of the acquisition of Compliance Solutions (Life Sciences) which had 36 employees as at 31 August 2024.

We would like to thank all of the Abingdon Health team for their efforts in the last year, which resulted in significant revenue growth for the Business. We would also like to welcome the IVDeology and Compliance Solutions (Life Sciences) teams to the Group.

Governance and People

Mary Tavener is the Company's Senior-Independent Non-Executive Director, having been appointed in November 2020 prior to listing on AIM. Abingdon Health's other Non-Executive Director is Dr Chris Hand who is a co-founder of Abingdon Health, Non-Executive Chairman, and retains a significant shareholding in the Company as noted in the Directors Report.

Melanie Ross, Chief Financial Officer, left the business in October 2023 and we would like to thank Melanie for her service.

Chairman & CEO Joint Statement (continued)

Governance and People (continued)

Our Audit Committee and Remuneration Committee currently comprises Mary Tavener (Chair) with Chris Hand. The Executive Director Chris Yates is invited to attend as required from time-to-time.

The Board has concluded that at this time the Group does not currently require a Nominations Committee but will review this assessment on a regular basis including discussing the matter with its Nominated Advisor.

The Board remains focused on ensuring its own effectiveness and that of the governance processes throughout the Group, and that these governance structures remain fit for purpose as the Group develops and grows over time. Mary Tavener is Abingdon Health's only Independent Non-Executive Director and, as such, the Board's current composition does not comply with the requirements for a minimum of two Independent Non-Executive Directors under the QCA Corporate Governance Code, being the corporate governance code that the Company has chosen to apply. Although this is not in compliance with the Code, given the size of the Group, the Board believed that this met the needs of the business at that time. As the business continues to grow and expand, there is now a need to improve the strength and depth of the Board, and a process has begun to recruit a new Chief Financial Officer and an additional new Non-Executive Director. Both recruitment processes are underway, and the Board will update shareholders in due course.

USA and Board Management

To accelerate the Group's commercial progress, and to gain additional access to the US market, Abingdon is planning to open a commercial office and R&D laboratory in the United States during Q4 of calendar year 2024. Chris Yates, CEO has been asked to focus on global commercial growth, establishment of an Abingdon Health USA-based subsidiary and management of US operations. To facilitate this expansion, Chris Hand will be appointed Executive Chairman. These changes will be effective from 15 October 2024. Chris Hand will manage day-to-day R&D, operational and financial activities with Chris Yates focused on organic revenue growth, cross-selling between Group members' (Abingdon, Compliance Solutions (Life Sciences), IVDeology) customers, and potentially by acquisition. Chris Yates will focus his time on growing Abingdon's international presence specifically in the United States. As an illustration of the importance of the US market, the United States economy is c.49% larger than that of the European Union (Source: World Bank); and it is also the largest diagnostics market globally, accounting for 39% of the global market (Source: Vision Research Reports).

Post Balance Sheet Events

<u>Acquisition of Compliance Solutions (Life Sciences)</u>
In August 2024 Abingdon completed the acquisition of Compliance Solutions (Life Sciences) group which specialises in meeting regulatory requirements of its international and UK client base in the in vitro diagnostic (IVD) and medical device markets. The Compliance Solutions group's team (currently c.36 employees) provides consultancy services, ranging from preparation of technical files for regulatory approvals, clinical strategy advice and protocol design and regulatory inspection gap analysis; design, implementation and maintenance of quality management systems; technical file and design file reviews, clinical evaluation reports and biological safety evaluations; and internal audit programmes; supplier audits, pre-audit preparations (e.g. FDA, MHRA, Notified Body, unannounced) and mock Notified Body/FDA audits.

Chairman & CEO Joint Statement (continued)

Post Balance Sheet Events (continued)

In its financial year ending 30 June 2023, the main trading entity Compliance Solutions (Life Sciences) Limited generated turnover of £2,716k; resulting in EBITDA of £393k.

The Compliance Solutions Group's activities are complementary to those of the Abingdon Group and the recently acquired IVDeology; and increase the breadth and depth of the Group's regulatory expertise.

Furthermore, there is, in the Board's opinion, the opportunity to cross-sell the Group's services, such as lateral flow development and manufacture and analytical laboratory support, into the Compliance Solutions Group's customer base and vice versa.

The maximum consideration of £3.2m comprises:

i) cash of £1.36m paid as follows: £700,000 on completion and then 3 equal payments of £220k at the end of the first, second and third month following completion; and
ii) the sum of £1.0m satisfied by the issue of 9,216,590 Ordinary Shares; and
iii) an amount in cash equal to the amounts received by Compliance Solutions (Life Sciences) Limited in respect of certain aged debtors in the 24-month period from Completion, subject to a maximum amount of £340k; and
iv) subject to achieving certain revenue targets in the period starting on the first anniversary of the acquisition and ending on the second anniversary of the Acquisition, an earn out of up to £0.5m to be satisfied by the issue of such number of further Ordinary Shares.

Fundraising

In August 2024 we completed a fundraising which raised gross proceeds of £5.6m (net proceeds of £5.1m). The fundraising comprised a Placing with institutional investors which raised gross proceeds of £5.2m and a retail offer which raised gross proceeds of £0.4m. The use of proceeds is summarised as follows:

Product development	£3.0m
Analytical laboratory service expansion	£1.0m
Working capital and placing costs	£1.6m

Product development

The Board proposes to use up to £3.0m of the proceeds to enhance the Group's product offering through development of lateral flow self-tests alongside use of the Group's patented AppDx® technology - a smartphone based lateral flow test reader.

Expansion of analytical laboratory service

The Board also proposes to use up to £1.0m of the proceeds of the Placing to strengthen its analytical laboratory service. The Group has been providing this service since 2023 as part of its strategy of providing a comprehensive contract development and manufacturing service and supporting its customers in bringing products to market.

Chairman & CEO Joint Statement (continued)

Post Balance Sheet Events (continued)

The Placing will allow the Group to expand its in-house analytical laboratory services and also extend these capabilities to a range of other test formats including PCR, LAMP, other isothermal amplification assays, antigen and antibody detection immunoassays and other point-of-care assays, in addition to supporting basic research. The laboratory will be based at the Group's Doncaster site.

Outlook & Funding

Cash at the end of the financial year was £1.4m and as 4 October 2024, following the completion of the fundraising and the acquisition of Compliance Solutions was £4.5m. We believe we have sufficient cash resources to fund progress beyond 12 months from the signing date of the accounts, with our priority continuing to be moving the Company to a positive cashflow position, having achieved a cash-flow positive quarter in Q4-FY2024.

Our strategic focus is on growing our CRO/CDMO business and expanding the reach of our lateral flow product range.

The recent acquisitions of IVDeology and Compliance Solutions (Life Sciences); and the further investment in expanding our analytical laboratory service mean that we can offer a comprehensive service to our customers to fully support them in bringing their innovative products to market. We will also continue to grow our European distribution platform for self-tests both through increasing the number of retailer and distribution agreements in place and secondly through broadening the self-test product range including those developed in partnership with our CRO/CDMO customers.

Our key financial priorities are to grow our revenues and reduce our cash-burn through continued close cost management. To this end we will continue to focus our team's activities on CRO/CDMO and associated regulatory, QA and analytical laboratory business to provide near-term revenues.

As a CRO/CDMO focused on lateral flow technology with a well-established track record of bringing products from "idea to market" we believe we are well-placed to support a broad range of customers across the clinical (point of care & self-test), pharmaceutical, animal health, food, plant pathogen and environmental testing markets. We believe our full-service contract service proposition strongly resonates with customers, and we look forward to continuing to support our customers in bringing their innovative tests to market.

We would like to thank all our employees for their hard work, dedication and commitment during the past year as we continued to grow our revenues. We are confident that our contract services customer base and our current growing pipeline means we are well positioned to grow our business and deliver shareholder value going forward. We would like to thank shareholders for their support.

Operating and Financial Review

Revenue and Margins

The Business delivered strong revenue growth in the period, growing 52% when compared to the previous financial year, and 49% when excluding the impact of the IVDeology acquisition which completed in May 2024.

Revenue by Geographical Market

Geographical Market	2024 £m	% *	2023 £m	%*	Growth/ (Decrease)
UK	2.6	41%	1.3	32%	94%
USA/Canada	2.0	33%	0.8	21%	137%
Europe	1.2	20%	1.7	41%	(26)%
ROW	0.3	6%	0.2	6%	47%
Total	**6.1**	**100%**	**4.0**	**100%**	**52%**

* note – percentages are calculated on exact totals and not the rounded amounts shown above

Revenue by Operating Segment

Operating Segment	2024 £m	%*	2023 £m	%*	Growth
Contract Development	3.2	54%	2.2	57%	45%
Contract Manufacturing	1.3	20%	1.1	26%	19%
Regulatory	0.9	15%	0.3	7%	236%
Products	0.7	11%	0.4	10%	56%
Total	**6.1**	**100%**	**4.0**	**100%**	**52%**

* note – percentages are calculated on exact totals and not the rounded amounts shown above

Contract Development (R&D activity based on a fee for service and manufacturing of validation batches) increased 45% year on year because of both increased contract development activity and more projects moving into technical transfer.

Contract Manufacturing (manufacture of products for third parties) increased 19% over the period.

Regulatory services revenues increased by 236% and excluding the impact of the acquisition of IVDeology revenues increased by 200% compared to the prior year. The increase was the result of expanding the services offered to our customers and providing a more integrated service solution to customers looking to take projects from idea to commercial success.

Product sales (own products) increased by 56% in the relevant period benefiting from the launch of three products with Boots in the second half of the financial year.

Gross margin in the financial year was 60% (2023: 51%) with the improvement driven by operational gearing benefits from increased revenues.

Administrative expenses reduced to £5.0m (2023: £5.2m) following continued cost management during the year despite the ongoing challenges operating in an inflationary environment.

Operating and financial review (continued)

Adjusted EBITDA

The Business uses adjusted EBITDA as a measure, as this excludes items which can distort comparability as well as being the measure of profit that most accurately reflects the cash generating activities of the Group. The reconciliation of these adjustments is as follows:

	Disclosure Note	Year Ended 30 June 2024 £'000	Year Ended 30 June 2023 £'000
Adjusted EBITDA		**(1,132)**	**(2,893)**
Share based payment expense	**26**	(48)	(28)
Impairment charges	**5**	-	(86)
Gain on Lease Modification	**14**	-	390
Non-recurring legal and professional fees	**5**	(32)	(33)
Non-recurring redundancy costs	**7**	-	(162)
Non-recurring settlement payment	**7**	(108)	-
Gain on settlement	**5**	373	-
Other exceptional costs	**5**	-	(88)
Statutory EBITDA		**(947)**	**(2,900)**
Amortisation	**13**	(27)	(29)
Depreciation	**14**	(399)	(659)
EBIT		**(1,373)**	**(3,588)**

Adjusted EBITDA loss in the period was £1.1m (2023: loss £2.9m), a significant decrease on the prior year driven by both increases in the revenue and cost reductions year on year.

Headcount in the Group was an average of 85 (2023: 82). Staff costs overall, within both cost of sales and administrative costs, were £4.3m (2023: £4.0m), including £0.1m of non-recurring costs (2023: £0.2m) set about in the table above. Headcount at the end of the year was 84 and included the addition of 8 employees following the acquisition of IVDeology in May 2024.

Premises costs were £0.7m in the year (2023: £0.6m). Prior year underlying premises costs were £0.9m when adjusted for the one off £0.3m gain (in exceptionals) due to a release of the Right of Use asset resulting from releasing its contractual lease obligations on space at its York site. In addition, a dilapidations provision of £100k was included as a prior year adjustment to take account of the legal requirement under the Doncaster lease to return the condition of the property back to that in which the property was prior to the commencement of the lease. Given our investment in opening an analytical laboratory in Doncaster and the likelihood of extending the lease beyond 2 November 2026 it is the Board's view that the likelihood of this provision crystallising in the short-to-medium-term is remote. Disclosure Note 35 provides further details.

Professional costs (excluding exceptionals) in the year were £0.3m (2023: £0.4m).

Marketing and Travel costs were £0.2m (2023: £0.2m) as the Business continued to attend exhibitions and visit customers in person.

Cash Resources

Net cash outflow from operating activities was £1.7m (2023: inflow £0.9m) with the previous financial year positively impacted by the settlement of outstanding liabilities from the Department of Health and Social Care.

Operating and financial review (continued)

Cash Resources (continued)

Overall, we saw a net cash outflow of £1.8m and a closing cash position of £1.4m (2023: £3.2m).

Financing

Post-year end, in August 2024 the business completed a fundraise which raised gross proceeds of £5.6m (net proceeds of £5.1m).

Key Performance Indicators ("KPIs")

The business considers various factors when determining the KPI measures and these evolve as the business changes to meet differing market demands to ensure continued success. In this financial year the KPI measures focused on revenue growth, reduction in (adjusted) EBITDA loss and reduction in the cash burn of the business. These metrics are felt to be the most important to ensure that the business achieves cash breakeven and profitability. Other internal measures introduced in the new financial year will focus on contract progression from Development to Manufacturing, as well as the number of tests manufactured per FTE.

Earnings per Share

Basic and diluted earnings per share was a loss of 0.42p in the period and basic and diluted adjusted EPS was a loss of 0.37p in the same period.

	EPS
Basic EPS Loss	0.42p
Loss before taxation attributable to equity owners of the parent	£(1,399)k
Add: Share Based Payments	£48k
Add: Non recurring legal fees	£32k
Add: Non recurring settlement payment	£108k
Add: Depreciation and Amortisation	£426k
Add: Finance Costs	£26k
Deduct: Gain on settlement	£(373)k
Adjusted Loss attributable to Shareholders	£(1,132)k
Adjusted Basic EPS Loss	0.37p

As set out in note 12 the basic EPS calculated above uses a weighted average number of ordinary shares of 304,732,264.

The weighted average number of ordinary shares above includes 182,316,812 deferred shares of 0.025p each. Technically this is correct. However, it should be noted that the deferred shares are non-voting shares, with no rights to dividends, but holders of deferred shares are entitled to receive the nominal value of that share (0.0025 pence sterling) once on a return of capital, a repurchase of those shares by the Company or in connection with a sale of those shares. The total nominal value of all the deferred shares is £46k.

Principal Risks and Uncertainties

Risk	Indication of risk on prior year	Impact and description	Mitigating actions
Funding risk and material uncertainty in relation to Going Concern	↓	The Business is cash flow negative although the cash burn has reduced significantly and is forecast to continue to improve due to increased forecast revenue and continued cost control. The risk has reduced due to the fundraising completed in August 2024 coupled with the improved financial performance of the Business in 2024 compared to 2023.	The Business continues to grow its revenue generating opportunities and has a strategy in place to develop long-term relationships from Contract Development through to Contract Manufacturing. This is evidenced by the sales growth achieved in the year compared to the prior period. Costs and cash flow models are also regularly reviewed to ensure that they are in line with the needs of the business and continue to give the business sufficient runway. The Company raised net proceeds of £5.1m by September 2024 which has reduced the risk compared to the prior year.
Regulatory Approval	→	As a business that supplies to international customers a significant proportion of the products require registration by the customer (the products legal manufacturer) from multiple regulatory bodies prior to being offered for sale. There is no guarantee that any product registration by the Business will be successful and failure to do so could have a major impact upon the Businesses ability to sell products in the relevant country.	We have a team of quality and regulatory specialists in-house who can work on multiple registrations in parallel to increase the likelihood of approvals. Our EU representative for our products, Advena, have offices in Malta and the UK and advise on EU specific matters and IVDR. We have recently acquired 2 regulatory consultancy businesses that improve the strength and depth of our regulatory expertise.
Revenue Growth	→	If revenue growth is not achieved there is a risk that capacity will be under utilised.	There is a strategic plan to continue growing the Contract Development revenue stream through bringing in more research and technical transfer stage projects. The number and quality of customers in this area is high, giving the Board sufficient confidence in achieving sales growth. Use of automated lateral flow assembly equipment with versatile equipment which can changeover product types and increase the throughput in operations gives the Board confidence that should contracts be won there is capacity to meet demand, and that manufacture is efficient.

