



Nucleus Financial Platforms Limited

Annual Report and Financial Statements

For the financial year ended 31 December 2024

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About us

Nucleus Financial Platforms is one of the UK's leading independent groups for investment platforms, products and wealthtech software.

We bring together the combined strengths of the James Hay, Nucleus Wrap, Dunstan Thomas, Curtis Banks, Third Financial, and Talbot and Muir brands.

The combined talent and expertise of our 1,100 people along with products and leading technology, serve the needs of advisory firms, investment managers and institutions of all sizes.

We operate two, leading retirement and investment platforms, Nucleus Wrap and James Hay Online, and combined with Curtis Banks and Talbot and Muir, we're one of the UK's largest administrators of SIPP and SSAS products.

With the wealthtech expertise of Third Financial and Dunstan Thomas, we also provide bespoke white-labelled and adviser as a platform software solutions.

Operating from offices in Edinburgh, Glasgow, London, Ipswich, Birmingham, Portsmouth and Salisbury, we work in partnership with over 5,300 financial advisory firms. We administer over £100billion* of investments on behalf of more than 250,000 UK customers, seeking to deliver great service and financial outcomes for them, that ultimately help make their retirement more rewarding.

*As at end December 2024

Board members and company information

Our board is collectively responsible for setting out our vision and strategy, overseeing our values, culture and standards, and ensuring the maintenance of robust systems of internal control and risk management.

The board consists of executive and non-executive directors working together and using their experience of UK financial services and platform businesses to drive the business forward, supporting the advisory firms, investment managers and institutions who partner with us to achieve good outcomes for their customers.

You can view biographies of our Directors and their Board responsibilities [here](#).



Gordon Wilson
Chair



Richard Hoskins
Senior Independent
Non-Executive Director



Cathryn Riley
Independent
Non-Executive Director



Clare Bousfield
Independent
Non-Executive Director



Roisin Conran
Non-Executive Director



Scot French
Non-Executive Director



Jake Blair
Non-Executive Director



Owen Wilson
Observer



Richard Rowney
Chief Executive Officer

Company Secretary:
Alice Dixie

Auditors:
Deloitte LLP
9 Haymarket Square, Edinburgh, EH3 8RY.

Registered office:
Suite B & C, First Floor, Milford House, 43-55
Milford Street, Salisbury SP1 2BP

Registered number:
06033126

Financial highlights

Our financial performance* demonstrates strong progress against the Group's strategy of building the UK's leading retirement focused adviser platform and product group.

Revenue increased:



Revenue was up 38% to **£217.5m**, benefiting from the scale of the Group's operations.

Adjusted profit increased:



Adjusted profit, or EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) excluding exceptional items and share based payments, increased 40% to **£102.0m**.**

Profit before tax increased:



Profit before tax increased 7% to **£50.3m**. This includes exceptional items, such as one-off costs relating to our transformation as well as legal and M&A activity.



Assets under administration (AUA) increased from **£86.2bn** to **£100.1bn**



Customer numbers increased from **236,000** to **250,000**, building our position as a leading player in the market.

Robust balance sheet, with cash and cash equivalents of

£147.4m (2023 £150.1m)



Strong regulatory capital position with material surplus in all regulated entities in the Group

* Our 2024 results include six months contribution from Third Financial, which we acquired during the year.

**During 2024, the Group has redefined its alternative performance measure of adjusted profit to exclude share-based payments. Comparative amounts for the year ended 31 December 2023 have been prepared on the same basis as the year ended 31 December 2024 to allow meaningful comparison. This change has been made to align with how this metric is reported internally refer Note 6.

*** Includes Shareholder cash only. Refer to Note 6 for details.

Strategic and operational highlights

2024 was a year of continued growth for the Group as we executed on our key areas of strategic focus.

We completed the acquisition of Third Financial, a leading investment platform and wealth management software provider. The acquisition was in line with our strategic ambition of building scale and capability through organic growth and compelling acquisition opportunities.

By bringing together the combined strengths of James Hay, Nucleus Wrap, Curtis Banks, Talbot and Muir, Dunstan Thomas and most recently Third Financial, we're now the largest independent platform group in the UK*.

Our comprehensive range of bespoke platform solutions means we're uniquely positioned to help meet the evolving needs of firms of all sizes. Our Group now offers a complete range of products, services and software options that enable large advisory firms and consolidators, investment managers and institutions, to take some or all control of their platform propositions.

While Third Financial is being run as a standalone business unit, we've integrated it into the group governance framework and made a number of changes to strengthen its business change and risk management capabilities.

We've continued to make good progress to integrate the Curtis Banks business we acquired in September 2023. More than 200 colleagues are now embedded within the Nucleus structure, their terms and conditions harmonised, and our risk and control frameworks aligned. We also outsourced the operational administration of the Curtis Banks business to FNZ in early 2024, which saw 650 Curtis banks colleagues TUPE transfer across while continuing to work with us on a day-to-day basis to support our customers.

Strengthening Our Executive Committee

We announced some Executive Committee changes towards the end of 2024 and after the year end, strengthening the team that will lead us through the next phase of growth.



Richard Rowney
Chief Executive Officer



Mike Regan
Chief Commercial Officer



Alan McDonald
Interim Chief Financial Officer



Ross Allan
Chief Operating Officer



Jenny Thorpe
Chief Technology Officer



Pete Docherty
Chief Transformation Officer **



Louis Petherick
Chief Risk Officer***



Alison Longbottom
Chief People Officer



Steve Knight
Chief Business Performance Officer

Strengthening Our Executive Committee (continued)

Following the departure of Alexander Filshie in December 2024, we started a full external search for a permanent Chief Financial Officer (CFO). Alan McDonald, who joined in November 2024, serves as interim CFO in the meantime.

Pete Docherty moved from his position as Chief Risk Officer to take up a new role as Chief Transformation Officer, leading strategic change across the group with a specific focus on the delivery of our new retirement platform. **

Steve Knight moved from Chief Operating Officer into a new role as Chief Business Performance Officer. Ross Allan was promoted to the Executive Committee, replacing him as Chief Operating Officer.

*Fundscape Q4 2024

** Pete Docherty was Chief Risk Officer (CRO) as at 31 December 2024 and became Chief Transformation Officer on 1 March 2025. Richard Collins was appointed Interim CRO from 1 March 2025

*** Louis Petherick becomes Chief Risk Officer in August 2025

CEO review



It was another year of significant progress for the Group as we continued to deliver our growth strategy.

During what was another challenging period for the sector, the strength of our business model as a scale leader is clearly illustrated through our financial performance.

We remained focused on our commitment to share the benefits of our scale through continued investment in technology, propositions, and in higher service levels to support the advisers who partner with us, enabling us both to deliver good financial outcomes to their customers.

Our purpose is to **help make retirement more rewarding**, and we couldn't do this without the support and dedication of our colleagues. These results would not have been possible without the hard work of our people, and I'd like to thank them for all they have done throughout 2024.

Financial review

We again showed strong momentum and growth across all our performance indicators.

Following the contributions from the recent acquisitions of Curtis Banks and Third Financial, revenue was up 38% to £217.5m, with costs, excluding exceptional costs, increasing by 50%. Adjusted profit was up 40% to £102.0m, and profit before tax increased by 7% to £50.3m.

Investing in better outcomes for customers

In 2024 the Group's scale enabled investment of £19.5million in technology and transformation. A big area of focus for our investment has been our new Nucleus Platform, which is nearing the end of development. This new retirement proposition will initially replace James Hay Online and will become our strategic platform for driving growth going forward.

It's built on the latest technology provided by FNZ, our long-term strategic partner. It will be transformative for advisers and their customers, offering a wider range of products, simpler pricing, and more online functionality via a leading portal user-interface. We believe this investment in the latest app-based tech will create the most modern, scalable and efficient retirement platform in the UK.

Our investment in Third Financial strengthens our enterprise proposition that enables larger advisory firms and consolidators, investment managers and institutions to take greater control of their platform propositions. By consolidating multiple systems into a single, scalable technology engine, firms can simplify their operations, reduce cost, and improve client outcomes.

Throughout the year our wider programme of investment delivered the following improvements:

- Our commitment to investing in price has saved our customers over £10m in the last three years, with a further £6m expected to be saved in 2025 – an approach that is very much aligned with Consumer Duty.
- Digital enhancements that enable customers to better engage with their portfolios:

- a white-labelled portal that provides an intuitive, automated platform that simplifies complex processes and improves efficiency for advisers and investment managers.
 - a mobile app for IOS and Android devices that enables quick and easy access to all client investments and provides real time valuations and detailed investment analysis
- We invested in the software provided by Dunstan Thomas, specifically through the development of a cloud-based Integrated Service Provider (ISP) solution for Pensions Dashboard connectivity,

We continued to ensure that the FCA's Consumer Duty requirements were front and centre across all our operations. This included completing our Product & Service and Fair Value Assessments for our closed products ahead of the July 2024 deadline.

As part of embedding Consumer Duty across the business, we identified further enhancements to help us deliver good customer outcomes. This includes regularly reviewing our communications and literature, as well as providing educational content to help advisers support their customers in making informed financial decisions.

Winning business

Organic growth remains central to our strategy, and we continued to expand our adviser network and trading firms. In 2024 we welcomed and onboarded 233 new firms and achieved over £1.7bn in new business flows through our existing strategic partners, further strengthening our position in the market.

We developed bespoke platform solutions for major consolidator firms, including Verso and Radiant and introduced a supported asset transfer programme to streamline onboarding, easing the administrative burden on advisers and reinforcing our commitment to delivering high quality, scalable solutions to our partners.

Third Financial also helped power our growth with a series of new business signings, winning the custody mandate for ten clients in the last year including Capital Financial Markets, Lowes and Mountstone. Third's technology is now used by more than 60 firms reflecting its position as the first choice for investment managers and advisers seeking industry leading technology-led solutions, tailored to their individual needs.

Our wealthtech solutions specialist Dunstan Thomas also secured some notable new client wins during the year. Software and outsource arrangements were signed with Pershing, Morningstar, Spire and IFGL.

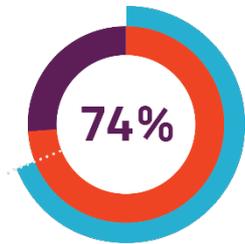
Investing in our people

People are at the heart of our continued success, and over the course of 2024 we continued to develop our existing people and grow our headcount in line with our expanded operations. At the end of the year the total headcount was 1,183.

287 new colleagues were recruited, in addition to the 109 people who joined us from Third Financial. There was also continued focus on bringing new talent into the senior management team to help lead the business through the next phase of its strategy.

This included bringing in two newly created platform director roles with extensive experience of leading complex transformation and change programmes. We've also announced a number of new senior roles across our Finance team to reflect the growing size of the Group.

Delivering for advisers and their customers starts and ends with our people. I was therefore pleased that our 2024 colleague survey showed our high engagement levels.



74% engagement levels, 5% above the UK Financial Services sector benchmark.

Engagement is a measure of our people's connection and commitment to the company and is important for our performance and how we attract and retain colleagues.

A key part of building a positive culture is the work we do to ensure our business is truly inclusive. We know that seeking out diverse talent and creating an inclusive workplace is not only the right thing to do but will help us to thrive as a business.

We continue to make progress with our commitment to Equity, Diversity and Inclusion (ED&I), creating a workplace with people from a broad range of backgrounds and experience where our colleagues can thrive.



81% saying that they would recommend Nucleus as a good place to work.

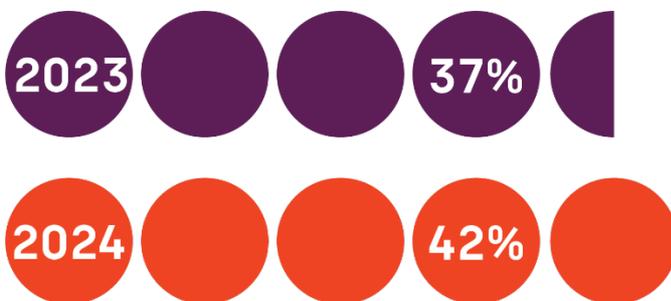
Our employee-led networks help drive our actions and policy on ED&I.



Our Groups are LGBTQ+, Culture & Ethnic Diversity, Disability & Health and Women at Nucleus.

The networks are responsible for raising awareness, building community and advocating for change across our business to ensure that ED&I is part of our collective identity.

As part of our commitment to diversity we signed up to the Women in Finance Charter with a commitment to have a minimum of 40% representation of women in senior leadership roles.



During 2024 we reached 42% representation*, up from 37% in 2023.

*As per the Nucleus gender pay gap report, April 2024.

Investing in society

We're committed to giving back to society and being a responsible corporate citizen. In 2022 we launched The Nucleus Foundation, a registered charity with an initial £750,000 funded by our shareholders, governed by employees and independent trustees.

The foundation is focused on areas including supporting local community causes, encouraging more women into financial advice, supporting disadvantaged people near or at retirement by providing grants or assisting those without financial advice and helping employees and their families in cases of emergency or hardship. To date the Foundation has made grants and commitments of just under £200k.

One of our key partnerships is with the Verve Foundation. They have proved to be the perfect partner, sharing our vision of tackling the gender imbalance within the industry and helping to train the next generation of financial advisers.

Nucleus Foundation is now supporting four cohorts of women through the Verve Foundation's 'We Are Change' programme. This funding will ultimately help increase access to qualified female financial advisers, who are vastly underrepresented in the profession.

Demonstrating our commitment to the sector

Our group now administers over £100bn of investments and is entrusted by nearly a quarter of a million people to help them make their retirement more rewarding - and we take this responsibility very seriously.

Concerns about having enough money to live comfortably for the rest of your life are far from limited to those approaching retirement.

So, we strongly believe that we have an obligation to champion financial advice.

Now in its second year, our Nucleus UK Retirement Confidence Index surveyed more than 4,300 UK adults aged 18 and over to understand confidence levels amongst a wider demographic.

One of the key findings from the report was that the majority of UK adults are not confident that they will have enough money in retirement.

Fewer people are now paying for – and therefore benefitting from – professional financial advice. At the same time, an ageing population and dwindling government support in retirement puts the onus on people to accept more responsibility to invest for their retirement.

It's clear that planning and acting to secure a comfortable older age needs to start much earlier.

As an industry we all need to work together to help younger adults get off to a good start for the future as well as helping those nearer retirement to plan appropriately.

Major shareholders

The group continues to benefit from strong financial backing from our key shareholders HPS Investment Partners and Epiris LLP.

Outlook

2024 remained a challenging environment for the industry, against a continued macro-economic uncertainty, affecting inflows, outflows, and the performance of investment assets.

The sector also continues to contend with increased volatility as result of high interest rates and ongoing geo-political uncertainty.

While these are headwinds for our industry, we benefit from our reduced operational cost base, following the FNZ outsource of James Hay in 2021 and Curtis banks in 2024, whereby a significant proportion of the Group's cost is now linked to the value of AUA through a basis points cost model.

The long-term outlook for the sector remains positive with the demand for financial advice remaining as strong as ever. We're well-positioned for growth and have the scale and financial strength to continue to invest for the benefit of the advisers who have chosen to partner with us, their customers, and our people.

As we look forward to 2025, we are optimistic. Although the macroeconomic outlook remains uncertain, expectations are that interest rates will continue to slowly decline over the course of the year.

Our position remains very strong as one of the UK's leading retirement-focussed adviser platforms benefitting from consistent, sustainable revenues and economies of scale. We are well positioned to continue to grow our business as market conditions improve.



Richard Rowney
CEO

The purpose of this report is to provide information to the members of Nucleus Financial Platforms Ltd and its subsidiaries (the "Group") and as such it is only addressed to those members. The report may contain certain forward-looking statements with respect to the operations, performance, and financial condition of the Group.

These statements reflect knowledge and information available at the date of the report's preparation and by their nature involve inherent risks and uncertainties. Nothing in this report should be construed as a profit forecast and the Group undertakes no obligation to update any forward-looking statement during the year.

The full results for the Group are included in the Financial Statements on pages 39 to 47.

Financial key performance indicators

£'m
Revenue

2024
217.5

2023
157.2

Adjusted
profit¹

2024
102.0

2023
72.6

Profit / (loss)
before tax

2024
50.3

2023
47.0

Assets under
administration²

2024
100.1

2023
86.2

Customers

2024
250,000

2023
236,000

1. The Non measure for the Group for the current and prior financial year is disclosed in Note 6. Financial key performance indicators are alternative measures that the Directors believe help to inform the results and financial position of the Group. Adjusted profit represents EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), excluding Exceptional items and Share based payments.
2. Industry-specific financial key performance indicators are alternative measures that the Directors believe help to inform the results and financial position of the Group.

Principal risks and uncertainties

The following principal risks relate to the Group and the wider sector in which it operates. The risks and uncertainties described below are not intended to be exhaustive. Additional risks and uncertainties not presently known to the Directors or that the Directors currently deem to be immaterial could also have an adverse effect on the business and financial performance.

The business operates a single risk management framework through which we systematically identify actual and potential risks and seek to put in place appropriate mitigants through our processes, policies and controls.

The key risks of the Group are set out below and these are managed within the risk appetites set by the Board on an annual basis. Additional information can be found in our MIFIDPRU 8 disclosures which can be found on the Group's websites.

Culture risk

Culture risk is intrinsic to our business and considers our role in society and we recognise we may generate potential risk of harms to our customers, markets and other stakeholders. We consider our conduct, ESG and sustainability risks from our behaviours and organisational structures and use established governance structures and effective management information to oversee these risks, and act where required.

We believe good governance provides assurances to our stakeholders that we are focused on what matters most, our conduct and customer outcomes. These areas are of particular importance and prominence currently as our business goes through a significant period of integration and change. We have implemented formal governance arrangements and established ownership for decisions.

Our values are embedded in our business strategy and to mitigate our conduct risks, our internal systems and controls are focused on delivering our business plan while meeting our customer and business expectations.

Strategic and business model risks

Fluctuations in capital markets are beyond the Group's control. Revenue and performance are linked to the value of assets held under administration ("AUA") on and off platform, which in turn is linked to the level of inflows, outflows and the performance of the assets and asset classes into which customers have invested. A decline in capital market asset value may (i) reduce the value of the AUA on the platform; (ii) prompt customers (in conjunction with their financial advisers) not to make further investments or to withdraw funds from the platform; and (iii) make it more difficult for financial advisers to attract new customers to advise through the platform. This is partly mitigated through close monitoring of business flows and deviations from plan. The Group also earns fixed fee income through its subsidiaries which provide administration services for SIPPs and SSAs and this also mitigates the risk associated with AUA revenue and performance.

Economic, political and market factors can also affect the level of inflows and outflows and the performance of investment assets. For example, a general deterioration in the global economy, and the UK economy in particular may have a negative impact on customers' disposable income and assets, and the value of savings and investments on the platform. The business continues to respond to market volatility in an uncertain world dealing with the ongoing Ukraine conflict and the shift in economic and foreign policy in the world's largest economy alongside inflation rates which have not as yet returned to the norms of the first two decades of the Twenty-first century. Whilst inflation and changing costs are areas of risk for our business, exposure is reduced

following the FNZ outsourcing arrangements where a significant portion of the cost base is also now linked to the value of AUA through a basis points charging model.

The Group is also exposed to movements in interest rates as these impact on the margin on cash retained by the Group. Following rising interest rates in 2023, Bank of England base rate reduced in 2024 from a peak of 5.25% to 4.5%. This generates some risk within the Group business plan given the expectation of further base rate reductions during 2025 likely to impact our treasury activity.

The above risks are managed through close monitoring of AUA levels, market forecasts, business flows and deviations from plan, with regular reforecasting and business planning taking into account market levels and macro-economic conditions. From time to time, the Group may use hedging to mitigate interest rate and market risk.