Principal Risks and Uncertainties (continued)

Risk	Indication of risk on prior year	Impact and description	Mitigating actions
Key Employees	↑	The Business operates in an industry where recruitment and retention of talented employees is crucial in being able to deliver the strategic objectives. Whilst recruitment issues have eased over the last 12 months and attracting talent has proven less challenging, the Business must be proactive in talent attraction and retention. The risk has increased as due to the reduced size of the senior management team and therefore a greater emphasis on a smaller number of senior employees.	The Business offers competitive salary and benefits packages to employees. Our personal development review process aids in both identifying areas of focus and success, as well as identifying talented individuals and the program of training that is needed to help them, and the business achieve its highest potential. The Group is actively looking to strengthen its Board and Senior Management.
Supply Chain	→	The supply chain is subject to price movements due to inflationary pressure as well as other potential factors such as transport cost increases and issues due to wider economic and political pressures such as the Ukraine/Russia/Gaza war. This may lead to increasing prices for goods as well as increased lead times for critical components.	Contractual arrangements in place offer some mitigation for component pricing. Suppliers are measured with robust key performance indicators, with our highest-level suppliers being audited by our quality assurance team annually. Supply of stock to achieve on time delivery to customers is managed robustly to ensure that we meet our customers' needs without holding unrequired amounts of stock. Where managing supply chain activities for new products and customers, the team recognise that there is a balance between the pricing of components and their availability due to location of manufacture. This is managed accordingly with appropriate stockholding or dual sourcing where possible.

Principal Risks and Uncertainties (continued)

Risk	Indication of risk on prior year	Impact and description	Mitigating actions
Information technology and IT integration	↑	The Business is heavily reliant on its IT systems to enable it to manage its day to day operations. The risk is increased due to two factors: i) the Business is currently transitioning a number of its IT systems to the cloud; and ii) the Business has recently acquired two businesses, IVDeology and Compliance Solutions, and has therefore a range of additional IT systems to manage/integrate.	The Business mitigates this risk by working with IT specialists to manage the changes required to transition its IT systems to the cloud. The Business outsources its day-to-day IT service requirements to a third party provider. Also any changes to critical IT systems are managed through a formal change control process. In addition, IT systems are considered at the outset of the integration of newly acquired companies and are managed through the task force (see below) set up to manage the integration process.
Group Structure	↑	Inefficient interaction and integration across companies in the AH group may lead to a range of issues including for example: i) Failure to realise revenue and cost synergies ii) Greater financial risk due to the Group control environment not being implemented across newly acquired companies The risk has increased as the Abingdon group has increased in 2024 and post-year-end through the acquisition of IVDeology and Compliance Solutions.	The Business has set up a task force on acquisition of companies to manage the integration of the newly acquired companies into the Group. The task force comprises of senior executives across the key functions of the Group and works with the senior management of the newly acquired business to ensure a timely and efficient integration process.
Product Recall	↑	Both Abingdon and its customers provide products to a range of users. If products in the field are determined not to be performing there is a risk of product recall. This could impact current and future revenues and profits and also potentially manufacturing and distribution contracts as well as reputational damage. The risk has increased as Abingdon's customer base has increased and we have launched a number of products into the self-test market with major retailers.	The Business manages all projects and products through its quality management system, which is independently audited annually, currently by BSI. This ensures that products are designed appropriately and also have the necessary quality control procedures in place to ensure products released to customers or placed on the market directly are fit for purpose.

Principal Risks and Uncertainties (continued)

Risk	Indication of risk on prior year	Impact and description	Mitigating actions
Economic and Political Factors	↑	The local and world economic environment is changing at pace currently, impacting inflation and interest rates in particular. This impacts the Business in several ways including increasing the cost of living for our employees and driving cost increases in infrastructure and supply chain. Wars can interrupt the supply chain.	The Business reviews its salaries and benefits packages in relation to the wider market and believes its offering to be competitive. This remains under constant review to ensure our employees are fairly remunerated. Energy bills have been affected though rates are beginning to fall from previous highs. Material costs are reviewed regularly and bulk purchase made where possible and in the businesses interest, and margins are reviewed and cost increases are passed on to customers where possible. It may be necessary to hold larger quantities of stock to mitigate potential supply problems from regions in conflict.

Key: Risk levels on prior year

↑	Risk increase vs prior year
→	Risk remains the same vs prior year
↓	Risk reduction vs prior year

Section 172 Statement of the Companies Act

The Board of Directors considers that, individually and collectively, in line with the obligations under the Companies Act 2006, it has acted in the way which in good faith would be most likely to promote the success of the Business for the benefit of its stakeholders, employees, customers, suppliers, local government and communities in accordance with the stakeholder and matters noted in S172(1)(a-f) of the Act in the decisions taken during the year.

The Board looked to promote the success of the Business, having regard to the long term, whilst considering the interests of all stakeholders. Our strategy is designed to secure the long-term financial viability of the Business to the benefit of its members and all stakeholders. A main feature of this is to continue to operate the business within tight budgetary controls and in line with regulatory requirements. During the year this was done by reference to:

- our continued and ongoing communication with our employees to ensure that we meet our objectives in relation to staff retention. Staff benefits were also reviewed to ensure that we remain competitive in the market and continue to attract high talent individuals;
- our continued and ongoing communication with our shareholders to ensure that they understand and support the strategy of the business and have the opportunity to speak to the leadership team;
- our continued priority for health and safety improvement measured through ongoing risk assessments to ensure the safety of our staff and visitors to our sites;
- the approval of our strategic objectives for the Business ensuring that they are in the interests of the stakeholders of the Business; and
- the business plan for the next financial year to ensure that whilst achievable, it is also challenging whilst representing and measuring the strategic objectives of the business.

Stakeholder interests are considered by the Board through a combination of methods.

Stakeholder Engagement

Shareholders

We communicate with our shareholders through planned investor relation activities, Regulatory News Service ("RNS") announcements and the publication of our annual and half year reports. Through this we ensure open communication with our shareholders, ensuring that they are provided with insight into the Business strategy and how we create value that will generate strong and sustainable results. We also engage with shareholders through the AGM, one on one investor meetings and discussions with shareholders where appropriate. Key decision made by the Board in the year are referenced in the Corporate Governance section of the report.

Customers

Our customers are central to the strategic goals of the Business, and we strive to deliver products and services that meet not only their specific needs, but the highest applicable regulatory standards. We engage regularly with our customer base and conduct annual customer experience surveys, taking action where appropriate. We also meet our customers' needs by maintaining facilities that are compliant to appropriate quality and regulatory standards, ISO9001:2015, ISO13485:2016, as well as being audited by our customers.

Section 172 Statement of the Companies Act (continued)

Employees

We appreciate the value of diversity within our employee base and recognise that the skills and knowledge of our employees are key aspects of creating value within the organisation. We strive to create a friendly and open culture within the Business, holding regular all-staff calls led by either the CEO or Chief Operating Officer and encourage career progression within the Business.

The Business conducts a periodic annual employee feedback survey, the results of which are reported to the Board and fed back to the employees along with any resulting actions. The Business has also encouraged the creation of an Employee Forum to directly communicate employee thoughts, considerations and needs to the senior management.

Environmental, Social and Governance

The Board recognise that, aligned with our strategic objectives, we are committed to developing a framework that aligns our Business culture and goals with our ESG objectives.

Environmental

- We are collaborating with partners to offer sustainable raw material solutions for our customers, such as alternatives to plastic housings like bamboo.
- We offer preferential parking and electric charging stations to employees and visitors with electric cars.
- Cycle to work scheme offered to all employees.
- Recycling in place throughout all premises.

Social

- We offer employees a supportive work environment with flexible and hybrid working policies in place.
- We have a Staff Forum that meet regularly to bring issues and suggestions to the senior leaders in the organisation.
- Equal opportunities policy in place, leading to a diverse workforce in gender, age and culture. Internal promotions are given preference where possible.
- Regular Health and Safety walks with the goal to improve our Health and Safety Culture.

Governance

- We have Board Audit and Remuneration committees in place with stated frameworks.
- We operated within a highly regulated environment and have maintained our ISO certifications year on year.

The Business has in place a number of policies and procedures focused on good ethical behaviours such as modern slavery, whistleblowing and bribery and corruption.

Board of Directors

Dr Chris Hand – Non-Executive Chairman

Dr Chris Hand is co-founder of Abingdon Health. He has over 30 years' experience in the medical diagnostics industry in the development and commercialisation of immunodiagnostic products, particularly rapid tests. Before Abingdon, Chris co-founded the medical diagnostics company Cozart Bioscience Ltd specialising in on-site saliva drug testing, and was Chief Executive of Cozart plc, following IPO on AIM in 2004, until October 2007 when the company was sold to Concateno plc. Prior to founding Cozart, Chris was Director of Research for the European base of DPC (now part of Siemens Healthineers Solutions) developing a wide range of immunodiagnostic kits in a variety of formats.

He has a BSc in Applied Biochemistry from Brunel University, London and a DPhil from the Faculty of Medicine, University of Oxford. He is also chairman of Alta Bioscience Ltd.

Chris Yates – Chief Executive Officer

Chris Yates joined Abingdon Health as CEO in July 2015. Chris originally co-founded Abingdon Health with Dr Chris Hand in 2008 and was a non-executive of the Group prior to his appointment as CEO. Prior to Abingdon Health, Chris held CFO positions in two medical diagnostic groups, both AIM-listed at the time, Immunodiagnostic Systems Holdings plc and Cozart plc. Chris is also a non-executive director of AIM-listed near-patient molecular diagnostic business Genedrive plc. Chris is a fellow of the Institute of Chartered Accountants of England and Wales (FCA) and has a degree in economics from the University of Cambridge.

Mary Tavener – Non-Executive Director

Mary is the Senior Independent NED of Abingdon Health and Chair of the Audit and Remuneration Committees. Mary has extensive experience in the healthcare sector, having previously been Chief Financial Officer and Board member of AIM listed Advanced Medical Solutions plc (AMS) for 19 years during which the company saw 15 years of consecutive growth. Mary is a Member of the Chartered Institute of Management Accountants (ACMA) and a Fellow of the Association of Corporate Treasurers (FCT). She has a degree in Chemistry from the University of Oxford. Mary was previously a non-executive director at Allergy Therapeutics plc and also Yourgene health plc prior to it being acquired by Novacyt Group plc.

Corporate Governance Statement

I am pleased to present the Corporate Governance Report for 2024. As a Board we acknowledge the importance of Corporate Governance and as such have adopted the Quoted Companies Alliance Corporate Governance Code (QCA Code) for Small and Mid-Sized quoted companies. Full details of the QCA Code and how we adopt it can be found on the Group's website in the Investors Section within the Board and Governance section. The Board recognises the value of the QCA Code and good governance and applies the QCA Code as far as is practicable for a Group the size and nature of Abingdon Health plc.

Mary Tavener is Abingdon Health's only independent non-executive director and, as such, the Board's current composition does not comply with the requirements for a minimum of two independent non-executive directors under the QCA Code. In light of this, the Board is currently recruiting for an additional independent Non-executive Director and will update shareholders in due course on this.

As Chair I am responsible for leading the Board and for its governance of the Group. I work with the Board to ensure regular review of the Group's governance framework. This framework has continued to operate effectively during the year, enabling the Board to support the executive management team in making key decisions. Further details of our corporate governance framework and activities are set out in our Corporate Governance Report.

During the year we announced the resignation of Melanie Ross as Chief Financial Officer in October 2023. The Board are in the process of strengthening the executive team with the recruitment process for a new Chief Financial Officer underway.

Following the publication of the updated QCA Code, the Board has started to consider the key changes and a review of our corporate governance framework will be carried out against the new QCA Code during the remainder of 2024. Our review of the new code and how it will be applied will be reported on in our 2025 Annual Report and Accounts.

Dr Chris Hand
Chair of the Board

Corporate Governance Report

We summarise the key Corporate Governance features below, and in addition we further comment on certain principles of the QCA Code.

Principle 1: Establish a strategy and business model which promote long term value for stakeholders.

The Board sets the strategy of the Group ensuring long-term success for our shareholders, customers, and wider stakeholders. Narrative covering the strategy and business model of the Group is included in the Strategic Report within this Annual Report and Financial statements, including key challenges in their execution.

Board and Committees

The size and structure of the Board and its Committees is kept under review to ensure an appropriate level of governance operates throughout the year.

There is a clear division of responsibilities between the Chairman, who is responsible for the running of the Board, and the Chief Executive Officer, who is responsible for running the business.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience in finance, innovation, international trading, e-commerce and marketing. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The Group reports monthly on its headline performance against its agreed budget, and the Board reviews the monthly update on performance and any significant variances are reviewed at each meeting. All Directors retire by rotation at regular intervals in accordance with the Group's Articles of Association.

Each Director is provided with sufficient information to enable them to consider matters in good time for meetings and enable them to discharge their duties properly. There is a formal schedule of matters reserved for Board approval. In principle the Board agrees the business plan, determines overall strategy, acquisition, investment, people and development and health and safety policies, as well as approval for major items of capital expenditure. The Directors continually ensure they are trained in association with duties and responsibilities of being a director of a listed Company.

Directors are expected to attend all meetings of the Board, and of any committees on which they sit, and to devote sufficient time to the Group's affairs to enable them to fulfil their duties as Directors. In the event that Directors are unable to attend a meeting, their comments on papers to be considered at the meeting will be discussed in advance with the Chairman, so that their contribution can be included as part of the wider Board discussion.

Mary Tavener, our independent non-executive director is expected to devote such time as is necessary for the proper performance of her duties on Company business, normally including attendance at all board meetings, the AGM, committee meetings plus other events as required.

Corporate Governance Report (continued)

However, Mary and the Company recognise that due to the nature of her role, it is impossible to be specific about the required time commitment, and additional time commitment required when the Company is undergoing a period of increased activity. In accordance with their appointment letter, any non-executive directors agree to commit sufficient time to perform their duties.

Chris Yates, the Chief Executive Officer, was appointed as Company Secretary in October 2023, following the resignation of Melanie Ross.

The Board seeks advice on various matters from its nominated adviser and sole broker, Zeus Capital Limited. Advice is also provided by the Company's lawyers, Squire Patton Boggs (UK) LLP, and by its corporate governance and company secretarial adviser, Prism Cosec, which also provides company secretarial and governance support. Directors also have access to independent professional advice at the Company's expense.

Biographies on all Directors giving details of their experience and roles on the Board and its Committees are shown on pages 19 to 25.

The Board has delegated specific responsibilities to its two Board Committees: the Audit Committee and the Remuneration Committee. Mrs Mary Tavener chairs both of these committees and details of the operation of these committees is set out below. The Board has concluded that the Group does not currently require a Nomination Committee but will review this assessment on a regular basis including discussing the matter with its Nominated Advisor.

Board and Committee meetings
The Board meets regularly and during the reporting period there were 11 Board Meetings, 3 Remuneration Committee meetings and 3 Audit Committee meetings. Details of the Board and Committee meeting attendance of Directors that served during the year is set out below:

	Board Meeting		**Audit Committee**		**Remuneration Committee**	
	Attended	**Eligible**	**Attended**	**Eligible**	**Attended**	**Eligible**
Dr Chris Hand	11	11	3	3	3	3
Mr Chris Yates	11	11	1	-	-	-
Mrs Mary Tavener	11	11	3	3	3	3
Mrs Melanie Ross*	3	3	1	-	-	-

* Resigned 18 October 2023

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.

Corporate Governance Report (continued)

The Chairman assesses the individual contributions of each of the members of the team on an ongoing basis to ensure that:

- Their contribution is relevant and effective;
- That they are committed; and
- Where relevant, they have maintained their independence.

The Chairman holds regular individual reviews with each Director to discuss matters reserved for the Board and matters impacting Board effectiveness.

The Board is yet to adopt a formal performance evaluation procedure for the Board and directors individually. This will remain under review and the Board will consider the implementation of performance evaluations facilitated by external advisers for the Board, both individually and as a group, to ensure the efficient and productive operation of the Board.

Key Board activities this year included:

- review and approval of the previous year results;
- review and approval of interim results;
- commercial and strategic reviews;
- risk management and risk register;
- acquisition of IVDeology;
- changes to concert parties;
- partnership with Morrama;
- partnership with Find Out;
- change in nominated adviser and broker;
- review and approval of the budget;
- review of site infrastructure; and
- changes to the people infrastructure of the business.

Audit & Risk Committee

Chaired by: Mary Tavener

Other Members: Chris Hand

The Audit Committee is appointed by the Board from amongst the Non-executive Directors of the Group and meets at least three times a year at appropriate times in the reporting and audit cycle and otherwise as required.

The Committee’s responsibilities are set out in its terms of reference. The role of the Committee is to assist the board in fulfilling its oversight responsibilities by reviewing and monitoring:

- the integrity of the financial and narrative statements and other financial information provided to shareholders;
- the Group’s system of internal controls and risk management;
- the internal and external audit process and auditors;
- the processes for compliance with laws, regulations and ethical codes of practice;
- the Group’s attitude to and appetite for risk and its future risk strategy; how risk is reported internally and externally; and

Corporate Governance Report (continued)

Audit & Risk Committee (continued)

- The Audit Committee is required to report its findings to the Board, identifying any matters in respect of which it considers that action or improvement is needed and make recommendations as to the steps to be taken.

The experience of the Committee members allows them to understand the risks facing a diagnostics business and approaches to manage the associated risks, maintain oversight of the Group's internal controls, review strategic financial management and provide support on the Group's approach to corporate governance.

During the year the Committee met 3 times and undertook the following activities:

- reviewed the integrity of the financial statements including the Preliminary statement, Annual and Interim reports;
- meeting with the Auditors to review the full year results, discussing key accounting judgements made and advising the Board that these were a balanced and fair representation;
- reviewed and updated the risk register and reporting to the Board its view on the key operational and financial risks the business faced;
- reviewed whether a going concern basis was appropriate for the preparation of the annual reports;
- reviewed other key audit judgements and estimates;
- reviewed the need for an Internal control function;
- Going concern; and
- Independence of the Auditors.

Remuneration Committee

Chaired by: Mary Tavener

Other members: Chris Hand

The Remuneration Committee is appointed by the Board from amongst the Non-executive Directors of the Group and meets at least twice a year at appropriate times and otherwise as required.

The Committee has responsibility for assisting the board in fulfilling its oversight responsibilities by reviewing and monitoring remuneration strategy including:

- determine and agree with the board the framework or broad policy for the remuneration of the Group's Chairperson and the executive directors including pension rights and compensation payments;
- recommend and monitor the level and structure of remuneration for senior management;
- review the ongoing appropriateness and relevance of the remuneration policy; approve the design of, and determine targets for, any performance related pay schemes operated by the Group and approve the total annual payments made under such schemes; and

Corporate Governance Report (continued)

Remuneration Committee (continued)

- report its findings to the Board, identifying any matters in respect of which it considers that action or improvement is needed and make recommendations as to the steps to be taken.

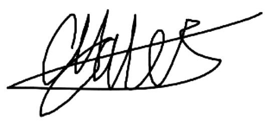
The objective of the Remuneration Committee is to ensure that remuneration is appropriate to attract, retain and motivate the executive management of the company without paying more than necessary. The remuneration policy will bear in mind the Group's appetite for risk and be aligned to the Group's long term strategic goals. A significant proportion of remuneration should be structured to link rewards to corporate and individual performance and be designed to promote the long-term success of the Group.

Principle 8: Promote a culture that is based on our values and behaviours. The Board aims to lead by example and do what is in the best interests of the Group.

The Group's culture, values and frameworks for customers, suppliers, colleagues, shareholders and other stakeholders, are fundamental to delivering business growth.

The Board ensures that the Group has the means to determine that values are recognised and respected through its reward and recognition frameworks from performance and development review through to recognition awards over the period.
There have been no key governance matters to report during the year.

On behalf of the Board



Mr Chris Yates
Director
Date: 7 October 2024

Directors' Report

The Directors present their Annual Report and financial statements for the year ended 30 June 2024.

Principal activities
The Group's principal activities continue to be to develop, manufacture and distribute diagnostic devices and provide regulatory consultancy services to businesses in the diagnostics sector.

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

Dr C Hand
Mr C Yates
Mrs M Tavener (Non-executive Director)
Mrs M Ross (resigned 18 October 2023)

Results and dividends
The results for the year are set out on pages 40 to 94. The Directors do not recommend payment of a dividend (2023 - £nil).

Substantial Shareholdings

Other than the Directors' own holdings, the Board has been notified that, as at 7 October 2024, the following shareholders on the Group's share register held interests of 3% or more of the issued ordinary share capital of the Group:

Shareholder	Number of Shares ('000's)	%
Octopus Investments Limited	19,606	10.1%
Cannacord Genuity Group Inc.	18,702	9.7%
Enterprise Ventures (General Partner NPIF YHTV Equity) Ltd	18,071	9.3%
Rathbones Investment Management Ltd	14,004	7.2%
Hargreaves Landsdown Asset Mgt	10,129	5.8%
Interactive Investor	7,184	4.1%
Catenalucis LLC	7,008	3.7%
Thornapple LLP	6,113	3.2%

Directors' Interests

The interests in the share capital of the Group of those Directors in office at the end of the year were as follows:

	At end of year to June 2024	
	Ordinary shares of 0.025p each	%
Chris Hand	13,028,467	6.8%
Chris Yates	7,888,844	4.1%

Directors' Report (continued)

Research and Development

The Group's activities in this area have focused on developing and improving lateral flow tests for new and existing customers. This is reported under the revenue by operating segment in the Operating and Financial Review above.

Financial risk management policies

The Group's activities expose it to a variety of financial risks. The approach to these is covered in note 22.

Future Developments

The future developments of the Group are discussed in the strategic report.

Political Donations

The Group does not make any political donations and does not incur any political expenditure.

Share Capital

As at 30 June 2024, the Company's share capital consisted of 126,716,822 ordinary shares of 0.025p each. Details relating to the Company's issued share capital can be found in the Notes to the Financial Statements.

Ordinary shareholders are entitled to receive notice of, and to attend and speak at, any general meeting of the Company. Every shareholder present in person or by proxy (or being a corporation represented by a duly authorised representative) shall have one vote on a show of hands.

Other than the general provisions of the Articles of Association (and prevailing legislation), there are no specific restrictions on the size of a holding or on the transfer of the ordinary shares.

Going concern

The Directors have prepared cash flow forecasts under a number of scenarios, including plausible downside scenarios, for the foreseeable future, being a period of at least 12 months from the expected date of approval of the financial statements and continue to evaluate financial forecasts. The models are underpinned by a high percentage of forecast revenues up to December 2025 being based on committed milestone-based contracts. The Group continues to focus on partnering with other Companies to develop products for manufacture and transition these in a timely manner and securing sales of existing and new products through its websites and distribution channels.

The Board is satisfied that based on current forecasts, there is sufficient headroom and concluded that it is appropriate to prepare the Annual Report and Accounts on a going concern basis.

Directors' Report (continued)

Auditor

In accordance with the Group's Articles and Section 491 Companies Act 2006, at the Annual General Meeting in which these financial statements are presented the Board intend to put forward a resolution recommending that BDO LLP be reappointed as auditor of the Group.

Statement of disclosure to auditor

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

Annual General Meeting

The Company's Annual General Meeting is scheduled to be held in November 2024. The Notice of 2024 Annual General Meeting, including the resolutions to be proposed, will be set out in a separate Notice of Meeting which will be published in due course and made available on the Group's website.

The Directors' Report, which has been prepared in accordance with the requirements of the Companies Act 2006, has been approved by the Board on 7 October 2024 and signed on its behalf by:

Mr Chris Yates
Director
Date: 7 October 2024

Directors’ Responsibilities Statement

The Directors are responsible for preparing the Annual 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 Group financial statements in accordance with UK adopted international accounting standards, and the Company financial statements in accordance with FRS 101 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, 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 Group and Company will continue in business.

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

Website publication

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

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Directors' Responsibilities Statement (continued)

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Independent Auditor's Report to members of Abingdon Health plc

Opinion on the financial statements

In our opinion:
- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Abingdon Health plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a sum
of material accounting policy information.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* (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 remain 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.

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 and examining the Board's going concern assessment, alongside supporting forecasts for the period to June 2026, which is at least twelve months from when the financial statements are authorised for issue;
- Verifying the arithmetical accuracy and integrity of such forecasts;
- Review of the Directors' methodology including the relevance and reliability of the underlying data used to make the assessment, and whether assumptions and changes to assumptions from prior years are appropriate and consistent with each other;
- Challenging the Directors' assumptions, such as revenue pipeline, as used in the forecast period through review of historical forecasting accuracy, comparing forecasts to post year end results, cost performance, current business trends and pipeline;
- Considering Directors' probable scenarios of sensitivities, to understand the robustness of the forecast trading model and the headroom available to the Group and the Parent Company;
- Review of the available cash and financing facilities within the Group (including period of availability of facilities), and evaluation of the Directors' downside sensitivities on cash flow headroom (including relevant mitigating actions); and
- Review of the disclosures made in the financial statements. We assessed whether these adequately disclose and are consistent with the basis of the judgements taken and the view formed by the Directors with respect to going concern.

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 and 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.

Overview

Coverage	*93% (2023: 100%) of Group loss before tax* *98% (2023: 100%) of Group revenue* *96% (2023: 100%) of Group total assets*		
Key audit matters		2024	2023
	Going Concern	☐	☑
	Valuation of assets in the Acquisition of IVDeology	☑	☐

	Going Concern is no longer considered to be a key audit matter having regard to the fund raising which raised £5.6m (£5.1m net of expenses) from institutional and retail investors post year end as set out in the going concern accounting policy in note 1.3 to the financial statements.
Materiality	*Group financial statements as a whole* £120k (2023: £70.5k) based on 2% (2023: 1.75%) of total revenue (2022: 1.75% of total revenue – refer to ‘Our application of materiality section below for details.

An overview of the scope of our audit

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

The Parent Company and Forsite Diagnostics Limited were considered to be significant components and were subject to a full scope audit by the Group engagement team, covering 98% of the total revenue and 93% of total loss before tax of the Group for the year.

The financial information of the non-significant components (being Molecular Vision Limited, Serascience Limited, IVDeology Holdings Limited, IVDeology UKRP Limited and IVDeology Limited), were subject to specific audit procedures and relevant analytical procedures performed by the Group engagement team. These non-significant components accounted for 1% of the total revenue for the year and 7% of the loss before tax of the Group for the year.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that 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 the scope of our audit addressed the key audit matter**
Valuation of assets in the Acquisition of IVDeology	On the 3rd May 2024 Abingdon Health plc acquired IVDeology Holdings Limited and its subsidiaries, IVDeology UKRP Limited and IVDeology Limited. We have	We have obtained a detailed understanding of the acquisition of IVDeology that took place in May 2024. Our detailed procedures included the following:

The Group has included details of the acquisition in notes 15 and 27 to the financial statements.	assessed there to be a risk around the valuation of acquired assets (including goodwill and intangible assets) and assumed liabilities. We have therefore identified the valuation of assets in the acquisition of IVDeology as a significant risk and a key audit matter.	• Obtaining and reviewing the key terms and conditions of the Sale and purchase agreement (SPA). • Obtaining the Purchase Price Allocation report which included the identification and valuation of separable and identifiable intangible assets arising as a result of the acquisition, • Assessing the accuracy and completeness of opening net assets identified, calculations of equity consideration and goodwill, and ensuring that the key terms and conditions of the SPA are consistently applied and acquisition accounting is reasonable and appropriate. • Agreed the correct accounting treatment of for earn-out consideration element of SPA as post-acquisition remuneration services rather than initial consideration. • Engaged auditor's experts to review the inputs, assumptions and methodology used in the valuation of intangibles and goodwill calculation, and performed sensitivity analysis on these inputs and assumptions to ensure these are materially reasonable and appropriate. • Ensuring the accuracy, reasonableness and achievability of the forecasts used in the calculation of intangible assets. • Assessing whether the useful economic life given to the intangible assets are appropriate and in line with expectations, and determined whether the amortisation for the period has been correctly calculated. • Ensure that Deferred tax liability is recognised correctly and disclosure requirements of International Financial Reporting Standards are complied.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

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

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

	Group financial statements		**Parent company financial statements**	
	2024 £k	2023 £k	2024 £k	2023 £k
Materiality	120	70.5	31.5	36.7
Basis for determining materiality	2% of total revenue	1.75% of total revenue	1.5% of total assets	52% of Group financial statement materiality
Rationale for the benchmark applied	We considered revenue to be the most appropriate measure of performance and basis for determining materiality, given the business model change and full implementation of this in the prior year.	We considered revenue to be the most appropriate measure of performance and basis for determining materiality, given the business model change and full implementation of this in the current year.	We considered total assets to be the most appropriate measure of performance and basis for determining materiality, given the high level of assets held on the balance sheet and little P&L activity.	Calculated as a percentage of Group materiality given the assessment of aggregation risk.
Performance materiality	90	45.8	23.6	23.8
Basis for determining performance materiality	75% (2023: 65%) of materiality			
Rationale for the percentage applied for performance materiality	Based upon the Parent Company being listed on AIM, a limited number of areas subject to estimation uncertainty, history of misstatements and management's attitude to correcting any proposed adjustments.			

Component materiality

Component materiality for the significant component other than the Parent Company, whose materiality is set out above, was determined based on size and our assessment of the risk of material misstatement of that component. Component materiality for this significant component was determined based upon 93% (2023: 96%) of Group materiality, being a function of a revenue metric based Group materiality (2022: revenue metric based). We further applied performance materiality levels of 75% (2023: 65%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated. This component financial statement materiality and performance materiality was £112k and £84k (2023: 68k and £44.2k) respectively.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £4,800 (2023: £2,115). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual 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

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	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. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to report by exception	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, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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:

Non-compliance with laws and regulations

Based on our understanding of the Group and the industry in which it operates; discussion with management and those charged with governance; and obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations we considered the significant laws and regulations to be the applicable reporting frameworks, UK Companies Act 2006, UK tax legislation and AIM Listing Rules.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation and GDPR legislation.