Competition

The industry in which we operate is competitive and the Group faces significant competition from a number of sources, including intermediated platform providers, life insurance companies, asset and fund managers and direct to consumer investment platforms. While the Group strives to mitigate this risk and remain competitive by continuing to develop its online and offline offering, the risk exists that it is unable to adapt to changing market pressures or customer demands, keep pace with technological change and platform functionality relative to its competitors or maintain its market share given the intensity of the competition.

Competition may also increase in response to demand dynamics, further consolidation (including vertical integration) in the wider financial services sector, new entrants to the market or the introduction of new regulatory requirements (including those targeted at financial advisers or other market participants). In addition, pricing pressure across the investment lifecycle is prevalent as competitors invest in new technologies and new blends of products and services to deliver value and compelling propositions for their customers and other stakeholders. To mitigate this risk, the Group monitors this competitive environment and takes action where required to maintain a competitive position.

This risk is of key significance currently as our Group scale creates competitive opportunity, as does our operating model with FNZ. We are however in a period of transition and consequently are in a period of transformation and change which brings competition risk if not managed well.

Relationship with financial advisers

While the Group has been able to maintain strong, longstanding relationships with its customers and adviser users, there can be no assurance that this will continue. The Group could lose or impair relationships as a consequence of, among other things, operational failures, uncompetitive functionality or pricing, reputational damage, consolidation and vertical integration in the financial advice market or the closure of firms of financial advisers. The loss of, or deterioration in, the Group's relationships with its financial adviser base, particularly those responsible for directing significant inflows to the platform, could have a material adverse effect on AUA and revenues. This is part mitigated by our adviser relationship model and also by directly involving advisers in the propositional elements of the platform.

Reliance on key suppliers

The Group operates a business model that outsources significant components of its operations and technology services and enters into agreements with selected product providers to distribute and administer their products as part of the wrap platform. As a result, the Group has a reliance on its key suppliers and performance issues affecting these products and services may have an adverse impact on the Group's strategy and business performance. To manage these key

relationships and mitigate the associated risks, we have outsourcing policies in place and a framework for vendor management and oversight.

The Group's key suppliers are: FNZ, who provides IT and operational functions; Bravura Solutions Limited, who provides part of the Group platform technology services; Winterfloods Business Services who provides custody services, and; Amazon Web Services (AWS), who provides IT infrastructure and cloud hosting services. In addition, we use suppliers for product services and stockbroking services amongst others.

Strategic transformation

From time to time the Group undertakes major strategic merger and acquisition activity. There is an inherent risk within these transactions that material matters that may impact the future performance of the Group are not identified as part of the process. In order to mitigate this risk, the Group makes extensive use of specialist external advisers from an early stage. This was the case during 2024 where the Group explored and progressed key strategic opportunities such as the acquisition of Third Financial.

Transformation risk also exists as a result of the potential failure to integrate services under a common model. Risks in this area are mitigated by establishing strong oversight frameworks and by establishing dedicated project and change teams to deliver. Monitoring of business capacity and delivery is also in place to ensure transformation remains on track for delivery.

Operational and regulatory risks

Operational

The nature of the activities performed by the Group is such that a degree of operational risk is unavoidable. Operational risk may generate potential risk of harm to customers, the firm or the wider market, such as deficient service delivery, poor customer outcomes, an inability to scale effectively, reputational damage and financial loss. Operational risk could occur directly within our retained organisation, or through our outsourced services. As the business outsources more the nature of the operational risk changes, however the accountability for ensuring service delivery and operational stability remains with the retained organisation.

The Group's operational risks can be divided into three main categories (people, operational process and controls, and operational resilience including technology) with relevant examples of each below:

People

- Failure to attract, train, motivate and retain core skills and knowledge in the retained elements of our business.
- People-related errors in core processes.

Operational process and controls

- Failure in core processes and controls (whether preventative or detective), either by the retained business or by third parties.
- Failure in systems and controls in place to meet the requirements of taxation and other regulations in respect of the suitability of certain investments to be held within certain tax wrappers and accounts.
- Failure to implement platform and business change and deliver transformation.
- Failure to maintain adequate controls around fraud and other forms of financial crime, compliance, and client money.

- Failure in processes within FNZ or failure on oversight of FNZ.

Operational resilience and technology

- Failure of, or disruption to, the sophisticated technology and advanced information systems (including those of the Group and its third-party service providers) upon which the Group is dependent. This could be from an external threat (cyber-attack) or internal causes (failure to maintain systems or licenses).
- Inability to respond to the need for technological change as a result of the failure to continue to improve new technologies, through lack of appropriate investment in new technologies or through such investment proving unsuccessful.
- Failure to maintain existing technologies or to invest appropriately in continuing improvements to those technologies.
- Vulnerability of the Group's networks and platform (and those of its third-party service providers) to security risks, cyber-attack or other leakage of sensitive or personal data.

These operational risks are managed and mitigated through a strong risk and control framework, a suite of operational risk policies, and oversight through an embedded three lines of defence assurance programme and embedded governance model.

Regulatory

Regulatory risk includes the risk of non-compliance with existing regulatory requirements as well as the risk relating to changes in government policy and applicable regulations. To mitigate risks in this area we have a compliance-aware culture with clear risk appetites for regulatory compliance. In addition, compliance monitoring and assurance is carried out as part of our three lines of defence model.

A number of companies within the Group are enhanced firms under the FCA's Senior Managers Certification Regime "SMCR" and the associated standards are applied at the wider group. If the Group, and/or any of its key suppliers, were to commit a serious breach of any of the regulations that apply to it (not least the applicable regulatory regime relating to the Group's FCA authorisations and its FCA regulated activities), there could be both regulatory and financial consequences (including, without limitation, sanctions, fines, censures, loss of permissions and/or the cost of being required to take remedial action).

In 2024, the Group delivered regulatory driven changes in relation to Consumer Duty phase 2 for closed books and the Lifetime Allowance abolishment. The Company's readiness for these was overseen by the Group Board Risk Committee and Board.

Financial and liquidity risks

Solvency (including access to capital)

We are required to maintain and have available a sufficient level of capital and maintain appropriate coverage throughout the year in line with regulatory requirements, risk appetite and our policy framework. The Group may require access to additional capital for a number of reasons, including increased regulatory capital requirements, and the Group reviews its capital requirements on a regular basis, with periodic stress testing of the results to evidence that its regulatory capital requirements can continue to be met in a range of stressed scenarios. In addition, the Group's capital management policy requires setting capital requirements significantly in excess of the minimum regulatory requirement.

We retain a planning assumption that the Group will pay regular dividends, however the ability of the Group to pay dividends is dependent on a number of factors including, among other things, the results of its operations, its financial condition, anticipated cash requirements, regulatory

capital requirements, future prospects and its profits available for distribution, and there can be no assurance that the Group will pay dividends or, if a dividend is paid, of the amount that any dividend will be. To mitigate the risk to dividends, profitability, solvency and liquidity are monitored by Finance, Risk and the Executive Committee and approved by the Board.

Liquidity

Our liquidity position is subject to a number of factors that may generate liquidity strain in the short or medium term. The Group manages its liquidity risk through an ongoing evaluation of its working capital requirements against available cash balances and credit facilities. The Group has a liquidity management framework that requires management to monitor and report on potential risks and liquidity positions, including compliance with regulatory liquidity requirements and internal appetites.

Credit

The Group is exposed to credit risk through our outsourced partners, trade and other receivables and our banking relationships. Exposure is mitigated through due diligence processes and by setting minimum policy standards and risk appetite for credit exposure.

The associated financial risk is disclosed in Note 3.

Risk management framework

The Group operations are managed on a single business basis due to the interdependencies between the legal entities, and risks are managed across all entities/activities under a single Risk Management Framework (RMF). Nucleus's RMF exists to aid management identify, assess, manage, and report the group's risks and exposures in a consistent way to maximise the benefit of our risk management practices and support a vibrant risk-aware culture.

The Risk Management Framework comprises of the following key sections:

- Role of the Board and Executive Team
- Risk Appetite
- Policy Framework
- Three Lines of Defence Model
- Mandate of the Risk Team
- Identification, Measurement & Control
- Monitoring, Aggregation & Reporting
- Culture
- Resources & Capabilities

The objectives of the risk management framework include but are not limited to:

- Ensuring risks are consistently identified, measured, managed, monitored and the resultant risk profile appropriately reported;
- Demonstrating proportionate and effective governance and performance of risk management for an authorised and regulated investment firm group and its entities;
- Evidencing our business strategy and business planning process are informed by our current and potential risk profile;
- Demonstrating we manage our risk appetites, tolerances and limits across our risk universe and risk categories;
- Demonstrating we meet all applicable regulatory principles and requirements on an ongoing basis, and do so on the basis of strong and effective risk management culture and structures;
- Embedding a risk aware culture with risk management recognised as a management competence, critical to the delivery of our business strategy and performance targets.

The Nucleus Group utilises the 'three lines of defence' model, whereby:

- **First Line** - Business management and front line staff manage risks. The systems, internal controls, overall control environment and business culture of Nucleus is critical in anticipating and ensuring timely escalation of risks that arise or may arise. The business relies on the first line teams to have primary accountability for managing their own risks, and understand where tolerances may be breached. The first line is assisted in this regard by the data provided into the operational risk system. First line are accountable for conducting root cause analysis for crystallised events (with the support of the Risk team) and are expected to implement relevant resolutions, such as procedural changes or suggested process amendments.
- **Second Line** - The Risk team and Governance Committees oversee and challenge the management of risk. This line provides the oversight and guidance where necessary, and maintains the tools used by the first line in managing their risks. The second line escalates risks via the group wide Governance Committee Framework, supporting both the first line and the Senior Managers in understanding the key risks to the business. The second line are accountable in terms of implementing an effective monitoring framework and ensuring high risk business areas have appropriate and proportionate controls in place to manage their risks.
- **Third Line** - Internal Audit provides assurance that risks are effectively managed and that there is appropriate oversight and information flow to the relevant Boards. This function is outsourced to BDO, who are responsible for internal audit for all regulated entities within the Nucleus Group.

S172 statement

Nucleus' s.172 statement sets out how our Directors have had regard to matters set out in section 171(1) (a) to (f) of the Companies Act 2006 when discharging their duty to promote the success of the company.

The Board is responsible for setting and monitoring execution against the Nucleus strategy, which is underpinned by our vision, values and risk appetite. Our Directors recognise that a key factor in any strategic decision-making process is engaging with stakeholders effectively in order to ensure that their interests and priorities are understood and are given due consideration as part of the Board's discussions and decision-making. The Board actively considers the interests of our key stakeholders including our customers, platform users, shareholders, people, suppliers, regulators, community, the environment and wider society. The Board's comprehensive stakeholder engagement approach ensures that different views are reflected in its meetings, offline discussions and through regular management information and reporting. Further details on what we feel matters most to these individual stakeholders, how we engage with them and how we have responded to their needs is captured below. By integrating stakeholder interests into our decision-making, we aim to promote the long-term success of the Company.

S.172 (1) provision	How the provision is featured in Board consideration
(a) Likely consequences of any decisions in the long-term	<ul style="list-style-type: none"> Setting and monitoring against the Group Strategy Sustainability Committee
(b) Interests of the company's employees	<ul style="list-style-type: none"> Workforce engagement Annual employee survey Nucleus Foundation
(c) The need to foster the Company's relationships with suppliers, customers and others	<ul style="list-style-type: none"> Vendor Management UK Modern Slavery Act disclosures Regular MI and reporting User sessions with platform users Engaging with advisers via Illuminate online
(d) Impact of operations on the community and the environment	<ul style="list-style-type: none"> Encouraging employees to participate in volunteer programs Collaboration with audiences including advisers via Illuminate online Urging greater political consensus around pensions and long-term savings policy Qualitatively assessing our climate-related risks across various scenarios
(e) The desire to maintain a reputation for high standards of business conduct	<ul style="list-style-type: none"> Compliance with the Financial Conduct Authority's Consumer Duty Mandatory staff training Regular engagement with our regulators
(f) Acting fairly between members of the company	<ul style="list-style-type: none"> Engagement with investors via shareholder board meetings

Key strategic decisions

The Board approved the recommended acquisition of Third Financial Software Ltd. This acquisition allows Nucleus to offer a comprehensive range of bespoke platform solutions for a broad spectrum of advice and wealth management firms. In order to reach its decision, the Board identified and considered the interests of and the outcomes for a number of stakeholders against proposed transaction rationale and risk review. Directors engaged Nucleus' shareholders, regulatory bodies (including the Financial Conduct Authority ("FCA") and the Prudential Regulation Authority ("PRA")), and Nucleus' material outsourcing partner, FNZ. This engagement was carried out via various forums, discussions and through the review and challenge of management information and external adviser reports. Where required the Board requested

analysis of market context, analysis of customer outcomes from the acquisition and financial scenario analysis in order to consider challenges around management bandwidth, the regulatory perspective and the strength of the proposition. The Board also reviewed and challenged management’s approach to integration post-completion. A comprehensive communications plan was approved by the Board to keep our people informed. The transaction completed in June 2024 and the Board remains engaged in ongoing risk management and integration plans and activity, promoting positive stakeholder outcomes and discussion through a wider stakeholder lens.

The Board is responsible for setting Nucleus’ strategy and monitoring the execution of the strategy. Throughout the year, the Directors carefully considered the short-term and long-term consequences when making key decisions, ensuring alignment with strategic priorities. They also considered other relevant factors, including those outlined in section 172 of the Companies Act 2006. At this stage in the Nucleus’ corporate life cycle, the Board considered that there was a requirement to ensure that the level of governance was fit for purpose and commensurate to the size of the Group, given the changes to the Nucleus Group, the Board and the Executive management team throughout the year. The Board undertook an external review of its own effectiveness to ensure that it will continue to operate effectively in the interest of Nucleus and its stakeholders. The Board considered how it should be informed and agreed new processes to be implemented to optimise Board meeting administration. Papers presented to the Board for its consideration are expected to follow a template to ensure that the Directors have the appropriate information to take informed decisions. The Board continued to scrutinise and challenge the proposals from the executive throughout the year ensuring that customer outcomes remain a focus, and regulatory requirements are and continue to be embedded into processes and procedures and are considered as part of the principal strategic decision-making process.

Engagement with key stakeholders in 2024

Nucleus is committed to actively engaging with our stakeholders to gain an understanding of their perspectives. By incorporating their insights into our strategic planning, we ensure that our long-term decision-making aligns with their expectations and supports sustainable growth.

Customers

What matters most:

- Well-designed products that are transparent and simple
- Income and benefits paid on time
- Flexible support when customers are facing vulnerability
- Fair pricing and fair value
- Quality of service
- Security of customer assets
- Great customer outcomes

How do we engage:

- Have your say customer feedback surveys
- Active management of Nucleus Trustpilot page
- Clear communication
- Net Promoter Score to assess customers views of the overall service and proposition provided by the Nucleus Group
- Customer Outcomes Committee which has a responsibility to facilitate great customer outcomes and review customer experience and Voice of Customer reporting
- Consumer duty annual review
- Carried out research to understand needs and behaviours of our non-advised customer base

How did we respond:

- Sought to maintain service levels throughout the year, liaising with our outsource provider to provide greater resource where necessary and putting in place specialist support to resolve identified issues
- Ceased exit fees for Curtis Banks customers
- Continued to strengthen our support for customers who need additional support
- Released a series of how-to guides to support non-advised customers using our proposition
- Introduced fourth tier pricing on Nucleus Wrap, reducing the standard annual platform charge for certain holdings
- Launched the UK Retirement Confidence Index

Platform users

What matters most:

- Connection to customers' needs
- Continuous platform development
- Dependable and consistent service standards
- Effective relationship management
- Cost-effective platform
- Clear guidance and thought leadership

How do we engage:

- User sessions, advisory board, adviser surveys and illuminate events
- Marketing and comms framework.
- Dedicated account managers and business development teams
- Stakeholder forums such as the UK platform group (UKPG) and our advisory board
- Thought leadership platform

How did we respond:

- Complaints and adviser feedback analysed for root cause and corrective action taken
- Regular cycle of "you said, we did" through adviser communications and Illuminate News
- Enhanced investment proposition such as a cash offering through Bondsmith and a platform compatible with-profit fund

Our people

What matters most:

- Making a difference for our customers
- Autonomy, coupled with clear expectations and boundaries
- Having opportunities to grow and progress
- Being fairly rewarded for their contributions
- Knowing that their voice is heard
- Feeling alignment between the Group and personal values
- A sense of wellbeing and inclusion in the workplace

How do we engage:

- Annual engagement survey and regular pulse surveys
- Tools to facilitate goal setting, 1-to-1s and feedback
- Annual roadshows to share business priorities for the coming year
- Monthly all company briefing and Q&A session led by our CEO and his executive team
- Weekly all company blog from CEO
- Online communication platform
- Employee forums
- Senior Leadership Team offsites
- Culture leaders and Firestarters
- Staff social events
- Support for internal and special interest groups

How did we respond:

- Created Work Smarter, Live Better resources to support teams to co-design ways of working that work for the whole team to enhance productivity and engagement working from home and in the office
- Ongoing support of inclusion networks for Women at Nucleus, LGBTQ+, Ethnic and Cultural Diversity and Disability and Health.
- Created new skills sessions for People Leaders facilitated by internal SMEs covering topics such as wellbeing through change, effective recruitment, employee relations, developing high-performing teams and fostering a learning culture.

Suppliers

What matters most:

- Trusted partnerships
- Strong governance
- Clear communications
- Service delivery that supports good customer outcomes and strategic goals

How do we engage:

- Vendor Manager Office (VMO) manage vendor activities and maintain both new and existing vendor relationships
- Regular service reviews with key material outsourcers
- Clearly documented vendor management onboarding and maintenance policies and practices
- Annual due diligence reviews with key material outsourcers
- Collaborative engagement with key suppliers and business owners

How did we respond:

- Identified business owners for all contractual relationships
- Performed a review of our vendor management suite of policies and procedures
- Implemented a contract management lifecycle tool to manage group contractual arrangements

Shareholders

What matters most:

- Compelling business model and growth strategy
- Stability, resilience and ability to scale
- Investing in our talent and succession

How do we engage:

- Shareholder communications in respect of any specific corporate actions and reserved matters
- Regular Board and other ad hoc meetings as required

How did we respond:

- Provided regular reporting on strategy execution through our Board and Board Committee meetings
- Continued to operate within the framework of shareholder reserved matters and governance arrangements in the form of our operating and investment agreements

Regulators

What matters most:

- We strive to “Do the right thing” at all times and we have an open and transparent dialogue with all relevant regulators.
- Understanding and adopting the principles and rules of the FCA Handbook – knowing which rules and guidance are relevant to Nucleus
- Demonstrating good conduct
- Acting in our customers’ best interests

How do we engage:

- Membership of the UK platform group (UKPG)
- Direct communication between our Chief Risk Officer, Regulatory and External engagement senior manager within Nucleus and the FCA
- Respond to regular and ad hoc FCA surveys by the requested deadline
- Respond to consultations where appropriate
- Respond to requests for assistance with FCA investigations into other firms/external issues

How did we respond:

- Responded to the FCA’s quarterly platform data requests on time
- Submitted completed SIPP data requests, NSI information requests and Consumer Duty-related surveys on time
- Responded to ad hoc information requests on time.
- Responded to requests for assistance in a timely manner

Community, the environment, and wider society

What matters most:

- Being a visible presence for good in the communities in which our people live and work
- Supporting the UK transition to a low-carbon economy
- Providing jobs and investment
- Operating as a sustainable and responsible business

How do we engage:

- Provide opportunities for our people to give back to their communities through paid volunteer hours
- Support key charity partners as voted for by Nucleus people and engage in charitable donation matching for staff raising money for good causes
- Measure our comprehensive carbon footprint, reporting in line with TCFD recommendations as part of our Climate-related Disclosures report
- Integrate climate-related risks into our formal risk framework

How did we respond:

- Operated a charity committee to identify, promote and coordinate charitable activities across the business.
- Ongoing monthly charity matching and approximately £27,000 raised by our people with support from the charity Committee
- Continued to measure, track and target our societal and environmental impact in line with the operation of our sustainability working group
- Continued the work of the Nucleus Foundation
- 220.5 days of volunteering done by our people through company volunteer days
- Sponsorship of local events, community groups and good causes across all business sites

Non-financial and sustainability information statement

The Group aims to comply with all areas of the non-financial reporting requirements contained within sections 414CA and 414CB of the Companies Act 2006. Information regarding non-financial matters is included throughout the Directors' report on pages 25 to 33.

Approved by the Board of Directors and signed on their behalf by:



Richard Rowney
Director
12 June 2025

Registered Office Address:

Suite B & C, First Floor Milford House, 43-55 Milford Street, Salisbury, United Kingdom, SP1 2BP

Directors' report

The Directors submit their report together with the audited Financial Statements for the year ended 31 December 2024.

Principal activity

These Financial Statements are prepared for Nucleus Financial Platforms Limited and its subsidiaries and present a complete view of the Group's combined operations. In addition to Group Financial Statements, separate Financial Statements have been presented for the Company.

The Group's principal activity is providing the administration of Self Invested Personal Pensions ("SIPPs"), Small Self-Administered Pension Schemes ("SSASs"), wrap platform administration, pension portfolio administration and pension scheme administration. Certain subsidiary undertakings within the Group are regulated by the FCA and PRA.

The principal activity of Nucleus Financial Platforms Limited, company number 06033126 (the "Company") is that of an intermediate holding company, and it does not perform any trade. The Company is a private limited company, incorporated and domiciled in England and Wales.

The Group is also a member of the group headed by, and forms part of the Group Financial Statements drawn up by, the parent undertaking, Plutus Topco Limited.

Financial results and dividends

The profit after tax for the financial year of the Group is £58.0m (2023: £44.5m), and for the Company is £5.7m (2023: £6.0m).

During 2024 the Group paid an interim dividend of £nil (2023: £19.4m). No further dividends are recommended for payment (2023: £nil).

The future developments of the Group are outlined above in the Strategic Report.

Directors and Secretary

The Directors and Secretary who served throughout the year for the Company and to the date of this report unless otherwise indicated were as follows:

Directors

Jake Blair

Clare Bousfield (appointed 1 July 2024)

Roisin Conran

Judith Davidson (resigned 1 May 2024)

Alexander Filshie (appointed 3 January 2024, resigned 20 December 2024)

Scot French

Richard Hoskins

Kathryn Purves (resigned 7 June 2024)

Mike Regan (resigned 3 January 2024)

Cathryn Riley (appointed 1 May 2024)

Richard Rowney

Gordon Wilson

Secretary

Michelle Bruce (resigned 1 February 2025)

Alice Dixie (appointed 1 February 2025)

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, including interpretations issued by the IFRS Interpretations Committee. The Company financial statements have been prepared in accordance with FRS 101 "Reduced Disclosure Framework" (FRS 101). 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 and Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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.

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

The details of how the Directors have engaged with key stakeholders is set out in the S172 Statement on page 20.

Directors' indemnities

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

Political donations

The Group did not make any political donations during the financial year (2023: £nil).

Statement of going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out above and in the CEO review on pages 8 to 12. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are set out in the Financial Statements. In addition, Notes 3 and 4 to the Financial Statements include the Group's objectives, policies and processes for managing its capital; its financial risk objectives, details of its financial instruments and its exposures to credit risk, liquidity risk and market risk.

The Directors have assessed the Group's operational resilience and ability to meet its liquidity and capital requirements. In addition, the Directors have performed stress tests on liquidity and capital, for material financial risks including a market downturn and interest rate decreases. These provide assurance that the Group has sufficient capital and liquidity to operate under stressed scenarios.

The Directors believe, after reviewing both the Group's forecasts and projections and taking into account any likely changes in trading performance, that the Group will have sufficient current financial resources to continue to operate and to meet its financial obligations as they fall due, for at least the 12 months from the date of approval of these Financial Statements.

Research and development

The Group continues to research and develop new financial services products and make a series of incremental improvements, while ensuring continuity of service to its existing customer base. Nucleus is harnessing pensions expertise and digital capability within the Group to build the best retirement-focused adviser platform for larger adviser firms in the UK.

The Group's combined scale is enabling us to invest in products, technology, price and service that will deliver better value for its customers. The Group plans to provide the right blend of human service, online proposition and attractive pricing.

Financial risk

Financial risk objectives and policies which have been implemented by Executive Management are set out in **Principal risks and uncertainties** and Note 3 to the Financial Statements.

Financial instruments

The Group's financial instruments comprise loans to entities with significant influence over the Group, borrowings, cash and liquid resources, and various items, such as receivables and payables, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken on its own behalf.

Further disclosures regarding financial risk objectives and policies and the Group's exposure to principal risks can be found in Note 3.

Significant events after the balance sheet date

There were no other subsequent events that required adjustment to or disclosure in the Financial Statements for the period from 31 December 2024 to the date upon which the Financial Statements were available to be issued.

Employees

Details of the number of employees and related costs can be found in Note 10 to the Financial Statements.

The Group is committed to equality of access and quality of service for employees and embraces the Disability and Equality Act 2010 throughout its business operations. The Group has processes in place to help recruit, train, develop, retain and promote employees from all backgrounds, regardless of age, caring responsibilities, disability, ethnicity, gender, religion or sexual orientation and is committed to giving full and fair consideration to all applications for employment.

The Group is subject to the FCA's enhanced Senior Managers and Certification Regime ("SMCR") and complies fully with these requirements.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Group as a whole. Communication with all employees continues through online surveys, all company briefings, online communication platforms, employee forums and other briefing groups.

The Group is committed to promoting and supporting equality of opportunity and an inclusive workplace, which will in turn drive diversity.

Health and safety

The Group is committed to providing a safe and healthy environment in which its employees can work. We use health and safety consultants on an ongoing basis to ensure that standards are maintained and health and safety policies are made available to all staff. These policies are reviewed and updated on an ongoing basis taking into account changes in the law, and staff are notified of any changes that are made.

Human Rights and Modern Slavery Act 2015

The Board gives due regard to human rights considerations and periodically carries out risk assessments to ensure that our suppliers present a very low risk of modern slavery or human trafficking. Additionally, all contractual arrangements with suppliers include a provision in their contracts requiring suppliers to comply with the Modern Slavery Act.

We continue to be aware of our responsibilities and obligations under the Modern Slavery Act and continue to develop our approach to the prevention of modern slavery and human trafficking, managing risks on an on-going basis.

Anti-bribery and corruption

The Board is responsible for the oversight of the Group's Anti-Bribery and Corruption and Whistleblowing policies and is committed to applying the highest standards of ethical conduct and integrity in its business activities. Every employee and individual acting on the Group's behalf is responsible for maintaining our reputation and for conducting business honestly and professionally.

Anti-bribery and corruption (continued)

The Group considers that bribery and corruption have a detrimental impact on business by undermining good governance and distorting free markets. The Board and Senior Management are committed to implementing and enforcing effective systems throughout the Group to prevent, monitor and eliminate bribery, in accordance with the UK Bribery Act 2010, which applies to the Company and its subsidiaries. The Group's Whistleblowing policy encourages employees to report any instances of wrongdoing anonymously.

During 2024 there were no instances of non-compliance reported with the Anti-Bribery and Corruption policy.

Regulatory disclosures

On 1 January 2022 the FCA introduced the Investment Firms Directive Regime (IFPR), a new prudential regime for UK firms authorised under the Markets in Financial Instruments Directive (MiFID). The Group has three MiFID firms that are subject to this regime, James Hay Wrap Managers, Nucleus Financial Services Limited and Third Platform Services Limited. Details of the IFPR rules are outlined in the Prudential Sourcebook for MiFID firms (MIFIDPRU) within the FCA's Handbook at <https://www.handbook.fca.org.uk>.

The Directors ensure that the level of capital meets the regulatory requirements of MIFIDPRU, and full details of this, alongside quantitative and qualitative risk and risk management information can be found within the MIFIDPRU 8 Disclosure. This will be available on the Group's website, <https://www.nucleusfinancialplatforms.com>, when the MIFIDPRU firms have published their financial statements.

Suffolk Life Annuities Limited ("SLA") is authorised and regulated by the Prudential Regulation Authority ("PRA") and is also regulated by the Financial Conduct Authority ("FCA"). As a condition of being able to transact business as a life insurer, it is required to hold a minimum level of capital which is calculated with respect to the mix of business written. In calculating these capital requirements, the PRA Solvency II Directive requires certain adjustments to be made in the valuation of assets and liabilities in comparison to those used in financial statements. SLA also prepares an annual Own Funds and Solvency Assessment ("ORSA") which is an internal assessment of the amount of capital required to ensure that it can meet both the Solvency Capital Requirement ("SCR") and an internal view of the required capital over the planning horizon.

From 1 January 2016, SLA was required to operate under the new Solvency II regime. The relevant capital requirement is the minimum solvency requirement determined in accordance with PRA Regulations. The available capital has been calculated after deducting liabilities that include additional prudential margins. SLA's solvency requirements were met throughout the year.

Corporate social responsibility and sustainability

Sustainability for Nucleus means creating a successful business for the long-term. Fulfilling our purpose of helping make retirement more rewarding goes hand-in-hand with delivering long-term shareholder value, as well as addressing environmental and societal challenges.

We recognise our role as a responsible corporate citizen and believe that by running our business in a sustainable way, we can have a positive impact on our customers, our employees, the communities in which we operate and the wider environment, whilst delivering consistent profits.

We've developed and implemented a B-Corp inspired sustainability framework that incorporates initiatives established across the Group, such as our diversity, equity and inclusion network and charity committee. We use the framework to measure, track, and target our societal and environmental impact. We've developed plans and long-term ambitions across the six areas of the framework:

- Governance
- Environment
- Our people
- Community
- Customers
- Sustainable investing

Our Sustainability Steering Committee (supported by working group) are responsible for engaging with the business and progressing our approach against our sustainability ambitions, ensuring effective governance and processes within BaU and associated initiatives. Our sustainability working group meets regularly and is responsible for monitoring and progressing sustainability impact across the business, reporting to our sustainability steering committee, which includes executive level representation.

Environmental initiatives, energy and carbon results

Our environment workstream is responsible for measuring, targeting, and minimising how Nucleus impacts the environment throughout our operations, with the ambition of achieving net zero.

We worked with carbon measurement and reporting platform, Watershed, to measure our comprehensive carbon footprint for the year ended 31 December 2024. Conducting a complete carbon measurement enables us to fully understand our environmental impact and set effective decarbonisation targets.

Our Scope 1 and Scope 2 greenhouse gas ("GHG") emissions for the year ended 31 December 2024 totalled 6,518 tonnes of CO₂e. A breakdown of these metrics and our emissions can be seen in the table below. We report further details of our emissions metrics, in line with the Task Force for Climate-related Financial Disclosures ("TCFD") recommendations, as part of our annual climate-related disclosure report which is available on the Group's website <https://www.nucleusfinancialplatforms.com>.

Whilst total emissions have remained steady year-on-year, our carbon intensity (as measured by tCO₂e/ £1m of revenue) has reduced by 27.9% (from 41.70 to 30.07). Increases in emissions are driven by the inclusion of Curtis Banks for an entire year, and inclusion of Third Financial emissions from acquisition, as well as continued return to the office and increased business travel. A more detailed narrative commentary of our carbon footprint and impact, our consideration of climate-related risks, and our decarbonisation strategy can also be found in our annual climate related disclosures report.

Corporate social responsibility and sustainability (continued)

GHG emissions (tonnes CO2e)		
Description	2024	2023
Scope 1 emissions	87	24
Scope 2 emissions (market based)	209	106
Total Scope 1 and Scope 2 emissions	296	130
Total Scope 3 emissions	6,222	6,238

The aggregate energy consumed by Nucleus Group during the year was 1,668,608kwh (2023: 728,360 kwh).

Investing in our communities

The Group has a strong social conscience and aims to have a positive impact on the communities where our people live and work. In December 2022, we launched the Nucleus Foundation, entirely funded by shareholders, and governed by a committee of trustees that represent our locations in Edinburgh, Glasgow, London and Salisbury. In 2024, the foundation donated £73k to good causes.

The foundation focuses on five core areas across some of the issues and causes most important to the business and its people.

- The first will be supporting local community causes, adopting a place-based-giving approach to providing grants and financial assistance to causes in the locations where we're based across the UK.
- Encouraging more women into financial advice careers will be another key area of focus for the Foundation, working alongside charities who support the education and development of women into careers in financial advice and planning.
- Aligned with our purpose, the Foundation aims to help make retirement more rewarding and will also support disadvantaged people who are retired or approaching retirement age, by providing grants and working alongside organisations who assist those without access to financial advice or pension products.
- Employee sponsorship and donations will be another core element of the Foundation, with the business boosting funds raised by our people for the charitable causes close to their hearts.
- Finally, funding will also be allocated to provide targeted support for employees and their families in time of need, offering financial assistance in cases of emergency and hardship which are outside of standard workplace policies.

In addition to the Nucleus Foundation, the Group also has a separate charity committee who offer matched funding for our people raising funds for charitable causes. In 2024 the committee oversaw donations of £42k towards philanthropic causes.

Nucleus employees also completed 1,760 volunteering hours in 2024, allowing our people to be visibly present in the community and encourage team building through volunteering. This included work with local charities including **Grassmarket**, **Red Start** and **Kids Love Clothes**, as well as multiple volunteering activities included within the CCO's engagement week.

Equity, Diversity and Inclusion

2024 saw Nucleus establish a new approach to Equity, Diversity and Inclusion (ED&I) with the establishment of four inclusion networks: Disability and Health, Ethnic and Cultural Diversity, LGBTQ+ and Women @ Nucleus. The networks are led by SLT Chairs and made up of people from across the business who either have lived experience or are passionate about making a difference to the lives of those that the networks represent. The networks are supported by a central SteerCo which is sponsored by the CCO, chaired by the CTO and attended by delivery partners across the People team and Internal comms.

The 2024 ED&I activity can be broken down into three core elements:

Celebrating inclusion is all about celebrating the work that Nucleus has already done in building an inclusive and welcoming workplace and continuing to drive forward a more inclusive culture and raise awareness on why it matters to everyone. This saw the networks marking awareness days across the year including International Women's Day, Pride, Transgender Awareness Week, South Asian Heritage Month, Black History Month, International Day of Persons with a Disability and many more.

Creating equitable opportunities is how we ensure that we are continuously developing and uplifting all of our people, regardless of their backgrounds. It's not about treating people equally; it's about treating people fairly and creating opportunities that are the right fit for people's unique circumstances so they can thrive at Nucleus. This saw the networks champion underrepresented demographics and identifying inequalities in the way we work, including a change in policy which gives people the ability to swap UK public holidays (such as Easter) to take time off instead during religious holidays they celebrate (i.e. Eid).

Attracting diverse talent encompasses not only our diverse recruitment strategy but also the outward communication and celebration of our ED&I activity to ensure that prospective employees are aware of the amazing, inclusive culture we have created at Nucleus. This saw our recruitment partner undertaking listening exercises with all networks to understand where there may be improvements to make in our recruitment strategy and a plan to introduce unconscious bias training for hiring managers.

2024 was a year of forming the networks, understanding the landscape and establishing new ways of working and making a difference to everyone at Nucleus. In 2025, the networks look forward to consolidating the work they've done so far and be more strategic in their approach, especially with new FCA guidance on ED&I expected in 2025.

Auditor

Each of the Directors as at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- the Director has taken all steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Act.

In accordance with s485 and s487 of the Act Deloitte LLP are deemed to have been re-appointed as auditor of the Group.

Approved by the Board of Directors and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Rowney', with a horizontal line underneath.

Richard Rowney
Director

12 June 2025

Registered Office Address:

Suite B & C, First Floor Milford House, 43-55 Milford Street, Salisbury, United Kingdom, SP1 2BP

Independent auditor's report to the members of Nucleus Financial Platforms Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of Nucleus Financial Platforms Limited (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated and parent company statements of comprehensive income;
- the consolidated and parent company statement of financial position;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the material accounting policy information; and
- the related notes 1 to 41.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law, United Kingdom 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 are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

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

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act, FCA and PRA regulation, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as taxation, valuation and Information Technology specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas for Group, and our procedures performed to address it are described below:

- Revenue recognition in relation to unauthorised change or error in the variable asset based fee rate tables held within the Group's IT platforms. Revenue is made up of a high volume of low value transactions. The majority of revenue recognised is calculated automatically based on the standard rate tables held within the IT platforms. Any unauthorised change or error in the rate tables held within the platforms could impact a significant proportion of fee income recognised.
- We have obtained an understanding of and tested the relevant change management controls over the rate tables held within the IT platforms. We have performed a re-calculation of revenue based on the multiple published rate cards. Where exceptions were identified in our recalculation, we have investigated and performed additional substantive testing on a sample basis.
- The key judgements in relation to valuation of intangibles assets acquired as a result of the acquisition of Third Financial under Purchase Price Allocation accounting.
- We have assessed the design and implementation of purchase price allocation controls and reviewed the underlying contract related to the transaction. We have engaged our valuation specialists to evaluate the methodology used, including the review of the Multi period excess earnings method and discount rates, and we have tested the underlying model and the data that supports the methodology. Where exceptions were identified, we have investigated and performed substantive testing on a sample basis.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override for both Group and Company audits. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making

accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with the FCA.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's and 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 group and parent company and the

group's and parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Williams (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Edinburgh, United Kingdom

12 June 2025

Consolidated statement of comprehensive income

For the financial year ended 31 December 2024

	Notes	2024		2023	
		£'000	£'000	£'000	£'000
Revenue	7		217,523		157,179
Administrative expenses	11		(144,766)		(96,646)
Credit impairment charges			(246)		(106)
Policyholder investment (losses) / returns	30	316,365		110,126	
Non-participating investment contract expenses	30	(38,188)		(9,820)	
Changes in provisions: Non-participating investment contract liabilities		(278,177)		(100,306)	
Policyholder total		-		-	
Operating profit	8		72,511		60,427
Finance income	12		7,161		2,633
Finance costs	13		(698)		(263)
Exceptional items	14		(28,649)		(15,826)
Profit on ordinary activities before tax			50,325		46,971
Tax credit/ (charge) on the profit on ordinary activities	15		7,629		(2,445)
Profit for the financial year			57,954		44,526
Total comprehensive profit for the financial year			57,954		44,526

The results in 2024 were derived from continuing operations.

The applicable accompanying Notes 1 to 41 on pages 48 to 102 form an integral part of these Financial Statements.

Consolidated statement of financial position

As at the financial year end 31 December 2024

	Notes	2024 £'000	2023 £'000
Non-current assets			
Intangible assets	16	486,263	427,371
Investment property	17	1,118,765	1,075,300
Property, plant and equipment	18	3,028	4,363
Right-of-use assets	19	7,022	9,968
Investments	21	2,235,883	2,126,448
Term deposits with credit institutions		3,462	5,351
Total non-current assets		3,854,423	3,648,801
Current assets			
Trade and other receivables	22	90,982	102,910
Amount due from related parties	35	102,090	30,780
Income tax asset		11,098	112
Term deposits with credit institutions		175,751	176,833
Cash and cash equivalents	23	255,156	267,032
Total current assets		635,077	577,667
Non-current liabilities			
Borrowings	24	(18,890)	(18,811)
Lease liabilities	25	(5,165)	(8,050)
Other liabilities	26	(4,293)	-
Provisions for other liabilities	28	(1,261)	(1,157)
Non-participating investment contract liabilities	30	(3,599,933)	(3,460,226)
Deferred tax liabilities	15	(58,512)	(49,339)
Total non-current liabilities		(3,688,054)	(3,537,583)
Current liabilities			
Trade and other payables	27	(97,720)	(95,838)
Amount due to related parties	35	(6,806)	(8,105)
Borrowings	24	(13,195)	(13,330)
Lease liabilities	25	(1,953)	(2,434)
Other liabilities	26	(4,254)	-
Provisions for other liabilities	28	(12,419)	(17,578)
Income tax liabilities		-	(4,567)
Total current liabilities		(136,347)	(141,852)
Net current assets		498,730	435,815
Total assets less current liabilities		4,353,153	4,084,616
Net assets		665,099	547,033

Consolidated statement of financial position (continued)

As at the financial year end 31 December 2024

	Notes	2024 £'000	2023 £'000
Capital and reserves			
Share capital	31	156,290	156,290
Share premium	31	350,833	300,000
Other reserves	32	27,786	18,507
Retained earnings	34	130,190	72,236
Shareholders' funds		665,099	547,033

The accompanying Notes 1 to 41 on pages 48 to 102 form an integral part of these Financial Statements

The Financial Statements were approved and authorised for issue by the Board:



Richard Rowney
Director

12 June 2025

Registered Office Address:

Suite B & C, First Floor Milford House, 43-55 Milford Street, Salisbury, United Kingdom, SP1 2BP

Registered in England and Wales: 06033126.