Our procedures in respect of the above included:

- Discussions with management including those charged with governance, inquiring specifically as to whether there were any known or suspected instances of non-compliance with laws and regulations;
- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;

- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.
- Involvement of tax specialists in the audit.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls through journal postings.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a random sample of journal entries from the residual population to ensure our risk criteria had been defined correctly; and
- Assessing significant estimates made by management for bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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: 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.

Daniel Wilbourn (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Leeds, UK
7 October 2024

Signed by:
Daniel Wilbourn
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BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Statement of Comprehensive Income
For the Year Ended 30 June 2024

	Notes	Year ended 30 June 2024 £'000	Year ended 30 June 2023 as restated £'000
Revenue	**3**	6,135	4,045
Cost of sales		(2,456)	(1,970)
Gross profit		3,679	2,075
Administrative expenses		(5,070)	(5,220)
Other income	**4**	259	252
Adjusted EBITDA (before adjusting items)		(1,132)	(2,893)
Amortisation	**13**	(27)	(29)
Depreciation	**14**	(399)	(659)
Impairment charges	**5**	-	(86)
Share based payment expense	**25**	(48)	(28)
Non-recurring legal, professional and fundraising fees	**5**	(32)	(33)
Non-recurring redundancy costs and termination awards	**7**	(108)	(162)
Lease modification	**14**	-	390
Other exceptional costs	**5**	-	(88)
Gain on settlement	**5**	373	-
Operating loss	**5**	(1,373)	(3,588)
Finance income	**8**	31	89
Finance costs	**9**	(57)	(75)
Loss before taxation		(1,399)	(3,574)
Taxation credit	**10**	128	105
Loss for the financial period		(1,271)	(3,469)
Other comprehensive income for the year net of tax		-	-
Total comprehensive loss for the year		(1, 271)	(3,469)
Attributable to:			
Equity holders of the parent		(1, 271)	(3,469)
Basic losses per share (pence)	**12**	(0.42)	(1.14)
Diluted losses per share (pence)	**12**	(0.42)	(1.14)

All operations are in respect of continuing activities.

Adjusted EBITDA defined as Earnings before interest, tax, depreciation, amortisation and one-off costs as outlined above, is a non-GAAP measure used by management and is not an IFRS disclosure.

The notes on pages 49 to 94 form part of these financial statements.

Consolidated Statement of Financial Position
As at 30 June 2024

	Notes	30 June 2024 £'000	30 June 2023 as restated £'000	30 June 2022 as restated £'000
Non-current assets				
Goodwill	**13**	379	-	-
Other intangible assets	**13**	153	90	36
Property, plant, and equipment	**14**	997	1,257	1,840
Investment	**15**	13	-	-
		1,542	1,347	1,876
Current assets				
Inventories	**16**	441	329	534
Trade and other receivables	**17**	1,466	1,147	7,844
Income tax receivable		201	50	183
Cash and cash equivalents		1,440	3,236	2,397
		3,548	4,762	10,958
Total assets		5,090	6,109	12,834
Current liabilities				
Trade and other payables	**18**	1,704	2,033	5,059
Borrowings	**19**	-	-	115
Obligations under leases	**20**	120	87	150
		1,824	2,120	5,324
Non-current liabilities				
Borrowings	**19**	722	708	435
Obligations under leases	**20**	207	224	580
Provisions	**21**	88	85	82
		1,017	1,017	1,097
Deferred tax liabilities	**23**	-	-	-
Total liabilities		2,841	3,137	6,421
Net assets		2,249	2,972	6,413
Equity				
Attributable to owners of the parent:				
Share capital	**25**	77	76	76
Share premium		30,808	30,309	30,309
Share based payment reserve	**26**	124	80	153
Accumulated deficit		(28,760)	(27,493)	(24,125)
Total equity		2,249	2,972	6,413

The notes on pages 49 to 94 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 7 October 2024 and are signed on its behalf by:

Mr C Yates
Director

Company Registration No. 06475379

Company Statement of Financial Position
As at 30 June 2024

	Notes	30 June 2024 £'000	30 June 2023 as restated £'000	30 June 2022 as restated £'000
Non-current assets				
Other intangible assets	**13**	9	17	21
Property, plant and equipment	**14**	689	892	1,108
Investment in subsidiaries	**15**	517	-	-
Investment in associates	**15**	13	-	-
		1,228	909	1,129
Current assets				
Inventories	**16**	36	49	-
Trade and other receivables	**17**	440	1,466	7,245
Income tax receivable		19	-	183
Cash at bank and in hand		378	1,748	1,454
		873	3,263	8,882
Total assets		2,101	4,172	10,011
Creditors: amounts falling due within one year				
Trade and other payables	**18**	843	864	1,576
Borrowings	**19**	-	-	115
Obligations under leases	**20**	109	87	150
		952	951	1,841
Net current assets		(79)	2,312	7,041
Total assets less current liabilities		1,149	3,221	8,170
Creditors: amounts falling due after one year				
Borrowings	**19**	722	708	435
Obligations under leases	**20**	166	224	580
Provisions	**21**	88	85	82
		976	1,017	1,097
Total liabilities		1,928	1,968	2,938
Net assets		173	2,204	7,073
Capital and reserves				
Share capital	**25**	77	76	76
Share premium		30,808	30,309	30,309
Share based payment reserve		124	80	153
Accumulated deficit		(30,836)	(28,261)	(23,465)
Total capital and reserves		173	2,204	7,073

The Company's loss after taxation for the year was £2,580,362 (2023 – £4,897,533, as restated).

The notes on pages 49 to 94 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 7 October 2024 and are signed on its behalf by:

Mr C Yates
Director

Company Registration No. 06475379

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2024

	Share Capital	Share premium	Share based payment reserve	Accumulated deficit	Total equity attributable to owners of the parent
	£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2022 (as restated)	76	30,309	153	(24,125)	6,413
Year ended 30 June 2023:					
Profit and loss	-	-	-	(3,469)	(3,469)
Total comprehensive loss for the year	-	-	-	(3,469)	(3,469)
Other movements:					
Share option expense	-	-	28	-	28
Share options exercised	-	-	(4)	4	-
Share options cancelled	-	-	(97)	97	-
Balance at 30 June 2023 (as restated)	76	30,309	80	(27,493)	2,972
Year ended 30 June 2024:					
Profit and loss	-	-	-	(1,271)	(1,271)
Total comprehensive loss for the year	-	-	-	(1,271)	(1,271)
Other movements:					
Issue of shares	1	499	-	-	500
Share option expense (note 26)	-	-	32	-	32
Earn-out consideration classified as share-based payment	-	-	16	-	16
Share options cancelled	-	-	(4)	4	-
Balance at 30 June 2024	77	30,808	124	(28,760)	2,249

The notes on pages 49 to 94 form part of these financial statements.

Company Statement of Changes in Equity
For the Year Ended 30 June 2024

	Share capital	Share premium	Share based payment reserve	Accumulated deficit	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2022 (as restated)	76	30,309	153	(23,465)	7,073
Year ended 30 June 2023:					
Profit and loss (as restated)	-	-	-	(4,897)	(4,897)
Total comprehensive loss for the year (as restated)	-	-	-	(4,897)	(4,897)
Other movements:					
Share option expense (note 26)	-	-	28	-	28
Share options vested	-	-	(4)	4	-
Share options cancelled	-	-	(97)	97	-
Balance at 30 June 2023	76	30,309	80	(28,261)	2,204
Year ended 30 June 2024:					
Profit and loss	-	-	-	(2,580)	(2,580)
Total comprehensive loss for the year	-	-	-	(2,580)	(2,580)
Other movements:					
Issue of shares	1	499	-	-	500
Share option expense (note 26)	-	-	32	-	32
Earn-out consideration classified as share-based payment	-	-	16	-	16
Share options cancelled	-	-	(4)	4	-
Balance at 30 June 2024	77	30,808	124	(30,836)	173

The notes on pages 49 to 94 form part of these financial statements.

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2024

	30 June 2024 £'000	30 June 2023 As restated £'000
Cash flows from operating activities:		
Loss for the year	(1,271)	(3,469)
Adjustments for:		
Other income	(255)	(252)
Net finance cost/(income)	26	(14)
Tax credit	(128)	(105)
Amortisation and impairment of intangible assets	27	29
Share-based payment expenses	48	28
Depreciation and impairment of property, plant and equipment	399	745
Loss on sale of property, plant and equipment and intangible assets	33	-
Changes in working capital:		
(Increase)/decrease in inventories	(112)	205
(Increase)/decrease in trade and other receivables	(297)	6,647
Decrease in trade and other payables	(335)	(3,180)
Cash generated (used in)/from operations	(1,865)	634
Interest paid (including leases)	(25)	(48)
Income taxes received	231	325
Insurance claim proceeds	-	2
Net cash (outflow) / inflow from operating activities	(1,659)	913
Interest received	31	89
Purchase of intangible assets	(6)	(82)
Purchase of property, plant and equipment	(35)	(75)
Proceeds on disposal of property, plant and equipment	-	1
Acquisition of other investments	(13)	-
Net cash used in investing activities	(23)	(67)

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2024

	30 June 2024 £'000	30 June 2023 £'000
Financing activities		
Cash withheld for SAYE scheme	-	(1)
Proceeds from new bank loans and borrowings	-	250
Payment of loans	-	(115)
Payment of lease obligations	(114)	(141)
Net cash used in from financing	(114)	(7)
Net (decrease)/increase in cash and cash equivalents	(1,796)	839
Cash and cash equivalents at beginning of the year	3,236	2,397
Cash and cash equivalents at end of the year	1,440	3,236
Recognised in the Statement of Financial Position as:		
Cash at bank and in hand	1,369	3,236
Restricted cash	71	-
	1,440	3,236

The Group holds the sum of £70,628 in trust in a separate interest-bearing account on behalf of an original shareholder in Molecular Vision from whom Abingdon Health acquired its shares in Molecular Vision in 2014.

Abingdon has been unable to transfer this consideration to the original shareholder and has been advised by its legal advisers that the consideration needs to be held in a separate account for a period of 12 years (until November 2026) and at this time, if the transfer to the shareholder has not been made, the consideration will be paid into court.

The notes on pages 49 to 94 form part of these financial statements.

Note to the Cash Flow Statement

	1 July 2022	Cashflows	Non-cash movements				30 June 2023
			Lease additions	Lease disposal	Transfer	Accrued interest	
Short term borrowings	115	(115)	-	-	-	-	-
Long term borrowings	435	250	-	-	-	23	708
Lease liabilities	730	(141)	-	(305)	-	27	311
	1,280	(6)	-	(305)	-	50	1,019

	1 July 2023	Cashflows	Lease additions	Lease Reassess-ment	Transfer	Accrued interest	30 June 2024
Long term borrowings	708	-	-	-	-	14	722
Lease liabilities	311	(114)	53	57	-	20	327
	1,019	(114)	53	57	-	34	1,049

The notes on pages 49 to 94 form part of these financial statements.

1. Accounting policies

Company information
Abingdon Health plc ("the Company") is a public limited company domiciled and incorporated in England and Wales. The Company is quoted on the London Stock Exchange's Alternative Investment Market ("AIM"). The registered office is York Biotech Campus, Sand Hutton, York, YO41 1LZ. The consolidated financial information (or "financial statements") incorporates the financial information of the Company and entities (its subsidiaries) controlled by the Company (collectively comprising the "Group").

The principal activity of the Group is to develop, manufacture and distribute diagnostic devices and provide consultancy services to businesses in the diagnostics sector.

1.1 Accounting convention

The Group financial statements have been prepared in accordance with UK adopted international accounting standards ("IFRS").

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). Under this it has taken advantage of the following disclosure exemptions:

(a) the requirements of IFRS 7 Financial Instruments: Disclosure, on the grounds that equivalent disclosures for financial instruments are presented in the group accounts of Abingdon Health plc;
(b) the requirements of IAS 7 Statement of Cash Flows to present a statement of cash flows;
(c) the requirements of IAS 24 Related Party Disclosures to disclose related party transactions and balances between two or more members of a group;
(d) the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(q)(ii), B66 and B67 of IFRS 3 'Business Combinations', for which equivalent disclosures are included in the group accounts of Abingdon Health plc;
(e) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
(i) paragraph 79(a)(iv) of IAS 1;
(ii) paragraph 73(e) of IAS 16 'Property, Plant and Equipment'; and
(iii) paragraph 118(e) of IAS 38 'Intangible Assets'.
(f) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 'Presentation of Financial Statements; and
(g) the requirements of 'paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 'Impairment of Assets'.

The financial statements are prepared in pounds sterling, which is the functional currency of the parent Company. Monetary amounts in these financial statements are rounded to the nearest £1,000.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

As permitted by s408 Companies Act 2006, the Company has not presented its own Statement of Comprehensive Income. The Company's loss for the year was £2,580,362 (2023 – £4,897,533, as restated).

The principal accounting policies adopted in the preparation of the consolidated financial information are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying

1. Accounting policies (continued)

the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

1.2 Basis of consolidation

The Group financial information consolidates those of the Company and the subsidiaries that the Company controls, and incorporates the results, assets, liabilities, and cash flows of the company and each of its subsidiaries for the financial year ended 30 June 2024.

Where a subsidiary undertaking is acquired/disposed of during the year, the consolidated profits or losses are recognised from/until the effective date of the acquisition/disposal. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

All inter-company balances and transactions between group companies have been eliminated on consolidation. Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by the Group.

The Group applies the acquisition method of accounting for business combinations enacted after the date of creation of the Group following incorporation of Abingdon Health plc, as detailed further below. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair value of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquired subsidiary's financial information prior to the acquisition. Assets acquired and liabilities assumed are measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the fair value of consideration transferred, over the Group's share of the acquisition-date fair values of identifiable net assets.

1.3 Going concern

Since the end of the last financial year, the Group completed a fundraising which raised £5.6m (£5.1m net of expenses) from institutional and retail investors. The Group remains focused on growing its CRO/CDMO revenues and continuing to maintain control over this operational cost base in order to reduce the Group's cashburn.

The Directors have prepared cash flow forecasts under a number of scenarios. The budget is the base case scenario and this is sensitised to consider plausible downside scenarios for example significantly reducing revenue growth in the next fiscal year.

These forecasts cover a period of at least 12 months from the expected date of approval of the financial statements and the Business continues to evaluate financial forecasts on a regular basis. The focus of the group remains on expanding its fee for service CRO/CDMO model and any increase in headcount and/or operational footprint will be on the basis of an increase in the number of secured contracts, revenue and cash inflows. At 30 June 2023 the bank balance was £1.4m. Cash as at 4 October 2024 was £4.5m. The Board is satisfied that based on the above and the current forecasts, there is sufficient headroom and concluded that it is appropriate to prepare the Annual Report and Accounts on a going concern basis.

The Directors have prepared the cashflow forecasts.

1. Accounting policies (continued)

1.4 Revenue

The Group applies IFRS 15 'Revenue from contracts with customers'. Under IFRS 15, the Group applies the 5-step method to identify contracts with its customers, determine performance obligations arising under those contracts, set an expected transaction price, allocate that price to the performance obligations, and then recognises revenues as and when those obligations are satisfied.

Product sales and Contract Manufacturing
Goods are supplied under contracts where the key performance criteria for the Group are the manufacturing and delivery of the products. The fair value of the revenue, being the price per unit net of volume discounts and sales taxes, are recognised as revenue at the point of transfer of control to the customer, which is typically on dispatch from the Group's premises. Product sales include a range of rights to return, which are accrued as appropriate where expected to be utilised by the customer.