Consolidated cash flow statement

For the financial year ended 31 December 2024

	Notes	2024 £'000	2023 £'000
Cash flows from operating activities			
Cash used in operations	38	(55,946)	(11,597)
Interest received		6,850	2,633
Other interest paid		(297)	-
Income tax credited / (paid)		(10,682)	(537)
Addition of financial investments		(636,821)	(145,335)
Disposal of financial investments		671,051	160,036
Addition of investment properties		(90,666)	(20,562)
Disposal of investment properties		43,844	20,021
Repayment of borrowings		(57)	(1,896)
Decrease in term deposits		2,971	-
Increase in liability for investment contracts		139,707	57,698
Net cash generated from operating activities		69,954	60,461
Cash flows from investing activities			
Purchase of property, plant and equipment	18	(801)	(1,872)
Proceeds of sale of property, plant and equipment		895	-
Acquisition of intangible assets	16	(2,742)	(1,563)
Proceeds from sale of intangible assets		202	-
Acquisition of a subsidiary undertaking less cash acquired		(54,769)	(230,814)
Net cash used in investing activities		(57,215)	(234,249)
Cash flows from financial activities			
Principal (repayments) / advances of lease liabilities - principal		(2,749)	(1,942)
Principal (repayments) / advances of lease liabilities - interest		(401)	(240)
Other interest income		311	-
Interest paid		-	(23)
Movement in loans due from related parties		(71,326)	(21,201)
Movement in loans due to related parties		(1,299)	(2,108)
Proceeds from the issue of share capital		50,833	300,000
Dividends paid		-	(19,400)
Net cash (used) / generated from financing activities		(24,631)	255,086
(Decrease) / increase in cash and cash equivalents		(11,892)	81,298
Cash and cash equivalents at the beginning of the financial year		267,032	66,504
Cash affiliated with policyholders - 1st October 2023		-	119,224
Effects of exchange rate changes		16	6
Cash and cash equivalents at end of financial year	23	255,156	267,032

The accompanying Notes 1 to 41 on pages 48 to 102 form an integral part of these Financial Statements.

Consolidated statement of changes in equity

For the financial year ended 31 December 2024

	Notes	Share capital £'000	Share premium £'000	Other reserves £'000	Profit and loss account £'000	Total Equity £'000
1 January 2023		156,290	-	16,582	47,110	219,982
Profit for the financial year	34	-	-	-	44,526	44,526
Transactions with owners for the year						
Issue of share capital		-	300,000	-	-	300,000
Capital reserves contribution from parent		-	-	1,925	-	1,925
Dividends paid	34	-	-	-	(19,400)	(19,400)
31 December 2023		156,290	300,000	18,507	72,236	547,033
1 January 2024		156,290	300,000	18,507	72,236	547,033
Profit for the year	34	-	-	-	57,954	57,954
Transactions with owners for the year						
Issue of share capital		-	50,833	-	-	50,833
Capital reserves contribution from parent		-	-	9,279	-	9,279
Dividends paid	34	-	-	-	-	-
31 December 2024		156,290	350,833	27,786	130,190	665,099

The accompanying Notes 1 to 41 on pages 48 to 102 form an integral part of these Financial Statements.

Parent company statement of comprehensive income

For the financial year ended 31 December 2024

	Notes	2024 £'000	2023 £'000
Revenue		-	-
Administrative expenses	11	(9,461)	(2,247)
Operating loss	8	(9,461)	(2,247)
Finance income		1,679	-
Exceptional items	14	(14,411)	(1,707)
Inter-company dividends received		27,500	10,289
Profit on ordinary activities before tax		5,307	6,335
Tax credit / (charge) on profit on ordinary activities	15	373	(373)
Profit for the financial year		5,680	5,962
Total comprehensive profit for the financial year		5,680	5,962

The total comprehensive profit for the year is wholly attributable to the equity holders of the Company.

All results were derived from continuing operations.

The applicable accompanying Notes 1 to 41 on pages 48 to 102 form an integral part of these Financial Statements.

Parent company statement of financial position

As at the financial year ended 31 December 2024

	Notes	2024 £'000	2023 £'000
Non-current assets			
Investment in subsidiaries	20	559,949	491,152
Total non-current assets		559,949	491,152
Current Assets			
Trade and other receivables		98	-
Amounts due from related parties	35	92,062	45,860
Cash and cash equivalents	23	16,463	42,384
Total current assets		108,623	88,244
Non-current liabilities			
Other liabilities	26	(4,293)	-
		(4,293)	-
Current liabilities			
Trade and other payables	27	(7)	(254)
Income tax liabilities		(24)	(397)
Other liabilities	26	(4,254)	-
Amount due to related parties	35	(55,891)	(40,435)
Total current liabilities		(60,176)	(41,086)
Net current assets		48,447	47,158
Total assets less current liabilities		608,396	538,310
Net assets		604,103	538,310
Capital and reserves			
Share capital	31	156,290	156,290
Share premium		350,834	300,000
Other reserves	32	30,741	21,462
Retained earnings	34	66,238	60,558
Shareholders' funds		604,103	538,310

The applicable accompanying Notes 1 to 41 on pages 48 to 102 form an integral part of these Financial Statements.

Parent company statement of financial position (continued)

The Financial Statements were approved and authorised for issue by the Board:



Richard Rowney
Director

12 June 2025

Registered Office Address:

Suite B & C, First Floor Milford House, 43-55 Milford Street, Salisbury, United Kingdom, SP1 2BP

Registered in England and Wales: 06033126.

Parent company statement of changes in equity

For the financial year ended 31 December 2024

	Notes	Share capital £'000	Share premium £'000	Other reserves £'000	Profit and loss account £'000	Total Equity £'000
1 January 2023		156,290	-	19,537	73,996	249,823
Profit for the year	34	-	-	-	5,962	5,962
Transactions with owners for the year						
Capital contributions		-	-	1,925	-	1,925
Issue of share capital		-	300,000	-	-	300,000
Dividends paid		-	-	-	(19,400)	(19,400)
31 December 2023		156,290	300,000	21,462	60,558	538,310
1 January 2024		156,290	300,000	21,462	60,558	538,310
Profit for the year	34	-	-	-	5,680	5,680
Transactions with owners for the year						
Capital contributions		-	-	9,279	-	9,279
Issue of share capital		-	50,834	-	-	50,834
31 December 2024		156,290	350,834	30,741	66,238	604,103

The accompanying Notes 1 to 41 on pages 48 to 102 form an integral part of these Financial Statements

Notes to the Financial Statements

1. Company information

The principal activity of the Company is that of an intermediate holding company and it does not perform any trade. The Company is a private limited company registered in England and Wales, limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Suite B & C, First Floor Milford House, 43-55 Milford Street, Salisbury, United Kingdom, SP1 2BP.

The Group's principal activity is providing the administration of Self Invested Personal Pensions ("SIPPs"), Small Self-Administered Pension Schemes ("SSASs), wrap platform administration, pension portfolio administration and pension scheme administration. Certain subsidiary undertakings within the Group are regulated by the FCA and PRA.

2. Summary of material accounting policies

Statement of compliance

The Consolidated Financial Statements of the Group have been prepared in accordance with UK-adopted international accounting standards, including interpretations issued by the IFRS Interpretations Committee. The separate Financial Statements of the Company have been prepared in accordance with FRS 101: "Reduced Disclosure Framework" (FRS 101). The material accounting policies applied in the preparation of the Financial Statements are set out below, and in the relevant Notes to the Financial Statements. The accounting policies set out in Note 2 have been applied consistently in preparing the Financial Statements for the year ended 31 December 2024 and 2023.

The Company has elected to apply the following disclosure exemptions in accordance with FRS 101, when preparing these Financial Statements:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based payments
- 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(p), B64(q)(ii), B66 and b67 of IFRS 3 Business Combinations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:-
 - paragraph 79(a)(iv) of IAS 1 Presentation of Financial Statements
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment
 - paragraph 118(e) of IAS 38 Intangible Assets
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member

2. Summary of material accounting policies (continued)

- the requirements of paragraphs 134(d) to 134(f) and 135(e) of IAS 36 Impairment of Assets
- disclosure of key management personnel remuneration
- disclosure of amounts incurred by the entity for the provision of key management personnel services that are provided by a separate management entity (IAS 24.18A)

Basis of preparation

The financial statements have been prepared under the historical cost convention except for the revaluation of financial assets classified as fair value through profit or loss.

The Directors believe, after reviewing both the Group's forecasts and projections and taking into account any relevant macro-economic factors including inflation and interest rate movements, and changes in trading performance, that the Group will have sufficient current financial resources to continue to operate and to meet its financial obligations as they fall due, for at least the 12 months from the date of approval of these financial statements. The Group therefore continues to adopt the going concern basis in preparing its financial statements. Further information relevant to the Directors' assessment of going concern is set out in the Directors' Report.

The financial statements have also been presented and rounded to the nearest thousand.

Adoption of new and revised standards

Newly mandatorily effective in the current period

Amendment	Summary	Mandatory application date
Amendments to IAS 12	International Tax Reform – Pillar Two Model Rules	1 Jan 2024
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	1 Jan 2024
Amendments to IFRS 16	Lease Liability in Sale and Leaseback	1 Jan 2024
Amendments to IAS 7 and IFRS 7	Disclosures: Supplier Finance Arrangements	1 Jan 2024

The Group has evaluated these requirements, and they do not have significant impact to the Group's Financial Statements.

Issued but not yet mandatorily effective

Amendment	Summary	Mandatory application date
Amendments to IAS 21	Lack of exchangeability	1 Jan 2026
Amendments to IFRS 9 and IFRS 7	Classification and measurement of financial instruments	1 Jan 2026
Annual improvements to IFRS	IFRS Accounting Standards – Volume 11	1 Jan 2026
Amendments to IFRS 9 and IFRS 7	Power Purchase Agreements	1 Jan 2026

2. Summary of material accounting policies (continued)

Issued but not yet mandatorily effective (continued)

Amendment	Summary	Mandatory application date
New Standard – IFRS 18	Presentation and Disclosure in Financial Statements	1 Jan 2027
New Standard – IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 Jan 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	No effective date confirmed

The Group is currently evaluating the requirements of the standards and amendments. The Group does not anticipate that the application of these in the future will have a material impact on the Group's Financial Statements with the exception of IFRS 18.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

Statement of profit or loss

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS 18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

Main business activities

For the purposes of classifying its income and expenses into the categories required by IFRS 18, an entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity is a matter of fact and circumstances which requires judgement. An entity may have more than one main business activity.

Management-defined performance measures

IFRS 18 introduces the concept of a management-defined performance measure ("MPM") which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. IFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS accounting standard.

2. Summary of material accounting policies (continued)

Issued but not yet mandatorily effective (continued)

Location of information, aggregation and disaggregation

IFRS 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. IFRS 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics. Guidance is also provided for determining meaningful descriptions, or labels, for items that are aggregated in the financial statements.

Consequential amendments to other accounting standards

Narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss'. The optionality around classification of cash flows from dividends and interest in the statement of cash flows has also largely been removed.

Some requirements previously included within IAS 1 have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which has been renamed IAS 8 Basis of Preparation of Financial Statements.

Transition

IFRS 18, and the consequential amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and must be applied retrospectively. Early adoption is permitted and must be disclosed.

Impact on the Group

Management is currently assessing the detailed implications of applying the new standard on the company's financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.
- The Company does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - management-defined performance measures;
 - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
 - for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

2. Summary of material accounting policies (continued)

Consequential amendments to other accounting standards (continued)

Impact on the Group (continued)

- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented.

The Company will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

Functional and presentation currency

Items included in the Financial Statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The Financial Statements are presented in "GBP" (£), which is the Group's presentation and functional currency.

Consolidated Financial Statements

The Group applies IFRS 10 Consolidated Financial Statements. The consolidated Financial Statements comprise the Financial Statements of the Company and all its subsidiaries. Subsidiaries are entities over which the Group has control. The Group controls an entity where the Group is exposed to or has rights to variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an entity if facts and circumstances indicate that there have been changes to its power, its rights to variable returns or its ability to use its power to affect the amount of its returns. Consolidation of a subsidiary begins when the parent company obtains control over the subsidiary and ceases when the parent company loses control of the subsidiary. The results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the parent company gains control until the date when the parent company ceases to control the subsidiary. Intra-group transactions and balances are eliminated on consolidation and consistent accounting policies are used throughout the Group for the purposes of the consolidation. Changes in ownership interests in subsidiaries are accounted for as equity transactions if they occur after control has been obtained and they do not result in loss of control.

Suffolk Life Annuities Limited, a subsidiary of the Group, provides SIPPs through non-participating individual insurance contracts. As such, it is authorised as an insurance company and the consolidated results for the whole Group also include Suffolk Life Annuities Limited's insurance policyholder assets, liabilities and returns.

Revenue recognition

Revenue comprises fees from revenue streams where the provision of services satisfies performance obligations at a point in time or services relating to performance obligations that are satisfied over time. Revenue relating to services provided over time are recognised in line with the progress towards the satisfaction of these performance obligations. The Group applies the 5 step model under IFRS 15 Revenue from Contracts with Customers to recognise revenue.

Revenue is disaggregated under the following categories with the respective recognition policy for each category detailed below:

2. Summary of material accounting policies (continued)

Revenue recognition (continued)

Annual fees and ongoing recurring fees

Annual fees are charged when the contingent events that give rise to the right to receive those fees, typically renewal, have occurred. The fee relates to administrative services performance obligations that are satisfied over time. A liability equal to the amount received is recognised as deferred income and is reduced over the year on a straight-line basis with the reduction recognised as revenue.

Ongoing recurring fees are invoiced on a monthly or quarterly basis. These are recognised as revenue in the month to which they relate with performance obligations satisfied over time.

Transaction fees

Transaction fees are recognised as revenue when the contingent events which give rise to the right to receive a transaction fee have occurred which satisfies a performance obligation at a point in time.

Asset based fees

Asset based fees include Wrap platform and SIPP administration fees that are charged monthly in arrears, as a percentage of eligible assets, based on the value of those assets either at the end of each month or on a daily valuation basis depending on the agreement with the client. These are recognised as revenue in the month to which they relate with performance obligations satisfied over time.

Asset based fees also include an interest spread on money earned on cash and is net of the amount passed to the client. Interest earned arises as a result of an arrangement between the firm and the credit institution where the cash is held. Accordingly, margin on cash is accounted for under IFRS 9 Financial instruments. It is recognised as it accrues.

Other revenue

Other revenue relating to FinTech is recognised in line with satisfaction of contractual performance obligations. Revenue associated with licence and post contract support obligations are recognised on a straight-line basis over time throughout the contract period. Revenue relating to implementation and IT consultancy services are billed according to standard rate cards on a time and expense basis. Therefore, they are recognised as and when measurable progress is made and at full when the specific engagement is completed.

Accounting for exceptional items

IFRS does not explicitly describe events or items of income or expense as exceptional, so the Group has adopted an income statement format which seeks to highlight significant items within the Group's results for the year. Such items include restructuring costs, litigation settlements, remediation expenditure, sanction charges, significant non-recurring project costs and costs and fair value movements relating to acquisitions and disposals. Judgement is used by the Group in assessing the particular items, that by virtue of their scale and nature, should be disclosed in the Consolidated Statement of Comprehensive Income and/or Notes to the Financial Statements as exceptional items. These items require separate disclosure in the Financial Statements to facilitate a better understanding of the Group's financial performance.

2. Summary of material accounting policies (continued)

Pensions and other post-retirement benefits

The Group operates a defined contribution pension scheme. The pension charge represents the amounts payable by the Group to the scheme in respect of the year and contributions are recognised as an expense when they are due. Once the contributions have been paid, the Group has no further payment obligations. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Non-participating investment contracts

The Group offers unit linked Self-Invested Personal Pension policies, also referred to as the "policyholder" business, wholly administered by Suffolk Life Annuities Limited, a subsidiary company. The liability of the Group towards its policyholders is exactly equal to the value of policyholder assets held at all times.

Non-participating investment contract liabilities are measured at fair value by reference to the value of the underlying assets held to cover investment contracts at the Statement of Financial Position date.

For non-participating investment contracts, premiums are not included in the consolidated Statement of Comprehensive Income but are reported as contributions to non-participating investment contract liabilities in the consolidated Statement of Financial Position. Investment income in respect of non-participating investment contracts is accounted for in "Investment return". Investment return includes dividends, rental and interest income.

Expenses and charges in respect of non-participating investment contracts are accounted for in "non-participating investment contract expenses". These expenses include investment management fees and interest payable.

Claims are not included in the consolidated Statement of Comprehensive Income but are deducted from non-participating investment contract liabilities.

Transfers out, annuity purchases and drawdowns are accounted for when the associated assets have been transferred out of the Group. Acquisition costs comprising direct and indirect costs arising from the conclusion of non-participating investment contracts are expensed on receipt of the inwards premium. There are no deferred acquisition costs.

Purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the assets, at their fair value less transaction costs. Investments carried at fair value are measured using a fair value hierarchy, with values based on quoted bid prices where available. Gains and losses of investments are recognised in the Statement of Comprehensive Income.

Investment property held to cover the linked business comprises land and buildings which are held within non-participating investment contracts for long term rental yields and capital growth. They are carried at fair value (purchase price with directly attributable costs) with movements recognised in the consolidated Statement of Comprehensive Income within investment returns.

Unquoted investments in property vehicles and direct holdings in investment property are valued by an appropriately qualified independent valuers on the basis of open market value or by reference to the movement in a property index from the last purchase or valuation date. Valuation techniques may include discounted cash flow calculations using net current rent and estimated and terminal values; they may also include yield methodology calculations using market rental values capitalised with a market capitalisation rate. Both of these are further validated against actual market transactions to produce a final valuation.

2. Summary of material accounting policies (continued)

Investments in subsidiaries

In the Company Financial Statements, investments in subsidiaries are measured at cost less impairment. At each reporting date, the Company assesses whether there is any indication that the investment in the subsidiary is impaired. If there is any indication, the Company calculates the amount of impairment as the difference between the recoverable amount of the Subsidiary and its carrying value, and then recognises the loss in the Statement of Comprehensive Income.

Disposal of subsidiaries

When the Group ceases to have control of an entity, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the Consolidated Income Statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint arrangement or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Comprehensive Income.

Property, plant and equipment

Property, plant and equipment is stated at cost, or deemed cost, less accumulated depreciation and impairment losses. Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the replaced item can be measured reliably. The carrying amount of the replaced part is derecognised. All repair and maintenance costs are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Property, plant and equipment are depreciated over their useful economic life on a straight-line basis at the following rates:

Office and computer equipment	2 – 5 years
Fixtures and fittings	3 – 5 years
Short term lease hold property	10 years

The residual value and useful life of property, plant and equipment are reviewed and adjusted, if appropriate, at least annually. On disposal of property, plant and equipment, the cost and related accumulated depreciation and impairments are removed from the Financial Statements and the net amount, less any proceeds, is recognised in the Consolidated Statement of Comprehensive Income.

Intangible assets

Computer software is stated at cost, less amortisation and impairment losses, if any. Costs incurred on the acquisition of computer software are capitalised, as are costs directly related to developing the software where the software supports a business system and the criteria specified below are met. Costs associated with maintaining software are recognised as an expense when incurred. Capitalised computer software is amortised over 3-8 years. The residual value and useful life of computer software are reviewed and adjusted annually, if required.

2. Summary of material accounting policies (continued)

Intangible assets (continued)

The carrying amount of intangible assets is derecognised on disposal or when no future economic benefit is expected from its use or disposal. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Comprehensive Income immediately.

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects are recognised as intangible assets when the following criteria are fulfilled:

- it is technically feasible to complete the intangible asset so that it will be available for use or sell;
- management intends to complete the intangible asset to use it;
- there is an ability to use the asset;
- it can be demonstrated how the intangible assets will generate future economic benefits;
- adequate technical, financial and other resources to complete the development are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured

Other development expenditure, that does not meet these criteria, is recognised as an expense as incurred. Development costs, previously recognised as an expense, are not recognised as an asset in a subsequent period. Capitalised development costs are recognised as intangible assets and are amortised from the point at which the assets are ready for use on a straight-line basis over their useful lives. Development assets are tested annually for impairment.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at acquisition date. Subsequent to initial recognition they are stated at cost, which is the fair value on acquisition date, less amortisation and impairment losses. The useful lives of these intangible assets as determined at acquisition date are:

Trade names	10 - 12 years
Customer relationships	12 - 21 years
Computer software	7-8 years

Other intangible assets

Other intangible assets, including licenses are stated at cost less amortisation and provisions for impairment. Intangible assets acquired are amortised over their useful lives from the time they are first available for use. The useful lives are determined at acquisition date and currently range from 5 to 15 years. The residual value and useful lives of other intangible assets are reviewed and adjusted at the end of each reporting period, if required.

Impairment of assets excluding goodwill

Assets that are subject to amortisation or depreciation are reviewed for impairment when events or circumstances indicate that the carrying amounts may be impaired or may not be recoverable, and at least annually. An impairment loss is recognised to the extent that the carrying value of the asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

2. Summary of material accounting policies (continued)

Goodwill and business combinations

The carrying value of goodwill is determined in accordance with IFRS 3 Business Combinations and IAS 36 Impairment of Assets. Goodwill arising on the acquisition of subsidiaries represents the excess of the fair value of the purchase consideration over the fair value of the Group's share of the assets acquired and the liabilities and contingent liabilities assumed on the date of the acquisition. Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. The test involves comparing the carrying value of a cash generating unit ("CGU") including goodwill with the present value of the pre-tax cash flows, discounted at a rate of interest that reflects the inherent risks, of the CGU to which the goodwill relates, or the CGU's fair value less cost to sell if this is higher.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the Statement of Comprehensive Income in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Financial assets

The Group applies IFRS 9 Financial Instruments to the recognition and derecognition, classification and measurement, and the impairment of financial assets. Financial assets are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provision of the instrument and are initially measured at fair value. All recognised financial assets are subsequently measured at amortised cost or fair value through profit or loss ("FVTPL") depending on the business model and cashflow characteristics of the financial assets. Financial assets classified at FVTPL are measured at fair value at each reporting period with any fair value gains or losses recognised in profit or loss.

Impairment of financial assets

Trade and other receivables are subsequently measured at amortised cost. The Group uses an Expected Credit Loss ("ECL") model when calculating the allowance for lifetime ECLs. Under the model, the Group calculates an allowance for ECL by considering possible outcomes weighted by the probability of their occurrence when measuring an asset's credit risk. The Group uses an ECL matrix for determining ECLs on trade receivables. The Group's current policy incorporates both quantitative and qualitative factors based on the characteristics, credit history and demographic of its client base, as well as the probability of defaults in the future, based on historical trends and likelihood of future recovery, assessing the credit profile and ability to fulfil future payment obligations.

The carrying amount of trade and other receivables includes the impairment allowance, and the carrying amount of the asset is reduced through the use of an ECL provision and the loss is recognised in the Statement of Comprehensive Income. When a trade receivable is uncollectible, it is written off against the provision for trade receivables. Subsequent recoveries are credited against the amounts previously written off in the Statement of Comprehensive Income. When a trade receivable is uncollectible it is derecognised.

In the Company Financial Statements, amounts due from Group companies are unsecured, non-interest bearing and repayable on demand. There are no loss allowances on balances due from Group companies as the probability of default is negligible.

2. Summary of material accounting policies (continued)

Trade and other receivables

Trade receivables and other receivables are amounts due for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

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

To measure the expected credit losses, the trade receivables have been grouped based on shared credit risk characteristics and overall credit quality.

Trade receivables are written off when there is no reasonable expectation of recovery.

Impairment losses on trade receivables are presented net of impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same.

Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months maturity from the date of acquisition, including cash and non-restricted balances with central banks, treasury bills and other eligible bills, loans and advances to banks, amounts due from other banks and high quality and highly liquid short-term investments in securities.

Financial liabilities

The Group applies IFRS 9 Financial Instruments to the recognition, classification and measurement, and derecognition of financial liabilities. Financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value and subsequently at amortised cost using the effective interest method or FVTPL. Any gains or losses arising on changes in fair value are recognised in profit or loss.

Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Leases

The Group assesses whether a contract is or contains a lease at the inception of the contract. That is, if the contract conveys the right to control the use of an identified asset for period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases except for leases with a term not exceeding 12 months or leases which the underlying asset is of low value. For these leases the lease payments are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more appropriate.

2. Summary of material accounting policies (continued)

Leases (continued)

When the Group is the lessee, it is required to recognise both:

- a lease liability, measured at the present value of lease payments to be made over the lease term including fixed payments less incentives, variable lease payments that depend on an index or rate and amounts expected to be paid under residual value guarantees, using an incremental borrowing rate and
- a right of use ("ROU") asset, measured at the amount of the initial measurement of the lease liability, plus any lease payments made prior to commencement date, initial direct costs, and estimated costs of restoring the underlying asset to the condition required by the lease, less any lease incentives received.

Subsequently the ROU asset will depreciate to the Statement of Comprehensive Income over the life of the lease, on a straight-line basis. The ROU assets are also subject to impairment.

The lease liability is remeasured when there is a modification or a change in one of the following:

- future lease payments arising from a change in an index or rate;
- the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- the Group's assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset or is recorded in the Statement of Comprehensive Income if the carrying amount of the ROU asset has been reduced to nil.

On the balance sheet, the ROU assets are included within property, plant and equipment and the lease liabilities are included within liabilities.

Income tax

The income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income 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 end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

2. Summary of material accounting policies (continued)

Income tax (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary differences, and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences, and they are expected to reverse in the foreseeable future.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Provisions for other liabilities

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits would be required to settle the obligation and the amount has been reliably estimated. The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

2. Summary of material accounting policies (continued)

Share-based payments and other reserves

The Group's ultimate parent company, Plutus Topco Limited, operates share-based compensation schemes. The Group's share of the fair value of the employee services received in exchange for the share awards granted is recognised as an employee expense in the Consolidated Statement of Comprehensive Income over the period in which the service is fulfilled (the vesting period). As the Group has no obligation to settle the share-based payment transactions, the schemes are treated as equity-settled and there is a corresponding increase in equity under other reserves. The cumulative expense is recognised at each reporting date until the awards have fully vested and represents the Group's best estimate of the number of awards which will ultimately vest.

The fair value of the awards is determined at the grant date however the Group revises its estimates of the number of awards that are expected to vest. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The estimation of the fair value of the award schemes is a key source of estimation uncertainty and further information is provided in Note 5.

Further information on the vesting period and conditions is provided in Note 33.

3. Financial risk

The Group's activities expose it to a number of financial risks including: credit risk, liquidity risk and market risk. Details on how the Group mitigates these risks are included within the Principle risks and uncertainties section from page 14.

Credit risk

Credit risk is the risk that counterparties will not meet their financial obligations and may result in the Group losing the principal amount lent, the interest accrued and less any security held. It potentially could occur on trade receivables, intercompany assets and cash held by the Group, although inter-company assets are repayable on demand and the probability of default is negligible.

Group

The Group's maximum exposure to credit risk is £639m (2023: £583m).

3. Financial risk (continued)

Credit risk (continued)

Group (continued)

As of 31 December 2024, trade and other receivables of £42.1m (2023: £50.9m) including policyholder of £18.1m (2023: £17.7m) were past due but not impaired. These relate to a wide range of clients for whom there is no expectation of default. The ageing analysis of these trade receivables less policyholder is as follows:

	31 December 2024 £'000	31 December 2023 £'000
Good quality	18,295	26,014
Satisfactory quality	2,398	2,315
Low quality	1,771	2,655
Credit impaired	1,574	2,046
Total	24,038	33,030

As of 31 December 2024, trade receivables of £11.6m (2023: £11.6m) including policyholder of £9.3m (2023: £6.9m) were impaired and provided for. Management assesses that at least the receivable amount net of loss allowance will be recovered. The ageing of these receivables less policyholder is as follows:

	31 December 2024 £'000	31 December 2023 £'000
Good quality	180	2,972
Satisfactory quality	635	166
Low quality	684	853
Credit impaired	798	747
Total	2,297	4,738

The Group does not have any material exposure to any specific customer or group of customers.

Parent company

The Company's maximum exposure to credit risk is £109m (2023: £88m) and there were no trade and other receivables that were past due (2023: £Nil).

The Company does not have any material exposure to any specific customer or group of customers.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

There are sufficient current assets to settle other payables, external to the Group, as they fall due.

3. Financial risk (continued)

Liquidity risk (continued)

Group

Maturities of financial liabilities

	Demand	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
At 31 December 2024	£'000	£'000	£'000	£'000	£'000	£'000
Amounts due to related parties	6,806	-	-	-	-	6,806
Trade and other payables	-	83,121	14,599	-	-	97,720
Lease liabilities	-	-	1,953	4,161	1,004	7,118
Other liabilities	-	-	4,254	4,293	-	8,547
Total financial liabilities	6,806	83,121	20,806	8,454	1,004	120,191

	Demand	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
At 31 December 2023	£'000	£'000	£'000	£'000	£'000	£'000
Amounts due to related parties	8,105	-	-	-	-	8,105
Trade and other payables	-	63,967	31,871	-	-	95,838
Lease liabilities	-	-	2,434	6,000	2,050	10,484
Total financial liabilities	8,105	63,967	34,305	6,000	2,050	114,427

Parent company

Maturities of financial liabilities

	Demand	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
At 31 December 2024	£'000	£'000	£'000	£'000	£'000	£'000
Amounts due to related parties	55,891	-	-	-	-	55,891
Trade and other payables	-	7	-	-	-	7
Other liabilities	-	-	4,254	4,293	-	8,547
Total financial liabilities	55,891	7	4,254	4,293	-	64,445

	Demand	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
At 31 December 2023	£'000	£'000	£'000	£'000	£'000	£'000
Amounts due to related parties	40,435	-	-	-	-	40,435
Trade and other liabilities	-	254	-	-	-	254
Total financial liabilities	40,435	254	-	-	-	40,689

Market risk

Market risk is the potential for loss of income or decrease in the value of net assets caused by movements in the levels and prices of financial instruments. The majority of market risk arises as a result of changes in interest rates and movement in global stock markets.

3. Financial risk (continued)

Market risk (continued)

Group

Based on the average cash balances controlled by the Group during the year, a 50bps adverse movement (decrease) in interest rates would result in a decrease in operating profit of £6.8m (2023: £6.9m) and a favourable movement (increase) would result in an increase in operating profit of £6.8m (2023: £6.9m).

Based on the average assets that are subject to a basis point fee held by the Group during the year, a 20% drop in value would result in a decrease in operating profit of £27m (2023: £26m) and an increase would result in an increase in operating profit of £27m (2023: £26m).

The sensitivities are considered reasonable assumptions and are consistent with market peers. Changes to variables are provided by internal specialists who determine what are reasonable assumptions. The impact to equity is equivalent to the impact to profit disclosed.

Parent company

The Company does not have any exposure relating to average assets held.

4. Capital management and resources

Capital management and capital allocation

The Board of Directors are responsible for capital management strategy and policy and ensuring that capital resources are appropriately monitored and controlled within regulatory and internal limits within the Group.

The Group's access to shareholder capital, robust capital structure, solvency position, high conversion rate of profit to cash, low borrowings and available liquidity mean that it remains well positioned to absorb the impact of a sustained collapse in equity markets or other material risks.

The Group's primary objective in respect of capital risk management is to safeguard its ability to continue as a going concern in order to protect customers and provide returns for its shareholders.

The Group may on occasion adjust the amount of dividends paid out to its shareholders, return capital to members and issue new shares or buy back shares as the need arises.

Capital adequacy

Certain subsidiary undertakings within the Group are regulated by the FCA and the Group's core Tier 1 capital consists of shareholders' equity including the capital contribution reserve and accumulated profits as at 31 December 2024. The Group has maintained compliance with the required regulatory capital requirements throughout the period.

5. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies disclosed in Note 2, management are required to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures.

5. Critical accounting judgements and key sources of estimation uncertainty (continued)

Estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively from when the change in estimate occurred. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The cash flows are derived from the Group's forecasts and budgets for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 16.

Provisions for legal remediation & sanction costs

The Group's pension products allow for a variety of investment options, including Non-Standard Investments ("NSIs"). These typically include Unregulated Collective Investment Schemes and unlisted shares and cannot be promoted to retail customers because they are usually associated with higher risk and illiquidity. NSIs can only be accepted if robust due diligence requirements are met, which is aligned with the FCA's rules and guidance. Although the Group does not provide investment advice, it could still be held responsible by the FCA in its capacity as SIPP operator and platform when it comes to investment in NSIs. As a result of the Group's acquisition of client portfolios and organic growth, there is a broad exposure to NSIs. However, liabilities for NSI due diligence prior to acquisition of the SIPP books remains with original providers. As the carrying amount of the provision is a best estimate of the expenditure required to settle the present obligation, it is sensitive to the assumptions and estimates used in the calculation of the best estimate. Therefore, it is reasonably possible that a material adjustment may be required in the next financial reporting period where these assumptions and estimates change. If the inputs to this estimation resulted in a 10% change to the carrying amount, this would have a £976k (2023: £1,478k) impact on the Statement of Comprehensive Income.

Where an outcome was expected to potentially result in an outflow of economic resources, estimates of the associated exposure have been recognised as a provision or disclosed as a contingent liability by reference to indexed original NSI purchase value plus an estimate of costs to remediate, including legal fees and client redress. Indexation estimates are by reference to rates set out by the regulator and therefore had limited estimation uncertainty. Costs to remediate are not expected to be material based on historic experience of similar cases and are also deemed to have limited estimation uncertainty.

5. Critical accounting judgements and key sources of estimation uncertainty (continued)

Estimates and assumptions (continued)

Fair value of investment properties

Investment properties have been valued at the year-end using the most recent independent professional valuations available. Where the most recent valuation has taken place before the year-end date, adjustments are made by applying an appropriate property index that reflects changes in value specific to the category and geographical location of each property. Independent professional valuations are conducted in response to specific events, such as changes in ownership or property transfers, leading to irregular timing. While the majority of properties have been professionally revalued within the last five years, a smaller portion of properties were last valued professionally over five years ago. The index compensates for changes in the value since the latest professional valuations, up to the year-end reporting date. The valuation of investment properties is therefore considered to be a key source of estimation uncertainty.

Investment properties are classified as level 3 investments under the fair value hierarchy. The valuation relies on significant unobservable inputs, which inherently introduces valuation uncertainty. For instance, most of the investment properties are unique and the index does not capture elements such as the size, age, condition, precise geographical location, rental income yields, EPC ratings, etc. To mitigate this, management conducts periodic look-back assessments against independent professional valuations performed in the financial year to validate the reasonableness of the indexed values. Based on the latest assessment with an extrapolation of the average variance percentage to the whole population, the valuation of investment properties could potentially vary by approximately £192m lower compared to the disclosed figures.

Investment properties are held to cover the linked policyholder business and are included in non-participating investment contract liabilities. The inclusion also mitigates the impact of valuation uncertainty on the financial statements.

Impairment assessments on Cash Generating Units

The Group has established four CGUs that are closely aligned to the Group's management of its distinct business areas and their distinct cash flows: namely Nucleus James Hay ("NJH"), Curtis Banks ("CB"), Dunstan Thomas ("DT") and Third Financial. Identification of the CGUs requires judgement, and management has considered various factors to determine the smallest group of assets which generate cash flows largely independent of other assets. Management has considered how it monitors the operations of its activities and how management makes decisions about the continuing operations.

There is goodwill associated with all of the CGUs that is not amortised, and therefore these amounts are subject to annual impairment assessment. Additionally, CGUs are assessed for impairment where indications of impairment arise. The estimate of the recoverable amount is a key estimate and the inputs to these estimates is further disclosed in note 16.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

5. Critical accounting judgements and key sources of estimation uncertainty (continued)

Judgements (continued)

Acquisition of Third Financial

Determining the fair value of the business acquired (Third Financial) during 2024, particularly the identification and recognition of the intangible assets other than goodwill, represents a key accounting judgement that involves detailed analysis of the business being acquired and the intangible assets of the business. The Group engaged third-party valuation specialists to perform the acquisition accounting and valuation assessments. They provided the necessary expertise and independence to validate the fair value of the business acquired, offering additional assurance in the judgements required by management to consider for this valuation. Further details of the business combination are disclosed in note 40.

Share-based payments

Estimating the fair value for share-based payment transactions requires determination of the most appropriate valuation models, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share award. For the estimation of the fair value for of the equity-settled transactions with employees at the grant date, the Group uses a binomial model. Further information on this model and its use for the estimation of the fair value at the grant date for the awards is provided in Note 33.

Management have assessed that there is currently no material impact arising from climate change on judgements and estimates determining the valuations within the Financial Statements.

6. Financial review

	Notes	2024 £'000	2023 £'000
Revenue	7	217,523	157,179
Staffing expenses	10	(69,790)	(57,941)
Other expenses	11	(45,468)	(26,496)
Credit impairment charges		(246)	(106)
Adjusted profit for the financial year*		102,019	72,636
Depreciation and amortisation	16, 18, 19	(20,229)	(10,283)
Operating profit		81,790	62,353
Exceptional items	14	(28,649)	(15,826)
Share based payments	10	(9,279)	(1,926)
Finance income	12	7,161	2,633
Finance cost	13	(698)	(263)
Profit on ordinary activities before taxation		50,325	46,971

*Adjusted profit represents EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), excluding Exceptional items and Share based payments.

6. Financial review (continued)

During 2024, the Group has redefined its alternative performance measure of adjusted profit to exclude share-based payments. Comparative amounts for the year ended 31 December 2023 have been prepared on the same basis as the year ended 31 December 2024 to allow meaningful comparison.

The Group's management believes that the Non-UK IFRS performance measure disclosed above provides valuable information to the users of the Financial Statements as it enables the user to identify a more consistent basis for comparing the business' performance between financial periods. Additionally, the Group's management believes that the Non-UK IFRS performance measure provides more detail concerning the elements of performance which the managers of the Group are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by the Group's Management. However, such Non-UK IFRS performance measures are not a substitute for UK IFRS measures and users should consider the UK IFRS measures as well.