Contract Development
Contract Development services typically represent a rate for a period of work with demonstrable milestones. Where milestones are met, these will typically trigger an additional stage of work, or alternatively will become a stop point for the contract. This milestone is the risk of the end customer. The Group therefore breaks down these milestone payments and recognises revenue over time based on a proportion of completion basis, using its judgement as to the stage of completion of the contract through to the point of completion of that milestone.

Although Contract Development services typically cover a period of several weeks or months, the pricing of this is typically set on a day rate as opposed to any milestone or percentage of completion approach. As such, the performance obligations are considered to be availability of staff to fulfil each day's work, as opposed to the overall contract qualifying as a long-term contract.

Revenues are therefore recognised at a point in time on the day that each unit of contract development is provided, or the day that a member of staff has been utilised, at the day rate agreed on that particular contract. Where contracts include significant uncertainties as to the technical feasibility of outcome, the revenue recognition is deferred until such time as the Group has reasonable certainty as to the likely success of the development work. As the contracts typically involve the transfer of knowledge, and as any intellectual property created is owned by the customer, the Directors do not consider that there is any deferred element to the provision of staff.

A contract liability does, however, arise where services are invoiced in advance of performance, or where a customer makes payment in advance of an invoice being raised and work being performed. The amount is released to the profit or loss in subsequent periods in reference to utilisation of staff at the prevailing day rate. A contract receivable arises where services are performed, and a sales invoice is not raised before the reporting period end.

Regulatory
Regulatory services provides customers with support in meeting compliance requirements in international IVD and medical device markets. The Group therefore recognises revenue over time as the service is provided.

1.5 Research and development expenditure credits

Where the Group receives research and development expenditure credits ("RDEC") the account for these as government grant income within operating income as it more closely aligns with grant income as opposed to a taxation credit. The income is recognised on the performance model under IAS 20 'Accounting for Government Grants and Disclosures'.

1. Accounting policies (continued)

1.6 Inventory

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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

1.7 Intangible fixed assets – goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identifiable and separately recognised. See note 13 for information on how goodwill is initially determined. After initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is tested annually for impairment. See note 13 for a description of impairment testing procedures.

Impairment losses are immediately recognised in profit or loss and are not subsequently reversed. Tests have been undertaken using commercial judgements and a number of assumptions and estimates have been made to support the carrying amount, assessed against discounted cash flows.

1.8 Intangible fixed assets other than goodwill

Intangible assets are initially measured at cost. Where intangible assets are acquired as part of a business combination, cost is determined by reference to a fair value estimation technique as disclosed further in note 2. After initial recognition, intangible assets are recognised at cost less any accumulated amortisation and any accumulated impairment losses.

The depreciable amount of an intangible asset with a finite useful life is allocated on a systematic basis over its useful life.

Amortisation begins when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation is charged to administrative expenses in the Consolidated Statement of Comprehensive Income.

The amortisation period and the amortisation method for intangible assets with a finite useful life is reviewed each financial period-end. If the expected useful life of the asset is different from previous estimates, the amortisation period is changed accordingly. Useful lives are typically amortised on the following basis:

1. Accounting policies (continued)

1.8 Intangible fixed assets other than goodwill (continued)

Patents and Trademarks	10% straight line
Website Costs	20%-25% straight line
Development Costs	10% straight line / length of associated commercial contract
Brand	20% straight line
Customer Relationships	25% straight line

Research expenditure is written off against profits in the year in which it is incurred. Development costs incurred on specific projects are capitalised when all the following conditions are satisfied:

- completion of the intangible asset is technically feasible so that it will be available for use or sale;
- the Group intends to complete the intangible asset and use or sell it;
- the Group has the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits;
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Development costs not meeting the criteria for capitalisation detailed above are expensed as incurred.

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Directly attributable costs include employee (other than directors) costs incurred on development and directly attributable overheads. The costs of internally generated software developments are recognised as intangible assets.

Capitalised development costs are amortised over a period which is usually no more than five years. Amortisation commences once an asset is available for use, in line with IAS 38.

1.9 Property, plant and equipment

Property, plant and equipment are recognised as an asset only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost. Cost of an item of property, plant and equipment comprises the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

After recognition, all property, plant and equipment are carried at costs less any accumulated depreciation and any accumulated impairment losses.

1. Accounting policies (continued)

1.9 Property, plant and equipment (continued)

Depreciation is provided at rates calculated to write down the cost of assets, less estimated residual value, over their expected useful lives on the following basis:

Plant and machinery	20%-33% straight line
Office equipment	33% straight line
Leasehold improvements	Life of the lease

Assets under construction are capitalised at cost within the appropriate category as described above, but are not depreciated until completed and brought into use.

The residual value and the useful life of an asset are reviewed at least at each financial period-end and if expectations differ from previous estimates, the changes are accounted for prospectively.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying value of the asset and are recognised in profit or loss.

1.10 Non-current investments

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and has significant influence. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the Group has an investment and does not have significant control over are classified as non-current investments and carried at fair value through profit and loss.

1.11 Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash flows. As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated 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 asset or cash-generating unit is impaired when its carrying amount exceeds its recoverable amount. The recoverable amount is measured as the higher of fair value less cost of disposal and value in use. The value in use is calculated as being net projected cash flows based on financial forecasts discounted back to present value. This present value is discounted using a pre-tax rate that reflects current market assessments of the time value of money and of the risks specific to the asset for which future cash flow estimates have not been adjusted. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognised as an impairment loss.

The impairment loss is allocated to reduce the carrying amount of the asset, first against the carrying amount of any goodwill allocated to the cash-generating unit, and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1. Accounting policies (continued)

1.11 Impairment of non-financial assets (continued)

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

1.12 Financial instruments

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and restricted cash deposits.

Financial assets
Financial assets are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

Financial assets measured at fair value through profit or loss are recognised initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost
Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g., trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment if necessary.

This category applies to trade and other receivables due from customers in the normal course of business. Trade and other receivables are initially recorded at fair value and thereafter are measured at amortised cost using the effective interest rate.

The group classifies its financial assets as at amortised cost only if both of the following criteria are met:

(i) the asset is held within a business model with the objective of collecting the contractual cash flows; and
(ii) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Impairment of financial assets
Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

1. Accounting policies (continued)

1.12 Financial instruments (continued)

Impairment of financial assets (continued)
The Group applies a forward-looking model of IFRS 9 to create an estimation of the expected credit losses arising in the next year on its financial assets, using an expectation derived from historical irrecoverable percentages as adjusted for predicted credit risk adjustments arising through forecast market changes.

If an asset is impaired, the impairment loss is the difference between the carrying value 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.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities
The Company recognises financial debt when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss
Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit taking; or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities
Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method.

For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

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

1. Accounting policies (continued)

1.12 Financial instruments (continued)

1.13 Equity instruments

Share premium represents the excess consideration received over share capital upon the sale of shares, less any incidental costs of issue.

Share based payment reserve relates to amounts recognised at the fair value of share options in accordance with IFRS 2.

Retained earnings include all current and prior period retained profits.

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

The fair value of equity-settled share-based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the Group's estimate of shares or options that will eventually vest. Full disclosure of the calculation models is given in note 26.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax, and excludes amounts recognised in respect of RDEC income as explained in note 1.5.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). However, for deductible temporary differences associated with investments in subsidiaries a deferred tax asset is recognised when the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities, calculated on an undiscounted basis, are offset only when there is a legally enforceable right to set off current tax amounts and when they relate to the same tax authority and the Group intends to settle its current tax amounts on a net basis.

1. Accounting policies (continued)

1.14 Taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current and deferred tax are recognised in the profit or loss except when they relate to items recognised directly in equity, when they are similarly taken to equity.

1.15 Provisions

Provisions are recognised when the Group has a legal or constructive present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision in measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets. 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.

1.17 Share-based payment

The fair value of equity-settled share-based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the Group’s estimate of shares or options that will eventually vest. Full disclosure of the calculation models is given in note 26.

All equity-settled share-based payments are ultimately recognised as an expense in the profit or loss with a corresponding credit to “Share based payment reserve”. If vesting periods or other non-market 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. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period.

No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

1.18 Leases

Under IFRS 16, leases are accounted for on the right of use model. At inception, the Company assesses whether a contract contains a lease. This assessment involved the exercise of judgement

1. Accounting policies (continued)

about whether the Company obtains substantially all the economic benefits from the use of that asset, and whether the Company has the right to direct the use of the asset.

The Group identifies a lease as follows:

- At inception of a contact the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset the Group assesses whether:

i) the contract involves the sole use of a specific identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
ii) the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
iii) the Group has the right to direct the use of the asset.

- As a lessee the Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee’s incremental borrowing rate relevant to the asset.

The lessee uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise fixed payments. The Group does not make other types of payment referred to in IFRS 16 for its leases.

Generally, the lease liability represents the present value of contractual future lease payments including optional renewal periods where the Group is reasonably certain to exercise the extension option. The Group does not typically enter into purchase options or variable lease payments.

The lease liability is measured at amortised cost using the effective interest method. The Group presents right-of-use assets that do not meet the definition of investment property in ‘Property, plant and equipment’ and discloses the corresponding “Lease liability” in the statement of financial position. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets which it defines as having a purchase cost of £5,000. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1. Accounting policies (continued)

1.19 Government grants and other government assistance

Government grants shall be recognised when there is reasonable assurance that:
(a) the entity will comply with the conditions attaching to them; and
(b) the grants will be received.

Grants related to income are presented as part of profit or loss and are deducted in reporting the related expense. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as an expense the related costs for which the grants are intended to compensate.

1.20 Non-recurring income and costs

The Group seeks to highlight certain items as exceptional operating income or costs. These are considered to be exceptional in size, frequency and/or nature rather than indicative of the underlying day to day trading of the Group. These may include items such as acquisition costs, restructuring costs, obsolescence costs, employee exit and transition costs, legal costs, profits or losses on the disposal of subsidiaries, and loan impairments. All of these items are charged or credited before calculating operating profit or loss.

The Directors apply judgement in assessing the particular items, which by virtue of their size and nature are disclosed separately in the Statement of Comprehensive Income and the notes to the financial statements as non-recurring income and costs. The Directors believe that the separate disclosure of these items is relevant to understanding the Group's financial performance.

1.21 Standards, amendments & interpretations in issue and adopted for the first time

The current standards, amendments and interpretations have been adopted in the year and have not had a material impact on the reported results in the Group's financial statements:

- Amendments to IAS 12 – Internation Tax Reform, Pillar two Model Rules.
- Deferred Tax related to Assets and Liabilities arising from a single Transaction (amendments to IAS 12.
- IFRS 17 Insurance Contracts, Amendments to IFRS 17, Initial application of IFRS 17 and IFRS 9 – Comparative Information.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practise Statement 2).
- Definition of an Accounting Estimate (Amendments to IAS 8).

1. Accounting policies (continued)

1.21 Standards, amendments & interpretations in issue and adopted for the first time (continued)

At the authorisation of these financial statements, the Group has not applied the following new and revised standards that have been issued but are not effective yet. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

	Effective date – period beginning on or after
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024
Amendments to IAS 1 Presentation of Financial Statements • Non-current liabilities with Covenants • Deferral of Effective Date Amendment (published 15 July 2020) • Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) (published 23 January 2020)	1 January 2024
• Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024
• Lack of exchangeability (Amendments to IAS 21)	1 January 2025

2. Judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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 and in any future periods affected.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Right of use asset recognition
Management have assessed each lease liability for recognition under IFRS 16 and recognised a right of use asset where appropriate. Further explanation of this judgement is provided in note 1.19.

One lease includes a material component of service charge by comparison to the headline rental payments, where this service charge partially covers shared areas and facilities which would normally form part of a rental price. The Directors have applied judgement in splitting out a rent-like component from the service charge of £12,000 which qualifies for capitalisation as a right of use asset. In the current year the lease was reassessed due to an inflationary rental increase, the accounting estimate has been applied consistently.

Revenue recognition
In line with IFRS 15 management are required to determine appropriate revenue recognition points for all revenue streams. Where multiple contracts are entered into with a single counterparty any instalment payments are not considered to be a key indicator of the satisfaction of a performance obligation, although linked contracts with a counterparty are considered in conjunction when identifying the appropriate point for revenue recognition.

Deferred consideration
A portion of the consideration for the acquisitions in the year was a contingent deferred consideration. Under IFRS 3 the 'earn-out' contingent deferred consideration has been treated as employee remuneration. The earn-out is payable in 2 years and is dependent on cumulative revenue. Management are very confident that this will be payable, particularly with reference to expected revenue synergies. Accordingly, a discount rate akin to a borrowing rate has been applied.

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

Valuation and impairment of cash generating units (including goodwill)
The Group completed the acquisition of IVDeology Holdings Limited during the financial year. As such a purchase price allocation exercise was carried out in order to determine fair values of the intangible assets acquired. The key areas of judgements in the purchase price allocation were the underlying forecasts, growth rates, attrition rates and discount rates.

Goodwill is tested annually for impairment as part of a cash generating unit ("CGU"). The test considers future cash flow projections of each CGU on a group basis, as the group as a whole is considered to be a single CGU. In the current year, two tests have been performed, a discounted cash flow model and a value-in-use model, which have both approximated to the same value.

2. Judgements and key sources of estimation uncertainty (continued)

Where the discounted cash flows are less than the carrying value of the CGU, an impairment charge is recognised for the difference, which for the prior year is shown in note 5. Further analysis of the estimates, judgements and sensitivities in the estimates are disclosed in note 13.

Useful lives and impairment of intangible assets
The Group have estimated the expected useful lives of intangible assets arising from acquisitions based on qualitative and quantitative data. For identifiable intangible assets arising on acquisition of a business, the useful lives are determined based on the lower end of benchmark data. Details of these amortisation rates are set out in the accounting policies. Useful lives are regularly reviewed and should management's assessment of useful lives change then amortisation charges in the financial statements would be adjusted and carrying amounts of intangible assets would change accordingly.

Dilapidations
The group have estimated a dilapidation provision that will fall due at the end of their operating lease term. The provision is an estimate and has been calculated by predicting both a wear and tear and capital element. The provision is discounted to its net present value as at the financial year end (note 21).

3. Revenue

IFRS 8, Operating Segments, requires operating segments to be identified on the basis of internal reports of the Group that are regularly reviewed by the Group's chief operating decision maker. The chief operating decision maker of the Group is considered to be the Board of Directors.

The Group has the following operating segments:

- Contract Development: this comprises milestone-based development work for third parties and is recognised over time based on a proportion of completion.
- Contract Manufacturing: this comprises contract development and manufacturing activities. Revenues from this typically arise based on a daily consultancy as opposed to a long-term contract and as such revenue is typically recognised on the day of completion of each element of contract work. This is recognised over time, although based on defined and short periods of services being provided.
- Product Sales: this comprises the sale of AbC-19™, Pocket Diagnostic products, PCRD tests and antibodies for research use, and associated carriage income. This is recognised at a point in time.
- Regulatory: provides customers with support in meeting compliance (Quality/Regulatory/Clinical/Analytical Lab) requirements in international IVD and medical device markets.

Due to the specific nature of the Group's market, each component of revenue naturally falls within one of these segments. The operating segments are monitored by the Group's chief operating decision maker and strategic decisions are made on the basis of adjusted segment operating results. All assets, liabilities and revenues are located in, or derived in, the United Kingdom.

Margins, overheads and balance sheet items are not broken down into the operating segments but are reviewed on a consolidated basis as presented in the Consolidated Income Statement. Accordingly no analysis of costs by division is presented on the grounds that the Group does not collate or record information on a segmental basis and as such any split would be based on arbitrary allocations.