Nucleus acquired Curtis Banks Group on 26 September 2023. Suffolk Life Annuities Limited, a trading subsidiary of Curtis Banks Group, provides SIPPs through non-participating individual insurance contracts. As such, it is regarded as an insurance company for the purposes of regulatory and statutory reporting. Due to Suffolk Life Annuities Limited's status as an insurance company, the consolidated results for the whole Group are required to include Suffolk Life Annuities Limited's insurance policyholder assets, liabilities and returns. As these are non-participating investment contracts, the Group does not bear any insurance risk. Assets administered by the rest of the Group are held in trust and not under insurance contracts and therefore do not need to be included on the balance sheet. As the policies are non-participating investment contracts, the client related assets and liabilities match, with all revenue, expense and investment return related to such policies due wholly back to the policies. Such movements and balances are presented separately between shareholder and policyholder in the tables below.

During 2024, the Group acquired Third Financial Software Limited and therefore the results for the year ended 31 December 2024 includes the consolidation of the Third Financial Group for the 6 months to 31 December 2024. Further information is disclosed in Note 40.

6. Financial review (continued)

Supplementary unaudited information

IFRS Consolidated Statement of Financial Position as at 31 December 2024
split between insurance policy holders and the Group's shareholders

	2024 £'000	2024 £'000	2024 £'000	2023 £'000
	Group Total	Policyholder	Shareholder	Group Total
Non-current assets				
Intangible assets	486,263	-	486,263	427,371
Investment property	1,118,765	1,118,765	-	1,075,300
Property, plant and equipment	3,028	-	3,028	4,363
Right-of-use assets	7,022	-	7,022	9,968
Investments	2,235,883	2,235,883	-	2,126,448
Term deposits with credit institutions	3,462	3,462	-	5,351
Total non-current assets	3,854,423	3,358,110	496,313	3,648,801
Current Assets				
Trade and other receivables	90,982	9,313	81,669	102,910
Amount due from related parties	102,090	-	102,090	30,780
Income tax asset	11,098	240	10,858	112
Term deposits with credit institutions	175,751	175,751	-	176,833
Cash and cash equivalents	255,156	107,709	147,447	267,032
Total current assets	635,077	293,013	342,064	577,667
Non-current liabilities				
Borrowings	(18,890)	(18,890)	-	(18,811)
Lease liabilities	(5,165)	-	(5,165)	(8,050)
Other liabilities	(4,293)	-	(4,293)	-
Non-participating investment contract liabilities	(3,599,933)	(3,599,933)	-	(3,460,226)
Deferred tax liabilities	(58,512)	-	(58,512)	(49,339)
Provisions for other liabilities	(1,261)	-	(1,261)	(1,157)
Total non-current liabilities	(3,688,054)	(3,618,823)	(69,231)	(3,537,583)
Current liabilities				
Trade and other payables	(97,720)	(19,105)	(78,615)	(95,838)
Amount due to related parties	(6,806)	-	(6,806)	(8,105)
Borrowings	(13,195)	(13,195)	-	(13,330)
Lease liabilities	(1,953)	-	(1,953)	(2,434)
Other liabilities	(4,254)	-	(4,254)	-
Income tax liabilities	-	-	-	(4,567)
Provisions for other liabilities	(12,419)	-	(12,419)	(17,578)
Total current liabilities	(136,347)	(32,300)	(104,047)	(141,852)
Net current assets	498,730	260,713	238,017	435,815
Total assets less current liabilities	4,353,153	3,618,823	734,330	4,084,616
Net assets	665,099	-	665,099	547,033

6. Financial review (continued)

Supplementary unaudited information

IFRS Consolidated Statement of Financial Position as at 31 December 2024
split between insurance policy holders and the Group's shareholders

	2024 £'000	2024 £'000	2024 £'000	2023 £'000
	Group Total	Policyholder	Shareholder	Group Total
Capital and reserves				
Share capital	156,290	-	156,290	156,290
Share premium	350,833	-	350,833	300,000
Other reserves	27,786	-	27,786	18,507
Retained earnings	130,190	-	130,190	72,236
Shareholders' funds	665,099	-	665,099	547,033

6. Financial review (continued)

Supplementary unaudited information

IFRS Consolidated Statement of Cash Flows for the year ended 31 December 2024
split between insurance policy holders and the Group's shareholders

	2024	2024	2024	2023
	£'000	£'000	£'000	£'000
	Group Total	Policyholder	Shareholder	Shareholder
Cash flows from operating activities				
Cash (used in)/ generated from operations	(55,946)	(139,090)	83,144	60,673
Interest received	6,850	-	6,850	2,633
Other interest paid	(297)	-	(297)	-
Income tax credited / (paid)	(10,682)	(125)	(10,557)	(516)
Addition of financial investments	(636,821)	(636,821)	-	-
Disposal of financial investments	671,051	671,051	-	-
Addition of investment properties	(90,666)	(90,666)	-	-
Disposal of investment properties	43,844	43,844	-	-
Repayment of borrowings related to policyholders	(57)	(57)	-	-
Decrease in non-current deposits	1,889	1,889	-	-
Decrease in current deposits	1,082	1,082	-	-
Increase in liability for investment contracts	139,707	139,707	-	-
Net cash generated from / (used in) from operating activities	69,954	(9,186)	79,140	62,790
Cash flows from investing activities				
Purchase of property, plant and equipment	(801)	-	(801)	(1,872)
Proceeds of sale of property, plant and equipment	895	-	895	-
Acquisition of intangible assets	(2,742)	-	(2,742)	(1,563)
Proceeds from sale of intangible assets	202	-	202	-
Acquisition of a subsidiary undertaking	(54,769)	-	(54,769)	(230,814)
Net cash generated from / (used in) investing activities	(57,215)	-	(57,215)	(234,249)
Cash flows from financial activities				
Principal (repayments) / advances of lease liabilities - principal	(2,749)	-	(2,749)	(1,942)
Principal (repayments) / advances of lease liabilities - interest	(401)	-	(401)	(240)
Other interest income	311	-	311	-
Interest paid	-	-	-	(23)
Movement in loans due from related parties	(71,326)	-	(71,326)	(21,201)
Movement in loans due to related parties	(1,299)	-	(1,299)	(2,108)
Proceeds from the issue of share capital	50,833	-	50,833	300,000
Dividends paid	-	-	-	(19,400)
Net cash (used in) / generated from financing activities	(24,631)	-	(24,631)	255,086
Decrease in cash and cash equivalents	(11,892)	(9,186)	(2,706)	83,627
Cash and cash equivalents at the beginning of the financial year	267,032	116,895	150,137	66,504
Effects of exchange rate changes	16	-	16	6
Cash and cash equivalents at end of financial year	255,156	107,709	147,447	150,137

7. Revenue

Group

	2024 £'000	2023 £'000
Annual fees	69,770	34,622
Transaction fees	4,142	2,371
Asset based fees	135,945	118,634
Other income	7,666	1,552
Total revenue	217,523	157,179

*For the year-ended 31 December 2023, management reallocated £11,286k of revenue from asset based fees to annual fees.

During the year there was no revenue derived from a single client that represented 10% or more of total revenues. All revenue is derived in the UK from continuing operations.

Revenue is measured based on the consideration specified in a contract with a customer.

8. Operating profit

Group

The following items have been charged in operating profit:

	2024 £'000	2023 £'000
Staffing expenses (Note 10)	79,069	59,867
Depreciation of tangible fixed assets	1,217	1,249
Amortisation of intangible assets	16,300	7,334
Depreciation of right of use assets	2,712	1,700

During the year, the Group obtained the following services from the Group's auditors Deloitte LLP.

	2024 £'000	2023 £'000
Statutory audit of the financial statements	226	199
Statutory audit of subsidiary entities	1,182	1,611
Client assets assurance report	546	293
Other services	198	109
Total auditor's remuneration	2,152	2,212

Other services primarily relate to regulatory assurance engagements.

Parent company

	2024 £'000	2023 £'000
Statutory audit of the financial statements	226	199

9. Directors' remuneration

Group

	2024 £'000	2023 £'000
Wages and salaries	2,778	1,599
Redundancy and related costs	-	-
Pension costs - defined contribution plans	44	-
Total Directors' remuneration	2,822	1,599

The emoluments of the highest paid Director amounted to £838k (2023 - £762k). The highest paid Director received 100k (2023: nil) Ordinary shares and 3,434k (2023: nil) G Shares in Plutus Topco Limited in respect of the Group's Long Term Incentive Schemes. The value of the contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to nil (2023: nil). During the year the directors exercised 696k of ordinary and G Shares (2023: nil).

Defined contribution retirement benefits accrued to 2 Directors (2023 - 1).

10. Staffing expense

Group

	2024 £'000	2023 £'000
Wages and salaries	53,806	48,940
Social security costs	6,507	4,846
Pension costs - defined contribution plans	5,545	4,007
Share based compensation	9,279	1,926
Other staff expenses	3,932	148
Total staffing expenses	79,069	59,867

Other staff expenses include recruitment and training costs.

The average number of persons employed by the Group during the year was 1,076 (2023: 1,449).

11. Administrative expenses

Group

	2024 £'000	2023 £'000
Staffing expense (note 10)	79,069	59,867
Depreciation (note 18)	1,217	1,249
Amortisation of intangible assets (note 16)	16,300	7,334
Depreciation of right-of-use assets (note 19)	2,712	1,700
Other expenses	45,468	26,496
Total administrative expenses	144,766	96,646

Other expenses include items such as IT related expense, professional services, audit and non-audit services and insurance amongst others.

11. Administrative expenses (continued)

Parent company

	2024 £'000	2023 £'000
Staffing expense	8,410	1,924
Other expenses	1,051	323
Total administrative expenses	9,461	2,247

12. Finance income

Group

	2024 £'000	2023 £'000
Interest income on short-term bank deposits	6,850	2,633
Other interest income	311	-
Total finance income	7,161	2,633

13. Finance costs

Group

	2024 £'000	2023 £'000
Lease interest	401	263
Other interest paid	297	-
Total finance costs	698	263

14. Exceptional items

Group

	2024 £'000	2023 £'000
Disposal of the SSAS book	-	1
Acquisition of Nucleus Financial Group	-	18
Transformation programme costs	13,173	6,020
Service improvement	1,186	709
Restructuring costs	3,236	3,181
Legal, remediation and other items	1,811	5,093
Fair value movement on contingent consideration liability	3,493	-
Other merger and acquisition activity	5,750	804
Total exceptional loss	28,649	15,826

14. Exceptional items (continued)

Parent company

	2024 £'000	2023 £'000
Transformation programme costs	3,698	(665)
Service improvement	-	(402)
Restructuring costs	2,031	1,359
Legal, remediation and other items	369	1,296
Fair value movement on contingent consideration liability	3,493	-
Other merger and acquisition activity	4,820	119
Total exceptional loss	14,411	1,707

Legal, remediation and sanction costs relate to the resolution of issues found during the Group's review of legacy products.

Transformation and Service Improvement costs relate to group wide projects and the costs are incurred by NFP and are apportioned to the trading entities in the Group. The Transformation Programme incorporates the workstreams set up to design the new Nucleus Platform and achieve the outsourcing of the IT and Operations functions to FNZ. Service improvement relates to work to stabilise service and better meet expectations of advisers. This category of exceptional costs therefore represents all of the one-off costs incurred to get the business in a position to transfer the relevant functions to FNZ and to reform the service.

Restructuring costs, include termination and recruitment costs relating to the review of the size and shape of the Group's employee base following recent mergers and acquisition activity.

15. Taxation

Tax on the profit on ordinary activities for the financial year

Group

	2024 £'000	2023 £'000
Current tax		
UK corporation tax charge on the results for the financial year	2,069	6,406
Adjustments in respect to prior periods	(6,940)	(3,414)
Total current tax (credit)/ charge	(4,871)	2,992
Deferred tax		
UK corporation tax credit on the results for the financial year	(2,761)	(595)
Adjustments in respect to prior periods	3	48
Total deferred tax credit	(2,758)	(547)
Total tax (credit)/ charge	(7,629)	2,445

15. Taxation (continued)

Group

Factors affecting the tax charge for the financial year:

	2024 £'000	2023 £'000
Profit before tax	50,325	46,971
Tax expense at the UK Corporation tax rate of 25.00% (2023: 23.52%)	12,581	11,048
Effects of:		
Expenses not deductible for tax purposes	4,554	5,523
Income not deductible for tax purposes	(15)	-
Tax effect of changes in tax rates	22	(436)
Adjustments in respect of prior periods	(6,937)	(3,366)
Group relief and other tax adjustments	(17,834)	(10,324)
Total tax (credit)/ charge	(7,629)	2,445

From April 2023 onwards the main rate of corporation tax increased from 19% to 25%.

Deferred tax has been calculated at 25% on capital allowances (2023: 25%) and at 25% for short-term timing differences and losses (2023: 25%).

The Organisation for Economic Co-operation and Development ("OECD") Pillar II rules, also known as the Global Anti-Base Erosion (GloBE) rules, have been adopted in the United Kingdom ("UK") for accounting periods beginning on or after 31 December 2023. Based on the Company's UK only operations and the effective tax rate, it is below the threshold and is not applicable.

Parent company

	2024 £'000	2023 £'000
Current tax		
Adjustments in respect to prior periods / rate changes	(373)	373
Total current tax (credit)/ charge	(373)	373
Deferred tax		
Total deferred tax (credit)/ charge	-	-
Total tax (credit)/ charge	(373)	373

15. Taxation (continued)

Parent company

Factors affecting the tax charge for the financial year:

	2024 £'000	2023 £'000
Profit before tax	5,307	6,335
Tax expense at the UK Corporation tax rate of 25.00% (2023: 23.52%)	1,327	1,490
Effects of:		
Expenses not deductible for tax purposes	3,863	335
Exempt ABGH distributions	(6,875)	-
Adjustments in respect of prior periods	(373)	373
Other tax adjustments, reliefs and transfers	1,685	(1,825)
Total tax (credit)/ charge	(373)	373

Deferred tax

Deferred tax has been calculated at 25% for losses (2023: 25%).

Deferred income taxes are calculated on temporary differences under the liability method using the tax rates that are expected to apply when the liability is settled, or the asset is realised. The following are deferred tax assets / (liabilities) recognised by the Group and the movements thereon during the current and prior reporting period.

Group

Deferred tax liability

	Accelerated capital allowances £'000	Short term timing differences £'000	Losses and other deductions £'000	Acquired intangibles £'000	Total £'000
At 1 January 2023	(45)	172	43	(15,426)	(15,256)
Prior year adjustment	(1)	(16)	-	-	(17)
Recognised on acquisition	90	134	980	(36,398)	(35,194)
(Charge) / credit to the Statement of Comprehensive Income	(835)	(215)	432	1,746	1,128
As 31 December 2023	(791)	75	1,455	(50,078)	(49,339)
Prior year adjustment	(3)	-	-	-	(3)
Recognised on acquisition	(458)	-	-	(11,473)	(11,931)
(Charge) / credit to the Statement of Comprehensive Income	(125)	38	(1,044)	3,892	2,761
As 31 December 2024	(1,377)	113	411	(57,659)	(58,512)

16. Intangible assets

Group

	Goodwill £'000	Customer relationships £'000	Trade name £'000	Computer software £'000	Total £'000
Cost					
At 1 January 2023	102,484	83,529	7,733	25,140	218,886
Acquired through business combination	122,928	137,930	4,010	3,650	268,518
Additions	-	-	-	1,563	1,563
At 31 December 2023	225,412	221,459	11,743	30,353	488,967
Acquired through business combination	21,780	10,582	3,665	36,473	72,500
Additions	-	-	-	2,742	2,742
Disposals	-	-	-	(50)	(50)
At 31 December 2024	247,192	232,041	15,408	69,518	564,159
Accumulated amortisation					
At 1 January 2023	-	(28,134)	(1,097)	(25,031)	(54,262)
Amortisation charge for the year	-	(6,297)	(880)	(157)	(7,334)
At 31 December 2023	-	(34,431)	(1,977)	(25,188)	(61,596)
Amortisation charge for the year	-	(11,684)	(1,384)	(3,232)	(16,300)
At 31 December 2024	-	(46,115)	(3,361)	(28,420)	(77,896)
Net book value					
At 31 December 2024	247,192	185,926	12,047	41,098	486,263
At 31 December 2023	225,412	187,028	9,766	5,165	427,371

Goodwill

Goodwill of £102,484k has been allocated to the Nucleus James Hay CGU due to acquisitions prior to 2023. The carrying amount of goodwill allocated to the Nucleus James Hay CGU is significant in comparison to the Group's total carrying amount of goodwill.

During 2023, goodwill of £122,928k arose from the acquisition of the Curtis Banks Group of which £117,814k is the carrying amount of goodwill allocated to the Curtis Banks CGU. The carrying amount of goodwill allocated to the Curtis Banks CGU is significant in comparison to the Group's total carrying amount of goodwill. The remaining goodwill from this acquisition is the carrying amount of goodwill allocated to the Dunstan Thomas CGU and is not significant in comparison to the Group's total carrying amount of goodwill.

Goodwill of £21,780k arose from the acquisition of Third Financial during 2024 and is the carrying amount of the goodwill allocated to the Third Financial CGU. The carrying amount of goodwill allocated to the Third Financial CGU is not significant in comparison to the Group's total carrying amount of goodwill.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. The carrying value of a CGU including goodwill is compared with the recoverable amount of the CGU which for the Group is the present value of the pre-tax cash flows, discounted at a rate of interest that reflects the inherent risks of the CGU to which the goodwill relates, referred to as the value in use model.

16. Intangible assets (continued)

Goodwill (continued)

The calculation of the recoverable amount for all CGUs includes the following key assumptions:

- Adjusted EBITDA
- Discount rates
- Growth rates

Adjusted EBITDA

The Group uses its 5-year forecasted adjusted EBITDA as the basis for the cash flows used in the recoverable amount calculations. The EBITDA amount is therefore affected by forecasts of revenue i.e. demand, and costs to the CGU. The 5-year forecasts are subject to extensive review and challenge by management.

Discount rates

Discount rates represent the current market assessment of the risk specific to each CGU, taking into consideration the time value of money. The discount rate calculation is based on specific circumstances of the Group and its operations and is derived from its weighted average cost of capital ("WACC"). Entity specific risk is incorporated by applying individual beta factors.

Growth rates

Rates are based on published industry research and are specific to the Group's operations with considerations to technological advancements and new entrants to the market.

Nucleus James Hay

The recoverable amount of the Nucleus James Hay CGU is determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a 5-year period. The projected cash flow projections show an increase in adjusted EBITDA for this CGU based on the anticipated continued success of the Group's platform operations and efficiencies of its outsourcing model. The growth rate used to extrapolate the cash flows is 2% and the discount rate used was 12.7% which is the pre-tax rate used.

Curtis Banks

Similarly to the Nucleus James Hay CGU, the recoverable amount for of the Curtis Banks CGU is based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a 5-year period. The projected cash flow projections show a stabilisation of the adjusted EBITDA for this CGU. The growth rate used to extrapolate the cash flows is 2% and the discount rate used was 12.4% which is the pre-tax rate. A rise in the discount rate to 16% would trigger an impairment charge. A reduction in the growth rate to nil or a reduction in EBITDA of 20% would not result in impairment.

Computer software

Computer software includes internally generated software with a net book of £3,754k (2023: £1,482k).

17. Investment property

Group

	2024 £'000	2023 £'000
Fair value		
At 1 January 2024/ 30 September 2023	1,075,300	1,094,617
Additions	90,666	20,561
Disposals	(43,844)	(20,021)
Fair value losses	(3,357)	(19,857)
At 31 December 2024	1,118,765	1,075,300

Investment properties held to cover the linked policyholder business are included in non-participating investment contract liabilities. All investment properties have been valued at the year end with reference to most recent professional valuations and are further adjusted by applying the corresponding property index specific to each property's category and geographical location. Given the large volume of properties, obtaining professional valuations for each property regularly is not considered feasible. As such, the use of indexation represents the most practical and best estimate available.

These investment properties are classified as Level 3 under the fair value hierarchy, reflecting reliance on significant unobservable inputs, which inherently introduces valuation uncertainty. While the indexation method carries a degree of estimation uncertainty, the inclusion of these values within non-participating investment contract liabilities mitigates the impact of valuation precision on the financial statements. The Directors consider this approach appropriate and that market movements are reasonably reflected. The methodology and modelling applied are regularly reviewed and monitored to ensure they remain robust and adequate.

18. Property, plant and equipment

Group

	Buildings & leasehold improvements £'000	Computer equipment £'000	Office equipment £'000	Total £'000
Cost				
At 1 January 2023	3,052	6,127	4,538	13,717
Acquired through business combination	1,752	7,058	717	9,527
Additions	120	1,656	96	1,872
Disposals	-	(71)	-	(71)
At 31 December 2023	4,924	14,770	5,351	25,045
Acquired through business combination	167	402	-	569
Additions	196	529	76	801
Disposals	(589)	(3,633)	(277)	(4,499)
At 31 December 2024	4,698	12,068	5,150	21,916
Accumulated depreciation				
At 1 January 2023	(2,284)	(5,390)	(3,594)	(11,268)
Acquired through business combination	(1,645)	(5,924)	(625)	(8,194)
Charge for the year	(247)	(407)	(595)	(1,249)
Disposals	-	29	-	29
At 31 December 2023	(4,176)	(11,692)	(4,814)	(20,682)
Acquired through business combination	(165)	(353)	-	(518)
Charge for the year	(259)	(685)	(273)	(1,217)
Disposals	533	2,780	216	3,529
At 31 December 2024	(4,067)	(9,950)	(4,871)	(18,888)
Net book value				
At 31 December 2024	631	2,118	279	3,028
At 31 December 2023	748	3,078	537	4,363

19. Right-of-use assets

Group

	Building £'000	Equipment £'000	Total £'000
Cost			
At 1 January 2023	7,822	131	7,953
Acquired through business combination	8,683	-	8,683
Additions	2,189	-	2,189
Disposals	(542)	-	(542)
At 31 December 2023	18,152	131	18,283
Acquired through business combination	2	-	2
Additions	2,057	-	2,057
Disposals	(3,768)	-	(3,768)
At 31 December 2024	16,443	131	16,574
Accumulated depreciation			
At 1 January 2023	(4,444)	(98)	(4,542)
Amortisation charge on acquired assets	(2,494)	-	(2,494)
Charge for the year	(1,700)	-	(1,700)
Eliminated by disposals	421	-	421
At 31 December 2023	(8,217)	(98)	(8,315)
Amortisation charge on acquired assets	(2)	-	(2)
Charge for the year	(2,712)	-	(2,712)
Eliminated by disposals	1,477	-	1,477
At 31 December 2024	(9,454)	(98)	(9,552)
Net book value			
At 31 December 2024	6,989	33	7,022
At 31 December 2023	9,935	33	9,968

The Group has entered into various leases in respect of property and office equipment as a lessee. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. Average lease term is generally between 2 to 10 years with interest rate of between 3% to 8.25%.

The Group has also entered into leases for short-term and low value assets such as office space, printers and coffee machines that are not accounted for through the Statement of Financial Position but instead expensed through the Statement of Comprehensive Income as they fall due. For the year ended 31 December 2024, £194,178 was expensed to the Statement of Comprehensive Income for short-term and low value assets (2023: £nil).

20. Subsidiaries

Parent

	Total £'000
Opening cost at 1 January 2024	491,152
Investment in Third Financial	67,927
Capital contribution in IFG UK Holdings (PAL)	17
Capital contribution in IFG UK Holdings (IPS Pensions)	24
Capital contribution in James Hay Holdings	829
Closing cost at 31 December 2024	559,949

The following is a list of the principal subsidiary undertakings of the Company:

Subsidiary	Principal activity	% of ordinary shares and voting rights held
Incorporated in the UK		
The IPS Partnership plc	Pensions administration and pension scheme administrators	100 (direct)
IPS Pensions Limited	Pension administration services	100 (direct)
James Hay Holdings Limited	Holding company	100 (direct)
IFG UK Group Holdings Limited	Holding company	100 (direct)
Nucleus Clyde Acquisition Limited	Holding company	100 (direct)
James Hay Wrap Managers Limited	Portfolio administration services for personal investments and small self-invested pension schemes	100 (indirect)
James Hay Administration Company Limited	Administration of self-invested personal pension schemes	100 (indirect)
Nucleus Financial Limited	Holding company	100 (indirect)
Nucleus Financial Services Limited	Provision of wrap administration services	100 (indirect)
Nucleus Group Services Limited (previously James Hay Partnership Management Limited)	Management company and service provider	100 (indirect)
Curtis Banks Limited	Provision of pension administration services	100 (indirect)
Talbot and Muir Limited	Provision of pension administration services	100 (indirect)
The Pension Partnership Limited*	Non-trading	100 (indirect)
Curtis Banks Group Limited	Provision of self-invested pension products	100 (indirect)
Registered office: Suite B & C, First Floor Milford House, 43-55 Milford Street, Salisbury, United Kingdom, SP1 2BP		
Rivergate Legal Limited**	Provision of legal services	100 (indirect)
Registered office: Fourth Floor, 1 Castle Park, Tower Hill, Bristol, England, BS2 0JA		
Suffolk Life Group Limited*	Holding company	100 (indirect)
Suffolk Life Annuities Limited	Provision of pension administration services	100 (indirect)
Suffolk Life Pensions Limited	Provision of pension administration services	100 (indirect)
Suffolk Life Trustees*	Non-trading	100 (indirect)
Registered office: 153 Princes Street, Ipswich, Suffolk, England, IP1 1QJ		

20. Subsidiaries (continued)

Subsidiary	Principal activity	% of ordinary shares and voting rights held
Dunstan Thomas Group Limited*	Holding company	100 (indirect)
Digital Keystone Limited*	Non-trading	100 (indirect)
Dunstan Thomas Holdings Limited*	Provision of IT product development and services	100 (indirect)
Dunstan Thomas Consulting Limited*	Non-trading	100 (indirect)
Platform Action Limited*	Non-trading	100 (indirect)
Registered office: Building 300, Lakeside North Harbour, Portsmouth, England, PO6 3EN		
Third Financial Services Limited	Software development	100 (direct)
Third Platform Services Limited	Model B clearing, custody and related services	100 (indirect)
Seguro Nominees Limited	Nominee company	100 (indirect)
Registered office: Birchin Court, Birchin Lane, London, England, EC3V 9DU		
Incorporated in Jersey		
James Hay Services Limited	Holding company	100 (indirect)
Registered office: Aztec Group House, IFC6, The Esplanade, St Helier, Jersey, JE4 0QH		
TPS Offshore (Jersey) Limited	Investment management	100 (indirect)
TPJ Nominees Limited	Nominee company	100 (indirect)
Registered office: Whiteley Chambers, Don Street, St Helier, Jersey, JE2 4TR		

* exempt from audit under the requirements of s.479A of the Companies Act 2006.

** company dissolved on 17 December 2024.

21. Investments

Financial assets at fair value through profit and loss at 31 December 2024

Group

	2024 £'000	2023 £'000
Fair value		
Equity and other variable yield securities	2,154,929	2,048,003
Debt securities and other fixed income securities	80,954	78,445
Total shares and securities	2,235,883	2,126,448
At cost	1,871,915	1,842,097
Movement in the year on total shares and securities		
	2024 £'000	2023 £'000
At 1 January 2024 / 30 September 2023	2,126,448	2,049,522
Additions	636,821	145,335
Disposals	(671,051)	(160,036)
Unrealised gains	143,665	91,627
At end of the year	2,235,883	2,126,448

21. Investments (continued)

The financial assets above are mandatorily classified and measured at fair value through profit or loss.

22. Trade and other receivables

Group

	2024 £'000	2023 £'000
Trade receivables	42,148	50,899
Less impairment allowance	(11,596)	(11,624)
Net trade receivables	30,552	39,275
Other receivables	12,794	10,125
Less impairment allowance	(48)	(84)
Net other receivables	12,746	10,041
Prepayments	6,442	6,566
Accrued income	41,242	47,028
Total trade and other receivables	90,982	102,910

The carrying value, less impairment allowance of trade and other receivables, approximates fair value.

As of 31 December 2024, the ageing of trade and other receivables and the lifetime ECL, excluding prepayments of £6,442k (2023: £6,566k) and policyholder gross amount of £18,612k (2023: £20,549k) and policyholder ECL of £9,299k (2023: £6,885k) is set out below:

At 31 December 2024					
Trade and other receivables					
£'000	Good quality	Satisfactory quality	Low quality	Credit impaired	Total
ECL %	0%	16%	40%	31%	3%
Gross carrying amount	69,239	4,055	1,700	2,578	77,572
Lifetime ECL	(229)	(635)	(683)	(798)	(2,345)
Total					75,227

At 31 December 2023					
Trade and other receivables					
£'000	Good quality	Satisfactory quality	Low quality	Credit impaired	Total
ECL %	4%	3%	24%	19%	2%
Gross carrying amount	74,057	5,490	3,626	4,330	87,503
Lifetime ECL	(2,992)	(167)	(858)	(806)	(4,823)
Total					82,680

23. Cash and cash equivalents

Group

	2024 £'000	2023 £'000
Cash at bank and in hand	147,447	150,137
Deposits with credit institutions	98,922	112,296
Cash equivalents	8,787	4,599
Total cash and cash equivalents	255,156	267,032

Parent company

	2024 £'000	2023 £'000
Cash at bank and in hand	16,463	42,384
Total cash and cash equivalents	16,463	42,384

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less.

24. Borrowings

Group

	2024 £'000	2023 £'000
Current		
Bank loans	13,195	13,330
Non-current		
Bank loans	18,890	18,811
Total borrowings	32,085	32,141

The bank borrowings are repayable as follows:

	2024 £'000	2023 £'000
Within 1 year	13,195	13,330
Between 1 and 5 years	12,109	12,325
After more than 5 years	6,781	6,486
	32,085	32,141

Bank loans are secured by legal charge over certain properties held within non-participating investments contracts.

Term finance comprises capital amounts outstanding on mortgages taken out over properties held in unit-linked policyholder funds. The mortgage over each such property is negotiated separately, varies in terms, and bears interest at fixed or floating rates that are agreed at the time of inception of the mortgage.

25. Lease liabilities

Group

	2024 £'000	2023 £'000
Current:	1,953	2,434
Non-current:	5,165	8,050
Lease liabilities	7,118	10,484

	2024 £'000	2023 £'000
Maturity analysis		
1 year or less	1,953	2,434
1-2 years	1,743	2,165
3-5 years	2,418	3,835
5 years	1,004	2,050
At 31 December	7,118	10,484

Principal cash outflow for leases accounted for under IFRS 16 for the year was £2,417k (2023: £2,770k).

26. Other liabilities

Group and parent company

	2024 £'000	2023 £'000
Contingent consideration liability	6,034	-
Withheld liability	1,417	-
Deferred remuneration	1,096	-
Total other liabilities	8,547	-

All of the Other liabilities relate to the acquisition of Third Financial Software Limited. Refer Note 40 for further details.

27. Trade and other payables

Group

	2024 £'000	2023 £'000
Trade and other payables	33,646	25,434
Accruals	16,841	24,167
Deferred income	42,872	41,199
PAYE and social welfare	1,848	2,470
Value added tax	2,513	2,568
Total trade and other payables	97,720	95,838

27. Trade and other payables (continued)

Parent company

	2024 £'000	2023 £'000
Accruals	6	202
Other creditors	1	52
Total trade and other payables	7	254

The carrying value of creditors approximates fair value.

28. Provisions for other liabilities

Group

	Complaints & pricing £'000	Legal remediation & sanction £'000	Share incentive plan £'000	Dilapidations £'000	Total £'000
At 1 January 2023	799	661	455	842	2,757
Acquisition of subsidiary	-	464	-	-	464
Provision movement in the year	1,677	14,824	-	220	16,721
Utilised during the year	(887)	(129)	(191)	-	(1,207)
At 31 December 2023	1,589	15,820	264	1,062	18,735
Provision movement in the year	840	1,156	-	199	2,195
Utilised during the year	(1,697)	(5,386)	(167)	-	(7,250)
At 31 December 2024	732	11,590	97	1,261	13,680

Provisions relate to management's best estimate of potential future costs the Group and Company may incur in relation to the resolution of issues, including customer complaints and errors and sanctions.

Complaints and pricing relate to circumstances where the Group remediates clients affected by errors on the platform and calculates any amounts due in line with guidance given by the Financial Ombudsman Service in respect of the type of client loss, distress and inconvenience for which clients should be compensated. Where actual trading losses are suffered by clients, these are calculated in accordance with MiFID II best execution rules to ensure clients are restored to the position they would have been in had the error or omission not been made.

Legal remediation and sanction costs relate to the resolution of issues found during the Company's review of legacy products and include amounts in relation to Non-Standard Investments. Further detail on how these amounts have been calculated can be found in Note 5.

Provisions for share incentive plans relate to LTIPs awarded to the Company's employees where the Company is liable to pay employers' NIC when the LTIP awards are due to be paid.

The dilapidations provision relates to the Group's office premises. This is calculated using the Building Cost Information Service survey (part of the Royal Institution of Chartered Surveyors) of average settlement figures for offices, adjusted for inflation, and the square footage of the Group's leasehold premises.

29. Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurements are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflects the Group's view of market assumptions in the absence of observable market information. The Group utilises techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

The levels of fair value measurement bases are defined as follows:

Level 1: fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair values measured using valuation techniques for all inputs significant to the measurement other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: fair values measured using valuation techniques for any input for the asset or liability significant to the measurement that is not based on observable market data (unobservable inputs).

The following table present the Group's financial investments and investment property by IFRS13 hierarchy levels:

	Total	Level 1	Level 2	Level 3
As at 31 December 2024	£'000	£'000	£'000	£'000
Non-participating investment contracts				
Equity securities	2,154,929	2,112,137	21,643	21,149
Debt securities and other fixed income securities	8,787	8,030	757	-
Cash equivalents	80,954	64,005	15,247	1,702
Investment property	1,118,765	-	-	1,118,765
Total financial investments and investment property	3,363,435	2,184,172	37,647	1,141,616

	Total	Level 1	Level 2	Level 3
As at 31 December 2023	£'000	£'000	£'000	£'000
Non-participating investment contracts				
Equity securities	2,048,003	2,014,023	25,303	8,677
Debt securities and other fixed income securities	78,445	65,185	12,695	565
Cash equivalents	4,600	3,969	631	-
Investment property	1,075,300	-	-	1,075,300
Total financial investments and investment property	3,206,348	2,083,177	38,629	1,084,542

29. Fair value hierarchy (continued)

Level 3 assets comprise both property and unquoted equities, the latter including investments in private equity, investment properties and suspended securities. Level 3 assets represent a very small proportion of assets to which shareholders are exposed, with the majority being held within non-participating investment contracts.

In many situations, inputs used to measure the fair value of an asset or liability may fall into different levels of the fair value hierarchy. In these situations, the Group determines the level in which the fair value falls based upon the lowest level input that is significant to the determination of the fair value. As a result, both observable and unobservable inputs may be used in the determination of fair values that the Group has classified within level 3.

The Group determines the fair values of certain financial assets and liabilities based on quoted market prices, where available. As appropriate, fair values reflect adjustments for counterparty credit quality, the Group's credit standing, liquidity and risk margins on unobservable inputs.

Where quoted market prices are not available, fair value estimates are made at a point in time, based on relevant market data, as well as the best information about the individual financial instrument. Illiquid market conditions have resulted in inactive markets for certain of the Group's financial instruments. As a result, there is generally no or limited observable market data for these assets and liabilities. Fair value estimates for financial instruments deemed to be in an illiquid market are based on judgments regarding current economic conditions, liquidity discounts, currency, credit and interest rate risks, loss experience and other factors. These fair values are estimates and involve considerable uncertainty and variability as a result of the inputs selected and may differ significantly from the values that would have been used had a ready market existed, and the differences could be material. As a result, such calculated fair value estimates may not be realisable in an immediate sale or settlement of the instrument. In addition, changes in the underlying assumptions used in the fair value measurement technique could significantly affect these fair value estimates.

	Total £'000	Equity securities £'000	Level 3 Debt securities £'000	Investment property £'000
At 1 January 2024	1,084,542	8,677	565	1,075,300
Total profit/ (losses) for the year recognised:				
In Statement of Comprehensive Income	(7,145)	(3,525)	(263)	(3,357)
Purchases/ additions	90,666	-	-	90,666
Disposals	(43,844)	-	-	(43,844)
Transfers into level 3	18,133	16,733	1,400	-
Transfers out of level 3	(735)	(735)	-	-
At 31 December 2024	1,141,617	21,150	1,702	1,118,765

29. Fair value hierarchy (continued)

	Total £'000	Equity securities £'000	Level 3 Debt securities £'000	Investment property £'000
At 1 January 2023		-	-	-
Curtis Banks Group acquisition	1,107,101	11,203	1,281	1,094,617
Total profit/ (losses) for the year recognised:				
In Statement of Comprehensive Income	(23,220)	(2,647)	(716)	(19,857)
Purchases/ additions	20,561	-	-	20,561
Disposals	(20,021)	-	-	(20,021)
Transfers into level 3	121	121	-	-
Transfers out of level 3	-	-	-	-
At 31 December 2023	1,084,542	8,677	565	1,075,300

Transfers out of level 3 relate to assets held for which observable inputs subsequently became available. Transfers into level 3 relate to assets formerly categorised as level 1 or level 2 assets. This is principally due to assets becoming illiquid or suspended from trading meaning that observable inputs are no longer available.

Effect on changes in significant unobservable inputs (level 3) to reasonably possible alternative assumptions

Fair values of financial instruments are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by prices from observable current market transactions in the same instrument and are not based on observable market data. The following table shows the level 3 financial instruments carried at fair value as at the balance sheet date, the valuation basis, main assumptions used in the valuation of these instruments and reasonably possible increases or decreases in fair value based on reasonably possible alternative assumptions.

As at 31 December 2024	Reasonable possible alternative assumptions		
	Current fair value 2023 £'000	Increase in fair value 2023 £'000	Decrease in fair value 2023 £'000
Assets			
Suspended securities ¹	6,100	305	(305)
Unquoted investments ¹	16,752	838	(838)
Investment property ²	1,118,765	55,938	(55,938)
Total	1,141,617	57,081	(57,081)

As at 31 December 2023	Reasonable possible alternative assumptions		
	Current fair value 2023 £'000	Increase in fair value 2023 £'000	Decrease in fair value 2023 £'000
Assets			
Suspended securities ¹	4,601	230	(230)
Unquoted investments ¹	4,642	232	(232)
Investment property ²	1,075,300	53,765	(53,765)
Total	1,084,543	54,227	(54,227)

29. Fair value hierarchy (continued)

1. Values are based on estimate of market price. Sources used in deriving these estimates include the last traded price between a buyer and a seller, brokers providing a matched bargain facility or a company's audited financial statements, if available.
2. Valued using professional specialist property third party indexation data and indexation from the last valuation.

A factor of 5% has been used as the reasonably possible alternative assumption. Any changes in the value of assets held within non-participating investment contracts are offset by an equal and opposite change in investment contract liabilities.

The Group has also recognised a contingent consideration liability of £6,034k (2023: £nil) which is classified as level 3 in the fair value hierarchy. The fair value of the contingent consideration is determined by the level of Platform revenue earned in Third Financial and can range from £nil to £8,718k. The fair value is measured using a probability weighted discounted cash flow model and contains level 3 unobservable outputs, predominately a discount factor applied to the platform revenues of Third Financial. Refer Note 40 for further details.

30. Non-participating investment contract liabilities

All amounts within this note relate to the Group only. There are no non-participating investment contract liabilities within the Company.

Analysis of investment contract liabilities

Investment contract liability provisions for linked liabilities are detailed below. There are no reinsurance amounts (2023: £nil). For each linked SIPP the Group provides, there is a separate internal fund. Where the Group provides a Trustee Investment Plan or Group Management Fund, there are a number of separate internal funds.