In 2024 there was one major client that individually accounted for at least 10% of total revenues (2023: three clients). The revenues relating to these clients in 2024 was £0.62m (2023: £1.97m). These clients include £0.41m (2023: £0.14m) in the Contract development segment, £0.21m (2023: £nil) in the regulatory segment and £nil (2023: £1.83m) in the product sales segment.

3. Revenue (continued)

Segmental analysis of revenue *(and goodwill CGU if applicable, see note 13)*

	2024 £'000	2023 £'000
Product sales	650	418
Contract manufacturing	1,258	1,058
Contract development	3,327	2,301
Regulatory	900	268
Total revenue from contracts with customers	6,135	4,045

Revenue analysed by geographical market

	2024 £'000	2023 £'000
United Kingdom	2,538	1,307
Europe (excluding Belgium)	737	1,179
Belgium	498	479
USA & Canada	2,039	861
Rest of the World	323	219
	6,135	4,045

All revenue received in the current and comparative years has been recognised at a point in time in accordance with the Group's revenue recognition policy as detailed in note 1.4 and above.

Assets and liabilities related to contracts with customers:

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

Contract assets	2024 £'000	2023 £'000
At 1 July	208	27
Transfers in the year from contract assets to trade receivables	(208)	(27)
Excess of revenue recognised over cash (or rights to cash) being recognised during the year	165	208
At 30 June	165	208

Contract liabilities	2024 £'000	2023 £'000
At 1 July	50	100
Amounts included in contract liabilities that was recognised as revenue during the year	(50)	(100)
Cash received in advance of performance and not recognised as revenue during the year	395	50
At 30 June	395	50

Contract assets and contract liabilities are included within "trade and other receivables" and "trade and other payables" respectively on the face of the statement of financial position. They arise from the Group's contracts because cumulative payments received from customers at each balance sheet date do not necessarily equal the amount of revenue recognised on the contracts.

4. Other income

	2024 £'000	2023 £'000
Other income		
Research and development expenditure credit	255	250
Insurance claim income	-	2
Distribution and carriage income	4	-
	259	252

5. Operating costs

	2024 £'000	2023 £'000 as restated
Operating loss for the year is stated after charging:		
Depreciation of owned property, plant and equipment	338	608
Depreciation of property, plant and equipment held under leases	61	51
Impairment of tangible assets	-	86
Cost of inventories recognised as an expense	1,256	876
Non-recurring legal, professional and fundraising fees	32	33
Non-recurring redundancy costs	-	162
Non-recurring termination award	108	-
Other exceptional costs	-	88
Amortisation of intangible assets	27	29
Share-based payment expense	48	28
Gain on settlement of machinery	(373)	-

Included within administrative expenses are impairment charges (other than inventories, which are shown above) as follows:

	2024 £'000	2023 £'000
Impairment of tangible assets (note 14)	-	86
	-	86

The impairment of tangible assets charge is explained further below and in note 14.

Included before operating profit are non-recurring expenses as follows:

- Non-recurring legal, professional and fundraising fees – these are costs relating to the Group's legal action with various third parties as a result of circumstances outside of the Group's control.
- Non-recurring termination award, relating to the termination of a director in the year.

A gain on settlement of £373,012 was recognised in the current year relating to credit notes received on machinery that had been previously impaired in full in prior years.

The Directors have adjusted these items, and others, as part of the use of an Alternative Performance Measure. Further details are provided in note 12.

5. Operating costs (continued)

Impairment – Company

Included within administrative expenses for the Company are impairment charges as follows:

	2024 £'000	2023 £'000
Impairment of tangible assets (note 14)	-	86
Impairment of investment in Forsite Diagnostics Ltd (note 15)	1	9
Impairment of receivable due from Forsite Diagnostics Ltd (note 17)	622	2,532
(Reversal)/Impairment of receivables due from other subsidiaries (note 17)	-	196
	623	2,823

The Company's impairment allocation for non-current assets in the prior year followed an allocation process where cashflows were adjusted to reflect the share of cashflows expected to be generated by Forsite Diagnostics Limited after adjustment for the share of certain asset costs between the companies.

In addition to this, the Company recognised a provision in full against all intercompany receivables in the prior year and provided against the investment in Forsite Diagnostics Limited in full. Any additions to investments or intercompany balances were impaired in full.

6. Auditor's remuneration

	2024 £'000	2023 £'000
Fees payable to the Company's auditor and its associates:		
For audit services		
Audit of the financial statements of the Group and Company	116	101
For non-audit services		
Other services	-	3

7. Employees

Group

The average monthly number of persons (including Directors) employed by the Group during the year was:

	2024 Number	2023 Number
Production	40	48
Research	20	13
Management and administration	25	21
	85	82

Their aggregate remuneration comprised:

	2024 £'000	2023 £'000
Wages and salaries	3,696	3,443
Social security costs	386	348
Pension costs	143	136
Share-based payment expense	48	28
	4,273	3,955

Details of Directors' remuneration are provided in note 29.

Of the above remuneration totals, £108,000 (2023 - £162,000) of costs have been recognised as non-recurring costs as opposed to within cost of sales or administrative expenses. This represents £99,000 (2023 - £140,000) of wages and salaries, and £9,000 (2023 - £22,000) of social security costs.

Company

The average monthly number of persons (including Directors) employed by the Company during the year was:

	2024 Number	2023 Number
Production	2	4
Research	2	2
Management and administration	18	19
	22	25

Their aggregate remuneration comprised:

	2024 £'000	2023 £'000
Wages and salaries	510	641
Social security costs	200	190
Pension costs	67	72
Share-based payment expense	32	19
	809	922

8. Finance income

	2024 £'000	2023 £'000
Interest income		
Bank interest receivable	31	89
	31	89

9. Finance costs

	2024 £'000	2023 £'000 as restated
Interest on financial liabilities measured at amortised cost:		
Interest on loans	39	46
Interest on leases	15	26
Dilapidations unwinding	3	3
Total finance costs	57	75

10. Taxation

	2024 £'000	2023 £'000
Current tax		
UK Corporation tax on loss for the current year	(77)	46
Adjustments in respect of prior years	(25)	(151)
Total current tax	(102)	(105)
Deferred tax		
Origination and reversal of temporary differences	(26)	-
Impact of change in tax rates	-	-
Total deferred tax	(26)	-
Total tax credit	(128)	(105)

10. Taxation (continued)

The credit for the year can be reconciled to the loss per the Consolidated Statement of Comprehensive Income as follows:

	2024 £'000	2023 £'000 as restated
Loss before taxation	(1,399)	(3,574)
Expected tax credit based on a corporation tax rate of 25% (2023 – 20.5%)	(350)	(733)
Tax effect of expenses that are not deductible in determining taxable loss	30	(55)
Income not taxable	(95)	-
Change in unrecognised deferred tax asset	329	851
Fixed asset timing differences	93	(5)
Unrecognised deferred tax on share-based payments	8	6
Prior year adjustment	-	(158)
Research and development	(126)	(20)
Unrecognised deferred tax on movement on provisions	(3)	(5)
Deferred tax on intangibles recognised on acquisition	(26)	-
Other differences	12	14
Total tax credit	(128)	(105)

The UK corporation tax rate was 19% until 1 April 2023 when it increased to 25%, giving a hybrid tax rate of 20.5% for the prior year.

Deferred tax balances at the reporting date are measured at 25%, which is the effective rate in place (2023: 25%; 2022: 19%).

11. Dividends

No dividends were paid in the current or prior year.

12. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	2024	2023 as restated
Earnings used in calculation (£'000)	(1,271)	(3,469)
Weighted average number of ordinary shares	304,732,264	304,033,363
Basic EPS (pence/share)	(0.42)	(1.14)
Weighted average number of dilutable shares	308,201,227	305,820,420
Diluted EPS (pence/share)	(0.42)	(1.14)

In each period there were share options outstanding. As at 30 June 2024, options which are out of the money are excluded from the calculation of the weighted average number of dilutable shares.

12. Earnings per share (continued)

The Directors use adjusted earnings before certain non-recurring costs ("Adjusted Earnings") as a measure of ongoing performance and profitability. These non-recurring costs are presented as separate items on the face of the Consolidated Income Statement.

The calculated Adjusted Earnings for the current and comparative periods are as follows:

	2024 £'000	**2023 £'000 as restated**
Loss before taxation attributable to equity owners of the Parent	(1,399)	(3,574)
Share-based payment costs	48	28
Impairment charges	-	86
Non-recurring legal fees	32	33
Non-recurring employee redundancy costs	-	162
Non-recurring settlement payment	108	-
Depreciation and amortisation	426	688
Net finance cost/(income)	26	(14)
Lease modification	-	(390)
Other exceptional costs	-	88
Gain on settlement	(373)	-
Adjusted Earnings	(1,132)	(2,893)
Basic and diluted Adjusted Earnings per share (pence/share)	(0.37)	(0.94)

The calculation of Adjusted Earnings is consistent with the presentation of Adjusted Earnings before Interest, Tax, Depreciation, and Amortisation, as presented on the face of the Statement of Comprehensive Income. This adjusted element also removes non-recurring items, as explained further in note 5. The Directors have presented this Alternative Performance Measure ("APM") because they feel it most suitably represents the underlying performance and cash generation of the business, and allows comparability between the current and comparative period in light of the rapid changes in the business (most notably its admission to AIM and associated costs), and will allow an ongoing trend analysis of this performance based on current plans for the business. Tax is excluded from this APM because the Group has significant tax losses and so the tax charge is not representative of the cash generated.

13. Goodwill and other intangible assets

Group	Goodwill £'000	Patents and trade-marks £'000	Website £'000	Develop-ment costs £'000	Brand £'000	Customer relation-ships £'000	Assets under con-struction £'000	Total £'000
Cost								
At 1 July 2022	3,888	50	225	1,836	-	-	-	5,999
Additions	-	78	5	-	-	-	-	83
At 30 June 2023	3,888	128	230	1,836	-	-	-	6,082
Additions	-	6	-	-	-	-	-	6
Additions – business combination	379	-	-	3	30	75	-	487
Disposals	-	(35)	(5)	(534)	-	-	-	(574)
Transfers	-	(22)	-	-	-	-	22	-
As 30 June 2024	4,267	77	225	1,305	30	75	22	6,001
Amortisation and impairment								
At 1 July 2022	3,888	35	204	1,836	-	-	-	5,963
Amortisation charged for the year	-	20	9	-	-	-	-	29
At 30 June 2023	3,888	55	213	1,836	-	-	-	5,992
Amortisation charged for the year	-	15	8	-	1	3	-	27
Amortisation eliminated on disposals	-	(12)	(4)	(534)	-	-	-	(550)
At 30 June 2024	3,888	58	217	1,302	1	3	-	5,469
Carrying amount								
At 30 June 2024	379	19	8	3	29	72	22	532
At 30 June 2023	-	73	17	-	-	-	-	90
At 30 June 2022	-	15	21	-	-	-	-	36

Assets under construction are in relation to patents that are pending as at the year-end and therefore not yet in use.

13. Goodwill and other intangible assets (continued)

The Group tests goodwill annually for impairment, or more frequently if events or changes in circumstances indicate that the asset might be impaired. As the goodwill was fully impaired in the prior year an impairment test is not required in respect of the goodwill. Given the continued losses of the Group an impairment test has been performed in respect of the other non-current assets held.

The impairment test has been performed based on a value in use calculation using cash flow projections based on the actual results for the year ended 30 June 2024 and the detailed financial forecasts prepared by the Board covering the period to 30 June 2027, based on the expectations of management for key elements of the Group's revenue streams. Further assumptions have been made in respect of revenue and costs up to the year ending 30 June 2033.

Thereafter, a growth rate to terminal value of 2% (2023 – 2%) has been used along with a post-tax discount rate of 22.0% (2023 – 23.0%).

This impairment test showed no further impairments were required to non-current assets. Sensitivities have been performed and these show no material adjustments would be required to carrying values of non-current assets. During sensitivity testing, in the downside scenario the budgeted revenues were reduced by 15% and this lead to a cash position of £2.1m at the forecast period end. This sensitivity assumed that direct costs reduced in line with revenue reduction in this scenario but the implementation of further mitigating actions were not assumed which would have further increased the cash balance at the forecast period end.

Company

	Goodwill £'000	Patents and trademarks £'000	Website £'000	Development costs £'000	Total £'000
Cost					
At 1 July 2022	145	12	221	419	797
Additions	-	-	5	-	5
At 30 June 2023	145	12	226	419	802
Additions	-	1	-	-	1
As 30 June 2024	145	13	226	419	803
Amortisation and impairment					
At 1 July 2022	145	12	200	419	776
Amortisation charged for the year	-	-	8	-	8
Impairments					
At 30 June 2023	145	12	208	419	784
Amortisation charged for the year	-	-	10	-	10
At 30 June 2024	145	12	218	419	794
Carrying amount					
At 30 June 2024	-	1	8	-	9
At 30 June 2023	-	-	18	-	18
At 30 June 2022	-	-	21	-	21

14. Property, plant and equipment

Group	**Improvements to leasehold property £'000**	**Plant and machinery £'000**	**Office equipment £'000**	**Right of use asset (as restated) £'000**	**Total (as restated) £'000**
Cost					
At 1 July 2022 (as restated)	3,621	6,233	217	1,356	11,427
Additions	37	38	1	-	76
Disposals	(14)	(4)	-	-	(18)
Modification	-	-	-	(832)	(832)
At 30 June 2023 (as restated)	3,644	6,267	218	524	10,653
Additions – business combination	-	-	4	-	4
Additions	-	23	4	111	138
Disposals	-	(1,893)	(32)	-	(1,925)
At 30 June 2024	3,644	4,397	194	635	8,870
Depreciation and impairment					
At 1 July 2022 (as restated)	2,753	5,501	206	1,127	9,587
Depreciation charged (as restated)	196	404	8	51	659
Impairments	-	-	-	86	86
Eliminated in respect of disposals	(14)	(4)	-	-	(18)
Modification	-	-	-	(918)	(918)
At 30 June 2023	2,935	5,901	214	346	9,396
Depreciation charged	205	128	5	61	399
Impairments	-	-	-	-	-
Eliminated in respect of disposals	-	(1,890)	(32)	-	(1,922)
At 30 June 2024	3,140	4,139	187	407	7,873
Carrying amount					
At 30 June 2024	504	258	7	228	997
At 30 June 2023	709	366	4	178	1,257
At 30 June 2022	868	732	11	229	1,840

The Group's property, plant and equipment has taken a share of the impairment charge in the prior year.

Included within improvements to leasehold properties are assets under construction with value £nil (2023 - £3,858), and within plant & machinery are assets under construction with value £nil (2023 - £29,262). The assets are not depreciated until brought into use.

Right of use assets has been restated to include a dilapidations provision of £95,000 to the cost brought forward as at 1 July 2022. This is in respect of a building leased with a contractual obligation to be restored to its original condition at the end of the lease term. At 30 June 2024, the dilapidation included within right of use assets has a net book value of £33,818 (2023 - £48,366).

14. Property, plant and equipment (continued)

During the prior year, as part of the business cost reduction programme, certain property leases were renegotiated to reduce the space and extend terms. This led to a net gain of £390,383 being recognised in the statement of comprehensive income. A subsequent impairment of £85,839 was booked to reduce the right of use asset on the revised lease back to its recoverable amount.

Company

	Improvements to leasehold property £'000	Plant and machinery £'000	Office equipment £'000	Right of use asset (as restated) £'000	Total (as restated) £'000
Cost					
At 1 July 2022 (as restated)	3,605	354	177	1,356	5,492
Additions – purchased from lease contract	37	2	1	-	40
Disposals	(14)	-	(1)	-	(15)
Modification	-	-	-	(832)	(832)
At 30 June 2023 (as restated)	3,628	356	177	524	4,685
Additions	-	4	4	58	66
Disposals	-	(120)	(8)	-	(128)
At 30 June 2024	3,628	240	173	582	4,623
Depreciation and impairment					
At 1 July 2022 (as restated)	2,737	354	166	1,127	4,384
Depreciation charged (as restated)	196	-	8	51	255
Impairments	-	-	-	86	86
Modification	-	-	-	(918)	(918)
Eliminated in respect of disposals	(14)	-	-	-	(14)
At 30 June 2023	2,919	354	174	346	3,793
Depreciation charged	205	1	5	58	269
Impairments	-	-	-	-	-
Eliminated in respect of disposals	-	(120)	(8)	-	(128)
At 30 June 2024	3,124	235	171	404	3,934
Carrying amount					
At 30 June 2024	504	5	2	178	689
At 30 June 2023	709	2	3	178	892
At 30 June 2022	868	-	11	229	1,108

15. Investments

Group

	2024 £'000	2023 £'000
Investment in associates	13	-
	13	-

Company

	2024 £'000	2023 £'000
Investments in associates	13	-
Investments in subsidiaries	517	-
	530	-

Movements in investment Group	**Investments in associates £'000**	**Other investments £'000**	**Total £'000**
Share of net assets			
30 June 2023	-	167	167
Acquisition of associate	13	-	13
At 30 June 2024	13	167	180
Impairment			
30 June 2023	-	167	167
Transferred during the year	-	-	-
At 30 June 2024	-	167	167
Carrying amount			
At 30 June 2024	13	-	13
At 30 June 2023	-	-	-

Other investments represents minority interest holdings in Linear Diagnostics Limited. In accordance with IFRS 9 'Financial Instruments', the Group has designated this investment at fair value through profit and loss. There is no readily available observable market value in accordance with IFRS 13 'Fair Value Measurement'. As the company incurs losses and has significant net liabilities, the Directors consider that its fair value is £nil.

Investment in associates represents a 25.1% holding in Eco-Flo Innovations Ltd (note 33). In accordance with IAS 28 the investment in associate is initially recognised at cost, with the carrying amount adjusted to recognise the Groups share of the profit or loss of Eco-Flo Innovations Ltd after the date of acquisition. There has been no trade in Eco-Flo Innovations Ltd during the current financial year.

15. Investments (continued)

Details of subsidiaries are included in note 32.

Movements in investments Company	**Equity investments in subsidiaries £'000**	**Investments in associates £'000**	**Other investments £'000**	**Total £'000**
Cost or valuation				
At 1 July 2022	6,506	-	167	6,673
Additions (in respect of share-based payments)	9	-	-	9
Transfers	-	-	-	-
At 30 June 2023	6,515	-	167	6,682
Additions	-	-	-	10
Acquisition of an associate	-	13	-	13
Acquisition of a subsidiary	517	-	-	517
Transfers	-	-	-	-
At 30 June 2024	7,032	13	167	7,222
Impairment				
At 1 July 2022	6,506	-	167	6,673
Provision for impairment	9	-	-	9
Transfers	-	-	-	-
At 30 June 2023	6,515	-	167	6,682
Provision for impairment	-	-	-	10
Transfers	-	-	-	-
At 30 June 2024	6,515	-	167	6,692
Carrying amount				
At 30 June 2024	517	13	-	530
At 30 June 2023	-	-	-	-

During the year the Group acquired the entire share capital of IVDeology Holdings Ltd. Shares in Abingdon Health plc totalling £500k were issued to the previous shareholders of IVDeology Holdings Ltd as at the date of completion. In addition to this, £17k of earn-out consideration has been expensed through the P&L in the current year, relating to earn-out consideration. Earn-out consideration, which is considered a share-based payment, totals £200k and is spread across the vesting period, being the period that the previous shareholders must remain in the business. See note 27 for further details.

16. Inventories

Group	2024 £'000	2023 £'000
Raw materials	281	72
Works in progress	59	163
Finished goods	101	94
	441	329

Company	2024 £'000	2023 £'000
Finished goods	36	49

Inventories comprise of products, which are not generally subject to rapid obsolescence on account of technological, deterioration in condition or market trends. Consequently, management considers that there is little risk of significant adjustments to the company's inventory assets within the next financial year.

The Group has recognised a total provision of £425,378 (2023 - £861,253) against its inventories.

17. Trade and other receivables

Group Current:	2024 £'000	2023 £'000
Trade receivables	918	491
VAT receivable	24	49
Other receivables and prepayments	359	399
Contract receivable	165	208
	1,466	1,147

Trade receivables are stated net of impairment for estimated irrecoverable amounts of £31,656 (2023 - £22,755), being other trade receivables of £31,656 (2023 - £22,755). This impairment has been determined by reference to past default experience and known issues. Write offs are made when the irrecoverable amount becomes certain. The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Included in trade receivables is an amount of £348,054 (2023 - £nil) which relates to consideration receivable from a customer which has been settled in shares within the entity post year-end.

Contract receivables of £165,040 (2023 - £207,912) has been calculated in accordance with IFRS 15.

17. Trade and other receivables (continued)

Movement on the allowance for irrecoverable amounts on trade receivables are as follows:

	2024 £'000	2023 £'000
Beginning of the year	22	2,191
Increase in provision for bad receivables	32	-
Utilised during the year	(22)	(2,169)
End of the year	32	22

An analysis of the trade receivables past due but not impaired is:

	2024 £'000	2023 £'000
60 to 120 days	93	45
More than 120 days	-	-
Less provision	(32)	(22)
Total trade debtors past due but not impaired	61	23
Add:		
Less than 60 days	857	468
Net trade receivables	918	491

The ageing analysis of the trade receivables and expected credit loss provision rates as at 30 June 2024 are as follows:

	Age of receivables – days overdue			
	Less than 60 days £'000	60 – 120 days £'000	Over 120 days £'000	Total £'000
Expected credit loss percentage	1%	2%	5%	
Gross receivable	861	93	-	954
Less specific receivables	-	-	-	-
Net receivable subject to ECL	861	93	-	954
Expected credit loss	9	2	-	11

The ageing analysis of the trade receivables and expected credit loss provision rates as at 30 June 2023 are as follows:

	Age of receivables – days overdue			
	Less than 60 days £'000	60 – 120 days £'000	Over 120 days £'000	Total £'000
Expected credit loss percentage	1%	2%	5%	
Gross receivable	592	45	-	637
Less specific receivables *	-	(22)	-	(22)
Net receivable subject to ECL	592	23	-	615
Expected credit loss	6	1	-	7

17. Trade and other receivables (continued)

Based on the above, the Directors have not recognised the expected credit loss on grounds of triviality to the Group. The Directors consider the credit quality of trade and other receivables that are neither past due nor impaired to be good.

Company	**2024**	**2023**
Amounts falling due within one year*:	**£'000**	**£'000**
Trade receivables	165	41
Other receivables and prepayments	242	207
Accrued Income	-	1,169
VAT receivable	33	49
	440	1,466

*The Company accounts are prepared under FRS 101 using the balance sheet formats specified in Schedule 1 to the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008. Amounts are presented based on their due date rather than when the asset is expected to be realised as is the case for the Group which reports under IFRS.

Amounts due from subsidiaries with a carrying value of £nil (2023 - £nil) is due on demand although the directors do not expect to call the amount for payment within the next 12 months. This amount is stated net of provision for recoverability of £22,628,939 (2023 - £22,006,229).

18. Current trade and other payables

Group	**2024**	**2023**
	£'000	**£'000**
Trade payables	605	1,111
Taxation and social security	101	96
Accruals	498	687
Contract liability	395	50
Other payables	105	89
	1,704	2,033

Contract liability is an amount of £395,046 (2023 - £49,561) relating to deferred revenue calculated in accordance with IFRS 15. The amount of deferred income relating to the prior year has been fully released in the current financial year.

Included within trade payables is €nil (2023 - €561,052) which was payable to Ginolis OY in relation to automated machinery which was in dispute. A full credit for this invoice was received in July 2023.

Company	**2024**	**2023**
	£'000	**£'000**
Trade payables	378	211
Taxation and social security	45	52
Accruals	405	591
Other payables	15	10
	843	864

19. Borrowings

Group	**2024 £'000**	**2023 £'000**
Bank loans	-	-
Other loans	722	708
	722	708
Payable within one year	-	-
Payable between one and two years	-	-
Payable between two and five years	722	708
	722	708

Company	**2024 £'000**	**2023 £'000**
Bank loans		-
Other loans	722	708
	722	708
Payable within one year	-	-
Payable between one and two years	-	-
Payable between two and five years (plus)	722	708
	722	708

During the year the Group made a further draw down on the Innovate Loan of £nil (2023 - £250,000), which is included within other loans above.

20. Obligations under leases

Future gross minimum lease payments are due under leases as follows:

Group	**2024 £'000**	**2023 £'000**
Within one year	136	104
In two to five years	218	242
Over five years	-	-
	354	346
Less: future finance charges	(27)	(35)
	327	311

Company	**2024 £'000**	**2023 £'000**
Within one year	124	104
In two to five years	175	242
Over five years	-	-
	299	346
Less: future finance charges	(24)	(35)
	275	311

20. Obligations under leases (continued)

These are disclosed in the financial statements on a net basis (excluding future finance charges) as follows:

Group	**2024**	**2023**
	£'000	**£'000**
Current lease payable	120	87
Non-current lease payable	207	224
	327	311

Company	**2024**	**2023**
	£'000	**£'000**
Current lease payable	109	87
Non-current lease payable	166	224
	275	311

Finance lease and hire purchase borrowings are secured against the assets to which they relate.

The Group's right of use asset additions and depreciation charge recognised on leases in the year is shown in note 14, and interest expense in note 9. The total cash outflows in the year are explained in the Statement of Cash Flows and associated notes.

Operating lease commitments

At the reporting date the Group has outstanding commitments for future minimum lease payments under non-cancellable operating leases that are not recognised on the balance sheet. These fall due as follows:

	Group		**Company**	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
Within one year	7	4	7	4
Between two and five years	6	11	6	11
In over five years	-	-	-	-
	13	15	13	15

21. Provision for liabilities

Dilapidations provision

The Company holds property under lease under which it is obliged to return the condition of the building to that in which the property was in prior to the commencement of the lease. The lease ends at 2 November 2026, therefore the provision has been discounted at the initial interest rate of the lease, 4.1%.

	2024	**2023**
	£'000	**£'000**
		as restated
Dilapidations provision	88	85
	88	85

21. Provision for liabilities (continued)

Movements on provisions:

	Dilapidations provision £'000 as restated
At 1 July 2023 (as restated)	85
Unwinding of provision	3
At 30 June 2024	88

22. Financial instruments

The Group is exposed on a minimal basis to market risk through its use of a US Dollar and a Euro account. The Group's risk management is co-ordinated by the directors who focus actively on securing the Group's short to medium term cash flows through regular review of all the operating activities of the business. The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

Market and liquidity risks
Liquidity risk is the risk that the Company fails to have sufficient funds to meet its debts as they become due. The Group holds funds in short-term bank deposits so that they are available when required. The liquidity risk of the Group is managed centrally. Ultimate responsibility for liquidity risk management rests with the Board of Directors, which regularly monitors the Group's short-medium and long-term funding, and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash and cash equivalents and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group have managed the risks of short term cash deficits by receiving advanced payment on key contracts to ensure its cash flow requirements can continue to be sufficiently met. See note 1.3 for further information on cashflows and the Directors' consideration of going concern.

Credit risk
During the year, the Group's credit risk was primarily attributable to its cash balances, other loans receivable, and its trade receivables. Credit risk, is the risk that the counterparty fails to discharge its obligation in respect of the instrument. The credit risk on liquid funds is limited as the funds are held at banks with high credit ratings. The risk to the Group of trade receivables going bad is deemed relatively low due to the size and stature of the customers the Company now trades with. There were no allowances for debt recovery as at the current or previous year end.

The Group continuously monitors credit risk of customers and other counterparties and incorporates this information into its credit risk controls. The Group takes up trade references on all new customers and its policy is to deal only with credit worthy companies. None of the Group's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk for liquid funds is considered negligible, since the counterparty is a reputable bank with a high quality external credit rating, therefore no significant mitigating actions are required in respect of credit risk.

22. Financial instruments (continued)

Credit risk (continued)

The Group uses an expected credit loss model for impairment that represents its estimate of incurred losses in respect of the Trade Receivables as appropriate. The Group applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. The expected loss rates are based on the Group's historical credit losses experienced over the two-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customer. Under the expected credit loss model impairment allowance wasn't material resulting in no provision being made.

Capital management

As described in Note 25 the Group considers its capital to comprise its ordinary share capital, share premium, share based payment reserve, and accumulated deficit as its capital reserves. In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through capital growth. In order to achieve this objective, the Group seeks to commercialise the development which has been undertaken to date, through major sales in a number of markets.

No supplier financing arrangements or credit insurance is in place. The Group's dividend policy is to monitor reserves available for distribution to shareholders. The Group monitors capital on the basis of carrying amount of equity less cash and cash equivalents as presented on the face of the balance sheet. Capital for the reporting periods under review is set out below:

Group	**2024**	**2023 as restated**
Total equity	2,249	2,972
Less non-pledged cash and cash equivalents	(1,440)	(3,236)
Capital	809	(264)

There have been no significant changes to the Group's capital management objectives, policies and processes in the year nor has there been any change in what the Group considers to be its capital.

Exchange rate and interest rate risk

All of the Group's borrowings are at fixed interest rates. The Group is therefore not exposed to the impact of changes in interest rates in the medium term. The level of debt is reviewed regularly by the Board.

The Group does not have any significant assets or liabilities in a currency other than Sterling. Due to the non-material nature of the Group's exposure to foreign currency risk, sensitivity analyses to movement in exchange rates are not produced. The Group has no long-term foreign exchange exposure. At the beginning, during and end of the year, the Group had no unexpired forward foreign exchange contracts.

22. Financial instruments (continued)

Group	2024	2023 as restated
Carrying amount of financial assets:		
Measured at fair value	-	-
Debt instruments measured at amortised cost	2,399	3,865
	2,399	3,865
Carrying amount of financial liabilities:		
Measured at fair value	-	-
Measured at amortised cost	2,255	2,218
	2,255	2,218

The Group is subject to bank covenants on the Innovate Loan.

The undiscounted contractual maturity analysis for Group financial instruments is shown below. The maturity analysis reflects the contractual undiscounted cashflows, including future interest charges, which may differ from the carrying value of the liabilities as at the reporting date.

Financial liabilities	Demand and less than 3 months £'000	From 3 to 12 months £'000	From 12 months to 2 years £'000	From 2 to 5 years £'000	Over 5 years £'000	Total £'000
Trade and other payables	1,887	-	-	-	-	1,887
Leases	26	78	106	136	-	346
Bank loans	-	-	-	-	708	708
At 30 June 2023 (as restated)	1,913	78	106	136	708	2,941
Trade and other payables	1,208	-	-	-	-	1,208
Leases	34	102	136	82	-	354
Bank loans	-	-	-	-	856	856
At 30 June 2024	1,242	102	136	82	856	2,418

23. Deferred tax

As at the year-end there are no deferred tax balances in the Group or Company (2023 - £nil). The balances below are recognised but offset for reporting purposes as the Group and Company have a legal right of offset of these balances as they unwind with the same tax authority.