	2024 £'000	2023 £'000
As at 1 January 2024 / 26 September 2023	3,460,226	3,402,528
Reserves in respect of new business	174,558	30,353
Amounts paid on surrender and maturities during the year	(313,028)	(72,961)
Investment income	316,365	110,126
Expenses	(38,188)	(9,820)
As at 31 December	3,599,933	3,460,226

These relate to:

	2024 £'000	2023 £'000
Self-invested Personal Pensions	2,532,456	2,457,232
Group Managed Funds - Trustee Investment Plans	23,200	31,215
Group Managed Funds	26,805	29,442
Trustee Investment Plans	1,017,472	942,337
As at 31 December	3,599,933	3,460,226

Assets held to cover non-participating investment contracts are detailed under separate notes to the Financial Statements.

30. Non-participating investment contract liabilities (continued)

Investment contract liabilities – investment income

	2024 £'000	2023 £'000
Rent receivable	80,850	22,997
Interest receivable	9,650	2,499
Investment and other income	40,497	8,621
Realised gain on investment	41,126	1,519
Unrealised gains on investments	144,242	74,490
	316,365	110,126

Investment contract liabilities – expenses

	2024 £'000	2023 £'000
Investment management fees	13,371	3,019
Adviser fees	307	97
Management charges	7,604	1,789
Bank fees and charges	154	19
Professional fees and sundries	14,029	2,777
Bad debts	2,481	1,463
Interest payable on bank loans and overdrafts	242	656
	38,188	9,820

Reserves in respect of new business

	2024 £'000	2023 £'000
Gross Premiums		
Periodic premiums relating to Self-Invested Personal Pensions	1,870	462
Single premiums relating to Self-Invested Personal Pensions	67,273	12,406
Single premiums relating to Group Managed Funds - TIPs	1,742	895
Single premiums relating to Group Managed Funds	679	-
Single premiums relating to Trustee Investment Plans	102,994	16,590
	174,558	30,353

Amounts paid on surrenders and maturities during the year

	2024 £'000	2023 £'000
Gross claims paid		
Lump sums on death	34,906	2,270
Lump sums on pensions vesting	26,513	2,137
Income withdrawals	33,944	7,362
Annuities purchased	2,695	927
Transfers out	205,114	60,265
Surrenders of managed funds - Trustee Investment Plans	9,856	-
	313,028	72,961

31. Share capital

Ordinary shares of £1 each	2024 £'000	2023 £'000
Allotted, called up and fully paid:		
Ordinary shares	156,290	156,290
At 31 December	156,290	156,290

Group & Parent company

Ordinary shares of £1 each	No of shares	Par value £'000	Share capital £'000	Share premium £'000
At 1 January 2023	156,289,609	156,290	156,290	-
Issued and subscribed	2	-	-	300,000
At 31 December 2023	156,289,611	156,290	156,290	300,000
Issued and subscribed	2	-	-	50,833
At 31 December 2024	156,289,613	156,290	156,290	350,833

32. Other reserves

Group

	Capital redemption reserve £'000	Other reserves £'000	Total £'000
At 1 January 2023	15,000	1,582	16,582
Movement in year	-	1,925	1,925
At 31 December 2023	15,000	3,507	18,507
Movement in year	-	9,279	9,279
At 31 December 2024	15,000	12,786	27,786

Parent company

	Capital redemption reserve £'000	Other reserves £'000	Total £'000
At 1 January 2023	15,000	4,537	19,537
Movement in year	-	1,925	1,925
At 31 December 2023	15,000	6,462	21,462
Movement in year	-	9,279	9,279
At 31 December 2024	15,000	15,741	30,741

Other reserves relate to the share of the fair value of employee services received in exchange for equity instruments granted by the ultimate parent, Plutus Topco Limited.

33. Share-based payments

The Group's ultimate parent company, Plutus Topco Limited, operates the following management incentive plans which entitle selected employees to participate in the value of the Group in exchange for providing employee services, linked to the value of certain shares issued by Plutus Topco Limited.

All schemes are treated as equity-settled schemes in the Group's financial statements due to the Group having no obligation to settle the share-based payment transactions on behalf of Plutus Topco Limited who issues its own equity instruments.

Growth Share ("G Share") Awards Granted to Senior Management ("G Share Scheme")

The G Share Scheme grants selected employees the right to acquire G Shares issued by Plutus Topco Limited in exchange for services to the Group. These shares convey the right for holders to participate in the returns generated in an exit event, to the extent that the returns exceed a specific financial hurdle. The value of the award is directly based on the value of the underlying G Share issued by Plutus Topco Limited.

The award is subject to two sets of vesting conditions, Time Vesting (80% of the award value over a four-year period) and Exit Vesting (20% of the award value at the exit date). The entitlement of the award is also triggered by the leaver status of the individual. Based on management assumptions, the award is treated in two tranches, (1) 80% vesting over a four-year period from the grant date and (2) 20% vesting over the period from the grant date to an exit event. At the inception of the scheme in September 2022, the vesting period was estimated to be 75 months. Management continues to reassess these assumptions regarding the leaver status and vesting period.

G Shares were purchased by cash and proceeds of limited recourse loans thus for those purchased by means of a limited recourse loan, the strike price is equal to the expected value of the limited recourse loan at the exercise date. Plutus Topco Limited has the option to repurchase the shares from a leaver who holds G Shares.

The Group continues to recognise this scheme as equity-settled share-based payment transactions and a share-based payment charge will be recognised based on the grant-date fair value of the awards, spread over the vesting period with a corresponding credit in equity.

Ordinary Share Awards Granted to Senior Management ("Ordinary Share Scheme")

Eligible employees acquired additional ordinary shares from leavers of the business during the year and were treated as share-based payment transactions due to the value of the shares purchased and the eligibility of the employees who can purchase the shares. There are no vesting conditions and therefore the full fair value of the shares is recognised at the grant date as an IFRS 2 share-based payment charge on the initial grant date with a corresponding increase in equity. Ordinary shares were purchased by cash and proceeds of a limited recourse loan therefore the fair value of the award is adjusted for the value of the limited recourse loan.

Senior Leadership Long-Term Incentive Plan ("LTIP")

Senior leaders in the business are granted units in an employee benefit trust ("EBT") that holds 10% of Plutus Topco Limited G Shares. These shares are not allocated to specific individuals. During the life of the scheme, points are awarded to individuals and on an exit event the G-shares will be shared amongst the participants in proportion to the points they have accumulated.

33. Share-based payments (continued)

Movements during the year

The total expense arising from share-based payment transactions was £9,279k (2023: £1,926k). There were no cancellations or modifications to the awards in 2024 or 2023.

The ordinary shares and G Shares are valued using a binomial method using inputs of current equity value, risk-free rate, volatility and time variables. The fair value of the awards is also adjusted for any loans issued by Plutus Topco Limited to the employees to purchase the shares.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

G Shares

	2024 Number	2024 WAEP	2023 Number	2023 WAEP
Outstanding at 1 January	16,400,000	0.69	18,200,000	0.69
Granted during the year	9,200,000	0.73	800,000	0.69
Exercised during the year	(396,879)	0.69	(554,360)	0.69
Forfeited during the year	(1,403,121)	0.69	(2,045,640)	0.69
Outstanding at 31 December	23,800,000	0.70	16,400,000	0.69

The fair value of the G shares at each grant date was estimated using a binomial tree model. The assumptions used in the models were:

	31 Dec 2024	31 Dec 2023
Expected volatility (%)	35.0 - 40.0	35.0
Risk-free interest rate (%)	3.8 - 4.3	3.4 - 3.6
Expected life of options (years)	4 - 4.9	5 - 6.3
G share value (per share)	0.21 - 1.94	0.87 - 1.4

Selected volatility is based on the re-levered historical equity volatility of the Group.

Ordinary shares

Prior to 1 January 2024, the issuance of ordinary shares was not in the scope of share-based payment transactions. During 2024, 1,900k ordinary shares were granted and met the criteria to be treated as share-based payments. No shares were forfeited during the year.

The fair value at the grant date was £0.14 per share for shares purchased from cash and £0.76 for shares funded by a limited recourse loan. The weighted average fair value was £0.45. During the year, 1,050k shares were exercised.

33. Share-based payments (continued)

Ordinary shares (continued)

The fair value of the ordinary shares at 30 June 2024 was estimated using a binomial tree model. The assumptions used in the model were:

	2024
Expected volatility (%)	40.0
Risk-free interest rate (%)	4.2
Expected life of options (years)	4.5
Ordinary share value (per share)	1.42
Ordinary share value net of loan (per share)	0.96

Selected volatility is based on the re-levered historical equity volatility of the Group.

34. Retained earnings

Group

	2024 £'000	2023 £'000
At 1 January	72,236	47,110
Profit for the year	57,954	44,526
Dividends paid	-	(19,400)
At 31 December	130,190	72,236

Parent company

	2024 £'000	2023 £'000
At 1 January	60,558	73,996
Profit for the year	5,680	5,962
Dividends paid	-	(19,400)
At 31 December	66,238	60,558

The dividend per share is £nil (2023: £0.12).

35. Related party transactions

Transactions with Directors, key management personnel and their connected persons

Key management personnel are defined as the Directors of the Group, the Board and Executive Committee of the Company.

Group

	2024 £'000	2023* £'000
Wages and salaries	3,414	2,895
Redundancy and related costs	-	3
Pension costs - defined contribution plans	65	46
Share based payment costs	6,193	1,120
Total	9,672	4,064

*2023 restated to include share-based payment costs relating to key management personnel. These costs were incorrectly omitted in the prior year.

35. Related party transactions (continued)

There were no related party transactions during the year, or existing at the balance sheet date other than those disclosed below with related parties or the parent Company's key management personnel.

All balances and transactions with the Company and subsidiary entities have been eliminated on consolidation and are therefore not shown in this note.

Transactions with related parties

At the year end, the Group had the following balances with entities with significant influence over the Group:

Receivable/ (liability)	2024 £'000	2023 £'000
SaintMichelco Limited	(6,806)	(6,830)
IFG Group Limited*	5,859	4,938
Plutus Topco Limited	3,991	(1,275)
Plutus Bidco Limited	88,929	22,735
LaRousseCo Limited	170	152
LarvottoCo Limited	44	27
MontecarloCo Limited	47	34
Plutus Holdco Limited	47	29
Plutus Midco Limited	47	29
Total receivable	92,328	19,839

*Immediate parent company

Included in the table above an amount of £33,533k was paid from the Company to an intermediate holding company on 19 December 2024. On 28 March 2025 £10,090k was repaid, with the remaining balance outstanding to be recovered in future months.

The amounts due from and to entities with significant influence relate to transactions from recharges, loans, dividends and other related business transactions and are unsecured, non-interest bearing and repayable on demand. There are no loss allowances on the balances as the probability of default is negligible.

At the year end, the Group had the following balances with associates:

Receivable/ (liability)	2024 £'000	2023 £'000
IFG GRP UK Limited	2,388	2,398
IFG Securities Limited	568	437
Total receivable	2,956	2,835

35. Related party transactions (continued)

At the year end, the Company had the following balances with subsidiaries:

Receivable/ (liability)	2024 £'000	2023 £'000
Nucleus Group Services Limited	(43,988)	(32,331)
James Hay Holdings Limited	(13)	-
James Hay Wrap Managers Limited	1,000	19
Nucleus Financial Services Limited	(2,085)	402
The IPS Partnership PLC	(110)	23
IPS Pensions Limited	(173)	32
James Hay Administration Company Limited	(2,717)	526
Curtis Banks Group Limited	-	24,890
Total liability	(48,086)	(6,439)

At the year end the Company had a balance of £84,257k receivable (2023: £11,864k receivable) from associates and entities with significant influence over the Company.

The amounts due from and to subsidiaries and related parties relate to transactions from recharges and other related business transactions and are unsecured, non-interest bearing and repayable on demand. There are no loss allowances on the balances as the probability of default is negligible.

36. Pensions and other post-retirement benefits

The Group operates a defined contribution pension scheme. The pension charge represents the amounts payable by the Group to the scheme in respect of the year and contributions are recognised as an expense when they are due. Once the contributions have been paid, the Group has no further payment obligations. The assets of the scheme are held separately from those of the Group in an independently administered fund.

The Group recognised an amount of £5,545k (2023: £4,007k) as an expense for these contributions which is included in staff costs in the Statements of Comprehensive Income. At 31 December 2024 contributions payable by the Group totalling £19k (2023: £80k) were due to the scheme.

37. Commitments and contingencies

Given the nature of the business the Group undertakes, it may from time to time receive complaints against it. The Group has procedures in place to assess the veracity of the claims and provisions that have been made to cover its best estimate of the exposure in respect of these matters, which requires significant judgement and subjective assumptions. As at 31 December 2024 the Group recognised a contingent liability of £1.6m (2023: £3.4m) in relation to Non-Standard Investments. Note 5 on pages 64 to 67 provides further detail on the nature of this contingent liability.

No provisions have been recorded for other contingencies, as the Group's obligations under them are not probable and a reliable estimate cannot be established.

38. Cash generated from operations

	2024 £'000	2023 £'000
Profit on ordinary activities before tax	50,325	46,971
Depreciation and amortisation	20,229	10,283
Loss on disposal of tangible fixed assets	75	42
Gain on disposal of intangible assets	(151)	-
Gain / (loss) on disposal of right-of-use assets	(188)	5
Revaluation (gains) / losses on platform funding	(8)	(9)
Fair value losses / (gains) on financial investments	(143,665)	(91,627)
Fair value losses / (gains) on investment properties	3,357	19,857
Net interest (income) / cost	(6,463)	(2,370)
Staff costs share based payments	9,279	1,926
(Decrease) / increase in other liabilities	4,589	-
Decrease / (increase) in trade and other receivables	19,393	(22,397)
(Decrease) / increase in current liabilities and provisions	(12,718)	25,722
Cash outflows from operations	(55,946)	(11,597)

39. Significant events after the balance sheet date

There were no other subsequent events that required adjustment to or disclosure in the financial statements for the period from 31 December 2024 to the date upon which the financial statements were available to be issued.

40. Acquisition of subsidiaries

On 30 June 2024, the Company purchased 100% of the issued share capital of Third Financial Software Limited. Third Financial Software Limited, together with its subsidiaries, is a fast-growing investment platform and software provider. The acquisition enables the Group to further expand its 'adviser-as-a-platform' proposition, offering a complete range of platform, product and software solutions for advisory businesses and consolidators, as well as discretionary fund managers ("DFMs").

It's fully aligned with Nucleus' strategy of building scale so it can continue investing in product, service and price, while Third Financial will benefit from the financial strength, opportunities and capabilities of the wider Nucleus group.

At the acquisition date the consideration, net assets acquired and resulting goodwill were as follows:

	2024 £'000
Cash consideration	63,969
Fair value of contingent consideration	2,541
Withheld liability	1,417
	67,927
Less: Provisional fair value of net assets acquired	(46,147)
Goodwill arising on acquisition	21,780

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below.

40. Acquisition of subsidiaries (continued)

	Total £'000
Non-current assets	
Intangible assets	50,720
Property, plant and equipment	51
Current assets	
Trade and other receivables	7,457
Bank and cash	9,200
Current liabilities	
Trade and other payables	(9,350)
Non-current liabilities	
Deferred tax liabilities	(11,931)
Net assets acquired	46,147

The cash outflow shown in the Consolidated Cash Flow Statement of £54,769k comprises cash consideration of £63,969k less cash and cash equivalents of £9,200k.

The fair value of contingent consideration relates to the non-management vendors portion of the earnout and has been calculated by reference to Platform revenue and could range from £nil to £8,718k. It's measured and paid out if certain hurdles, as detailed as part of the purchase agreement are met and based on the audited accounts at 31 December 2024 and 31 December 2025 with payout at an agreed date after. The liability will be fair valued at each reporting date.

There is also a management vendors portion of the earnout, which has been treated as deferred remuneration as it is conditioned on the management vendors remaining in the firm or being a good leaver. As at 31 December 2024, it was valued at £641k and is included in Other Liabilities. This value could range from £nil to £1,282k. The revenue hurdle based on the audited accounts as at 31 December 2024 was met, and consequently £5,000k was paid to management and non-management vendors.

The withheld amount is released on the third anniversary of the completion date and could range from £nil to £1,417k. The liability will be fair valued at each reporting date.

Intangible assets acquired in the business combination consist of Technology, Customer relationships and Brand:

- The technology intangible asset relates to Third's internally developed software, and has been valued using the multiple period excess earnings method with an estimated useful economic life of 8 years as at the acquisition date.
- The customer relationship intangible asset has been valued using the Multiple period excess earnings method. The useful economic life is 12.5 years as at the acquisition date.
- The brand intangible asset relates to the Third brand and has been valued using the Relief from royalty approach with an estimated economic useful life of 10 years as at the acquisition date.

40. Acquisition of subsidiaries (continued)

The goodwill arising on the acquisition is mainly attributable to:

- Third's ability to leverage its current service offering by expanding proposition for new advisers and wealth managers in the long-term;
- The ability to generate cash flows beyond the forecast period captured within the acquired technology useful economic life of 8 years; and
- The assembled workforce.

The goodwill has been allocated to the Third cash generating unit. The goodwill is expected to be deductible for tax purposes.

Included in the deal there is an amount of deferred consideration to be paid at 31 December 2026. The payment is conditioned on the management vendors remaining in the firm or being a good leaver. Reflecting this, the deferred consideration is treated as remuneration and does not fall within the fair value treatment under IFRS 3, and hence does not form part of the consideration. A liability of £455k has been recognised as at 31 December 2024 for the charge for the 6 months and is included in Other Liabilities.

The amount of revenue and profit for the financial year contributed to the Group's consolidated income statement for the year ended 31 December 2024 from the acquired Third business were £9,426k and £1,810k respectively. The profit contributed excludes amortisation of intangibles acquired through business combinations. If the acquisition had occurred on 1 January 2024, the Group's total revenue for the year would have increased by £8,538k to £226,076k and the profit for the financial year would have increased by £1,249k to £59,239k.

41. Parent undertaking and controlling party

The Company's immediate parent company is IFG Group Limited, a company incorporated and registered in the Republic of Ireland and its ultimate parent company is Plutus Topco Limited, a company incorporated and registered in Jersey. The Group is also a member and forms part of the Group Financial Statements drawn up by Plutus Topco Limited. Plutus Topco Limited is the investment vehicle through which shareholders hold their investments in the Group. HPS Investment Partners, LLC, a company incorporated and registered in Delaware, US manages the seven HPS funds which hold shares in Plutus Topco Limited. HPS Strategic Investment Partners V Offshore GP, LP controls as general partner SIP V Mezzanine Master, L.P. and HN SIP V Co-Investment Fund, L.P. HPS Strategic Investment Partners V GP, L.P. controls as general partner SIP V AP Mezzanine Master, L.P. and SIP V Onshore Mezzanine Master, L.P. HPS SIP V Europe GP Lux Sarl controls as general partner HPS A SIP V Co-Investment Fund, SCSp. HPS GP, LLC controls as general partner HPS OH Co-Investment Fund, L.P and HPS Mezzanine Partners 2019 GP, L.P. controls as general partner HPS VG Co-Investment Fund, L.P.

Copies of the consolidated Financial Statements, which include the results of the Group, are available from the Company Secretary, Plutus Topco Limited. Registered office: Mourant Secretaries (Jersey) Limited, 22 Grenville Street, St Helier, Jersey, JE4 8PX.



www.nucleusfinancial.com

"Nucleus" is the trading name for Nucleus Financial Platforms Limited (registered in England, number 06033126, whose registered address is at Suite B & C, First Floor, Milford House, 43-55 Milford Street, Salisbury, SP1 2BP) and its group. Further details of the Nucleus Group can be found at nucleusfinancial.com (12/24)