The following is the deferred tax balances recognised on a net basis:

Group	**Liabilities**		**Assets**	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
Accelerated capital allowances	-	-	-	-
Recognised on business combination	26			
Tax losses	(26)	-	-	-
	-	-	-	-

Movements by category of deferred tax are as follows:

	Liability/(Asset) at 1 July 2023 £'000	**Recognised on business combination £'000**	**(Credit)/ charge to profit and loss £'000**	**Liability/(Asset) at 30 June 2024 £'000**
Accelerated capital allowances	-	-	-	-
Fair value of intangible assets	-	26	-	26
Tax losses	-	-	(26)	(26)
	-	26	(26)	-

	Liability/(Asset) at 1 July 2022 £'000	**Recognised on business combination £'000**	**(Credit)/ charge to profit and loss £'000**	**Liability/(Asset) at 30 June 2023 £'000**
Accelerated capital allowances	458	-	(458)	-
Tax losses	(458)	-	458	-
	-	-	-	-

Group
A deferred tax asset amounting to £10,329,820 (2023 - £10,183,262) in respect of trading losses carried forward of £41,319,280 (2023 - £40,733,048) has not been recognised due to uncertainty over the extent and timing of future profits within the Group as at 30 June 2024. If these losses were recognised as a deferred tax asset at the prevailing rate of 25% (2023 – 25%) this would result in an increase to net assets of the Group of approximately £10,329,820 (2023 - £10,183,262).

Company
A deferred tax asset amounting to £5,952,398 (2023 - £5,648,528), in respect of trading losses carried forward of £23,809,591 (2023 - £22,594,113), has not been recognised due to uncertainty over future profits. If these losses were recognised as a deferred tax asset at the prevailing rate of 25% (2023 – 25%) this would result in an increase to net assets of the Company of approximately £5,952,398 (2023 - £5,648,528).

24. Retirement benefit schemes

	2024 £'000	2023 £'000
Charge to profit and loss in respect of defined contribution schemes	144	136

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. At the year-end there is a pension creditor of £20k (2023 - £21k).

25. Share capital and reserves

	2024	2023
Ordinary share capital		
Authorised	**Number**	**Number**
Ordinary shares of 0.025p each	126,716,822	121,716,822
Deferred shares of 0.025p each	182,316,812	182,316,812
	309,033,634	304,033,634
Allotted and fully paid	**Number**	**Number**
Ordinary shares of 0.025p each	126,716,822	121,716,822
Deferred shares of 0.025p each	182,316,812	182,316,812
	309,033,634	304,033,634
	£'000	**£'000**
Ordinary shares of 0.025p each	32	31
Deferred shares of 0.025p each	45	45
	77	76

Reconciliation of movements during the year:

	Number
At 1 July 2023	304,033,634
Issue of new shares	5,000,000
At 30 June 2024	309,033,634

During the year, on 10 May 2024, there was a share issue of 5,000,000 shares with a nominal value of £0.00025 as a part of the IVDeology Acquisition. The total amount paid per share amounted to £0.1 resulting in £1,250 recognised in Share Capital and £498,750 in Share Premium.

Reserves of the Company represent the following:

Share capital – Shares in the Company held by shareholders at a proportional level with equal voting rights per share.

Share premium – Excess over share capital of any investments.

Retained earnings – This comprises the accumulated trading results of the Group.

Share-based payment reserve - This reserve comprises the fair value of options share rights recognised as an expense. Upon exercise of options or performance share rights, any proceeds

25. Share capital and reserves (continued)

received are credited to share capital**.** Also included within the share-based payment reserve is £16k relating to earn-out consideration treated as a share-based payment expense (note 26).

26. Share options

Group & Company	**Number of share options**		**Weighted average exercise price**	
	30 June 2024 Number	**30 June 2023 Number**	**30 June 2024 £**	**30 June 2023 £**
Outstanding at 1 July 2023	4,247,210	219,781	0.0773	0.3997
Granted	2,386,238	4,119,285	0.00	0.07
Forfeited	(918,454)	(86,648)	0.0697	0.4642
Exercised	-	(5,208)	-	0.0025
Outstanding at 30 June 2024	5,714,994	4,247,210	0.0463	0.0773
Exercisable at 30 June 2024	123,757	70,836	0.3230	0.0025

The options outstanding at 30 June 2024 had an exercise price ranging from £0.00 to £0.70 and a remaining contractual life of up to 2 years and 4 months. The options exist at 30 June 2024 across the following share option schemes:

	Number of shares	**Exercise price per share (£)**	**Fair value of scheme**	**Vesting period**
EMI scheme granted in April 2021	66,668	0.00025	54,880	1 year
SAYE scheme granted in March 2021	57,089	0.70	6,295	3 years
LTIP scheme granted in December 2022	3,204,999	0.07	107,542	3 years
LTIP scheme granted in October 2023	2,386,238	0.00	7,491	3 years
	5,714,994		176,208	

The fair value of the scheme is being expensed over the vesting period. All share options expire 10 years after the date of issue.

	Group		**Company**	
	30 June 2024 £'000	**30 June 2023 £'000**	**30 June 2024 £'000**	**30 June 2023 £'000**
Expenses recognised in the year				
Arising from equity settled share-based payment transactions	48	28	32	19
	48	28	32	19

27. Acquisition of a business

On the 3rd May 2024 the Group acquired 100% percent of the issued capital of IVDeology Holdings Ltd. In accordance with IFRS 3 Business Combinations, goodwill of £378,923 arising from the acquisition and £104,582 of separable intangibles assets have been recognised.

The total consideration for the acquisition was £700k. Of the total consideration, £500k was made up of share issues granted Abingdon Health plc to the previous shareholders of IVDeology Holdings Ltd as at the date of completion. In addition to this there is a total amount of £200k earn-out consideration similarly to be settled in the issue of share capital in Abingdon Health plc. The earn-out consideration constitutes employee remuneration and is considered to represent a share-based payment. This consideration is spread across the vesting period and as a result, £16,667 has been expensed as a share-based payment in the Statement of Profit and Loss. This consideration has been excluded from total consideration in the below reconciliation.

The net assets of the business acquired are as follows:

Group	**Book value £'000**	**Adjustments £'000**	**Fair value £'000**
Property, plant and equipment	57	-	57
Intangible Assets	4	104	108
Trade and other Receivables	40	-	40
Cash and Cash equivalents	1	-	1
Trade and other payables	(59)	-	(59)
Deferred tax	-	(26)	(26)
Total identifiable net assets	43	78	121
Goodwill			379
Total consideration			**500**

28. Guarantees, commitments and contingent liabilities

At 30 June 2024, the Group and Company had no contingent liabilities (2023 - none). The borrowings disclosed in note 19, were secured over the assets of the Group including the Company.

At 30 June 2024 the Group had contracted for capital commitments of approximately £nil (2023 - £nil). These amounts have not been reflected in the financial statements.

29. Directors' remuneration and transactions

	30 June 2024 £'000	30 June 2023 £'000
Remuneration for qualifying services	555	517
Company pension contributions to defined contribution schemes	24	31
	579	548

The number of Directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2023 - 2).

During the year to 30 June 2024 the Directors received remuneration as follows:

	Salary / fees £'000	Pension contributions £'000	Benefits in kind £'000	Total cash & cash equivalent remuneration £'000
Executive directors				
Melanie Ross	168	5	1	174
Chris Henry Francis Yates	267	19	1	287
	435	24	2	461
Non-executive directors				
Christopher William Hand	77	-	-	77
Mary Geraldine Tavener	41	-	-	41
	118	-	-	118
Total executive & non-executive remuneration	553	24	2	579

Included in salaries and fees for the year is £108,202 in relation to settlement fees on cessation of employment.

In addition to the above the directors have been granted share options with fair value as shown in the below table. The fair value shown is a theoretical value only, based on the market input at the grant date, and does not represent actual cash-equivalent remuneration in the period.

During the year to 30 June 2024 the fair value of the share options granted to the directors are £48,315 (2023: £68,624).

29. Directors' remuneration and transactions (continued)

During the year to 30 June 2024 the fair value of the share options granted to the directors is as follows:

	Fair value of share options £'000	Total Remuneration £'000
Executive directors		
Melanie Ross	-	175
Chris Henry Francis Yates	36	323
	36	498
Non-executive directors		
Christopher William Hand	12	89
Mary Geraldine Tavener	-	41
	12	130
Total executive & non-executive remuneration	48	628

During the year to 30 June 2023 the Directors received remuneration as follows:

	Salary / fees £'000	Pension contributions £'000	Benefits in kind £'000	Total £'000
Executive directors				
Melanie Ross	165	13	1	179
Chris Henry Francis Yates	225	18	1	244
	390	31	2	423
Non-executive directors				
Christopher William Hand	75	-	-	75
Lyn Dafydd Rees	10	-	-	10
Mary Geraldine Tavener	40	-	-	40
	125	-	-	125
Total executive & non-executive remuneration	515	31	2	548

30. Events after the reporting date

In August 2024 Abingdon completed the acquisition of Compliance Solutions group which specialises in meeting regulatory requirements of its international client base in the UK IVD and medical device markets.

The Compliance Solutions group's team (currently c.36 employees) provides consultancy services, ranging from preparation of technical files for regulatory approvals, clinical strategy advice and protocol design and regulatory inspection gap analysis; design, implementation and maintenance of quality management systems; technical file and design file reviews, clinical evaluation reports and biological safety evaluations; and internal audit programmes; supplier audits, pre-audit preparations (e.g. FDA, MHRA, Notified Body, unannounced) and mock Notified Body/FDA audits.

In its financial year ending 30 June 2023, the main trading entity Compliance Solutions (Life Sciences) Limited generated turnover of £2,716k; resulting in EBITDA of £393k.

30. Events after the reporting date (continued)

The Compliance Solutions Group's activities are complementary to those of the Group and recently acquired IVDeology; and increase the breadth and depth of the Group's regulatory expertise. Furthermore, there is, in the Board's opinion, the opportunity to cross-sell the Group's services, such as lateral flow development and manufacture and analytical laboratory support, into the Compliance Solutions Group's customer base.

The maximum consideration of £3.2m comprises:

i. cash of £1.36m to be paid as follows: £700,000 on completion and then 3 equal payments of £220k at the end of the first, second and third month following completion; and
ii. the sum of £1.0m to be satisfied by the issue of 9,216,590 Ordinary Shares; and
iii. an amount in cash equal to the amounts received by Compliance Solutions (Life Sciences) Limited in respect of certain aged debtors in the 24-month period from Completion, subject to a maximum amount of £340k; and
iv. subject to achieving certain revenue targets in the period starting on the first anniversary of the acquisition and ending on the second anniversary of the Acquisition, an earn out of up to £0.5m to be satisfied by the issue of such number of further Ordinary Shares.

Due to the proximity of the completion of the acquisition to the signing of the current year financial statements, a purchase price allocation exercise has not yet been carried out in respect of Compliance solutions Group. As such, further detail on the acquisition is not disclosed.

In August 2024, Abingdon Health plc completed a fundraising that raised gross proceeds of £5.6m as set out below:

- £5m in respect of a placing with various Venture Capital Trusts
- £0.2m in respect of a placing with various other institutional shareholders
- £0.4m in respect of a retail offer

31. Related party transactions

Remuneration of key management personnel
The key management personnel are considered to be the Board of Directors and members. Refer to note 29 for details of key management personnel remuneration.

32. Subsidiaries

Details of the Company's subsidiaries at 30 June 2024 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Registered address	Class of shareholding	% Held Direct	% Held Indirect
Molecular Vision Limited (UK)	Consultancy and R&D into a diagnostics technology platform	1	A1 Preference shares	100%	
Serascience Limited (UK)	Development and sales of medical diagnostic devices	1	Ordinary shares	100%	
Forsite Diagnostics Limited (UK)	Manufacturing of diagnostic devices	1	Ordinary shares	100%	
IVDeology Holdings Ltd	Holding company	2	Ordinary shares	100%	
IVDeology Ltd	Management consultancy activities	2	Ordinary shares		100%
IVDeology UKRP Ltd	Management consultancy activities	2	Ordinary shares		100%

All investments are directly or indirectly held by the Company. The investments in subsidiaries are all stated at cost less impairment in the financial statements.

The registered addresses of subsidiaries are as below.

1. York Biotech Campus, Sand Hutton, York, YO41 1LZ
2. Maidstone Innovation Centre, Gidds Pond Way, Maidstone, Kent, ME14 5FY

33. Associates

Details of the Company's associates at 30 June 2024 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held
Eco-Flo Innovations Ltd	Development of sustainable product design solutions	Ordinary shares	25.1%

The registered office address of Eco-Flo Innovations Ltd is 101 New Cavendish Street 1st Floor South, London, UK W1W 6XH.

34. Ultimate controlling party

In the opinion of the Directors, no one party has ultimate control due to shareholding.

35. Prior period adjustment

A restatement has been made to recognise a dilapidation provision in respect of a lease held under IFRS 16 for property used in trade. There were terms present in the lease from inception that required the property to be returned to the original condition, therefore the provision has been recognised in the prior year at the same value it would have been at 1 July 2022, if recognised at the inception of the lease in 2020.

Management have assessed that of a total dilapidation provision of £100,000, 5% would be in relation to wear and tear, which has been treated as an expense. The remaining proportion of the provision that is in relation to capital outflows has been treated as an addition at the inception of the lease and is depreciated over the term of the lease to 2 November 2026.

Group

Changes to the statement of financial position

	At 1 July 2022			At 30 June 2023		
	Previously reported £'000	Adjustment £'000	As restated £'000	Previously reported £'000	Adjustment £'000	As restated £'000
Non-current assets						
Right of Use assets	166	63	229	130	48	178
Other property, plant & equipment	1,611	-	1,611	1,079	-	1,079
Total property, plant & equipment	1,777	63	1,840	1,209	48	1,257
Non-Current liabilities						
Provisions	-	(82)	(82)	-	(85)	(85)
Capital and reserves						
Accumulated deficit	(24,106)	(19)	(24,125)	(27,456)	(37)	(27,493)

Changes to the statement of comprehensive income

	At 30 June 2023		
	Previously reported £'000	Adjustment £'000	As restated £'000
Depreciation	(644)	(15)	(659)
Finance costs	(72)	(3)	(75)
Loss for the financial period	(3,451)	(18)	(3,469)

35. Prior period adjustment (continued)

Company

Changes to the statement of financial position

	At 1 July 2022			At 30 June 2023		
	Previously reported £'000	**Adjustment £'000**	**As restated £'000**	**Previously reported £'000**	**Adjustment £'000**	**As restated £'000**
Non-current assets						
Right of Use assets	166	63	229	130	48	178
Other property, plant & equipment	879	-	879	714	-	714
Total property, plant & equipment	1,045	63	1,108	844	48	892
Non-Current liabilities						
Provisions	-	(82)	(82)	-	(85)	(85)
Capital and reserves						
Accumulated deficit	(23,446)	(19)	(23,465)	(28,224)	(37)	(28,261)

Changes to the statement of comprehensive income

	Year ended 30 June 2023		
	Previously reported £'000	**Adjustment £'000**	**As restated £'000**
Depreciation	(240)	(15)	(255)
Finance costs	(72)	(3)	(75)
Loss for the financial period	(4,880)	(18)	(4,898)